

Winning with eBay Motors

**Exclusive Whitepaper** 

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### eBay Motors - The Facts

Every day, around a thousand cars and trucks sell on eBay Motors. Many auto dealers shy away from listing on eBay, even though it's possibly the best and most trusted source of leads in the automotive market. There's simply no better way to showcase your inventory to a national market for such a low fee.

#### Let's take a look at a few eye-opening statistics:

- Over 4,200,000 vehicles have sold on eBay to date
- 14 million unique visitors shop on eBay Motors every month
- A vehicle is sold on eBay every 90 seconds
- Each unique visitor averages 45 minutes on the site
- 24% of all time spent on automotive websites is spent on eBay Motors
- 74% of vehicles sold on eBay are interstate transactions (buyers from different states than sellers)
- AutoRevo's most successful dealers attribute 30-40% of monthly sales to their eBay Motors strategy

#### Integration is Key

To be truly successful at selling vehicles on eBay Motors, you need to use a provider with eBay integration - it simply takes too much time and effort to post everything manually. Using a provider's posting template will not only save valuable time, using a provider is the only way to capture complete contact information (name, phone, email, address) for every bidder. A custom posting template that matches the look and feel of your dealer website also creates a better customer experience and builds your brand.

**REMEMBER:** eBay Motors has the potential to be your most successful advertising channel and if you're using a provider with eBay integration, you can capture complete contact information on every bidder.

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### Merchandising Tips

Take a step back and look at your listing like a potential bidder. Competition is fierce so you need to make sure your listing stands out. Here are some merchandising tips that will help you get better results.

#### Are your pictures telling the right story?

A little bit of thought and effort can go a long way when you're taking pictures of your vehicle. The most successful eBay dealers have a dedicated space on their lot, or even a photo studio set up inside their building. Your vehicle needs to be isolated on a background that isn't distracting. Also, make sure you include <sup>3</sup>/<sub>4</sub>-angle shots from all sides — these shots are more dynamic and create more interest. Your listing will have less energy if you only take straight-on pictures. Finally, take the time to frame your images correctly - don't cut off the edge of your car.

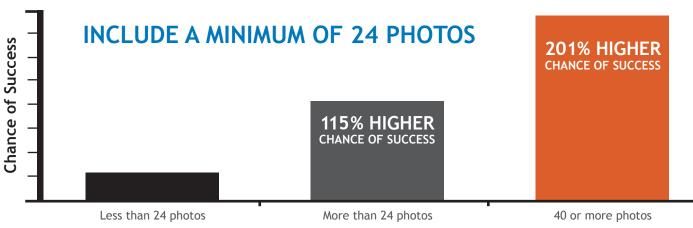
#### Look at these two examples:

Which truck would YOU call on? Which do you think will get the best offer?





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#### Number of photos in the listing

The number of photos you display has a proven effect on the success of your listing on eBay Motors. Listings with more than 24 photos have a 115% higher chance of success than a listing with less than 24 photos. Listings with 40 or more photos have a 75% higher chance of success than listings with fewer than 40. This makes sense. eBay buyers are typically buying a vehicle without seeing it in person. The more photos you post, the more comfortable the customer will feel buying the vehicle.

Since you're trying to make your potential buyers feel comfortable bidding on a vehicle they haven't seen in person, you should be as thorough as possible. If there's a scratch or a dent, take a picture of it - don't try to hide it. It will come out in the end and will only damage your reputation.

Make sure you include pictures of each of the following:

- All options
- Dash
- Odometer
- VIN
- Owners manual

#### \*Check out Appendix A for our suggested optimum photo order

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### Do You Like Youtube Videos? So Do Your Prospects.

Pictures can be edited - but you can't airbrush a video. Videos give a huge boost to customer confidence. Shoot a "virtual walkaround" of the vehicle against a simple background. Walk around the vehicle and show the entire exterior, then show everything on the interior. Narrate it as you're moving and point out important features and accessories. Make sure to mention your phone number several times, as well.

Remember, most eBay buyers are out-of-state and you want them to feel confident enough to buy your vehicle without seeing it in person. A well-done video helps a potential buyer really see the vehicle. Be completely transparent and show any blemishes or issues.



