

# **E-Bay Program – Sydney Johnston**

## **Tape 1**

T. J. ROHLER – Okay, we’ve got an exciting tape for you – or an exciting presentation. Alan, why don’t you introduce the very, very special guest – all the way from Atlanta, Georgia that we have for our listeners?

ALAN BECHTOLD – I’d be happy to, T. J. I’m excited too, as well.

I have with us today Sydney Johnston. She is a nine-year eBay veteran. And I mean, she got started when they were almost having to send their bids back and forth by stone tablet! It goes back that far. It’s a joke, but the point is there weren’t very many people on there. She’s watched it grow. She’s grown with them. As a matter of fact, she’s been seen and heard on Common Sense Internet Radio, ABC News, USA TODAY, Business 2.0, Hispanic Magazine, Texas Technology Magazine, The Times Online, and Investor Business Daily. That’s just naming a few of the prominent places that have tapped her knowledge and presented her to the world. With nine years of solid experience on eBay behind her, she’s also the Master Teacher of an incredible Auction Course, which you’ll find available at [www.auction-genius-course.com](http://www.auction-genius-course.com).

I present to you, Sydney Johnston. Welcome aboard, Sydney.

SYDNEY JOHNSTON – Thank you so much, Alan.

ALAN BECHTOLD – I wanted to start right out with... I tell you what; we’ll just get right into this because there’s so much information you have. I want to tap as much as possible in the time we’ve got! I wanted to ask, first, if you could give us kind of a brief history of Sydney Johnston yesterday and today. What brought you to this point?

SYDNEY JOHNSTON – Okay. I was a public school teacher for a few millennia and I reached a point one day where I said, “Uhh! I cannot stand this anymore! I have got to do

something.” I was the most unprepared person on the face of the planet. I had a year or two’s worth of money in the bank, so I just optimistically knew I’d have it all figured out in no time. I launched confidently out and ended up doing you name it: mail order, real estate, multi-level marketing, and all the things that people do. Some success... Lots of failure. And in the meantime, I’m playing around with this little Web-Site that nobody ever heard of. There was Pierre Omidar, me, and about five people. I’m kidding, of course! But it was tiny. Everybody knew everybody else and there’s buying and selling. You could literally put up smelly socks and somebody would buy them. That’s how incredible that place was. It was a lot more fun than it is now, of course, a lot more informal.

But at one point, I had this epiphany and I said, “Duh! I’m making money on this auction site. Maybe I ought to consider that more seriously.” I was off to the races from that point on! My first week, when I got serious about it, I made \$2,017.59, which was so exciting to me!

ALAN BECHTOLD – From a very small base of users at that time.

SYDNEY JOHNSTON – Oh yes. Yes. I mean, it was bigger than five people by the time I wised up, but it wasn’t the giant that it is now.

ALAN BECHTOLD – Can I ask you one quick question?

SYDNEY JOHNSTON – Certainly.

ALAN BECHTOLD – Are you the one that sold me those dirty socks?

SYDNEY JOHNSTON – (laughing) No, those were my brother’s socks!

ALAN BECHTOLD – Okay. Okay.

How long was it before you could... Did you quit your day job to get started in this and find something else?

SYDNEY JOHNSTON – No, I actually... That’s when I was a teacher and I quit before. I was stupid! I had no idea how difficult it was going to be. “Oh well, I’ll just start my own business.” You know how people do that? Totally underestimated! I was completely unprepared for this whole situation. In our culture we’re not taught anything about how to be an entrepreneur or your own boss. We don’t learn the skills, and I just got out there and learned them all the hard way. If I had known how hard it was going to be, I never would have had the nerve to quit. I’m glad I didn’t know; it worked out well.

But you know, I’ve had a lot of those nights of lying awake, staring at the ceiling, thinking how am I going to pay my bills this month? You’ve probably all been there at some time in your life.

ALAN BECHTOLD – Yep.

T. J. ROHLEDER – Absolutely.

DON BICE – Absolutely.

SYDNEY JOHNSTON – Yep. So, anyway, it all worked out well and now I sell on eBay. But I paid my apprenticeship. I did the several years of mailing the boxes and all that sort of thing and I’ve figured out easier ways to make money now. I don’t do much of that anymore. If I can’t make minimum levels – if I can’t make enough money... Because, see, my initial model was... The first things I had huge successes were briefcases – leather briefcases. I was averaging \$3.25 in profit on each one. But I was selling hundreds of them. Some weeks I’d have two and three thousand that I would sell. So I was making really good money, but I was working myself into the... I mean it! Can you imagine mailing out two or three thousand boxes a week? It was not easy. Plus, they didn’t have any software, so I was trying to keep up with

this on a spreadsheet. You know, it became a nightmare after a while! So I decided I had to get smarter about this. There are only so many hours in the day and you know how that goes.

ALAN BECHTOLD – That creates a natural ceiling on your potential earnings, too.

SYDNEY JOHNSTON – Exactly. Exactly. And I couldn't figure... I got smarter slowly. Like at one point I was selling watches and I hired a lady in the neighborhood who had four children and it was not worth her while to go to work, so she would mail things for me. Now I've got a much slicker system. I have fulfillment houses and the orders come in and I don't even mess with them and that sort of thing. But that takes a while. You don't start off doing that.

