

## Should Paypal Be Your Only Ebay Payment Option?

Author:  
**Resale Rights**

Created On: 14 Oct 2009 11:48 AM

---

You may have noticed that many sellers list PayPal as the only payment option they accept - they simply can't be bothered cashing cheques and money orders, never mind any of the other strange ways some people want to pay. Like all things in life, though, PayPal has its advantages and disadvantages. Let's take a look at what PayPal can do for you, and what it can't.

### The Disadvantages.

PayPal is very vulnerable to fraud, and it's you as the seller who'll be paying the price when it happens. What's more, they do take a percentage from every transaction that you could be keeping if your buyers were paying by cheque.

You might also have noticed that PayPal come from the eBay school of customer service, enjoying such pastimes as hiding their phone number and only ever sending out automated responses to emailed queries. PayPal has an unusual number of campaigners against it, most of them people who've had their accounts frozen and had to chase PayPal for months for thousands of dollars. Some of these people recently filed a class action lawsuit against PayPal, claiming damages for lost business - and they won. This alone should make you cautious about using PayPal.

### The Advantages.

PayPal is quick and easy for buyers to use, and is certainly a more secure and reassuring way to accept credit cards than signing up for your own merchant account. You'll probably also find that it's cheaper for you.

That's before you even consider that eBay buyers are more eager to buy from someone who accepts PayPal, as it saves them all sorts of hassle with posting payment and then waiting around. PayPal lets you give speedier customer service.

### But Should You Use It Exclusively?

The most important thing about only accepting PayPal is, again, a matter of customer service: some of your potential customers might not have or want a PayPal account. Not everyone loves electronic payments - some fear them, and like eBay because it is one of the few places on the Internet where many sellers will accept payment by more traditional methods. Do you want these people as customers, or don't you?

You might notice that some people are aware of the issues of PayPal and refuse to use it, but still want to pay electronically. For these rare cases, it's worth opening an account at a well-known PayPal rival that has a better reputation - the current favourite seems to be NoChex (<http://www.nochex.com>), which offers free chargeback protection.

NoChex is quite a lot better than PayPal by most standards, but just doesn't have the same market penetration or convenience of use on eBay. Still, there's nothing stopping you from accepting both, just as long as you make it clear that you do on your auctions. If you find that you really prefer NoChex to PayPal, then you could offer your buyers a discount for paying through NoChex.

Once you've got the payment, the next thing you need to do is ship the items. In the next email,

weâ€™ll take a look at what you should write on your eBay shipping boxes.