### Videos are a huge boost to customer confidence.

#### Business Cards Make a Difference - Even on eBay





800.555.1234 bill@yourdealership.com

We're dedicated to selling the highest quality pre-owned vehicles on eBay, and we've got over 1,400 positive feedback responses to prove it. Create a digital business card and include it with every listing. A digital business card lets buyers see who you are, which helps build confidence in buying from your dealership. Again, you're trying to stand out and be unique, so SHOW potential bidders why they should buy from you.

### Don't Lose Them at "Hello"

Yes, most people go straight to the pictures - but that doesn't mean you can ignore the text description. The vehicle description is a vital part in creating trust with potential buyers. You should describe the vehicle in detail, point out any flaws, and promote special offers or shipping arrangements. A well-written description will win out over a short blurb every time.

Once again, take a step back and look at your description as a potential buyer. Is everything clear? If it's too short, does it look like you're hiding something? Would you feel comfortable bidding on the vehicle just from reading the description?

Here's what you should include in every vehicle description:

- 1. First paragraph what is the vehicle? Make, model, year, mileage, condition.
- 2. Second paragraph why is this vehicle special? Options, VHR.
- 3. Price support low reserve, price, special financing.
- 4. Who are you and how do they reach you? Location, phone, email, website.
- 5. Why is your dealership special? Tagline, years in business, customer referrals.

You've got to make your description interesting and unique. Write about your vehicle like you're putting it on a dating site - not like you're putting it on AutoTrader.

#### \*Check out Appendix B for a sample eBay description

#### What's in a Name? Everything.

Your vehicle title is one of the most important pieces of the eBay Motors puzzle. You've got to be as descriptive as possible in the few of characters allowed. Buyers are on eBay looking for a specific vehicle so make it easy for them to find exactly what you're offering.

#### 2008 Cadillac Escalade (BAD TITLE) VS. 08 Cadillac Escalade AWD 4DR LOADED SUV WAGON NAV SUNROOF (GOOD TITLE)

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Take a step back and look at your titles from a different perspective. If you were going to search eBay for a specific vehicle, what would you type in to search for that vehicle? Those are the terms you'll need to put in your vehicle titles.

Also, keep these tips in mind when you're writing your vehicle titles:

- Write longer titles
- Use key search words (AWD, 4WD, 2DR, 4DR, etc)
- List major options (if you can fit them, show them off)
- DON'T use L@@K, W@W, or !!!!!!
- DON'T repeat words

### The Price Must Be Right

There are four options for listing vehicles on eBay Motors:

- Auction
- Auction with Buy It Now
- Fixed Price (Buy It Now only)
- Buy It Now or Best Offer

Your starting price is extremely important. A lower price gets buyers to start bidding sooner and the quicker the bidding starts, the better your chances are of achieving a high selling price.

Most successful dealers set up a 7-day auction with a starting price of \$100 and the reserve set to the full sticker price. Remember, you want to encourage bids to drive up the auction price. If you start your auction at only a few hundred below your reserve, you won't generate many bids.

Make sure your pricing is consistent across ALL your web properties. Your "Buy It Now" price on eBay should be the same as the price listed on your dealership's website. It's common for potential buyers to leave eBay and look your dealership up on Google. Nothing will blow a potential buyer's trust more than seeing the same vehicle listed for a few thousand dollars less on your website.

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### Get an Extra 5-6 Bids with Every Auction

If you're not a seasoned eBay Motors veteran, this is the most important bit of information we can offer: if you run a standard auction with your starting price set to \$100, then lower your reserve, every bidder will receive an email with the update. Think about it - it's a guaranteed way to contact every bidder on the vehicle and remind them what a great deal you're offering.

The best time to make these pricing changes is every 3 days, and 25 hours before the auction ends (eBay won't let you change the price within the last 24 hours through a service provider). It doesn't matter how much you lower the price. eBay sends the same email whether the price drops \$1 or \$1,000. It's only important to lower the price so that every bidder gets an email notice. This repricing strategy averages an increase of 5-6 bids per listing AND increases the probability that the listing will be successful by 50%.

