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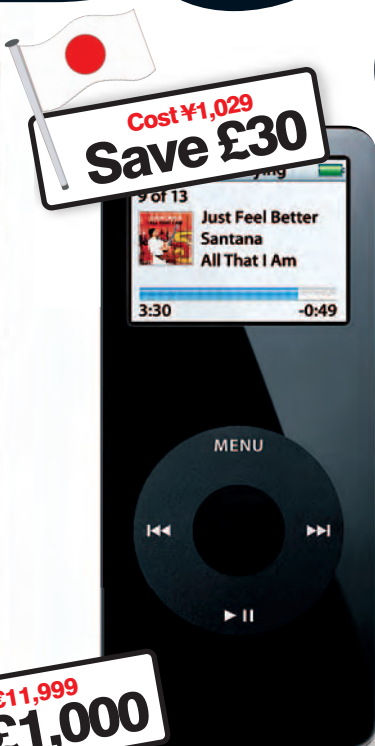
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Buy Seek out bargains on CQout.com

Seek out bargains on CQout.com

The UK's second largest online marketplace

As one of England's premier auction sites, CQout (www.cqout.com) has crept up on eBay without much of a fanfare, offering some intuitive features and human customer care. Instead of running around screaming about how good it is, the CQout philosophy has been to get the site right first, and the customers will then follow.

Most of the advertising on CQout has come through word of mouth, letting those who frequently buy and sell relay their experiences. Getting these messages to be positive has to come from the site itself, instead of relying on a glossy ad campaign. As the company came from relatively humble beginnings, there's little chance of a sudden urge to move into eBay's territory of high visibility in print and television.

Starting in 1999, the target for CQout was to offer excellent customer service and a well governed login system. After a

year of research and planning, CQout went fully operational in 2000. Right from the offset, the company sought to achieve a solid grounding, rather than a quick few pounds from investors. "We were never part of the dotcom boom and bust, as right from the outset we decided – unlike so many other internet businesses that came and went – that we were there to try and make an operating profit, rather than a quick buck out of shareholders," says director Tony Newton.

With the sudden surge of auction sites trying to ride eBay's

wave of popularity, it appeared to the proprietors of CQout that there were some serious shortfalls in their rivals' registration process. By getting credit verification from the outset there was little possibility of scamming, and anyone considering it would be immediately discouraged. It wasn't all plain sailing from there though, as Newton explains: "It's fair to say we suffered in the early days from people whose knee-jerk reaction was 'I don't give my card details over the net.'"

Bigger and better

As the various booms and busts went by, CQout expanded to a larger workforce, taking on four staff members and growing to a decent size, raking in a steady profit. Nothing could really prepare it for the boom experienced a few years ago, created by the sudden popularity of eBay. "In terms of competition, we're faced with eBay's 800lb gorilla everywhere we look, and our biggest challenge is just getting people to know the CQout name," Newton says. The attraction was to simply give users a similar experience to eBay, making registration free to get people through the door, then hoping they spent money. CQout saw many rivals operate this strategy, normally bringing in little in the way of returns. Customers would register, buy an item and leave, or balk at excessive selling fees. So many auction sites came and went in a short period it seemed that anyone could do it, but few could sustain the pressure. Most of the problems seemed to stem from a lack of staff, so when there was a sudden rush in popularity or a huge problem the site was criminally understaffed. With a decent base to work from, CQout ensured survival through hard work and a well versed customer service team.

Part of the reason why CQout has got a dedicated base of buyers and sellers is down to its login system. Instead of allowing almost anyone to get an account and start buying or selling, CQout asked for payment upfront, to the sum of £2. That may seem slightly steep compared with the free entry of other sites, but the sum doesn't simply slide into the pocket of a member of the board. Instead, this money heads into the administrative costs of having the proposed user's background checked for poor credit history, etc. Some gains can be found along the way, as selling fees are far less than other sites. There are also some grounds for claiming the fee back, and auctions can be viewed for free before registering.

