

\$ALEHOO

SUPER STEP-BY-STEP

GUIDE TO BUILDING A PROFITABLE ONLINE BUSINESS IN 6 MONTHS



Welcome to SaleHoo's Super Step-by-Step Guide to Building a Profitable Online Business in 6 Months!

This guide provides you with a one-of-a-kind, step-by-step guide to becoming a super online selling guru!

We start off with the basics and walk you through from day 1 when you will set up an eBay account or other selling platform account and take you right through to 6 months from now when you will be selling like a PowerSeller.

As this guide starts off with the absolute basics, you may find that you can start the course a little further down the track to suit your level of experience. Throughout our newsletter series, we will give you everything that you need to implement this guide. Have a read over this now and familiarize yourself with what needs to get done, but don't start until you are ready and have learned from our newsletter series.

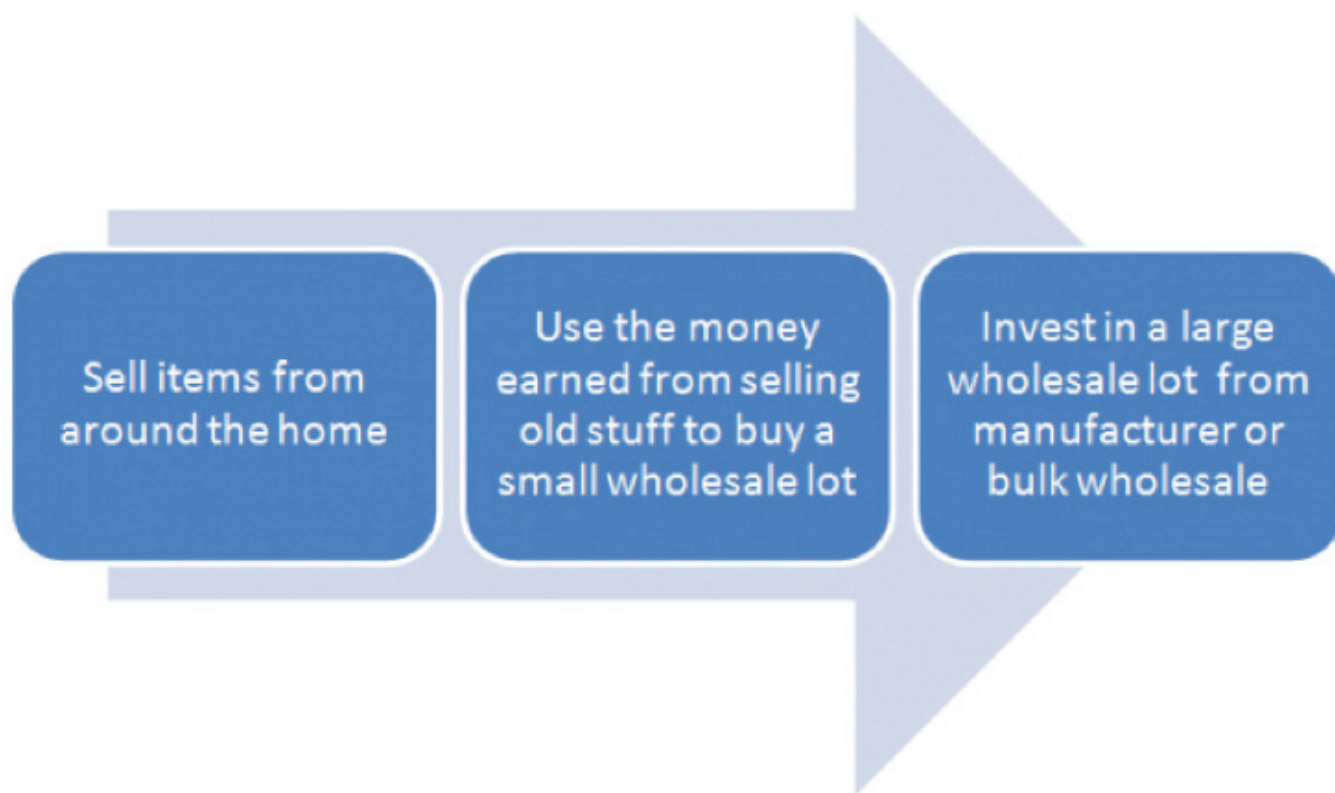
We know that one size doesn't always fit all, and that every seller is different, and has a different level of selling experience, so we have created this so that you are free to work at your own pace and as your schedule allows!