Because, see, everybody says, "Is it harder or easier now to sell on eBay?" I always say, "It's both." It's harder because there's so many people doing it, so the competition is pretty intense. But it's a lot easier because there are a lot of tools, and I didn't have any tools. My son is a programmer and I had him write me some software. He didn't know what I wanted. You know, that part was much harder.

ALAN BECHTOLD – I can just hear him... "You want to do what?"

SYDNEY JOHNSTON – Yeah, right. Exactly. "Who? Never heard of it!"

But now there's lots of help and lots of tools. But it's also harder, I think, because there are so many people selling.

ALAN BECHTOLD – What, specifically, happened that led you to decide eBay? Was it just the fact that you started making some real solid dough?

SYDNEY JOHNSTON – Yeah. Listen, this is what I tell my students and anybody who asks me. I get newbies all the time saying, "Well I want to make money on the Internet." I

mean, who doesn't? Right? They always say, "Should I start on eBay, or should I have a Web-Site?" It is so much harder to sell on a Web-Site! What I tell everybody... and I'm 100% sincere about it... eBay is the easiest place to make money that I know of. Think about it. It's one of the five most trafficked Web-Sites in the world! You can go there and you can put a listing (an ad) for thirty cents. How could that be any easier? You can learn in a really safe way. Like I teach my students... I say, "Look, just go put something up for sale. It doesn't matter if you succeed or fail. You're risking thirty cents. Big whoop! If you fail, so what? You've got to learn how the process works."

ALAN BECHTOLD – And you can't post a Web-Site of your own for thirty cents!

SYDNEY JOHNSTON – No!

ALAN BECHTOLD – Let alone have traffic to it!

SYDNEY JOHNSTON – Yeah! eBay, to me... Because I always sort of trick people when I have a live audience. I say, "Okay, what is eBay?" Everybody looks at me like, "What a dumb question! It's an auction site." eBay is not an auction site. eBay is a giant traffic machine. Period. The people use it to do auctions, but eBay is not an auction site.

So if you're a marketer and you look back and you see, golly, tens of millions of people come there every week! "How can I take advantage of this?" And so, if you start asking those kinds of questions, instead of "How can I sell a widget?" Then you start having a whole different perspective on eBay.

ALAN BECHTOLD – I think that goes into my next question, which was... Anyone thinking about selling online, what first steps do you recommend they take? The first thing is this attitude you just mentioned. It's a whole different way to look at eBay, which changes everything.

SYDNEY JOHNSTON – Right. Right. Although, having said that, you have to pay your apprenticeship dues first. All my students, when they start hearing some of these tactics that I use, they say, “Oh, I want to do that!” Yes, and they work beautifully and it’s easier than selling a widget. But you’ve first got to put some auctions up there and just get accustomed to how eBay works. You know, how a listing goes. How do you put pictures up? How do you make it look good so that people will buy it? And always, I tell them to start with inexpensive products. Because I don’t care who teaches you, you’re going to make mistakes. So you want to make a mistake on a \$10.00 item or something – not a thousand dollar item.

One of my students, his first auction he wanted to sell an \$18,000 bracelet and he wanted my help. I absolutely totally refused and he got angry. I said, “Your first auction, to sell something like that is just plain stupid.” I was more tactful than that, but that’s basically what I said.

So you want to learn on something that if you mess it up, who cares? It’s just not that big of loss. But once you get the feeling (and it doesn’t take that long) and in two or three months you’ll understand eBay – and maybe less you’ll understand eBay inside and out.

ALAN BECHTOLD – That probably helps you build like a favorable rating, too, as a seller, which probably helps with all of your other tactics.

SYDNEY JOHNSTON – Absolutely. For anyone listening who doesn’t know, you get feedback on eBay – which is basically a vote by other people who’ve done business with you as to whether you’re a good seller or not. You definitely want some of that. Absolutely.

See, when you get enough sales on eBay and you get enough feedback, you can become what they call a “Power Seller” and you get special privileges. I was a Power Seller for a while, until I started realizing that I don’t want to draw attention to myself. So what I do now is I have lots and lots of I.D.s with low feedback – and I purposefully keep it low and keep my head down so that nobody notices me. Because I never break eBay rules ever. It’s stupid. It’s just too

lucrative. But what I do is not what eBay really wants, in the sense of what does eBay want? They want every single transaction to be on their site. Of course they do! That's what I would want if I were eBay, because you get paid for that. But my goal is to get people off eBay onto my mailing lists so that I can market to them. So I don't follow the spirit of eBay.

ALAN BECHTOLD – That's brilliant, though.

SYDNEY JOHNSTON – Yeah. Yeah.

T. J. ROHLER – Yes, I think you do follow the spirit of eBay. It's the spirit of free enterprise and capitalism!

SYDNEY JOHNSTON – Right. Well, I got that part down! Right. Right.

Of course, eBay does everything they can to keep everything confined to their site, which is what we would do if we were eBay.

CHRIS LAKEY – Sure.

ALAN BECHTOLD – I can relate completely. With all of your experience, what three mistakes do you see being made most often on eBay?

SYDNEY JOHNSTON – Okay. That's a good question, Alan.

Number one is... The most common working mistake is to not do your homework. I see people all the time coming to me, "Oh, I'm going to sell so and so. It's so great. Everybody is going to love it. I know I'm going to make a zillion dollars with...whatever." I say, "Have you done your homework?" "What?" "Is there any demand? What is the competition?" "Well, I don't know about that." They don't know how to do it and, even if they do, they won't take the

time to do it. They just get so carried away with what they're going to sell. Bad, bad mistake! You've got to do your homework.