Much of the attraction gained from CQout is down to the features that are offered, and how different the services are from many other auction sites. Both buyers and sellers are given a number of checks to go through before trading can commence on any level. The CQ Trusted system also allows sellers to be verified by the administrators before getting a huge amount of sales. This doesn't circumvent the feedback

▼ Whatever you're looking to buy, CQout is brimming with goodies

Buy it and sell it through
www.CQout.com



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Details

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Company name
CQout

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0870 760 7761

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Auctionmaster@cqout.com

Seek out bargains on CQout.com

Buy

**I bought it through
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your online auction site

▲ The strong sense of community is prevalent throughout CQout's web pages

system however, it simply helps those who are infrequent users or just starting out, so each seller is on a level playing field. Fortunately, these stringent checks have an upside, as there are plenty of benefits for sellers to take advantage of, and one of the biggest is the lack of listing fees.

This also means that an item can be relisted ad infinitum, so a seller needn't pay for fake bidders or items not meeting their reserve. The relisting process is made even easier by the simple one-click system, allowing sellers to hit a link to rehost the auction again without having to go through the same process as when auctioning in the first place. Bulk uploading is a major help for sellers who have a large number of items to auction off at the same time. With this feature, a multiple amount of auctions can be sent to the site in one go, allowing the seller to save time on repeating the same actions.

Keeping buyers safe and secure

For buyers, there are protective services to ensure they aren't defrauded. Escrow has become the payment method of choice, which has a number of features designed to protect the cashflow, including the Secure Pay service. With this, the entire transferral of money is observed by Escrow to ensure there is no foul play. NOCHEX is also an integrated payment method, allowing users to enter information via the CQout site without going elsewhere. Certain security routines are even implemented to prevent shill bidding from taking place, while a seller with bad history can't delete a profile and create another without carrying their reputation with them. With all of these security features in place, it has been made extremely difficult for con artists to utilise CQout for any scams. Even if there is a problem anywhere along the way, the customer service system is something of a pleasing oddity, as it is

Interview: Tony Newton

We asked director Tony Newton about the past, present and future of CQout...

Q What was the original idea behind CQout.com?

A Our MD has a huge amount of experience of 'real' auctions, and while we were at Business School in 1997/8, we saw the potential of online auctions and the various sites springing up. We were never part of the dotcom boom and bust, as right from the outset we decided – unlike so many other internet businesses that came and went – that we were there to actually try and make an operating profit, rather than a quick buck out of shareholders. But it all looked a little bit like the Wild West, with very little control over who registered and with what detail – a potential breeding site for scams. What we wanted to create was a trusted, ring-fenced trading community that would keep scammers out.

Q What has been your favourite auction/moment since the site began?

A I think getting to the point where we had over 100,000 items available – that's 100,000 unique, individual items, not auctions of 100 identical listings of an SD card (for example), by which some sites inflate their figures. My favourite auction was actually not a high value one, but one which demonstrated the scope of the internet: someone in Australia bid for and won an old back windscreen demister for a Morris Minor. I think it cost the buyer more in shipping costs than the actual winning bid, but it gave the seller money for something that might otherwise have been junked, and the buyer an original part for his car.

Q What sets CQout apart from the other auction sites?



The CQout team is happy to answer your queries

A There are a number of factors. First, we take our security – and that of our users – very seriously, and we operate what could be called our own 'mystery shopper' mechanism to sniff out scams and potential troublemakers. We recognise that the people who run businesses are busy and pressed for time, so we do everything we can to reduce the time they need to spend listing or relisting their items. We offer the widest and most flexible range of bulk uploading options for sellers that you'll find on any auction site. We offer Excel bulk upload, a Turbo Lister-style uploader and import facility and custom interfaces... and we're the only site that offers fully automatic uploads and updates from a customer's own website or data file. Customer service is also a crucial differentiator. We don't claim to get it right every time, but we do get it right most of the time.

"We decided that we wanted to try and make an operating profit, rather than a quick buck out of shareholders"

manned by people. With most online auction sites, an email alluding to a possible problem results in an automated response containing little else than a series of default solutions that the user has normally already attempted. CQout looks to buck that trend by putting a human mind to the problem, hopefully finding a solution faster by conversing directly with the customer. There is also a phone and email service, allowing customers to speak to a human if needed.