Right, let's get into it!

Week 1

1. Sign up to [eBay](#) or another selling platform such as [Bonanza](#), [eCrater](#) or [Amazon](#). Which site you choose to sell on will depend on what you are selling; Competition for your chosen niche may be stiff on eBay, but low on an alternative site. Where you are selling from is also something you must consider; not all platforms are available in all countries.
2. Sign up to [PayPal](#), [MoneyBookers](#), [ProPay](#) or another payment service provider. You will use this service to accept payments from buyers. If you are selling from your own website, you will need to add a checkout option such as [Google Checkout](#).

3. Start selling a few items from around the home. This will get you familiar with the selling process and help you get to know your selling platform's system. Best of all, if you are like most newbie sellers and have little money to invest, selling some of your old stuff will boost your business; you can save the money you earn from the sales to purchase a small wholesale lot. Not many sellers start out by buying a \$2,000 lot. In fact, unless you have quite a bit of business experience already, we don't recommend this 'jumping in the deep end' approach. Most sellers follow a product sourcing method route that goes something like this:



Most people have a treasure trove of things around the house which can earn top dollars online. You would be surprised how much others will pay for things you consider trash. After all, eBay started when founder Pierre Omidyar sold a broken laser pointer to another trader. The laser pointer which Omidyar thought was worthless sold for US\$14.83! Used clothing, appliances and sporting equipment are all fantastic sellers on eBay, along with books, DVDs or anything collectible.

4. Resist the urge to splurge! Save the profits you make from selling your old stuff; you will be using this money to invest in a small wholesale lot.

Rewind: *If your selling didn't go to plan and you didn't make enough sales to make a profit, it might be that you are not using the correct selling platform for your items. For example, trying to sell a pre-loved pair of designer jeans on Silkfair.com is probably a waste of time because Silkfair is a better option for sellers with unique or alternative items such as art or handicrafts.*

Week 2-3

Market Research

Your next step is to buy a small wholesale lot to break up and resell. But how will you know whether the items will sell for a profit? Market research is the answer! We will cover this in some detail in a few weeks from now when we reveal some hot tips on discovering supply and demand to determine whether your product is a viable one to sell. Stay tuned to your email inbox for all our newsletters to make sure you don't miss it!

In the meantime, you can use the [SaleHoo Research Lab](#) or [Terapeak](#) to do the research for you.

Week 4

Buy a Wholesale Lot

Once you have sold enough items from around the house to profit around \$50-\$500 or more, you can purchase a small wholesale lot from eBay or from a light wholesaler. You can buy pretty much anything in a light wholesale lot, the exceptions being very expensive items such as furniture or stereos, for example.

There are two simple ways to find wholesale lots on eBay:

Take a stab in the dark and search for "wholesale lot". Searching for this key term will bring up a ton of suggestions: jewelry, clothing, kitchenware, and sporting goods. Searching for wholesale lots this way will give you an abundance of ideas for what to buy for reselling.

Search by category. This is the best search option for those who have an idea of what they wish to sell. To get started, go to eBay.com and enter "wholesale lot" into the keyword field, then select a category from the drop down menu.

SaleHoo Pro Tip

When you're at the stage where you are buying wholesale lots, it's probably time to register your business. This isn't as scary as it sounds - in fact, it is straight forward and it offers several benefits including being able to use a business bank account or business mobile phone plan. To find out how to register your business in your country select one of the following:

To register [in the UK](#), [in the US](#), [in Canada](#), or in [Australia](#)

Buying From a Wholesaler

To buy from a light wholesaler, I strongly recommend the SaleHoo Supplier Directory for finding verified legitimate suppliers. While you can be successful in finding good suppliers outside of our directory, you must ensure that you do a complete background check on them first to be sure that they are who they say they are; the internet is, unfortunately, riddled with scammers who are fronting as legitimate suppliers.