I'll help somebody with their homework and then they get all discouraged. "I thought I was really going to do well." What I always say to them is, "Look, if you've found out that a product is not going to do well on eBay, celebrate! Because you didn't waste your time and money trying to sell something that's not going to go."

That's the worst mistake, I think, from the point of view of just straight selling.

The second big mistake is people never test and experiment. They get something and it works – sort of – and so they just sort of leave it alone.

I have a wonderful example of that. I'm a frustrated Web Designer. I love fooling with images and all that, but I'm not really good enough. I mean, I couldn't make a living doing it if I had to. But it's fun. So I decided... For a while I was selling ready made Web-Sites on eBay. So I look around, I do my homework, and I find there's one guy – one guy – doing what I'm doing and succeeding with it. I knew that guy's Web-Site and his sales pitch and everything inside and out. In fact, I printed out a lot of his auctions, I laid them out on the table, and I kept coming back to them over a period of a week and noticing. I made lists. I'm better at this than he is and he's better at this, etc.

So anyway, within about two weeks I was making several thousand dollars a week. A week...selling Web-Sites. His business dropped by more than half and he never once changed a thing! Now you guys are all good marketers and you know if your revenue suddenly dropped by half, you'd start looking around and say, "What's going on here?" He never looked.

ALAN BECHTOLD – That will wake up any of us.



SYDNEY JOHNSTON – Not him! Not him! And the point of everybody saying, “Oh, you’re so lucky that you can...” Luck had nothing whatsoever to do with that! I was totally prepared. He was selling them, so I could see what people wanted. You know? This brings you to another advantage of getting people off eBay. Nobody knows what I’m doing. They can’t go after me that way. You know? Because I’ve got that ‘behind the scenes’ stuff.

So anyway, then the third mistake is the one you will shake your head about. There’s never any follow-up. Never. Never! I’ve been buying on eBay, as well as selling, for nine years. Do you know one time I got a catalog in a package? And one time somebody sent me an email saying they were having a sale on their products. That’s it in nine years! Is that pathetic?

ALAN BECHTOLD – Hey, you’ve bought a lot of stuff since then!

SYDNEY JOHNSTON – Oh yeah. Oh yeah. I’ve sold a lot more than I’ve bought, of course. But I buy stuff all the time. Isn’t that sad?

T. J. ROHLEDER – No, no, it’s not sad at all! No! That’s exciting!

SYDNEY JOHNSTON – (laughing) It’s sad for them, but good for us. Right?

T. J. ROHLEDER – Amen!

SYDNEY JOHNSTON – I mean, you know the hard part is getting a customer in the first place. Selling to someone who already knows you is easy.

T. J. ROHLEDER – No, that’s...

SYDNEY JOHNSTON – I stumbled into this, y’all. I got this model, like I was mentioning, selling hundreds of items a week and it was just wearing me down. So I started selling not real rare, but a hundred dollars and up books. I accidentally built a list of about 250

serious book collectors and I started sending out emails and I'd say, "I have book "x" and it's for sale until Saturday night, midnight, Eastern Time. The minimum I'll take is \$100.00." What happened was, I thought "Wow! I'm off eBay. I'm not following their rules and I don't pay them anything." Secondly, these people knew me so they trusted me and they believed what I said about the condition of the book and everything. And then the third thing was, the prices were a lot higher. Because think about it. If you want a rare book and you see it on eBay and it's \$100.00 right now and you'll willing to pay \$300.00, let's say. You see it's \$101.00...what are you going to bid? A hundred and five or something... you're not going to bid \$300.00. But these people didn't know what everybody else was bidding, so I got much higher prices.

DON BICE – This is interesting, yeah.

SYDNEY JOHNSTON – So then I thought, "Now how can I do this on purpose," which is what led me to a whole new way of looking at eBay. It was just an accident.

ALAN BECHTOLD – First, I want to ask you... These mistakes you just listed, though, are they usually beginners or are these some seasoned pros making the same mistakes?

SYDNEY JOHNSTON – Oh, the seasoned pros...all of them. There are very few people who follow up.

Like there's this one guy I follow... He's got like 50,000 feedback points and I bought from him repeatedly. Have I ever gotten one? Nothing. Nothing.

ALAN BECHTOLD – Man!

T. J. ROHLER – I'm so excited right now, I can't even stand it!

SYDNEY JOHNSTON – Yeah, if you understand back-end sales, this is just crazy! It's just nutty.

ALAN BECHTOLD – T. J. is ready to close down his business and log into eBay!

T. J. ROHLER – My head is getting ready to explode right now!

ALAN BECHTOLD – And we're just getting started, T. J.!

SYDNEY JOHNSTON – Anybody who understands marketing has got a huge advantage on eBay.

ALAN BECHTOLD – It sounds like it.

You teach these eBay techniques and you kind of leaked one of them there that you use yourself. This is one that we were all very impressed with, and I'm sure everybody listening is. It's the suggestion that you get your customers off of eBay as quickly as possible.

SYDNEY JOHNSTON – Right.

ALAN BECHTOLD – First, you mentioned a little bit... but can you maybe go a little deeper into why this is so important?

