# Written & Published by:

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## Sidenote before we begin:

I could have created this report and sold it for anything between \$27 and \$97, set up an affiliate program and had a ton of affiliates promote it for me as this topic is red hot right now. I could have made a ton of money doing this but I didn't want to take advantage of what some people think is a terrible situation. You can take what you want from that but I simply didn't feel comfortable cashing in.

Therefore this report is 100% free, contains no affiliate links and I am not writing this because I have some hidden agenda. I just want to provide you with the facts and give you some guidance.

You can distribute this report however you wish as long as you don't edit the content. I'm not making any money from this and I would appreciate it if you don't.

So feel free to send people to  $\underline{www.resalerightsrevival.com/}$  if you wish to tell others.

Sometimes giving is the right thing to do and this is one of those times.

Thank you.

John Thornhill

# \*\*\*New Policy Update: Digital Downloadable Goods in Classified Ads Format Only\*\*\*

March 24, 2008 | 01:00PM PST/PT



Hello...This is Brian Burke, Director Global Feedback Policy. Digital goods are often reproduced at little to no cost to the seller. On eBay, this creates the potential for Feedback Manipulation (both real and perceived). To preserve the integrity of the Feedback system, **effective March 31** all goods that can be digitally downloaded or transferred electronically must be listed using the Classified Ads format.

#### **Brian Burke**

Using the Classified Ads format, sellers receive a 30-day ad at a fixed price. This solution enables sellers to continue to market their digital goods on eBay; however, because Classified Ad listings are a lead generation tool and do not result in transactions that go through eBay, Feedback cannot be exchanged between buyer and seller.

Sellers who wish to continue to offer digital goods can do so by selecting the Everything Else>Information Products category in the Sell Your Item form and choosing the Classified Ads format (not auction-style or fixed price). For more information about the Classified Ads format, please read <u>Advertising</u> with Classified Ads.

Sincerely,

Brian Burke Director, Global Feedback Policy

It was terrible news wasn't it?

At first I was just sitting reading the above message over and over in disbelief.

Then I went over to the forums and total panic was setting in.

"We're finished, it's over, what will we do? Where will we go? Oh Nooooo!"

But then I thought about it and the only thing I kept saying to myself was 'this is a massive opportunity for anyone who takes action'. So here I am, taking action and writing this report in the hope it will show you this is not all doom and gloom. I am going to hide nothing and basically show you all of the options you have. I am also going to let you know what I plan to do as I have no intentions of giving up my PowerSeller badge, so let's get started...

## I hope this policy change has taught you a valuable lesson...

The term never put all your eggs in one basket suddenly makes much more sense now doesn't it? And let me tell you I personally don't think this will be the end of some of the changes eBay will make and there may be more bad news on the way, and this is how you should always operate. You should always run your business with a get out clause. By that I mean you should constantly be asking yourself "what if".

- What if eBay bans the selling of information products altogether?
- What if PayPal stops allowing payments for digital items?
- What if eBay bans classified ads?
- What if my eBay account gets shut down?
- What if my host shuts me down?
- What if my computer explodes?

Ok, the last scenario wouldn't be as bad as you back up your data ... You do back up don't you?

The point I am trying to make here is this is a wake up call for a lot of people, including myself. While I have a lot of income streams in place and eBay only accounts for about 20% of my income I was lazily moving along when I could have been doing so much more with my eBay business. The thing was I never had to lift a finger as everything was running so smoothly on autopilot and this made me complacent and lazy.

Well now that I have to take some action and once again work at my eBay business things will be different. This was just the kick up the butt I needed and I hope you feel the same way. So let's get all the anger out of our system and start thinking positively and look at the good things that have come from this policy change.

The first thing I want to mention is the new rule is simple to understand. There are one or two minor exceptions but anything that is delivered digitally over the internet can't be sold via the regular auction platform and must be sold via the classified ad format.

Now I have seen conflicting reports and a lot of people think if you want to continue selling via auctions you can't put an eBook onto a CD as you are still breaking rules. You're not. As soon as anything is put onto CD or printed or takes any other form where you need to mail it using the postal system the item becomes a physical item and therefore it is not digitally delivered.

