

# BUYING AND SELLING ONLINE

YOUR GUIDE TO ONLINE ADVERTISING,  
AUCTIONS AND PAYMENT OPTIONS



**The Internet revolution has given us the ability to reach millions of people and businesses from our home computers. The marketplace of cars, parts and memorabilia in the virtual world has exploded, and you need to be able to tap into that market.**

Whether you plan to sell or buy on the Internet, there are only a handful of ways to go about it. The two most prevalent online methods for buying and selling are traditional advertising and online auctions.

What will work best for you depends on your degree of computer and Internet literacy. Let's examine each method from a seller's perspective. These selling techniques can be applied to all items but are primarily tailored to buying and selling cars, which often have greater risks involved.

## **ONLINE ADVERTISING**

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Advertising a car, parts or other items for sale on the Internet is easy because the process is so similar to traditional print advertising.

The point of classified ads is to get the reader interested enough to contact you. Then it's up to you to make the sale by phone, e-mail or in person. With that in mind, following are some tips for selling via online advertising.



**Make ads clear and concise.** Hit the high points of the car and don't waste time with stories or telling others how much you spent on the restoration (smart buyers don't believe that stuff anyway). You should include:

- Year, make and complete model description
- Accurate assessment of condition
- Whether it is restored or original
- Interior and exterior color
- Any optional or special equipment
- Modifications, if any

**Photos are a must on the Internet,** just as they are in print ads. Post multiple images and make sure photos are clear and well-composed – be prepared to send additional images. If there is room, you should include the following images:

- Front three-quarter
- Rear three-quarter
- Front
- Rear
- Side
- Engine compartment
- Interior
- Any significant flaws

The days of waiting for a magazine to be printed are past, so be ready to act on responses and requests for information immediately.

Include both a phone number and an e-mail address in your ad and be prepared to answer both. The faster and more complete your response, the more likely you are to convert an inquiry into a sale.

### **Documentation is critical when communicating via e-mail. Be prepared to provide:**

- Proof of ownership
- Additional images
- Supporting documents such as build sheets, original sales paperwork and heritage certificates

Online advertising ranges from free to hundreds of dollars. Free ads are great, but paid sites with sharply focused audiences tend to produce the best results.

Creating your ad is a straightforward process, but choosing where to put it is more difficult. The Internet has thousands of sites for selling all kinds of items. Selecting the right site(s) is critical to making sure your ad gets read by potential customers.

Today, most print media with classifieds offer an online version or component. *Hemmings Motor News* ([www.hemmings.com](http://www.hemmings.com)) and *Old Car Trader* ([www.oldcartrader.com](http://www.oldcartrader.com)) are two examples of major collector car classifieds publications with an online component. These choices offer package deals for both print and online ads.

Another effective method for advertising a vehicle or parts is to use marque club websites. So, if you're selling a Model A Ford or components, place the ad on the Model A Ford Club of America website. Each club has a different approach to online advertising. Some only allow members to advertise or look at ads, while other clubs open their classifieds to all comers with the hope that the exposure will benefit members.

## AUCTIONS

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Online auctions are a hybrid of advertising and live auctions.

Just like advertising, you still need to take pictures, write a good description and arrive at a fair price before placing your car or parts for sale. The better you prepare your listing, the higher the rate of success. The online auction allows the process to be condensed into as little as one week, and it allows buyers to bid on the car without the seller having to referee the process. Think of the bidding process as negotiating the eventual sales price with multiple interested parties. In the case of an eBay Motors auction, sales tools such as "Buy It Now" or "Best Offer" can be used to end things instantly if a buyer is willing to meet your ideal price right away. This magic happens automatically all over the world with minimal intervention from you, the seller.

Online auctions represent a totally new marketing and sales channel that didn't exist before the Internet. There are several auction sites, but the king of the online auction business is eBay. With 135 million registered users, eBay is too large to be ignored. In addition to **[www.motors.ebay.com](http://www.motors.ebay.com)**, other sites offering online automotive auctions include:

- **[www.bidz.com](http://www.bidz.com)**
- **<http://auctions.yahoo.com>**
- **[www.auctionfire.com](http://www.auctionfire.com)**

However, together these companies offer a small fraction of the vehicles and parts available through eBay motors.

