

Knowledge Is Power - Using eBay Market Research

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New eBay retailers are often overwhelmed with all the choices they have to make - what to sell, what to charge, how to list an item. Thankfully, there are numerous tools available to answer those questions. EBay sold the data on every sale they've ever made to various companies. Those companies, in turn, created tools to interpret that data and spot trends and patterns in it. According to Anthony Sukow, CEO of market research giant <http://Terapeak.com>, "Having access to eBay data empowers you with respect to the market."

What Can Market Research Tell Me?

You never want to sell a product without researching it first - it's like taking a test without studying. Only instead of getting a bad grade, you lose the time and money you invested. There are some things you need to know that you'll only learn by researching:

Is there a market for this product, and can I compete in it?

Most market research tools let you see how many of an item sold recently and how long they were listed before selling. Look at the supply and demand. If there is too much supply or not enough demand, consider finding other products to sell.

Is this the best time to sell this product?

Some products are seasonal and these are fairly intuitive. But sometimes market data reveals surprising trends: black iPods may be outselling white ones by more than double. A celebrity may have gotten some PR that sent the value of their merchandise soaring.

What can I get for this product?

Market research shows you the average price people are getting for an item. As you begin recognizing the value of various products, you'll know whether something's a good deal and what it will bring on eBay. You don't want to get caught with a product you can't make a profit on - or worse, end up taking a loss.

How should I list this product?

Market research tells you what set of optional listing characteristics brought the best prices for a particular product. You can see what an item went for in an auction versus what it sold for at set prices. You can see which features were used - bold, highlight, gallery, etc. - and what final prices they brought. You want to take all this into account when deciding how to list your own items - why waste money on features that don't bring in better prices?

Who's buying this product?

Market research gives you the demographics of all the people who've purchased the product you're selling - genders, ages, and geographical regions. Knowing exactly who you're selling to lets you can plan your marketing strategy accordingly. Even the terminology you use to list an item will vary from group to group.

States Sukow, "Understanding your market is fundamental for any smart business. Use knowledge to empower your purchasing decisions."