#### **Understand How eBay Ranks Listings**

It's important to understand how eBay Motors displays and ranks vehicle listings on the search results pages. The new algorithm used by eBay will use three criteria to determine where your listing will show up for specific vehicle searches:

- The price of your auction
- The number of bids for your listing
- Your Top-Rated Seller status, if you have one (achieved by selling 40 cars a year)

All three of those criteria are used to determine how close to the top of the results page your listing is displayed. For example, if you were to run a fixed price listing (a Buy It Now only), you would have a high price and zero bids or offers... so your listing would automatically show up at the bottom of the list.

For optimum placement in the search results, you should run a standard auction with a starting price of \$100 WITHOUT a Buy It Now. Your auction starting price starts low but you'll generate a much higher number of bids, so you'll show up higher in the results pages.

Another way to show up higher in the search results is to pay \$25 for a Featured Plus listing. We recommend this feature to all of our dealers, as it results in better placement and averages twice as many listing views as standard auctions.

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#### For Most Buyers, eBay is a Scary Place

It's easy to forget that most eBay buyers have never bought a vehicle on eBay before. Think about it - most people only buy 4 or 5 cars in their lifetime and it's the second biggest purchase someone will make, other than a home. It's already a scary process and now they're venturing onto a website they've probably never used for such a large purchase. Possibly, they've heard horror stories about online purchases gone wrong or bogus eBay sales and they don't fully understand the process of buying a vehicle on eBay.

The most successful eBay Motors dealers are the ones who reach out and help the buyers through the entire eBay buying process.

The most important question you can ask an eBay lead is "Have you ever bought on eBay before?" If they say no, take a few minutes to explain the process. Our most succesful dealers will even say "Let's take a few minutes to go over the process. Whether you buy from me or not, it will be much easier for you if you fully understand what goes into buying a car on eBay." Congratulations. You've just won the customer's trust.

Again, building bidder trust is the most important part of succeeding on eBay Motors. If you walk a potential buyer through the unfamiliar process of buying on eBay, they'll trust that you're a reputable dealer and that you'll help them through the process.

### **Friendly Phone Calls**

When you call, make sure you DON'T mention the current bid. The bidder might be using eBay's proxy bidding feature, where eBay automatically raises the bid every time the user is outbid up to a certain amount set by the bidder. For example, if you were to call a lead and tell them "I got your bid for 26,000" – That bidder might have his proxy bid set to 32,000, and you'd be locking yourself into his bid of 25,000.

It's important to understand how the proxy bidding feature works. Many dealers will ignore the initial bidders because their bids are so low. However, if a bidder is set up on the proxy bidding feature, the system is automatically bidding for them. Don't assume that they're a worthless lead and can't afford the vehicle. It's possible that their proxy bid limit could far exceed your reserve.

eBay suggests calling every bidder to ensure that they have financing. But we suggest calling every bidder because every bidder is a good lead. Even if the bid isn't close to the amount you want, they're still a legitimate lead that you should contact.

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It's also important to build trust with potential buyers. Ask questions to qualify them and make them feel more comfortable about purchasing from you.

Have a list of 4 things that make your dealership unique and make sure to mention those during every call. Also, have a set list of questions that you ask each caller:

- What did you like about the vehicle?
- Do you need any more information about the vehicle?
- How long have you been shopping?
- How are you planning on purchasing the vehicle?
- Are you familiar with our dealership?
- Is there anything else I can help you with?

It's extremely important to ask "What are you looking to spend?" That way, if the vehicle that they're interested in is out of their price range, you can cross-sell them into something that they CAN afford.

Feedback is King

Request feedback from every buyer. Your eBay feedback is your dealership's reputation on a national scale. The key to succeeding on eBay is building trust with potential buyers, and your feedback is the best way to do it. Feedback gives buyers confidence to bid on a vehicle without seeing it in person or taking it for a test drive.

#### **Best Laid Plans Always Win**

The most successful dealers have an eBay Motors action plan where they dedicate a portion of every day to eBay sales. Plan out how much time you're going to spend listing and relisting vehicles, managing active listings, and deciding what will be listed next. Stick with your plan and make it a part of your daily routine. You've got to work the system if you want the system to work.

