

A Key To eBay Customer Retention



Why Should I Care?

- Customer loyalty should be especially important to sellers that offer items that may be purchased more than once by a repeat customer
- Because of the eBay model, even sellers that offer items that are unique, one-time purchases, rely on feedback to sell successfully in the future

Conclusion: Every seller should care!

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What is Feedback?

- Feedback represents a person's permanent reputation as a buyer or seller on eBay.
- It is made up of comments and ratings left by other eBay members you bought and sold to.
- There are three types of feedback ratings: positive, neutral and negative. The sum of these feedback ratings are shown as a number in parentheses next to your User ID.



How Feedback Works

- Each member may affect your score by only one point (positive or negative). However, they may leave you one feedback rating and comment for each transaction they have with you.
- You receive a feedback star once your feedback score reaches 10 points.
- We encourage you to leave feedback after each transaction is complete so that other members may benefit from your experience.
- A high feedback score and percentage is usually a good sign, but you should always check your trading partner's member profile by clicking on the member's User ID or score to read comments they have received from others and comments they have left for others.



Feedback Tips

- Contact your trading partner and try to resolve any issues before leaving neutral or negative feedback.
- You may not remove feedback comments you have left, so be sure to leave only fair and factual comments and ratings that relate to a specific transaction you had with your trading partner.
- Leave feedback after a transaction is complete so that other members may benefit from your experience.
- Usually a high feedback score and high percentage is a good sign, but you should always check your trading partner's member profile to read comments and look for negative remarks.



Feedback Policies

- eBay's Feedback-related policies are designed to encourage open and honest trading. However, to ensure that Feedback is used for the proper purpose and not abused, eBay has some basic rules that must be followed.
- Members cannot undermine the Feedback system using practices such as:
 - <u>Feedback Extortion</u> Threatening to leave negative or neutral feedback for another member unless the other member provides goods or services not included in the original listing
 - <u>Feedback Manipulation</u> Feedback left or received where the Feedback's primary value is to artificially enhance a member's reputation
 - <u>Feedback in Seller Terms and Conditions</u> Sellers are not permitted to include in their listings or terms of sale any conditions that limit or restrict the buyer from leaving Feedback.
- Violations of eBay's policies may result in a range of actions including:
 - Listing cancellation
 - Limits on account privileges
 - Account suspension
 - Forfeit of eBay fees on cancelled listings
 - Loss of PowerSeller status



Recent Feedback Changes

- In an effort to focus on customer service and to grow customer confidence in sellers, buyers will only be able to receive positive Feedback.
- Positive repeat customer Feedback will count (up to 1 Feedback from the same buyer per week.)
- Feedback more than 12-months old won't count towards a users Feedback percentage.
- When a buyer doesn't respond to the Unpaid Item (UPI) process the negative or neutral Feedback they have left for that transaction will be removed.
- When a member is suspended, all their negative and neutral Feedback will be removed.
- Buyers must wait 3 days before leaving negative or neutral Feedback for sellers with an established track record, to encourage communication.
- All Feedback must be left within 60 days (compared to 90 days currently) of listing end to encourage timely Feedback and discourage abuse.
- Buyers will be held more accountable when sellers report an unpaid item or commit other policy violations.



Start with Customer Satisfaction

- Long-term eBay selling success is highly unlikely without <u>strong feedback</u>, <u>high</u> <u>customer satisfaction</u> and a genuine effort toward <u>customer retention</u>.
- Only satisfied customers stay loyal

High customer satisfaction

A loyal (or retained) customer



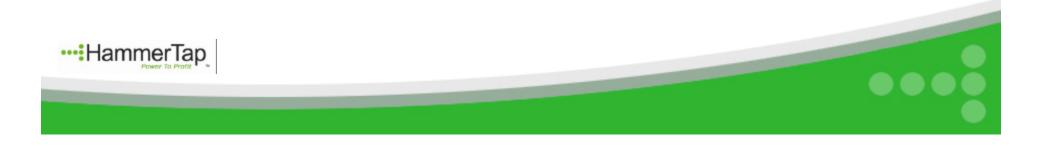


eBay Buyer/Seller Relationships

Relationships on eBay are heavily based on:

- Honesty & Trust
- Customer Service
- Professionalism





Honesty & Trust

- Listing accurately without excess and exaggeration
- Following best-practice or commonly accepted COURTESIES (e.g. charge actual shipping and maybe a small handling fee but not an excessively padded amount)
- Deliver on all promises
- Communicate, communicate, communicate!!!

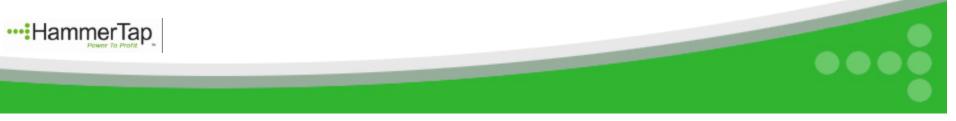


Customer Service

- Answer questions in 12 hours or less
- Use timely invoicing procedures
- Expedite shipping & feedback



- Establish clear, fair policies (e.g. returns, warranties guarantees)
- Offer options whenever possible (payment/shipping)
- Communicate, communicate, communicate!!!



Professionalism

- All interaction with customer should include courteous, professional language
- Spell check and proofread before you hit "Send"!
- Emails to customers should include:
 - Your name

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- Your e-mail address
- Your mailing address and phone number
- Link to your eBay store
- Link to your Website
- Customers will be influenced, for good or bad, by the appearance you convey
- Communicate, communicate, communicate!!!



How to Communicate Better

 Start with accurate listings, efficient shipping, and fast response time to queries



- Create a professional "About Me" page and direct customers there
- Create a professional Webpage and direct customers there (links to a webpage are allowed from your "About Me" page but not from your listing)



How to Communicate Better Cont.

- Use professional, personalized package inserts (thank you notes, coupons) to put a good face on your business
- Maintain a customer database and use "opt in" email promotions, newsletters, and coupon incentives to alert and entice customers to new listings
- Resources for these strategies are available online through eBay's "*Email Marketing Program*"
- Remember to follow eBay policy when implementing retention strategies

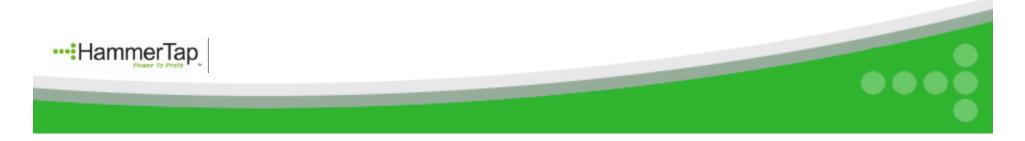


Where Does HammerTap Research Fit In?

- Analytics (research) can give insights into customer behavior and expectations <u>prior</u> to the actual sale
- Research allows tracking over time to also be done <u>prior</u> to the actual sale



 Research allows customer retention strategies to start out based on actual data rather than predictions



Conclusion

For truly effective customer retention, an eBay seller must place a high priority on exceeding the expectations of the customer.

Feedback is simply a measurement of how well expectations are being met.





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