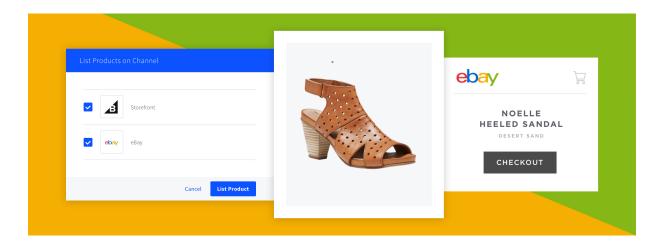


# The eBay Shipping Guide: How to Ship on eBay (+ Calculator)



Despite what you might think, selling on eBay involves more than just *selling*. In addition to offering quality products at optimal prices, you also have to factor in eBay shipping — which can ultimately make or break your success.

eBay shipping not only affects your bottom line, but also customer loyalty and your brand reputation. With all the competition on eBay, customers look at shipping options just as much as price.

There's no one-size-fits-all solution for how to ship on eBay. It's about choosing the best method for your company.

You have to choose who handles the shipping — you, your supplier, or a third-party provider — how much it will cost, and which carrier to use. That's in addition to offering shoppers all the shipping perks they've come to expect; if you don't, your competitors will.

All these choices can be overwhelming, especially if you're new to online selling. That's why we wanted to write this chapter: to guide you through your options so you can make the best decisions for your company.

Before we get into the different options, let's start with the big picture: what shipping options do eBay customers want from sellers?

# What Customers Want from eBay Sellers: 3 Priorities

There was once a time when policies like free shipping were a fancy luxury but, thanks to fierce competition, it seems like everyone offers it now. Here are the three most important eBay shipping policies a seller should offer — which are quickly turning into the bare minimum.

#### 1. Free shipping.

This is without a doubt the most important shipping policy for eBay and all other ecommerce platforms.

Considering the success of Amazon Prime and the prevalence of free shipping on other online stores, customers are usually annoyed when sellers *don't* offer free shipping. That's not just our speculation, either; eBay themselves released an official announcement saying, "Free shipping isn't a nice-to-have. At this point, it's almost a must-have."

Don't forget that free shipping is displayed on the product's thumbnail, too, so browsing shoppers know whether it's offered before they even click to the product details page.

Look at these statistics to see what free shipping can do for your store:

- Three out of four shoppers are more likely to shop online if free shipping is offered.
- With free shipping, 93% of online shoppers add more to their carts.
- Order totals are 30% higher when free shipping is offered.

Because free shipping provides shoppers with so much value, it does wonders for brand loyalty and reputation. But offering it means you'll need to eat those shipping costs yourself, so consider how much you're willing to spend to build a community of loyal customers.

#### 2. Fast shipping.

Fast and free — that's how eBay buyers want their shipping.

Again, Amazon has raised the bar for ecommerce, and eBay is adapting to stay in the race. Ideally, customers expect products to arrive within three to five business days — sometimes, even faster.

While shipping speed largely depends on the product details and your carrier, the location of the distribution center is also a factor. Which brings us to our next point...

## 3. Nearby distribution centers.



On the surface, this is a logistics issue — the closer your distribution center is to the buyer, the faster the shipping. If you're expanding your business to new geographical locations, you'll need an appropriate "HQ" in the area to avoid long shipping times.

But it's a customer preference issue as well. Eagle-eyed shoppers can see the shipping location on each product page and, free shipping or not, they'll be more inclined to buy locally than from a faraway land.

# 3 Ways to Ship eBay Items

Based on the above priorities, you need your shipping to be fast, nearby, and (preferably) free. The question is, how do you satisfy all these demands? Let's take a look at your three options for how to ship eBay items.

#### 1. Self-service.

The most obvious and common method is to ship items yourself. It takes more work, but you avoid paying extra fees to third-party services or dropshipping suppliers.

If you buy a shipping scale, you can calculate postage costs more accurately (and add them to listings if you don't offer free shipping). The eBay shipping calculator can handle arithmetic, but you still need to input the weight of the product.

Self-shipping also provides more opportunities for branding, like using branded packing slips. These slips are a great place for logos, promotion announcements, personalized messages to strengthen your seller reputation, and requests for reviews.

How cost-effective is this type of shipping? That largely depends on how well you can navigate your various carrier options (which we explain later).

#### 2. With a logistics partner.

For extra efficiency, you can always outsource your shipping needs to a third-party logistics group (3PL). Although it is a paid service, prices range to accommodate smaller businesses and private sellers as well.