The future for CQout looks rosy, but don't expect the outlook of the site to change any time soon. "We'll be launching locally branded versions of CQout in the USA, Canada, Ireland and Australia in the next few months using our business school connections and network to make things happen quickly and efficiently," Newton says. Premium listings, galleries and cross promotions will soon be making an appearance too, as will a higher integration of payment services. By making slow and steady progress it may not be too long before CQout can take on the next big test... eBay.



Continued... 29



Seek out bargains on CQout.com

Jargon Buster!

Integrated payment

Escrow and NOCHEX are integrated into CQout, meaning that the user needn't go through an external site when paying for goods. The data entry is handled by CQout, speeding up the process.

Autobid

Instead of constantly going back and forth to log bids, a user can set up auto bidding. This means that a highest amount is set and the computer will bid for you.

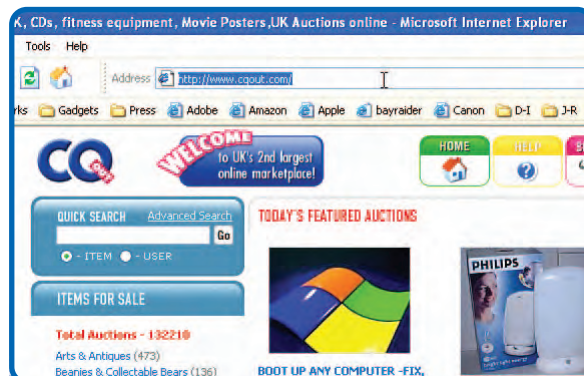
CQInstant

CQInstant allows the user to purchase an item immediately at a set price. This feature is especially useful in a dutch auction, in which multiple items are available and can be bought singularly.

Trade Secrets

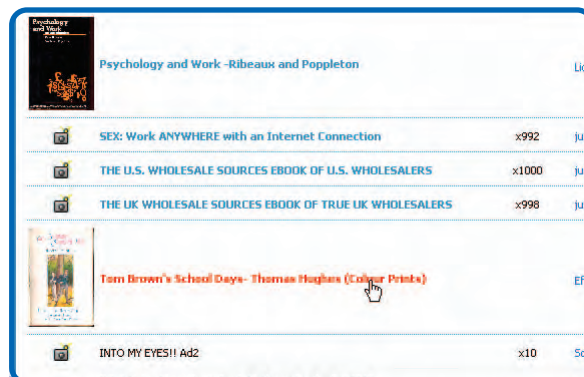
Peace of mind

CQout has a number of security measures in place to make it difficult for shady members to join up. If a seller has three justified negative feedback ratings, that person is banned for life. It may seem like a hard line to take, but if proper conduct is observed, there shouldn't be any reason for buyers feeling aggrieved. There is also an anti-sniping feature, to stop those with programs or fast connections getting one over other bidders. Auctions are automatically extended by half an hour when the last bid comes in, allowing other bidders to respond rather than being left fuming at the last-minute antics of a seasoned sniper.



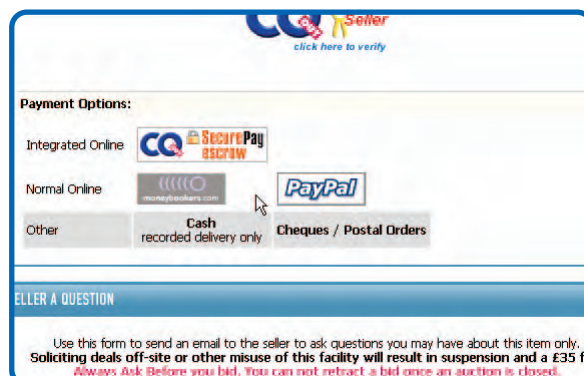
01: Access CQout

There are different URLs for accessing the site. Go to www.cqout.com and have a quick look at the front page. There are plenty of auctions to choose from, with featured sales in the centre of the screen and categories to the left.



03: Find an auction

Select an auction from one of the listings. At the top of the screen will be the general information on the product, so you can immediately get a gist of what it is about. Further down is the information the seller decides to enter.