Please don't be confused with the issue as it really is that simple.

# Digital delivery = Classified Ad Physical item = Regular auction and/or classified Ad.

If you want to continue selling eBooks on eBay you have the following options:

## Option 1. Convert your products to physical products.

This is the easy option and what I plan to do with most of my products.

#### Positive+

- Higher perceived value. You can charge more for your existing products.
- The chance to 'upsell' to your customers increases significantly. You will earn more on the backend.
- The customer experience will be greater.
- The chance to sell multiple items increases dramatically.
- You can still achieve and retain PowerSeller status

# **Negative-**

- Instant delivery is gone. Customer needs to wait for delivery.
- You may (depending on the route you take) lose automation.
- Higher production costs.

#### Option 2. Sell your products using the classified ad format.

This is another easy option and I also plan to use this method with some of my products.

#### Positive+

- You can generate leads (build a list)
- No final value fee (transaction takes place away from eBay)
- You can still (automate) sell using digital delivery

## **Negative-**

- You can't leave or receive feedback
- Less exposure
- Higher listing fees
- Confusing rules and policy's (eBay staff give conflicting reports over what is and is not allowed)
- You can't achieve (or you will lose) PowerSeller status

### Option 3. Stop selling on eBay altogether.

I've seen a lot of people saying they've had enough, they can't take the new rules, they are sick of eBay and they are leaving and won't be coming back. Great, that leaves more room for the rest of us who want to make some money.

## Option 4. Find another auction site.

Let me ask you a question. What is the 2<sup>nd</sup> largest auction site on the internet? I am guessing you won't know the answer. If you don't know that is exactly my point. You can moan all you like about eBay but the truth is you won't find a better place to put your products and offers in front of millions of potential customers for the price you can. And if you think eBay's fees are high have a shot at Google AdWords. Then you will find out how expensive targeted traffic really can be. Again, if you choose to find another auction site good luck, and thanks for leaving me with less competition.

Does that sound harsh? Well it may but the fact is no matter how you feel about eBay they don't owe you any favours. You may or may not agree with their new policies and changes but at the end of the day the rules have changed and there's nothing you or I can do about it. So you can either adapt and grow or give up and leave. And I know what I will be doing.

It's funny, people talk about how eBay does not care for their sellers. How they constantly seem to be working against sellers and how they seem to use them.

Well I like to think that I am a person who uses eBay to my advantage and has done since 2004. You see, I have taken the traffic eBay has given me in exchange for over 15,000 customers and a mailing list over three times that size. In fact there is a high chance you are reading this report right now because you bought something from me on eBay and ended up on my mailing list. Think about that for a minute. I don't need eBay to sell to you any more. I took you from eBay and you ended up on one of my websites and now you are reading this report.

Do you understand how powerful that is? And do you know that you can still use eBay in this manner? And it doesn't involve any underhand tactics or rule breaking. So if you are sick of what's happening with eBay maybe now its time you got your own back? Maybe now it's time to make eBay work for you.

Get a system in place and start to make eBay work for you. Use eBay to drive targeted traffic away from eBay and onto your existing websites and products. Use eBay to build your mailing list so you can sell to your subscribers outside of eBay.

Then the next time eBay slaps you with another policy change at least you will be in a position to carry on. Plan your business for a future without eBay. As one day they may be gone forever.

I am about to show you the systems I will be using. I will show you how to use eBay to your advantage. I will show you why this policy change could be one of the biggest things to happen in the I.M scene this year. And that is no exaggeration. I will show you how to revive the eBooks you currently have on your hard drive and make them worth ten times more than they did before the policy change.

It's time to adapt, it's time to evolve. It's time for you to start making real money using eBay...

Let's talk about some of the positive things that will happen when the new ruling comes into effect.