Online auctions are great tools for buying and selling cars and parts, but there is a lot to learn. The best way to become familiar with the inner workings of an online auction site is to explore the site carefully and read all of the suggestions and guides. You can even print out a site's procedures.

# ONLINE AUCTION SELLING

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Being a successful seller on an online auction site requires you to be familiar with some of the traditions and unspoken trade secrets of doing business on the site. These lessons are best learned by reading listings and watching sales while trying to figure out what works and what doesn't. Here are some lessons we've learned through both observation and trial and error:

- Descriptions of items should be complete and accurate. The listing should contain the same information as in a classified ad, although you will have the space to be more comprehensive.
- Spell out your terms for payment and shipping clearly. Most auction sites offer a lot of options and you need to be familiar with them.
- Post as many photos as possible with each listing. Photos are cheap, and they answer many questions from potential buyers.
- Pictures need to be clear and well-composed, without extraneous items in view. Make sure images are properly exposed to accurately represent color and condition.
- Timing is important. Most people can't be at their computers to monitor the items they're interested in until the evening or weekend. Because eBay auctions end at the same time of day that they begin, start your auction in the early evening or use eBay's listing scheduler to launch your auction at a convenient time.
- Be prepared to answer e-mails from potential bidders quickly.
- Many potential buyers want to see your car before bidding. For a one-week auction, this means being prepared to show your vehicle on short notice.
- Being civil, honest and helpful results in positive feedback, which makes future deals easier.

## ONLINE AUCTION BUYING

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Rules and guidelines for buying through the Internet are simple and straightforward. Buying online isn't that different from buying through traditional print advertising or at a live auction. When buying online, it helps to know a lot about the type of car you're considering. As with any long-distance transaction, you also need to be prepared to assume some risk. The first and foremost rule about buying on the Internet is "caveat emptor" – buyer beware. So be careful and take some precautions. If you can't go to see a car, get someone else to do it. There are numerous pre-purchase appraisal services capable of inspecting a vehicle. Here are some ways to find a reputable service:

- Many appraisal services advertise in *Hemmings Motor News*.
- Search the Web for inspection or appraisal services.
- Peruse club publications for experts on specific models.
- eBay also provides links to independent inspection services that can handle this task for shoppers. Be sure to check the site for details.

The first hurdle for buying on the Internet is to find a car. Search any online auction by going directly to its home page and using the search tool. You can also search other advertising sites such as [www.hemmings.com](http://www.hemmings.com), [www.carsandparts.com](http://www.carsandparts.com) or [www.dealonwheels.com](http://www.dealonwheels.com). Any cars on the site matching your search parameters will be displayed.



A more productive way is to conduct a general Internet search using one of the many search engines. The most popular one is Google ([www.google.com](http://www.google.com)), but there are many that work roughly the same way. If you go to a site and type “1941 Chevrolet for sale” into the search field, it’ll return a list of the most likely matches. A Google search for that ’41 Chevy returned about 76,000 matches. Generally, the first 20 or so will be of the greatest interest. The next step is to visit each site and see what the reference is and if your dream car is waiting. These searches will also return results for sites like [www.hemmings.com](http://www.hemmings.com) and links to eBay.

After finding the car, the process of buying online is similar to buying through a magazine or newspaper. If you find your car on eBay, know the site requires that buyers be registered members and familiar with the terms of use. Buyers must understand that, when bidding on a car, it’s a binding contract just like bidding at a live auction. You win, you buy it. So, make sure you know what you’re looking at and ask the seller any questions before you bid. Auction lengths range between one and 30 days, but most sellers opt for shorter terms (seven days is the most common length of an eBay auction), so be prepared to move quickly and make fast decisions.

## PROTECTING YOURSELF

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You’ve most likely heard about Internet scams and cyber-crime. The stories are true, which means that whether you’re a buyer or seller, you must be very careful. The benefits of doing business on the Internet are too great to ignore, and generally outweigh the risk.