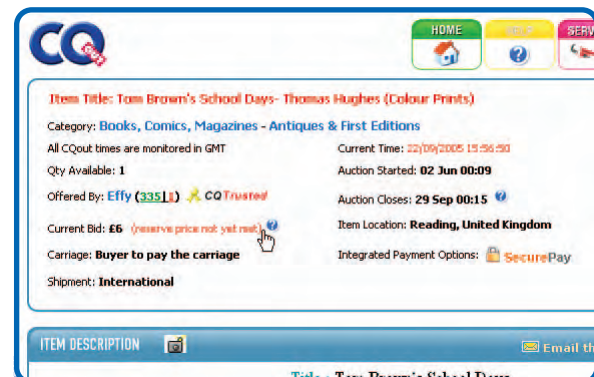
05: Payment method

A number of different ways of paying are accepted, including cash, cheque and PayPal. Escrow and NOCHEX are the most popular. Scroll halfway down the page to get the details and discover which types the seller will allow.



02: Browse items

Click on one of the categories to view the available goods. A huge amount of options, with thumbnails depicting items, should appear on-screen. Scroll through the possibilities, paying attention to the ending date and the current bid price.



04: Check reserve price

By the 'Current Bid' section is a text link informing a bidder if the item has a reserve price. This means that the seller is waiting for a certain amount before releasing the item. Products without a reserve price often go for less.



06: Be aware of delivery

Both the price and company used can differ for delivery between auctions, so check before bidding. If an amount is excessive, compare it on a similar site and find out the seller's location, as if the item is overseas, fees will be higher.

A standard CQout auction page

Offered by

The name of the seller will be here, along with some other information. Next to the name will be a red and a green number. This signifies the positive/negative feedback received. A logo will also be present if they are CQ Trusted, meaning the site has verified them

The screenshot shows the CQout auction page for 'Tom Brown's School Days - Thomas Hughes (Colour Prints)'. The page includes a navigation bar with 'HOME', 'SELL', 'SERVICES', 'SEARCH', and 'REGISTER'. The main content area displays the item title, category, and current bid of £6. It also shows the seller's name 'Effy' with a CQ Trusted logo, the current time, auction start and end dates, and shipping details. A 'Place a Bid' button is visible. Below the main content is an 'ITEM DESCRIPTION' section with details about the book's condition, publisher, and a handwritten inscription.

Current Bid

Before getting too involved in an auction, it's worth looking into what the current highest bid is. If the item looks set to exceed the standard retail price, don't bother bidding. Next to the current bid, the site will display whether the reserve price has been matched yet

Shipment

For a site that caters to international sellers and buyers, there will often be users who are willing to send goods abroad. Check before bidding to see if you are in a different country to the seller, and make sure the carriage costs cover it

Carriage costs

If the seller wants to charge for the sending of the goods, details will appear here. Sometimes the delivery will be paid for, or there will be optional insurance to put on top

Auction end

A date and time will be given here as to when the auction closes. The auction is automatically extended half an hour past the last bid, meaning that any sellers who are outbid late-on have the opportunity to respond

The 'PLACE A BID' form shows the current highest bid (£6) and the lowest bid (£6). It includes a section for entering a maximum bid and an 'AutoBid' button. A note states that bid prices are inclusive of VAT and other local taxes. Below the form is a link to 'See More Great Items From This Seller'.

07: Enter your bid

Either click on 'Place Bid' or scroll to near the bottom of the page where you'll find either one or two boxes, with a 'Place Bid' and 'AutoBid' section. Some sites don't have the standard bid section, so an auto bid must be placed instead.



08: Wait for the end

An email of notification will be sent at the end of the auction, informing the bidder if they've been successful. Keep an eye on the auction though, as an extension may be prompted if someone bids late.

Trade Secrets

A few interesting facts about CQout

- CQout is pronounced as in 'seek you out'. The first choice, CQ.com was taken by the US Congress!
- It is now the second largest online marketplace in the UK, in terms of the number of items for sale.
- CQout doesn't charge listing fees for standard listings, it is 'no sale, no fee'. There are also loyalty rewards.
- Viewing and bidding access to adult material is restricted to logged-in users only – all of whom are, by definition, over 18 years of age.
- Users can see sellers' items automatically converted into different currencies.