- 1. **There will be less competition on eBay.** That's right, the sellers who were already struggling or who don't want to change will simply leave eBay. And I predict a lot of people will do this. This will create a massive gap in the marketplace leaving a lot less competition.
- 2. **The one cent sellers will be history**. While I am not so naïve to think there won't be people breaking the rules the one cent eBook will be history. This means the price of information products will instantly rise.
- 3. **Profitability will increase.** As the price of information products slowly rise there will be a larger profit margin as you will be selling each item for more money. It really will be possible to sell a \$1 eBook for \$10 or more and I will show you how later on in this report.
- 4. **Sellers who provide excellent customer service will thrive.** That's right; as we lose some of the automation customer service will be crucial. If you don't deliver in a timely manner, provide an excellent product and service you will suffer. With eBay's detailed seller ratings good sellers show higher up the eBay search rankings. I have always taken pride in my customer service and I know this will help me. So if your customer service is poor now is the time to shape up.

So from the four options we have there are only really three options left to use.

- 1. Sell via classified Ad's
- 2. Create physical products
- 3. A combination of both

For me personally and at the time of writing this report I know I will be making almost all of my products physical products. I have experience in selling information CD's and this is actually how I got started on eBay. This was way back in 2003 and at the time I knew nothing about viral marketing and backend strategies, but I did know how to out-sell my competition.

With the tools available today it is possible to create a professional looking product that you can create in your basement. And with today's technology it is possible to even fully automate this task. So let me show you how you can succeed selling physical information products...

## How to succeed selling physical information products.

The most crucial thing you need to understand when creating a physical product is it's all about the customer experience. If you burn a PDF file onto plain old disc and stick it into an envelope and ship it you are doing things completely wrong. You are giving your customers a bad experience. **Plus you have just lost the chance of any further sales**. No customer will buy anything else from you if you give them a bad shopping experience. Not to mention the fact you could receive negative feedback.

## Let me give you an example.

John has a dog called Rex. He is a lovely dog but he can be a nuisance at times. He chews the furniture, barks constantly, runs off when out for a walk and generally causes John problems. One day John is browsing eBay and he just happens to spot a physical information product explaining how to turn a nuisance dog into the perfect companion. He quickly places his order and a few days later...

#### Scenario one.

A plain envelope arrives at John's home. He opens the envelope to find a cheap CD that he knows can be picked up for a few cents at the local computer hardware store. He then put's the disc into his PC and after locating his disk drive he proceeds to open the PDF file. His initial thoughts are 'is that it'.

#### Scenario two.

A padded envelope arrives at John's home. Inside is a lovely looking DVD case wrapped in cellophane. He excitedly unwraps the cellophane and checks out his lovely DVD case. On the cover is the title of the product he bought plus a lovely picture of a German Shepherd. He checks out the back of the cover to see a list of contents and how to load the disc onto his computer.

He then proceeds to put the professionally looking printed disc into his CD tray and is greeted by a beautiful menu that loads automatically. He browses the disc to find the material he is looking for. He then checks out the bonus items section to find there are even more products related to dogs, there are more eBooks and there are videos he can watch. He watches the videos and discovers he can watch even more if he visits ...

## ... The upsell is made.

John is delighted, he has all the information and material he needs...

But wait... He then notices he can receive even more information on dog training. All he needs to do is enter his name and email ...

... The lead capture is made.

# And the difference between scenario one and two is about 50 cents and a little bit of work...

This is the most crucial thing you need to understand here. I really can't stress how important the customer experience is when it comes to selling physical information. If your product looks cheap you have lost any chance you had of gaining further business. And remember that this is ultimately what this is all about.

You can make professional looking discs for under a dollar. Just browse eBay and you will see all the material you need.

And it needn't stop there. Give your customers a full on multimedia experience. Many products can include worksheets, checklists, booklets and other information that can be **printed**. I know I have a ton of ideas and a lot of my products will be made into printed booklets. So far the best service I have seen for this purpose is:

http://www.lulu.com

So get creative and create the best possible multimedia experience for your customers and you will be rewarded. That I can guarantee.

# Your delivery options.

You have two choices when it comes to delivering your physical products, you can deliver your products yourself or use a fulfilment company to deliver your products on your behalf.

## Option 1. Deliver your product yourself.

## Positive+

- You are in full control.
- Costs should (depending where you live and ship to) be cheaper.
- The customer experience will be greater.