SYDNEY JOHNSTON – Simply because, as you all know (you're experienced marketers), you can offer all kinds of additional. Like I saw examples – concrete examples. I sold jewelry for a while and let's say you come and you buy a pair of ruby earrings for your wife. Now see, here's the kind of thing people don't do. This doesn't apply, let me say, if you're out to garage sales and you find a one-of-a-kind item. But if you're selling the same thing again and again and you've got other products, you will get four emails from me.

Number one is: Thank you very much for... Here's how much you owe... We hope you love the ruby earrings. And, by the way, did you know we have a matching ruby bracelet?

That's the primary time, because you've got your Pay Pal account ready, your credit card, or whatever. You're ready to pay for your earrings. Why not offer you something else? So, a certain percentage will buy.

So then you get a second email: Thank you for paying. We will let you know when we're going to send your package. And, by the way, did you know we have a ruby pendant?

And then the third time is: We mailed your package and we're offering you 25% (or whatever) off on... And so on...

And then I always follow up about two weeks later: We wanted to follow up and make sure you were happy with it. We're going to have a sale next month and we'll let you know.

And then I always... always... every package that ever leaves (including the fulfillment house now) has an insert. I learned the hard way. I'll make these inserts on bright pink or bright green or bright yellow. If you put it on white it might get overlooked. It's always like a coupon: "Buy one, get one free." Whatever... it doesn't matter. Just so they've got some offering constantly for them to buy jewelry, because I already know they're interested in jewelry.

ALAN BECHTOLD – Oh, that's great!

SYDNEY JOHNSTON – But it never happens with other people.

ALAN BECHTOLD – Yeah, in the infomercial world that's a standard.

SYDNEY JOHNSTON – Yeah, right.

ALAN BECHTOLD – You don't call an order or anything without hearing about forty other specials.

SYDNEY JOHNSTON – Right. I don't know why people don't do it on eBay. That's why I'm saying they're so unsophisticated it's mind-boggling.

ALAN BECHTOLD – This doesn't violate their rules.

SYDNEY JOHNSTON – No. No. No. Once they've bought from me they're MY customer.

And Alan, you must have heard part of that presentation I gave in Florida last weekend then.

ALAN BECHTOLD – Yes.

SYDNEY JOHNSTON – And while I was explaining how to do a Joint Venture, one guy holds his hand up and says, "Well what if somebody reports you to eBay?" Oh, well, my world is ruined if somebody reports me to eBay. You know, there's always somebody telling you why you can't do something. And I told the guy... You could see by the look on his face he didn't believe what I was saying. eBay is just a bunch of people! I've argued with them many times – I lose sometimes and win sometimes. So what? Wow! And I have so many I.D.s it doesn't make any difference.

See, this is one of the reasons to keep your feedback low on eBay, because people don't notice you. If you've got 50,000 feedback points, they're going to be following what you do. And there're little, small, petty, spiteful people always who want to report you if you're too successful. You know how that goes!

T. J. ROHLER – Oh yes, absolutely.

ALAN BECHTOLD – So, in other words, what you’re saying is... This leads to a question. A high feedback rating is obviously not as important to sales as eBay would make you think.

SYDNEY JOHNSTON – No. No. What is really more important is your percentage of favorable feedback. If you’ve got 75% feedback, you’re dead in the water. But if you’ve got 95% and up...

Another thing, too, I have done a couple of “unofficial” surveys and I asked people, “How many times do you check out the feedback on people?” And unless it’s a fairly expensive item, most people don’t even bother.

This is not to say that you might not want to focus on jewelry or whatever and pile up humongous amounts of feedback. There are people that want to follow that model and there’s nothing wrong with that. That’s great. It’s just not the one that I choose to do. Because what I’ve figured out is, I can make a whole lot more money with a whole lot less effort (which is my way of doing things and I know it’s yours too).

ALAN BECHTOLD – (laughing) Every time we can.

SYDNEY JOHNSTON – Right. Of course! Nobody wants to work any harder than they have to!

ALAN BECHTOLD – No! Now you’re saying this technique, though, can be adapted to virtually any business.

SYDNEY JOHNSTON – Any business. Any business.

ALAN BECHTOLD – Whether they really intend to sell on eBay overall or not.

SYDNEY JOHNSTON – Absolutely.

See, look at it this way... If you're selling something on eBay. Like you all just mentioned this Program and that I could sell it on eBay. Okay? The tapes that you're making. I would never ever sell it directly on eBay. Never! What I would do would be to come up with a very low-cost – usually digital product – that I would sell for just the cheapest thing I could find that would be related to this, and then get people on my mailing list that way. And then up-sell them!

DON BICE – Are you only able to add people to your mailing list who were the winning bidders or can you go back to the other people who bid?

SYDNEY JOHNSTON – That's a gray area. So, again, what you have to do is be sort of sneaky about some of that.

DON BICE – All right.

SYDNEY JOHNSTON – Yes, and I am sneaky about it! (laughing)

DON BICE – (laughing) Okay.

SYDNEY JOHNSTON – See, that's the thing. Like my Auction Genius Course is not cheap, so I don't sell it directly. What I sell is some low-cost product that a lot of people will buy. Right now, for example, Chris Malta, who is the...