To complete your background check on supplier outside of SaleHoo, make contact with the supplier using the contact details on their web site. Also, check DomainTools.com to see the name of the owner of the URL and how long the website has been online (more than 2 years is best). Enter the URL into the search field and click search. What you are looking for is the name of the owner and their contact details to correlate with those provided on their web site.

Week 5

Get Listing

Now is the time to master the art of writing alluring item descriptions and titles to draw buyers in. We will talk about listing techniques later in this newsletter series, the main points you need to know are:

- Your item title gives buyers their very first impression of your item and is crucial to getting buyers to your listings, especially in competitive marketplaces such as eBay.
- Your item description should be as thorough as possible. Tell buyers what the item is, how it can be used, what it's for, who it's for, how it will help them to solve a problem. Also tell them the condition of the item; Old, new, damaged, near new? And don't forget dimensions - especially if you are selling clothing!
- When it comes to including photos, do not underestimate the power of exceptional item photos. Remember to use a clean, uncluttered background, and good lighting. Also remember to include plenty of photos taken from multiple angles to really show off the item.

Week 6

Manage your sales

Once you have made a few sales, it's time to get shipping. But before you can do that, you need to accept payments and send a few emails to your successful buyers. Depending on where you are selling, and what systems you have in place, some of this may be automated.

Make sure you always verify that a payment has been received before you go ahead and ship the item. It sounds obvious, but plenty of newbie sellers who are eager to get brownie points for fast shipping get caught out on this one.

If you are feeling a little overwhelmed by some of the post-sale work there is to do, remember that there is a solution; seller assistants such as [Selling Manger Pro](#) and [Auctiva](#). You will learn more about free automating software that makes your online retail work a lot easier and a lot faster later in the series!

Week 12

Restock!

Once you have sold 50% or so of your stock, it's time to re-fill those shelves! Remember that if you choose to sell a completely different product, you need to do thorough market research before you go investing any money into buying a bulk lot.

If you are in a position now to increase the volume of your order, it is highly recommended that you do so. This is because wholesalers offer better prices per unit when you purchase a large order from them.

For example, if you buy \$200 worth of shower curtains, you might get them at \$4 per unit (depending on quality and so on). However, if you buy \$1000 dollars worth, your wholesaler may be able to sell them to you at \$2.50 per unit. That gives you an extra \$1.50 per sale, so you would potentially earn an additional \$600 dollars on this order, simply for purchasing in greater volume.

Week 15

Refine Your Selling Strategy

You have had plenty of time to practice selling now, and will be feeling confident about selling your product online. But don't get too comfortable! It's time to refine your selling strategy. This can involve:

- Improving your item descriptions and titles to get your listing better placement in your marketplace's keyword search results (and in the search engines if you have your own store)
- Creating an eBay About Me Page
- Upgrading your website
- Including a list of FAQs on your product to reduce your time spent answering buyer questions
- Testing out some different listing templates to create more attractive listings. eBay Listing Designer is one option for eBay users. It is easy to use as you simply select this option when filling in the Listing Form and it costs only US\$0.10c. However, these designs are a little basic. If you really want to wow your buyers, you can either use paid listing templates such as the ones provided by [Auctiva](#) for as little as \$2.95 per month, or you can jump on a site like [RentaCoder](#) or [Elance](#) and get a designer to create one for you. For do-it-yourselfers, eBay offers a few pointers on using HTML in your listings here: http://pages.ebay.com/help/sell/html_tips.html

Week 17

Scope Out Your Competition

To remain competitive and grow your business, you must fully understand your market, and that means getting up-close and personal with your competitors. Make sure you keep regular tabs on what you competitors are doing. Keep an eye on their price-point, their marketing and promotions, subscribe to their newsletter series (if they have one), and even consider making a purchase from them to see what their customer service is like.

Keeping an eye on what your competitors are up to will help keep on top of your game and help to refine your own business.