### **Here are some basic guidelines for doing business safely on the Internet:**

- Have good virus and spyware protection software on your computer.
- Don’t give out personal information such as your Social Security number or passwords to anyone.



- Bank account numbers should be shared sparingly, probably only for a wire transfer to your bank.
- Be prepared to personally inspect the cars for sale or find someone nearby to do it.
- Be clear about questions and answers. Make certain you understand the terms and conditions of the sale.
- Talk to a buyer or seller by telephone.
- Be familiar with the rules of any site you use and understand what to do if a problem occurs.
- Keep all e-mail and written correspondence until the deal is complete. This will provide documentation in the event of legal action.

### **Beware of title fraud. Be sure to:**

- Request a physical address for the vendor and vehicle.
- Ask to see the title before the sale is completed.
- View the driver's license of the private vendor and make a photo copy or record the license number.
- Ask for documentation to verify that the car illustrated is actually the one for sale.

Whether you're using the Internet or old-fashioned print advertising, when you meet with a potential buyer or seller, it makes sense to take a buddy along. Not only is it a good idea to get a second opinion about a car or an offer, there's safety in numbers.

If you purchase a car that wasn't accurately represented, the first step is to contact the seller to negotiate a settlement. eBay and other major online auctions also have their own dispute resolution processes. Be sure to read the relevant web pages and follow the directions scrupulously. If the built-in resolution process doesn't work, you have the option to either live with the situation or seek legal counsel.

## THE PAYMENT PROCESS

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The payment process is probably the most angst-ridden part of conducting business online. Sellers should only accept cash, bank or cashier's checks, postal money orders (or other major money orders such as Western Union) and wire transfers. Beware of phony bank checks and money orders as well as counterfeit cash. Buyers should mail payments by United States Postal Service certified with returned receipt or do direct wire transfers. Anything mailed through the U.S. Postal Service carries certain safeguards from the Federal Government. The USPS has its own police force and force of law that other carriers can't match.



Since identity theft continues to be the hot issue, protect yourself by limiting personal information you give out, such as a Social Security number or passwords. It's generally safe to give out names and contact phone numbers. When making payments online, look for the padlock symbol that indicates you're working on a secure or encrypted connection. Unfortunately, once your information is given to a vendor or payment service, you're at the mercy of their security for protection. It's no different than giving a credit card number to a merchant and hoping it doesn't get misused.

Internet payment systems like PayPal (owned by eBay) or BidPay work well but come with a cost. Read the service's terms of use before accepting or making payment this way.

As soon as you have the signed title for a vehicle, it's yours, and the seller's insurance will no longer cover any loss. Be sure to notify your insurance company or agent immediately to protect your new investment before you pick it up, during transit and once you have it home.

It's very important to spend time learning about the Internet and the workings of the sites you want to use. Proceed carefully, and you'll find buying and selling cars online to be a very effective and fulfilling venture.

## RESOURCES

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A variety of books are available to guide you through the intricacies of buying and selling online.

### **Titles available include:**

- *AuctionWatch.com's Official Guide to Online Buying and Selling*, Dennis L. Prince and Dennis Price (Premier Press, 2000)
- *Essential Computers: Buying and Selling Online*, John Watson (Dorling Kindersley, 2001)
- *eBay Motors the Smart Way: Selling and Buying Cars, Trucks, Motorcycles, Boats, Parts, Accessories, and Much More on the Web's #1 Auction Site*, Joseph T. Sinclair and Don Spillane (AMACOM, 2004)

### **Pre-Purchase Inspections and Appraisals**

If you can't view a vehicle yourself, it often makes sense to hire a professional to inspect it for you. Although there are many others listed in *Hemmings Motor News* and on the Internet, several services are listed below.

- Auto Appraisal Group: [www.autoappraisal.com](http://www.autoappraisal.com)
- Buyer Services: [www.buyerservicesinternational.com](http://www.buyerservicesinternational.com)
- USApraisal: [www.usappraisal.com](http://www.usappraisal.com)

Hagerty is the premier source for safety and protection information about the collector car hobby. For more information on enhancing your collector car ownership experience, log on to **www.hagerty.com** or call **888-310-8020**.



## Towing & Benefits Program

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