Let me give you a concrete example of that. Chris Malta is the owner of Worldwide Brands and they have this incredible wholesale and drop-ship list because they have a full-time research team. They're the only ones I recommend. So Chris and I wrote, together, this book about not getting ripped off by fake wholesalers, because we have so many horror stories of that. We sell it at the absolute minimum price we can sell, which if you're going to have a "Buy it

Now” is ninety-nine cents. The orders are just pouring in! You know what? This is the worst time of the year for that.

ALAN BECHTOLD – Yes.

SYDNEY JOHNSTON – We just started it in December. After Christmas and the holidays are over it’s going to go four, five, six times. And inside that little book, which is only ninety-nine cents, is 136 pages of real information. It’s really a good book. Guess what’s in there? My Affiliate links. Right now, I’m making like sixty to seventy-five dollars a day (in the worst time of the year). It will easily go four or five times that after Christmas. I’ve done it once. I don’t have to do it ever again. Plus, I’m getting leads from my Auction Genius courses and everything else. And, I’m getting all these email addresses that I can market to again and again and again – and I do. I have added about 2500 people to my mailing list in the last three weeks. And one of those... ONE of those wrote me an email saying, “This is against eBay rules to ever contact us. If you contact us again I will report you to eBay.” Oh wow. Gee, I’m terrified. So one out of about 2500 is a complaint. Do I care? Not in the least. I immediately removed him from my list, but it wasn’t because I was afraid. It’s because he’d never buy anything from me anyway. You know?

ALAN BECHTOLD – Exactly.

RUSS VON HOELSCHER – You are brilliant! You are absolutely... I want to ask you a question. You talk about these multiple listings and multiple accounts that you use. Could you talk about that just a little bit?

SYDNEY JOHNSTON – Well, it’s easy to open an eBay I.D. You just need different names. I have a lot of credit cards, so I’ll just open one as Sydney Johnston. One is S. S. Johnston. One is... I’ve got grown children and I use their names. I have some in my business account. What I do is, when my feedback gets too high – which to me is about... This is strictly suggestive. There is no reason that this is right. I’m just saying that when I get about 350 or 400



points I will close an account down and start over maybe a month later with that same card and so forth. Because I just see... See, nobody knows. Like I did to this guy who was selling the Web-Sites... His business was totally exposed. There was no way he could protect himself from someone like me who understands marketing better than he did. But what I'm doing... Nobody understands what I'm doing. They can't follow me around and track me and steal customers and that sort of thing.

RUSS VON HOELSCHER – Oh, that's great.

SYDNEY JOHNSTON – Yeah. Yeah, it's great. So anyway, here's the way to look at eBay... Alright? If you have a product for sale that's under \$10.00 it costs you thirty cents. It's forty cents if you want to have a 10-day auction. So that's \$1.20 a month or \$15.00 a year to have a continuous ad on one of the top Web-Sites in the world. How can you beat that? There is no way! It's just impossible.

ALAN BECHTOLD – I'm seeing it as an entirely different...in a different light entirely. It's a huge two-step marketing tool.

SYDNEY JOHNSTON – Absolutely. Absolutely.

ALAN BECHTOLD – And that's one thing we always recommend for every one of our clients is the two-step marketing techniques.

TED CIUBA – Sydney, I've got a question, if you don't mind.

SYDNEY JOHNSTON – Surely. Sure.

TED CIUBA – You talk about getting these names... And this is a technical kind of question. How do you keep them organized and how do you integrate them so that you can send a message out to all of them with an offer through [let's say] email?

SYDNEY JOHNSTON – I have a system that my tech wrote for me and it's all auto-responders and all that sort of thing so I can just... You know, like if you buy my jewelry you go into my jewelry list. If you buy books, you go into my book list or whatever. It's just automatically put in there. It's just a regular auto-responder, because he wrote it when there was nothing like that so he created it for me.

ALAN BECHTOLD – But when you've got it built that way, then you've got a list readymade to send an offer.

SYDNEY JOHNSTON – You bet! I know everybody on that list is interested in books.

ALAN BECHTOLD – That's incredible!

SYDNEY JOHNSTON – I mean, is that... You know? So if you're buying... See, one of the methods people use is they say to go to garage sales and estate sales and all that. Yawn! I mean, that's fine and I'm not knocking it and if you want to have an eBay hobby, that's great. But the fact of the matter is, if you want to make REAL money on eBay... You spend your whole life looking for inventory. So if you're going to follow the sell-a-widget model, you've got to have some reliable suppliers. And then if you want to do what I'm doing, you've got to have some back-end products. So at that seminar, Alan, that we were both there and he mentioned finding a spittoon? Well that's good...and you make \$200.00 or something. But then what? You know? It's sort of a dead end sort of thing.

ALAN BECHTOLD – Yeah, there's not a whole lot of spittoon related items that you can back-end it with.

SYDNEY JOHNSTON – No, I can't think of too many products. Maybe you could sell chewing tobacco or something. I don't know...

DON BICE – Polish... and that's about it.

SYDNEY JOHNSTON – Yeah.

ALAN BECHTOLD – There are collectors, but there are very specialized lists of them.

SYDNEY JOHNSTON – Right. That's exactly right, which is why I dropped my First Edition books business after a while. I spent most of my time... There weren't a lot of follow-up things. You can't call an 800 number and say, "Hey, send me some..." You know? But it was a great experience because I started looking at eBay in a whole new way.