Week 19

Become a Customer Service Guru

As you know, customer satisfaction is paramount. It can increase repeat or referral-based business and maintain a perfect feedback score for eBay sellers. Make sure that when your business starts to get super busy, you don't forget the basics. If you aren't already, try implementing these ideas into your customer service approach:

First up, nail your mindset. Too many sellers get caught up in counting profits, when really they should be focusing more on their buyers. After all, if there were no customers, there would be no profit! Make sure you are placing your buyer's satisfaction at the top of your priority list.

If your profit margins can take it, consider offering free shipping on your items. Buyers' love free shipping and it immediately takes care of a lot of common shipping gripes.

Always be prompt in replying to buyer questions about your item. The longer you leave it, the less interested they will be in hitting the Buy It Now or Add to Cart button. Likewise, always deal with any post-sale emails as quickly as possible. Some buyers almost seem to watch the clock from the minute they make the payment to you, and the second they receive the item. This is especially true for first-time buyers who get a little nervous about their first sale on the big-bad internet! By keeping them informed about when you ship the item, the tracking number and when they can expect to receive it, you will help to calm their nerves.

Week 20

Expand your product range

If you want to take your business (and profit-making potential) to the next level, expanding your product range is a top way to get there. When you are deciding what kind of products to add to your range, you have two options:

You can work your way up to becoming a one-stop-shop for your niche. For example, if you are selling baby socks, you can gradually expand into other niche items like pink baby monitors.

Another option is to simply target a more random assortment of profitable niche items. For example, you might sell gardening equipment, TV cables and nail polish. Each are fantastic money-spinners, but don't necessarily relate to each other.

When you expand your range, ensure you do all the necessary market research. You also need to get ready for having some kind of inventory management system to help you keep track of your stock by keeping a close eye on how much stock you sell.

[Selling Manager Pro](#) users will know that they can use the inventory tracking feature to help them keep tabs on how much they have in stock, and how much they have already sold. This is super helpful for eliminating the issue of listing stock that you don't actually have!

You also need to organize your stock well in your warehouse or garage for easy access when you are ready to ship the item. Here are a couple of hot tips for keeping your inventory organized:

- Make sure you have your most sold items in an easily accessible place - not high up on the top shelf you can't reach!
- Take the time to reorganize your stock every week or so. This might only take 20 minutes and will certainly save you time later.
- Set a threshold of how many items you should have left before you make an order. Base the threshold number on how frequently you sell the particular item.
- When stacking items, use protective card or paper between layers. This will help to keep the item and its packaging protected.
- If you are selling clothing or other textiles, ensure that your warehouse or storage area is dry. A damp area will only lead to your items becoming smelly which buyers really do not appreciate! If you neglect your items enough, they might even go moldy over winter.

- If you are selling an item which comes in multiple sizes or colors, make sure you correctly store them accordingly. You want to set up your system so that you can simply grab the items you have sold without spending anytime rummaging through boxes.

Week 24

Expand your Horizons: Sell on multiple platforms

As you know, there are dozens of places you can sell your items. Most sellers start out on eBay, and it really is a great place to start; they have tons of resources and help files to assist you in starting your business, and with millions of visitors, buyers are pretty much delivered to you. However, once you have expanded your product range and really mastered the art of customer service and of selling, you might find yourself looking for another challenge.

We listed a multitude of options are: [Craiglist](#), [iOffer](#), [Etsy](#), [eCrater](#) and [Bonanza](#). Each of these platforms have great money-making potential for you to make most of. We will be reviewing marketplace options in our newsletter series, so make sure you don't miss out!

Where you will expand to will depend on a few different variables:

- Where you live: Not all platforms are available worldwide
- What you want to sell: Some marketplaces may already be oversaturated with items like yours. You will want to avoid these marketplaces and find one which has a keen and untapped audience.
- Your target audience: Different marketplaces attract different buyers. For example, Etsy visitors are looking for hand-crafted and unique items.

Be patient when entering a new market, it can take time to attract buyers, but many SaleHoo members find that "eBay alternatives" are even more profitable than eBay itself!

Week 26

eBay Users: Shoot for the stars - Become a Power Seller!