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### The Close

Most dealers require a non-refundable deposit from the winning bidder by credit card, money order, Paypal, or money transfer - usually within 24-48 hours. Keep in mind that many buyers don't qualify for financing. The decline rate is about the same as for walk-in customers.

### **Delivery**

Make sure you provide delivery options for potential buyers. Most eBay Motors buyers are out-of-state and providing shipping options will make it much easier for them to buy from you. Many successful dealers promote some sort of "Fly Here, Ride Home" option where the dealer will pick the customer up from the airport and take them to the dealership.



Follow these best practices and you'll grow your eBay Motors business by leaps and bounds. Take a step back and look at your listings as a potential buyer. That'll give you the perspective to know you're doing all you can to win their business.

If you have any questions about eBay Motors or would like to know more about AutoRevo's eBay Motors integration, please call one of our dealer consultants at 888-331-7386, or click here to request a live walkthrough.



Type
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#### Appendix A - Optimal Photo Order

1.	3⁄4	driver	side	front	

- 2.  $\frac{3}{4}$  passenger side front
- 3. ¾ driver side rear
- 4. <sup>3</sup>⁄<sub>4</sub> passenger side rear
- 5. straight shot front
- 6. straight shot rear
- 7. full driver side
- 8. full passenger side
- 9. <sup>3</sup>/<sub>4</sub> driver side front close up on lights
- 10. <sup>3</sup>/<sub>4</sub> passenger side front close up on lights
- 11. <sup>3</sup>⁄<sub>4</sub> driver side rear close up on lights
- 12.  $\frac{3}{4}$  passenger side rear close up on lights
- 13. 3/4 driver side front close up on tire
- 14.  $\frac{3}{4}$  passenger side front close up on tire
- 15. ¾ driver side rear close up on tire
- 16. 3/4 passenger side rear close up on tire
- 17. inside shot front driver side door open
- 18. inside shot front passenger side door open
- 19. inside shot rear driver side door open
- 20. inside shot rear passenger side door open
- 21. inside shot front drive side seating area 22. inside shot - front passenger side seating area 23. inside shot - rear driver side seating area 24. inside shot - rear passenger side seating area 25. inside shot - front seating area - from rear seat 26. inside shot - rear seating area - from front seat 27. straight shot - hood open 28. straight shot - trunk open 29. inside shot - close up - steering wheel area 30. inside up - stereo console area 31. inside shot - close up - temperature controls 32. inside shot - close up - cruise controls 33. inside shot - close up - instrument gauges 34. inside shot - close up - mileage 35. inside shot - close up - shifter 36. inside shot - close up - headliner or sunroof 37. close up - owners manual and keys 38. close up on make/model emblem
  - 39. close up VIN plate
  - 40. close up front license plate holder

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### Appendix B - Example eBay Description

We are proud to offer this ONE OWNER 2008 GMC ACADIA with only 51,504 miles on the odometer. This vehicle is mechanically and electronically sound per our inspection.

This vehicle has a CLEAN CARFAX report which we have provided for you on our website that shows ONE OWNER and NO ACCIDENTS. This SUV belonged to a close colleague of Your Dealership and has been very well maintained. The car has a white cream exterior with tinted windows, alloy wheels, and a dual skyscape sunroof. The interior is leather and is equipped with a heads up display, quad bucket seats, rear DVD, and a Bose sound system. All of the additional options included with this vehicle can be seen below on this description.

This vehicle qualifies for super-low rates through our finance program. For out-of-state buyers, we also offer low-cost auto shipping. If you have any questions regarding this vehicle, please feel free to call us at 888-555-7386 or email us at sales@yourdealership.com.

Your Dealership has established a rich legacy of offering the highest quality of used cars in Plano, Texas. With this in mind, Your Dealership is proud to offer these vehicles at tremendous savings. Good luck, and congratulations on your purchase!

Please call 888-555-7386 or email us at SALES@YOURDEALERSHIP.COM with any questions, anytime 7 days a week. We welcome third party inspections.

Thank you for visiting Your Dealership on eBay Motors.