ALAN BECHTOLD – Besides what you've told us so far, can you name your two favorite eBay tricks?

SYDNEY JOHNSTON – Oh, I have a lot of them! Okay...

ALAN BECHTOLD – I know. It may be tough. Hey, you don't have to narrow it to two, if you don't want.

SYDNEY JOHNSTON – Okay, my favorite one I've already mentioned is, if you want to sell your course, for example, or my Auction Genius course or something like that, you want to come up with the lowest thing you can come up with that will interest your target audience. Okay? You can also do it with a physical product. I created this huge list for dog lovers by selling a dog dish that I got for... There were twelve for \$10.00 or something like that. I offered some free information that went with it. I just loaded up the people! But for people, the easy way is to put it on an auto-responder with a digital product. You can do it with almost anything.

I had a student that was selling Ralph Lauren shirts. Okay, what could he come up with? How to care for those things, because if you spent a lot of money on a Polo you don't want it... You know...how to make the color last forever. How to recognize a fake. We could all sit

around and generate long lists of things that your target audience would be very interested in, that you can sell for virtually nothing. Once they buy it, you've then got that name and you can market to them till your heart's content. So like if you're selling Polo shirts... There's a huge list of things in men's clothes that you all know...that I could be selling them, including sun glasses and clothes and shoes. It's just endless.

ALAN BECHTOLD – Wallets, briefcases, and the whole nine yards.

SYDNEY JOHNSTON – Right.

So one of the things I tell my students is, before you get involved in a product... if you want to do what I'm doing... make sure there's something to go with it. Because I learned that one when I had a watch store. I was selling these watches on eBay for about ten bucks. I decided to open a store and I was selling them for \$24.95 and was doing great with them. But a lot of them had like dogs on them, or they had cats. I would get these emails that would say, "Oh, I just got the watch and it looks just like my little FiFi! What else do you have?" and I didn't have anything to sell. So if I were doing it today, I would do it totally different. I wouldn't have a watch store, because these were logo watches. I would have a dog store and the dog watches would be one part, along with the invisible fence and the million things for pets. So don't go rushing out there and sell spittoons if there's nothing else to go with it, because you've got a dead end there. What are you going to do with it?

ALAN BECHTOLD – (laughing) Exactly.

SYDNEY JOHNSTON – Customer acquisition is the number one cost in marketing, as you all know very well.

ALAN BECHTOLD – So one of your ideas there... one of your suggestions would be to definitely find the back-end product first.

SYDNEY JOHNSTON – Absolutely! Absolutely.

ALAN BECHTOLD – Then create or find the super-low-cost front-end that’s going to be tied to it.

SYDNEY JOHNSTON – Right. Right.

See, one of my students was selling a self-cleaning cat litter box. It was \$70.00. I love my cats, but no way! You can’t lead with a \$70.00 cat litter cleaner. You’ve got to come up with something else, which is easy with cats. There are a million things. One of the things that was the most effective I came up with for my dog stuff was...

Picture this... You all would love it! This great looking dog! People have negative associations about some dogs. You wouldn’t want to put a pit bull picture, because some people are scared of them. Or Rottweilers... So there’s this great looking dog – the dog’s dog... friendly and wonderful! I had this alarming headline about “The Average Pet, According to Science, Should Live To Be 23 (or 24 or whatever it was). But the Average Dog Only Lives To Be 13 Years Old. Isn’t this terrible? Learn here what you can do to prolong your dog’s life.” It was just information I found on the Internet. It probably took me half an hour and I re-wrote it some. It was about all the additives in pet food and all that. And then you could follow-up with a recipe on how to make your own nutritious dog biscuits. You know what I mean... It’s endless; those kinds of possibilities.

That way, you’re grabbing their... I said, “Go for the emotion! Go for the heart!” If somebody loves their dog, they’re sitting there... “Oh gosh, she’s eleven and this says only 13. He’s only going to be...” You know how that goes.

PANEL MEMBERS – (laughing)

ALAN BECHTOLD – That falls under “ruthless marketing.”

DON BICE – Boy, we called her on the wrong program!

SYDNEY JOHNSTON – “Ruthless”... I like that!

T. J. ROHLEDER – No, no...you are brilliant! You really are brilliant, Sydney.

SYDNEY JOHNSTON – Oh, thank you. Thank you. Thank you.

T. J. ROHLEDER – And, basically, it’s only limited by your imagination, isn’t it?

SYDNEY JOHNSTON – Exactly. Exactly. And if it doesn’t work...do something else. Because what I see with so many people is, “I tried and it doesn’t work.” Yeah, you tried one thing! You know how that goes?

T. J. ROHLEDER – Oh, absolutely! Hey, we all know how that goes, don’t we guys?

ALAN BECHTOLD – I played tennis once, but I lost.

SYDNEY JOHNSTON – Right. That’s right.

ALAN BECHTOLD – You’ve got to try again, maybe.

SYDNEY JOHNSTON – Yes. Maybe twice or ten times or fifty times! How important is this to you?

ALAN BECHTOLD – What I really love about eBay as you presented it is, it costs so little to keep trying some different things. The risk is so minimal.

SYDNEY JOHNSTON – It is minimal. It’s ridiculous to go on about, “I failed after one or two tries.” Honestly, I’m getting where I don’t have much patience with people like that. Really, I am. Okay, fine. Go away and whimper about how the Internet doesn’t work. You know? I don’t mean to sound quite so cruel, but you know what I’m saying.

