

# Grow My Profits!

*A Case Study in  
Using Market  
Research to  
Maximize Profits  
on eBay*



# Overview

- In Q4 of 2006, a team of HammerTap and Worldwide Brands began to conduct a case study focused specifically on using market research to grow profits while selling products on eBay.
- The study used HammerTap's eBay Market Research tools and Worldwide Brands' Product Sourcing tools.

# Overview Continued...

- From a large pool, the team began working in-depth with 3 participants so that this study could concentrate on a few of the unique intricacies that change with each and every seller on eBay.
- Each participant met weekly in one-on one coaching sessions with Jen Cano of HammerTap and Tisha Rogers of Worldwide Brands.

# Concepts Addressed in the Study

- The primary concepts addressed in these sessions were:
  - Determining Best Starting Prices
  - Shortcuts to Discovering Features That Sell Certain Products
  - Product Life-Cycle
  - Seasonal Trends
  - Business Strategies
  - Choosing the Best Categories to List In
- Appropriately enough, the study is titled:

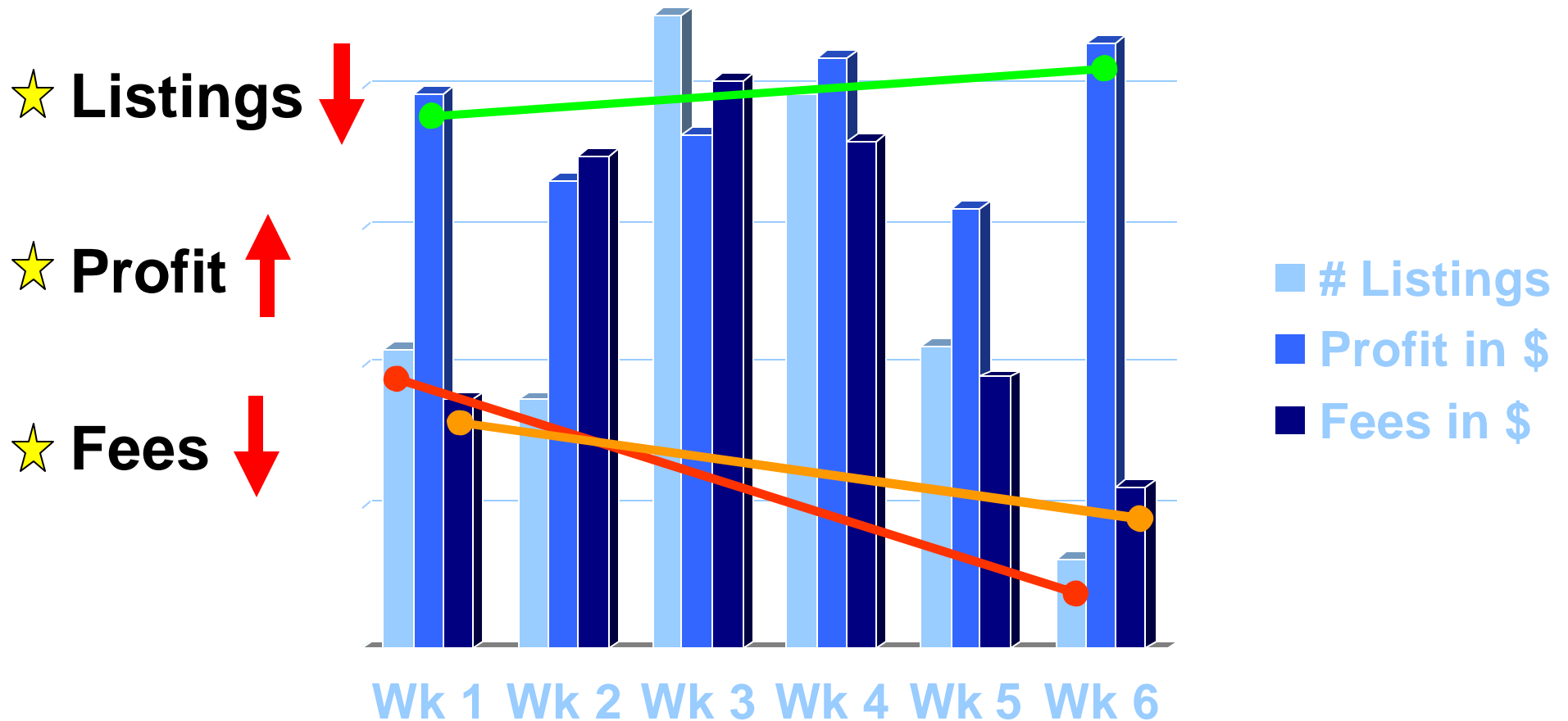
**“Grow My Profits”**

# Participant 1: Bryan Mills



- His primary goal was to become a PowerSeller. *(A goal he met only a few weeks into the study)*
- He used to list more than 250 listings per week
- He now generates more profit than before and has cut his listing rate to just 50 per week.
- He is now using the time and money saved by fewer listings to expand his business lines.

# Bryan's Progress



# Participant 2: Leslie Holloway



- He was a **Silver PowerSeller** with a goal to become a **Gold PowerSeller**. *(Leslie met the \$10,000/month sales requirement for Gold level PowerSeller status only a few weeks into the study)*
- He states, *“I literally went from making nothing to a business that is pulling in **\$10,000 a month** thanks to Hammertap market research.”*
- He now is using research to help him move his now successful product line in a new direction

# Participant 3: Tim Reynolds



- Even though he started as a Gold PowerSeller, his gross revenue is up over 40% since joining this study
- His number of listings has decreased by about 50% since the start of the study