3PLs improve delivery speed by reworking the supply chain. Many of the options out there have warehouses in different regions, meaning you can expand your product offering to areas you couldn't manage with a self-fulfillment option. If you're interested in finding a 3PL for yourself, keep these seven tips in mind.

## 3. Dropshipping.

Dropshipping is like selling other people's goods for commission. You don't have to worry about shipping the items you sell — or storing them, for that matter — but the bulk of the profits go to the supplier.

As a dropshipper, you're more or less a proxy seller, but fewer responsibilities mean more free time for business management and online marketing.



Unfortunately, dropshipping can be risky for estimating delivery times because shipping operations are outside of your control. Dropshipping is most useful in small doses, like for testing new products or handling overflow orders if you're out of stock.

Make sure you partner with a supplier you trust so you can provide reliable delivery dates on your product listings. To learn more, read our detailed dropshipping guide.



# **Best Carrier Options for Various Items**

Especially if you're offering free shipping, you need to be surgical about shipping costs to maximize profits. It's not always about weight and location — there are different fees based on item fragility, international shipping, and other factors. The chart and descriptions below can help you determine what's best for you.

Item
Carrier
Service
Fragile Items
USPS
Priority Mail
Clothing and Foldable Items
USPS
First Class Mail
Heavy Items
USPS
Priority Mail
International Packages (without tracking)
USPS
First Class Mail International
International Packages (with tracking)
DHL
International Service

#### 1. Fragile items: USPS Priority Mail boxes.



Priority Mail from the USPS costs more, but when it comes to fragile goods, you're paying for extra protection. Every package comes with \$50 insurance, so you're covered in case something goes wrong. Keep in mind they sell boxes in different sizes, so be sure to check the specs to see which one you need.

#### 2. Clothing and foldable items: USPS First Class Mail.

Clothing is a popular online commodity — and a lightweight one. You can take advantage of this by using USPS First Class Mail. The benefits-to-price ratio is great for lightweight shipments. First Class Mail is fast and affordable, and you can get the order to customers in three to five business days.

#### 3. Heavy items: USPS Priority Mail boxes.

Compared to other services, USPS Priority Mail is the most forgiving when shipping heavy packages. Chances are you'll get the best deal with them, as long as your item is under the 70-pound limit.

#### 4. International packages (without tracking): USPS First Class International.

Shipment tracking gets complicated overseas. If tracking is *not* a concern, your best bet is USPS First Class International. Their prices are affordable, especially for international shipping, and can arrive as quickly as a few days... though some destinations can take weeks. However, as we explain later, tracking is always recommended for online merchants.

#### 5. International packages (with tracking): DHL International.

If you're shipping internationally and need tracking, you should go with a carrier other than USPS. In particular, DHL International has a great performance record in foreign shipping, for both speed and accuracy. Although it costs more, you can often see why — some shipments can arrive even faster than if you shipped USPS First Class.



# How to Use the eBay Shipping Calculator

Keeping a close eye on shipping costs is crucial if you're handling the shipping yourself. Whether you're offering free shipping or not, you still need to estimate shipping costs for accurate budget planning and product pricing.

Luckily, eBay understands both the importance of shipping costs and how frustrating they are to calculate. That's why they offer their own eBay shipping calculator to sellers. Here's how to access it:

- 1. In your shipping section, go to Calculated: Cost varies by buyer location.
- 2. Click Calculate shipping.
- 3. Enter package type, dimensions, weight.
- 4. Enter your ZIP and handling fees.
- 5. Add a destination, if you know where you're shipping to.
- 6. Click Calculate shipping.
- 7. Select the service you want.
- 8. Select Offer shipping service.

As we mentioned above, we recommend getting a shipping scale so there's never an issue calculating your product weight. It's also smart to have a tape measure if you're ever unsure of the package dimensions.



# **5 Expert eBay Shipping Tips**

Mastering the basics of eBay shipping is just the beginning. Once you learn how to ship on eBay, you can start learning how to do it like a pro! Here are five advanced eBay shipping tips to give you a head start on your competitors.

#### 1. Use inventory management software.

The more successful you are on eBay, the harder your business is to manage. More sales means more inventory to house, more shipments to oversee, more customers to keep track of, and more returns and complaints to manage. And if you're selling on other places besides eBay, those numbers can double or triple.

Rather than hiring extra staff, automated inventory and order management software helps you stay on top of things for a lot less money.

