

MONEY WISE

VALUING PEOPLE. VALUING MONEY.
MANAGING IN TOUGH TIMES INITIATIVE



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THIS MONTH'S TOPIC: BECOMING A SAVVY ONLINE SELLER

For centuries, the marketplace has been a central hub of buying and selling. The same is true still today, although the nature of the marketplace has changed. The marketplace is shifting from brick and mortar type stores to online buying and selling. The U.S. Census Bureau reported nearly \$395 billion in e-commerce sales in 2016.

Many consumers enjoy the convenience of online shopping. However, have you considered using online marketplaces to sell your unwanted or extra household items? If you already sell items at a consignment store or consignment sales—selling online may be less expensive and provide additional access to customers.

Deciding what to sell

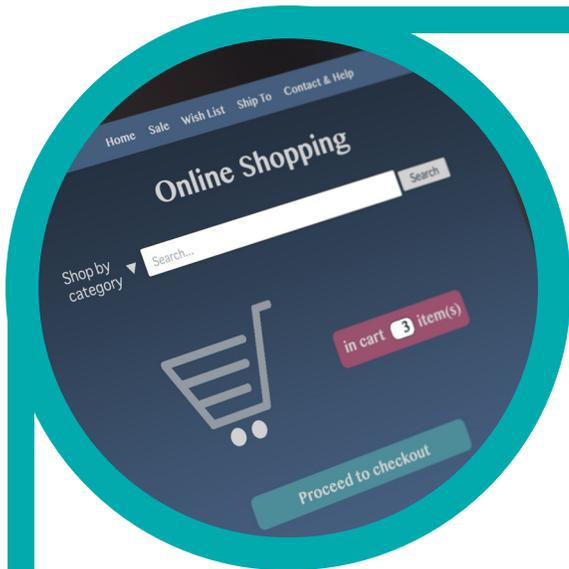
The first step in selling online is establishing what you do and do not want to sell. Purge your home of unwanted or unused items. It can be

helpful to apply the one year rule: If you haven't used an item in over a year, then you probably don't need it.

Pricing your items.

Next, begin thinking about the value of the items you have decided to sell. Be realistic about the value of your items. Selling online provides you increased access to customers but it also increases your competition. Consider what you would be willing to pay for a like





item in similar condition. Search online to find the retail value of your items in both new and used condition to help you make an informed decision about pricing. Brand names typically hold their value longer than generic brands and electronics arguably lose value the fastest because technology changes rapidly and your item may be outdated.

Deciding where to sell

When you have decided how to price your items, it is time to determine the appropriate online selling platform. In the digital age, there are many online options and each serves a similar but slightly different purpose.

Online marketplaces

First, consider a third-party online marketplace, such as EBay or Amazon. The advantage to selling on these platforms is that they may increase your likelihood of selling items because they are high traffic websites. However, third party vendors tend to have marketplace fees which will reduce your profit.

If you do not have enough profit-margin to use a third-party vendor, then you may want to consider a more do-it-yourself site, such as Craigslist or Facebook Marketplace. Although they require more work on your end, these sites

may result in a quicker sale of your items. This is especially true of Facebook Marketplace, which is quick and easy to use, hence its sudden increase in popularity.

Product specific sites

One strategy to earn more cash for your items is to use sites that specialize in the items you are hoping to sell. If you are selling electronics, you may choose to use sites like Gazelle.com, gizmogul.com, or buybackworld.com, which specialize in buying back new and used electronics. Similarly, if you are selling clothing, you may choose to use sites like Threadup, Tradesy, or the Real Real to cater to customers who wish to buy clothes.

Using product specific sites may be a useful strategy when you are selling high end or brand new items. For generic brand items or well-used items, you are probably better served selling them through one of the do-it-yourself platforms.

Please note, any websites and online marketplaces mentioned are provided for example purposes and are not intended as endorsements or recommendations.

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