- He is now listing approximately 80 listings per week as opposed to the ~150 he used to list
- He has had a 40% increase in revenue despite the decrease in listings



# Tim's Experience in the Study

- “I can directly correlate progress in my business to HammerTap. My gross revenue is up over 40% since joining this study, the number of listings that I have has decreased by about 50%.”
- “HammerTap has helped me:
  - determine what to cutback on
  - what to increase
  - what time of day and week to list
  - what special features and keywords to use
- “HammerTap has increased my margins (on some products by as much as 30%) and decreased my fees. Because I have been able to cut back on the number of auctions I am managing, I have had more time to research product life cycle, new products, and my competition.”

# Tim's New insights On Competitive Analysis

“This business is ever changing so to know where your business stands is critical. This means knowing and understanding your products and the life cycle that they are in. It also means knowing your competition and what and when they are selling...

“..working with Jen and Tisha has forced me to take a good look at my business and evaluate where I am and where I want to go. They have provided the tools to help me get there.”

# Tim's New insights On Competitive Analysis Cont..

“As for my competition, I have a much better view of **what they are selling** and the **fees that they are paying**. This helps me to also choose products to sell, and it also helps me to gauge how my business is doing.

Competition is stiff and knowing your competition is a must. The information I can get from eBay is ok, but the information provided by HammerTap has been a key factor in making my business decisions, and growing my business.”

# Tim's New insights On Trending

“Before I purchase (products), I (now) have a good understanding of the earnings potential, and have and should continue to be able to increase my sales success and margins.

HammerTap allows me to do this by tracking the sale of these products, not just for the previous year, but I also used HammerTap to view sales from the previous Christmas that helped me increase my profits during the busy holiday season.