Aside from organizing all your stores and listings under one master dashboard, these types of software can also save tons of time with shipping: you can create shipping presets to fast-track orders, batch-print shipping labels, consolidate USPS labels into a single scan form, and add notes for warehouse workers on special orders.

And that's on top of the other perks of inventory management software, such as automatically updating stock levels to prevent overselling and sending out confirmation emails to generate more reviews. It's worth considering if you ever want to tighten the belt on your company's efficiency.

#### 2. Opt for delivery confirmation.

Veteran eBay sellers already know that not all customers are saints. If you're not careful, you can give buyers the opportunity to rip you off — for example, by claiming that a package never arrived.

This is an easy problem to avoid with delivery confirmations, which officialize when a package is delivered. Even more good news — most USPS services come with free tracking and delivery confirmation:

- Priority Mail.
- Priority Mail Express.
- Parcel Select.



- Media Mail.
- First Class (packages only).

The major exceptions are first-class envelopes and international deliveries (which is why we recommended DHL International for foreign orders).

For truly valuable items, you can go a step further with signature confirmation. Having a signature is as close as you can get to iron-clad evidence of shipment deliveries, so it's easy to refute false claims. This is especially useful for payments made through PayPal; under their policy, PayPal can take money from your account to issue a refund on a claim *unless* you have signature confirmation.

#### 3. Higher than \$50? Opt for insurance.

It isn't just problems with the buyers you have to worry about; sometimes you just have bad luck. Items can get delayed, destroyed, or lost completely by no fault of your own. That's why we recommend buying insurance on more costly items — anything over \$50, in our opinion.

USPS has a few different insurance options, as well as protections and confirmations. Although restrictions apply, Priority Mail Express shipments typically include up to \$100 of insurance, and Priority Mail shipments include up to \$50. For other services, expect to pay a variable amount dependent on the content's value.

#### 4. Improve branding with packing slips and special packaging.

Optimizing eBay shipping isn't all about nickels and dimes. As we touched on above, shipping yourself gives you more options for branding, marketing, and customer relations.

The greatest advantage is the packing slip. On a practical level, packing slips are necessary to ensure the order is correct and that everything is in the box — especially if the shipping label is torn or obscured.

But packing slips are also great opportunities for branding. You can include personalized notes to buyers, which can effectively improve loyalty. You can also use stock messages to announce upcoming promotions, new products, special policies — anything you want your shoppers to know about your brand.

At the very least, you want to use your logo to reinforce brand recognition.

Another great tip is to add a quick line requesting that the buyer reviews your product on eBay. Considering how influential product reviews are for ecommerce, you'll want to do everything you



can to get more. The packing slip is the ideal place for this request, because the customer sees it when the package is first delivered — the time when they're most excited about their purchase.

Aside from packing slips, you can show off your brand personality with specialty packaging. Custom boxes — particularly useful for sellers in fashionable, artistic, and creative industries — can set you apart from your competitors.

#### 5. Offer free shipping by raising the product price.

While we understand that free shipping means you earn less per sale, the advantages should lead to more sales to make up for the cost.

It helps to think about it as psychological behavior rather than logical. Customers are more willing to buy a \$25 product with free shipping than a \$20 product with \$5 shipping. It's senseless from an objective perspective, but it's easier to understand from a human perspective: shipping costs seem tagged on, while the product cost is less negotiable.

You can raise your product prices to accommodate free shipping.

That's another reason we emphasize being able to calculate shipping costs before the sale. With the eBay shipping calculator, you can know precisely how much you need to sell your products for to cover shipping and still turn a profit. Of course, familiarity with the different carrier options can create more accurate estimates.



#### Conclusion

Some points on eBay shipping are universal:

- Offer free shipping. Raise product prices if you need to make up the cost.
- Optimize logistics to ship packages from locales closest to your popular areas.
- Calculate shipping costs as soon as possible, even if using a 3PL.

However, the bulk of your eBay shipping decisions depend on the specifics of your company. What kinds of products are you selling, and what are their sales patterns? Do you sell big products or little ones? Heavy or lightweight? Do customers buy in bulk or one at a time?

This guide is designed to help you find the best eBay shipping methods for you specifically. There's no one-size-fits-all approach, because different items have different shipping costs.

If you're already an established eBay seller, you can draw on previous sales analytics to predict shipping costs and build a more precise pricing strategy. If you're new, however, you'll have to shoot in the dark a bit. Taking advantage of the eBay shipping calculator can help you mitigate some of the guesswork.