T. J. ROHLER – Russ, it reminds me of that guy on the airplane that told you to get out of the mail order business.

RUSS VON HOELSCHER – Yes. I was on the airplane once, Sydney, and I was looking through an opportunity magazine after I’d been in the business for many years and the guy said, “Hey, take a tip from me. I tried that once; don’t do it.”

SYDNEY JOHNSTON – Yeah, yeah, right. Right. I’m sure you snickered, Russ!

RUSS VON HOELSCHER – I snickered!

SYDNEY JOHNSTON – Yes.

ALAN BECHTOLD – He probably bought him a drink and said, “Hey, thanks for the tip.”

SYDNEY JOHNSTON – (laughing) Right! “You just saved me!”

ALAN BECHTOLD – One other thing I was curious about is if you could name... (and I put down here “three” but, again, it’s not limited to that by any means) ...your three favorite eBay tools. I’m referring to like software, books, or even features of eBay that you like the best.

SYDNEY JOHNSTON – Well, what I’ll recommend to a lot of people... eBay has their own software for managing your auctions. When you get a lot of auctions going, you’re going to lose your mind if you try and do it by hand. You know, keep up with it yourself. And eBay does

have some software on their site. Quite honestly, it's not the greatest software I've ever seen, but it has two advantages. One is, it's inexpensive and number two, it ties into their database. A lot of software doesn't. So like you just sold 200 briefcases and here's 200 winning names. Now you've got to (or somebody's got to) cut and paste those into your software. No, no, no, no, no! So eBay is all tied into their base and it just automatically imports for you. So that's a really valuable feature. And there're other software that does that, but they're a lot more expensive. It's not the greatest software, but it's what I recommend.

Another Program that I recommend very highly is the Market Research Wizard. It's also by Worldwide Brands and what it will do is, you can take like I demonstrated for some students this week. I've forgotten which kind... Gucci sunglasses. You can put in Gucci sunglasses and it will give it a couple minutes and it will show you all kinds of results and even give you probability for success or failure.

This poor guy sent an email the other day to Chris and me. "I want to start selling DVDs on eBay. What I need is the name of a supplier who will sell the brand new latest CD's shrink-wrapped for three bucks."

T. J. ROHLEDER – (laughing)

SYDNEY JOHNSTON – I said, "Well, if you find this person...please pass the name on to me!"

ALAN BECHTOLD – We're all looking for that guy!

SYDNEY JOHNSTON – Yeah, you bet! So Chris ran a possibility study on there and it showed one percent success. So he gently steered this person... I almost didn't have the patience to answer such a question.

T. J. ROHLEDER – I think there is a company in Thailand that offers a service like that.



SYDNEY JOHNSTON – (laughing) Right! Yes, that’s that “gray area”.

ALAN BECHTOLD – You just don’t want to be caught selling those by eBay or anybody. That’s the problem.

SYDNEY JOHNSTON – Right. Somebody is crouched down behind a seat with their video camera in the movie in the dark... Yeah, exactly! No, no, no, no, no.

DON BICE – Could you repeat the name of the marketing research software again, please?

SYDNEY JOHNSTON – Okay. It’s “Market Research Wizard.”

DON BICE – Okay.

SYDNEY JOHNSTON – It’s great. I mean, it’s not the oracle at Del Fi, so you’ve got to interpret what you’re seeing. But for running quick tests it’s great. It will give you...

ALAN BECHTOLD – Do they have it available on eBay?

SYDNEY JOHNSTON – It’s available at “worldwidebrands.com”. It’s really good stuff.

And another tool that I highly recommend and tell all my students to go get is a Program called “I-VIEW” and you can get it at “irsanview.com” and it’s free. One of the really critical things on eBay that you’ve just got to have is decent pictures. This little piece of free software is a real winner! It will help you do all kinds of things.

One of my tactics that I’ve never seen on eBay... This is a free gratis tip for all of your listeners, okay? I see this all the time. I found a watch the other day. It was a Seiko watch. The

guy was selling it for like \$10.99. What I do is, I will go to one of these shopping sites and I put in the name of that Seiko watch and I start looking around for the prices. There are sites online selling this for over \$200.00. Wow! So I'll go and I'll find the highest priced watch and I use this I-VIEW Software and I take a picture of it. I say, "Okay, here's the picture of this watch on (whatever the site is) for \$209.00. I'm selling it for \$10.99. It's 98% off!" Or whatever...do the numbers.

ALAN BECHTOLD – Really.

SYDNEY JOHNSTON – And have a picture showing the price right there in the middle of my auction and put the URL so they can go check it out. It just makes people think they're getting such a bargain.

ALAN BECHTOLD – So the I-VIEW software lets you grab stuff like that off of another site and include the picture and price.

SYDNEY JOHNSTON – See, what you want to do is... People say, "Why don't you just right click and save the picture of the watch?" You don't just want a picture of the watch on the site. You want the price with it.

ALAN BECHTOLD – Okay.

SYDNEY JOHNSTON – So you have to make your own little picture there... and I-VIEW will do that for you. I use I-VIEW all the time.

ALAN BECHTOLD – It's like a little snapshot of a section of the screen.

SYDNEY JOHNSTON – Exactly. Exactly.

ALAN BECHTOLD – Okay.