# Tim's New Insights On Finding Products

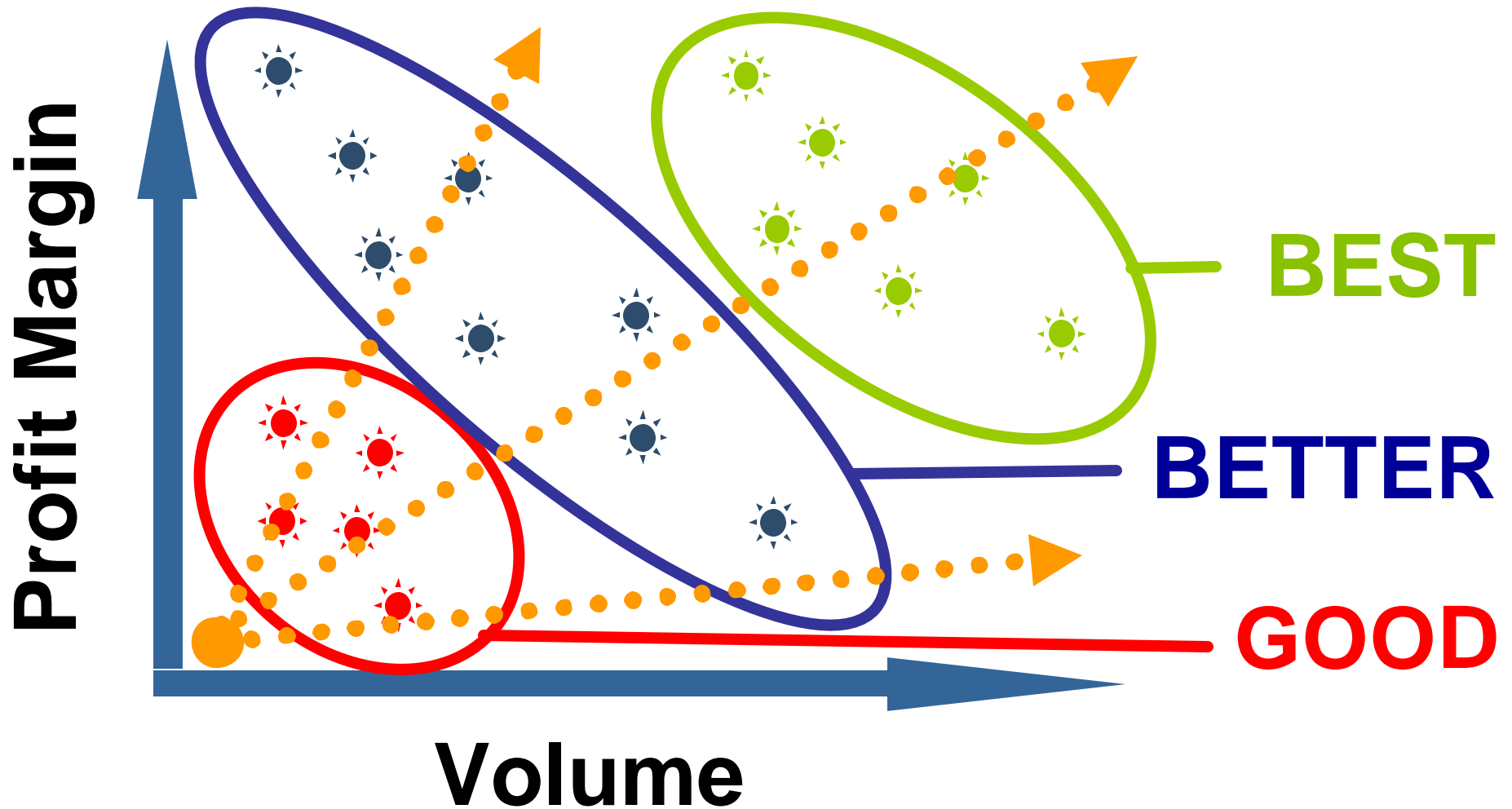
“I am constantly searching for new products to sell, and HammerTap has kept me from making the errors that I have made in the past, that is purchasing products that are in the last stages of the life cycle with little profit to be made, or quite possibly, selling at a loss.”

# Tim's New Insights On Making the Most on Every Listing

“Another very useful way to use HammerTap is to decide when (is) the **best time** to post your listings and what features to add. I track the best time of the week and day to list, whether to use **auction or fixed price** to make the most money, and which feature, like gallery or buy-it-now, to use to increase margins.

Also, this (HammerTap) is an excellent tool to use to **find keywords**. This feature in particular has been very successful for me in increasing my margins.”

# What Progress Do All the Participants Have in Common?



# Takeaways

- **Detailed research on specific products and categories** is the most efficient way to grow profits on eBay!!!
- With accurate market research you can more clearly:
  - Gauge your current market position and create efficient strategies to grow your profits by improving your current selling strategies
  - Sell more efficiently, save excess fee costs, and free up time to spend on business development
  - Impartially evaluate new product lines or market expansion opportunities that arise, essentially risk-free





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