After 6 months of listing, selling, and shipping items, dealing with customers, researching new items and more, you will have become something of an expert. If you're an eBay seller, it's time for you to set the exciting goal of becoming a Bronze Power Seller!

At the time of writing, to become a Bronze Power Sellers, you need to fulfill the following criteria as set out by eBay:

- 90 days on site
- Account is in good standing (not past due)
- Feedback and detailed seller ratings (DSRs) requirements (details below)
- Sales volume requirements - minimum and by Power Seller tier (details below)
- eBay Policy compliance (details below)

Feedback and detail seller ratings (DSRs) requirements:

- 100 minimum feedback
- 98% positive feedback over the past twelve months
- 12 month average detailed seller ratings (DSRs) of 4.5 or higher for all four DSRs - item as described, communication, shipping time, and shipping and handling charges.
 - o For sellers that sell exclusively in Motors Vehicles categories, DSR requirement applies to item description and communication DSRs only
 - o For sellers that sell exclusively in Half.com the shipping and handling charge DSRs does not apply
- Rates of 1s and 2s on DSRs with US buyers not to exceed the following rates and counts:
 - o Items as described: 1% and a count of 3
 - o Communication: 2% and a count of 3
 - o Ship time: 2% and a count of 3
 - o Shipping & handling charges: 2% and a count of 3

Sales volume requirements

- Minimum sales volume with US buyers over past 12 months: \$3,000 in sales and 100 transactions.

Why become a PowerSeller?

The big bonus of becoming a Power seller is that you get a Power seller discounts on eBay Final Value Fees, discounted UPS fees, customer support, unpaid item protection, health insurance solutions, plus much more.

You also get the opportunity to become a Top Rated Seller - these guys get even more [benefits!](#)

Power Seller and Top-rated seller requirements are subject to change, so check out this page to view the most current information: <http://pages.ebay.com/sellerinformation/power/seller/welcome.html>

Plan of Attack: How to become a Power Seller

To become a Power Seller, you need to outline a solid plan of how to get there. There is no time-frame on how long you have to reach Power Seller status, however you must keep in mind that you need to sell at Power Seller rates for 3 months before you will be invited by eBay to become one.

Essentially, there are two main steps to becoming a Power Seller:

(1) Achieve and maintain a near perfect feedback score and (2) increase your sales to match the minimum required by eBay's PowerSeller program (US\$1000 in sales, or 100 items per month).

Maintain a great feedback score by:

- Describing your item as it truly is.
- Communicating with your buyer when you receive their payment and ship their item. Remember to include tracking information if applicable.
- Dealing with irate or unreasonable buyers in a calm and sensible manner. Sure, they might drive you crazy but plenty of PowerSellers have had to swallow their pride (and curse words!) and remain polite. When you find yourself in a customer-service nightmare, just remember that you do not want this hard-to-please customer to play any part in ruining your feedback score.

- Ensure you fully understand the DSR system; communication, shipping time and shipping and handling charges and item as described; these are what your buyers will rate you on, so ensure you have these areas perfected.

To increase your sales volume:

- Get your eBay listings ranking by understanding eBay's Best Match search ranking algorithm. [Click here](#) to find out how to optimize your listings in buyers search results.
- Promote your eBay Store (if you have one). Buyers love sales, especially on eBay where they go to get the world's best bargains.
- Reduce your prices below your competitors. Do this by investing in a large wholesale lot. Go to the manufacturer if you can. If you have the best price in your niche on eBay, you will without a doubt, make more sales.
- Send out newsletter to past buyers and offer them discounts on their next purchase.

Above all, you must acknowledge that becoming a Power Seller requires a huge amount of time and personal commitment.

Well, that's it for this step-by-step guide to starting an online business! Remember, we will equip you with everything you need to fulfil this plan during our newsletter series. We wish you all the best with your 6-month business plan and can't wait to hear the results.

Make sure you check into SaleHoo.com to explore our Education Center which is packed full of free expert information on everything you need to know about your online retail business.

If you have any questions related to online wholesale sourcing and selling, you can contact us at support@salehoo.com.