SYDNEY JOHNSTON – Showing your identical watch and the \$209.00 price tag...or whatever.

ALAN BECHTOLD – That’s brilliant!

SYDNEY JOHNSTON – And then you put it on your site. Here are all these other people, “Buy my watch. It is a good buy.” I mean, that’s how pathetic some of these auctions are.

ALAN BECHTOLD – Or even barely better. “I’ve seen it for up to \$200.00.”

SYDNEY JOHNSTON – Yeah. Oh yeah! Usually you want to go to the lowest price, but not this time. You want to find the very highest price you can.

ALAN BECHTOLD – Yeah.

SYDNEY JOHNSTON – And say, “Wow! Is this cool or what? I’m showing you this wonderful watch...” It’s a great tactic.

ALAN BECHTOLD – That is great. Yeah.

SYDNEY JOHNSTON – It’s super. And then once you get them on your list you sell them...what? All kinds of more jewelry! (laughing)

T. J. ROHLER – Yeah, it is pretty simple isn’t it?

SYDNEY JOHNSTON – It is simple. It really is. It really is.

ALAN BECHTOLD – That’s why it’s so exciting and fun! It’s like you were saying, T. J. The more you let your imagination run away with you, the better you’ll do.

SYDNEY JOHNSTON – Right. Right.

ALAN BECHTOLD – I want to make sure we have time for Sydney to tell us all about her incredible course that she offers. But first, I think we’ve got several minutes yet before we...

T. J. ROHLEDER – No, let’s just keep this tape rolling!

ALAN BECHTOLD – Well I want to, and I was going to open it up now for the whole panel to really come up with some more questions you’d like answered and kind of really roundtable this.

T. J. ROHLEDER – Well the first thing that I want to say is, one of the most expensive marketing consultants on the planet... I can’t mention his name, but his initials are J. A.

SYDNEY JOHNSTON – Right. Right.

T. J. ROHLEDER – He teaches people (and he charges huge sums of money to do this) that if you really want to get rich there’s one thing that you’ve got to do. You’ve got to find people who are making money, in spite of the fact that they’re making tons of mistakes and doing everything wrong.

SYDNEY JOHNSTON – Right. Right.

T. J. ROHLEDER – And that’s what we have here, Sydney, don’t we?

SYDNEY JOHNSTON – Absolutely. Absolutely. I’m a mentor to a lot of people. I say, “I have made every mistake [just about] that you could make. So I can save you from doing the same stupid things that I did.”

ALAN BECHTOLD – It’s part of your job to go out and even find whole new mistakes to make.

SYDNEY JOHNSTON – Absolutely. You bet! You bet!

TED CIUBA – You know what I love is that you’re teaching people how to be savvy in a market that everybody is making mistakes in! That’s a perfect market to sell in.

SYDNEY JOHNSTON – Yes. Yes. They don’t learn, Ted, on eBay. I just don’t get it. They just don’t seem to ever progress. I’ve followed some sellers who’ve been on there for years and they’re doing the exact same thing now that they did five and six and seven years ago.

TED CIUBA – Well, you’ve gotta love that.

SYDNEY JOHNSTON – Oh don’t you, though?

T. J. ROHLEDER – Oh absolutely.

SYDNEY JOHNSTON – I feel like I’m in a group here with our shark tails sticking out above the water!

T. J. ROHLEDER – No, no, no, no, no. No. But we’re practicing that what Aristotle Onassis used to say. He said that the secret to getting rich is to know something that the rest of your competitors don’t know.

SYDNEY JOHNSTON – That’s right. That’s right.

T. J. ROHLER – And that’s exactly what this is.

TED CIUBA – That’s it.

SYDNEY JOHNSTON – That’s right. That’s exactly right. You’ve got it!

RUSS VON HOELSCHER – It’s the Sam Walton model, who spent so much time in K-Mart to find out everything they were doing well and everything they were doing wrong.

T. J. ROHLER – Absolutely!

SYDNEY JOHNSTON – Exactly.

TED CIUBA – But it’s not just “know” what they’re doing wrong. It’s doing it different. It’s “doing” what they’re not doing.

ALAN BECHTOLD – What I like, too, that Sydney’s pointed out that’s so important to remember here is that on eBay you don’t even have to go into a different store and walk around with a notebook. It’s all right there for you to look at right in your living room.

SYDNEY JOHNSTON – Oh yeah.

TED CIUBA – No kidding!

T. J. ROHLER – Corporate espionage in its finest!

SYDNEY JOHNSTON – Exactly!

ALAN BECHTOLD – That’s great. You don’t even need a magnifying glass to be a spy!

SYDNEY JOHNSTON – No, nobody’s going to come up and ask you to leave.

TED CIUBA – They’re advertising to attract you in!

SYDNEY JOHNSTON – That’s right. That’s right.

ALAN BECHTOLD – I love that.

RUSS VON HOELSCHER – But Sydney, what would you say... This might be a difficult question, but if you had to name the five easiest products to sell...what would they be?

SYDNEY JOHNSTON – The five easiest?

RUSS VON HOELSCHER – Yes. In other words, five types of merchandise that seem to sell consistently.

SYDNEY JOHNSTON – Well, anything to do with computers sells consistently. Anything to do with current movies – any of the action DVDs and the hot movies. Again, these are extremely competitive categories so you’ve got to know what you’re doing.