## **Negative-**

• Task is not 100% automated.

## Option 2. Use a fulfilment company.

## Positive+

• Your business is still 100% automated.

# **Negative-**

- You lose control.
- Costs will probably (depending where you live and ship to) be higher.
- Your eBay feedback is out of your hands as you are relying on someone else to deliver.

Now both options obviously have their advantages and disadvantages. And the choice you take will ultimately depend on how you wish to operate your business and the costs involved.

If you wish to use a fulfilment company the two companies that I have constantly seen recommended are:

http://www.kunaki.com/ http://www.swifted.com/

#### Classified Ad's

First of all I am not going to give you a classified ad guide. And the main reason is the rules are so vague right now what I tell you could be wrong. **You should also treat the following as information only.** 

You can check out the rules here:

### http://pages.ebay.com/help/sell/f-ad.html

Classified Ad's show up in regular eBay searches and in the search engines. They run for 30 days at a cost of \$9.95 and I personally think this is excellent value if you do things right. But there are some concerns such as:-

Can you add a PayPal button to your auctions? Can you link to your website from a classified Ad? Honestly, nobody knows, even eBay staff give conflicting answers when I ask but what I will say as I write this on Sunday 30<sup>th</sup> March 2008 is the rules need to change and probably will.

Then and only then will I write a complete classified ad guide.

But selling directly from a classified Ad is probably not the best way to do things anyway. Why sell before capturing your potential customers email address when you can ask for your customers to request information then try and sell to them. Look at the rules taken from the link above.

#### **Advertising with Classified Ads**

Use Classified Ads to list items, services, or properties for sale in order to generate multiple leads. This format does not enable buyers and sellers to transact online through eBay nor is eBay Feedback available.

#### Classified Ads have the following features:

- List your asking price. No bidding takes place
- Interested buyers fill out a contact form, and their information is sent to you.
- List a phone number, and interested buyers can call you (optional).
- List your item, service or property for a specific period of time.
- Revise item-specific information at any time while the ad is active.

#### Fees

Fees vary depending on the item category and listing duration. See the Classified 11 fees page for specific fee and category information

#### Rules

The seller must treat the buyer's contact information in full compliance with eBay's Privacy Policy. This policy prohibits sharing the buyer's information with third parties as well as use of the buyer's information for any purpose other than communicating with the buyer about the item, unless expressly permitted to do so by the buyer. Failure to comply with this policy can result in the seller's suspension or expulsion from the eBay community.

#### Categories

For a list of categories, see the bottom of the <u>Classified Ad fees</u> page

So it makes sense if eBay say interested buyers can contact you to add an opt-in form, see the example below:

I have gone for the option of offering a discount on one of my products; I first capture the potential customer's details, then I try and make the sale.

This means if I don't make the sale right away I have the chance of making sales in the future via further mailings.

You could simply offer a free report or eBook. Or anything at all, as long as you are capturing an email address it doesn't really matter.



We will never sell, rent or share your email address with anyone!

And for only \$10 per month this could be one of the best investments you have ever made. What I would advise here is to test and tweak till you find what works best for you. There is no reason why a classified Ad can't generate 100s of leads per month. And if you can do this with multiple Ad's success is almost guaranteed. And once again automation is resumed...

So there you have it, you have numerous options and I am guessing you still aren't sure what to do. To be honest this change came so fast that we are all going to have to test our systems to find out what works best.

One thing I will say is I have no intentions of letting this change beat me. I will keep going no matter what. And I aim to share all the results I have, good and bad.

Remember this, eBay could be gone tomorrow so start building your business away from eBay and you will secure your future. We need to adapt, we need to change. We need to evolve...

Thanks for taking the time to read this and I wish you every success no matter what path you decide to take.

John Thornhill

I will be producing more material over the coming months, material such as showing you how to set up your complete sales process so if you want to keep up to date please subscribe via my blog at <a href="www.planetsmsblog.com">www.planetsmsblog.com</a> or visit <a href="www.resalerightsrevival.com">www.resalerightsrevival.com</a>