

## Payment Methods On Ebay

Author:  
**Resale Rights**

Created On: 14 Oct 2009 12:17 PM

---

Gone are the days when only cash (or cattle in some cases) was the only accepted mode of payment for trades. As the concept of trading evolved, so did the means of paying for items. Today's electronic world pushes the envelop further. With the advent of online trading systems such as eBay, many new forms of payment have flourished.

First of all, on eBay, the mode of payment depends on the agreement between the buyer and the seller. Most often, the seller will specify his or her desired payment method. In these cases, the seller often has primacy in the decisions regarding payment modes. However, the buyer may still communicate with the seller regarding a viable alternative if it suits both parties.

The following is a list of common eBay payment modes.

### **Cash On Delivery**

Cash is, after all, still cash. This payment method can be done through a third party courier system or by the buyer and seller meeting each other at an agreed place. The advantage of a cash transaction is that the exchange of the item for payment is done in the presence of the buyer and the seller (or the seller's representative). However, some people will not accept the risk present when two strangers meet.

### **Personal Check**

One popular method of payment is personal check. Writing checks is easy and safe. However, many sellers do not like accepting check because they are easy to cancel.

### **PayPal**

PayPal is the payment of choice on eBay. In fact, eBay owns PayPal.

Using PayPal is easy, convenient, and relatively safe. PayPal acts as like an internet wire transfer.

After signing-up for PayPal, one may send cash to anyone with an email address using the PayPal system. PayPal also has security features that safeguard against fraud in case there is a dispute between the seller and the buyer. This system is best for transactions up to \$1000.

### **Escrow.com**

Escrow.com is the payment of choice for purchases over \$500. Escrow.com holds the buyer's money from the seller until the seller delivers the item. Only then will the funds be released to the seller. This system makes for a very safe, although highly procedural transaction.

### **Wire Transfer**

This is the payment of choice for countries that do not carry the PayPal service. Wire transfers are risky because the buyer usually has to wire over the funds before the seller sends the items. The chance for non-delivery of items is high.

### **Other Payment Systems**

The number of third party payment services is steadily on the rise. Their systems for payment vary. However, to be successful they must be convenient to use and safe as well.