

Risk-free Research

*Using HammerTap's market research
tool to conduct risk-free business
opportunity research*

Why use HammerTap?

HammerTap allows eBay sellers to conduct in-depth, risk-free research on new markets and product categories to gauge potential profitability before costly investment.



***Its like having your
very own eBay
crystal ball!***

Every Good Business Should Start with Research

- People who want to create a successful eBay product line can use market research to eliminate much of the risk and uncertainty that lies in their path.
- Research will help:
 - Minimize risk
 - Eliminate guesswork and inefficient trial & error
 - Get the best response to each and every listing
 - A seller sustain sales volume and keep customers coming back
 - A seller maintain the highest profit margin with minimum expense



Everyone's First Question...What Should I Sell?

Start with these important questions:

Is the product readily available?



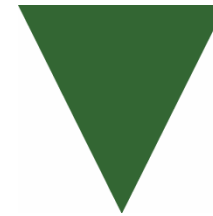
Product Sourcing

What is the eBay market for this product?



Competitive Analysis and Market Sizing

Can I make money selling this product on eBay?



Profit Margin

Where to Start Looking for Products to Sell

- Move slowly and **absolutely** ensure the validity and credibility of any product sourcing companies that offer opportunities.
- It may be best to start with easy-to-use drop-shipping to test markets and products.
- Offer a diverse product line that complements your primary products and allows you to cross-sell and up-sell.



- Cut out middle-men posing as wholesalers who cut into potential profit
- Use multiple product sources to optimize product mix, profitability, and flexibility.

Product Sourcing Options

There are several options available when looking for sources for your products. Some of these options include:

- Drop shipping
- Local sourcing
- Light bulk wholesalers
- Importing
- Liquidation sales



Remember: Each of these options has clearly defined pros and cons, and the use of each should depend upon your business strategy!

What is the eBay Competition Like for This Product ?

Conducting a competitive analysis with HammerTap will help you quickly and efficiently answer these key questions:

1. Which of my potential competitors is performing best?
 - Should I imitate or try to innovate?
2. How much money is my potential competition making per auction?
 - What are the most successful listing formats, durations, closing days... ?
3. How is the auction success rate for my potential competitors?
 - Again, what are the most successful listing formats, durations, closing days... ?

What is the Size of This Market?

Knowing the size of the market allows a seller to:

- Impartially evaluate new product lines or market expansion opportunities that arise, essentially risk-free
- Create efficient strategies enter a market
- Evaluate current competitive selling success
- Users can look for positive trends in:
 - Number of listings
 - Listing success rate
 - Increasing average sales price



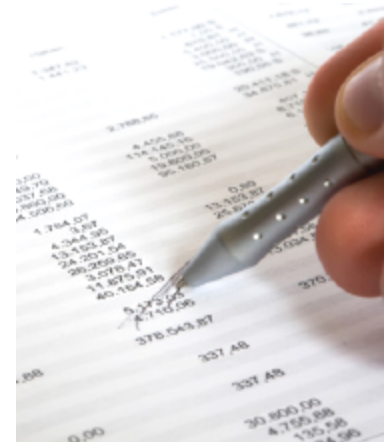
Profit Margins: Research is Essential!!!

There are two ways to determine what profit margins are to be expected for a product on eBay:

- Sell enough a product to see if it's profitable
- Research and know ahead of time what profit margins really are

More specifically, profit margins are determined by:




- Taking your sales price and subtract:
 - Cost of Goods
 - Cost of Listing Fees
 - Cost of Paypal Fees, etc.
 - Time you spend throughout this process should be carefully accounted for



The Power of Research: Yard Games

I have a chance to buy 1,000 yard games to sell on eBay. I can either buy horseshoe sets, bocce ball sets or croquet sets since they cost the same to me. Which do I choose?

1. I do some quick HammerTap research and find that in a sample of 5000 listings over the last 30 days:



Category	Listing Success Rate	Average Sales Price
Horseshoes	47%	\$19.41
Bocce Ball	44%	\$28.17
Croquet	55%	\$34.09

Clearly, if my price is the same, it appears that Croquet sets are not only the most successful listings, but they are also selling at a higher ASP!

The Power of Research: Yard Games Continued

1. HammerTap also allows me to take my research regarding Croquet set sales to even greater detail. For example, I know:
 - The best start day for both LSR and ASP is **Sunday**
 - That best day to end my listing on is **Saturday** for LSR (60%) and **Wednesday** for ASP (\$44.09)
 - That listing with the key word “**solid**” in the title performed well above average and that sets with the brand name of “**Forster**” also performed well above average.
 - Etc. Etc. Etc..

Remember, I know all of this detail without having ever sold a single croquet set!!!!

The Power of Research: Perfume Sample

I have a chance to buy 1,000 bottles of perfume to sell on eBay. I can either buy Prada, Gucci, or Chanel since they cost the same to me. Which do I choose?

1. I do some quick HammerTap research and find that in a sample of 5000 listings over the last 30 days:



Category	Listing Success Rate	Average Sales Price
Prada	61%	\$29.08
Gucci	50%	\$28.78
Chanel	73%	\$41.24

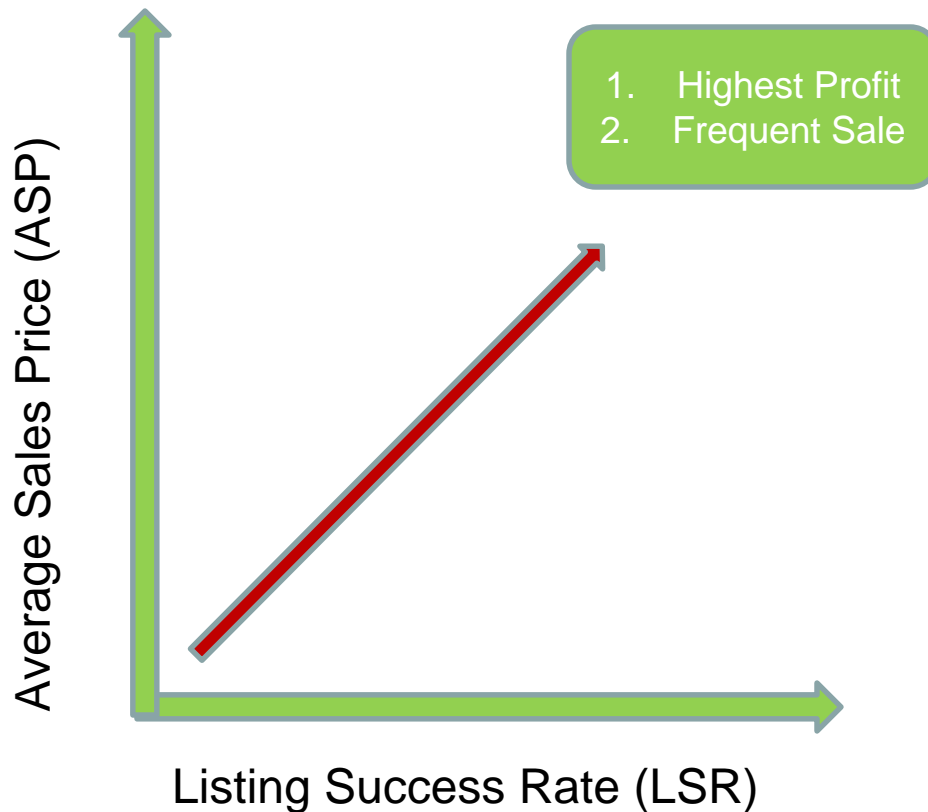
Clearly, if my price is the same, it appears that Chanel perfumes are not only the most successful listings, but they are also selling at a higher ASP!

The Power of Research: Perfume Sample Continued

1. HammerTap also allows me to take my research regarding Chanel perfume sales to even greater detail. For example, I know:
 - The best start day for LSR is **Saturday** (80%) and ASP is **Sunday** (\$43.24)
 - That best day to end my listing on is **Saturday** for LSR (79%) and **Thursday** for ASP (\$46.78)
 - That listing with the eBay features of **Bold**, **Highlight**, and **Gift** performed above average in both LSR and ASP
 - Etc. Etc. Etc..

Remember, I know all of this detail without having ever sold a single bottle of perfume!!!!

Maximum Profit Margin Keys : ASP and LSR



- Find products with:
- High Average Sales Price (ASP)
 - High Listing Success Rate (LSR)

With research you know which products will yield the highest profit margin **BEFORE** you start to sell

Select the Best Selling Strategy for Each Product

1. High Volume: Listing Success Rate (LSR)

Strategy: A higher volume of sales yields greater profit in the long run, even if the profit per listing is less. This strategy is great for bulk items.

2. High Profit: Average Selling Price (ASP)

Strategy: A greater profit per sale yields greater overall profit in the long run, even if the conversion rate is lower. This strategy is great for small inventories or less common items.

3. Balanced: LSR x ASP

Strategy: This strategy tries to strike a balance between increasing conversion rate and earning more per sale in order to get the greatest profit in the long run. This strategy is great for selling common items at non-bulk rates.

Decipher Buyer Behavior Before Your First Sale!

With HammerTap you can **KNOW** which listing features really influence buyer behavior

- *Home Page Featured*
- *Featured Plus*
- *10-day Auction Fee*
- *Bold*
- *Highlight*
- *Gift Services*
- *Item Subtitle*
- *Listing Designer*
- *Gallery*
- *Gallery Featured*
- *Listing in Two Categories*
- *Scheduled Listings*
- *Buy It Now*

Conclusion....



If you don't want to do your research, there are still great options available to help you make important business decisions.

For example, you might try a magic eight-ball!



Please take some time to
visit:

[*www.hammertap.com*](http://www.hammertap.com)



 **HammerTap**
Power To Profit™