



Online Auction Platforms

The online auction platforms – eBay, Delcampe and HipStamp – have proven to be major disruptors in the world of philatelic commerce. The formerly insular club of traditional stamp dealers was upended when the eBay platform first began offering stamps for sale three decades ago. Any stamp collector with duplicates could sell them on eBay and deal directly with buyers from around the world. One did not have to be a full time dealer or invest in an expensive stamp inventory.

This facilitated a flood of amateur stamp sellers. Some were sophisticated philatelists with significant knowledge about their wares. Others were completely ignorant of what they were selling, for better or for worse. Still others were outright frauds, proffering forgeries or grossly misidentified stamps for sale. This early period in the evolution of the online auction platforms was truly the “Wild West.”

But these marketplaces matured, and things have settled down to a great extent. Buyer protections developed to provide greater comfort to hesitant buyers. Today many of those “disrupted” dealers have become major users of the platforms. And, as we shall see later, even philatelic auction houses are using them to move some of their auction lots. The established dealers and auction firms are professional business people and online auctions represent merely another venue. The business processes they employ translate reasonably well to the latest platform.

In the following article, philatelist, internet stamp dealer, and editor Michael Dodd introduces us to buying and selling stamps on the online auction platforms.

We invited the three largest online auction platforms to share their advice on how to be effective stamp buyers. You will read some helpful counsel from Sébastien Delcampe of Delcampe and Mark Rosenberg, founder of HipStamp. Unfortunately, eBay was unable to participate.

Finally, we present you with an introduction to the hybrid stamp marketplace that is NobleSpirit.

How to Use the Online Marketplace:

Why “buyer beware” has become a worn out excuse for online sellers, and buyers

BY MICHAEL DODD



In recent months, much has been written about online selling. With coronavirus impacting all of us around the world, some of us have been doing more online selling and buying to improve our stamp collections.

The March issue of *The American Philatelist* began a commentary on online selling. It is now time to talk in more detail on guidelines for sellers and advice for buyers. After all, while there are many professional and excellent-quality sellers on, for example, eBay, there are also many sellers on the various philatelic marketplaces who, from a glance, you would be right to think have little to no idea about quality philatelic items. Online stamp forums are filled with commentary about this very problem, so I will address some aspects of selling and buying online.

Let's start by defining a few guidelines for online sellers. These are also points of reference of which buyers should be aware. The following are six key topics that should always be considered when creating an online listing:

- How to write up a listing
- What disclosures are necessary and/or helpful?
- How to talk about condition
- “Promoting” without lying
- How to price your listing for best realization
- Practices to avoid

How to write up a listing. At the most basic level, buyers must believe that what we have read about a listing is an honest, complete and accurate statement about the stamp or stamps listed for sale or in auction. If there is any doubt in the mind of the potential buyer that the details presented are ambiguous, confusing or incomplete, then the seller has not written up the listing honestly, completely and accurately.

Take, for instance, a seller who has an inherited stamp collection. Inherited collections are unfortunately often passed on to people who have no knowledge or interest. Their first instinct might be to try to sell the stamps on eBay or another online marketplace exactly as they would sell other items. For the seller with no knowledge of stamps this could be a problem, especially for the potential buyers



Bahrain-Sc#6-used 2a \$11.95
vermilion KGV-id2-1933-



Bahrain 6.1933 2a \$6.50
Vermilion KGV, used

Figure 1. Two listings side by side on a philatelic marketplace. Accuracy is important. This is not an isolated example and shows the importance of both seller and buyer having a catalog.

who see the stamps for sale but are not aware of the seller's inexperience. The seller may be, unintentionally of course, incompletely or inaccurately describing the stamps for sale.

Mistakes in listings and oversights may happen, but if the seller's intent is honest, complete, and accurate, then that should come through in the wording. Let me comment on one specific point here. When I say accuracy, I am talking about all aspects of the stamp condition, which I will discuss more later, and the correct Scott catalog reference. Figure 1 is a simple but obvious example, showing two stamps with the same Scott listing that are clearly different stamps. The left stamp shows the inscription India Postage, while the right shows



Figure 2. Is there a need to disclose badly trimmed perfs and short corner perfs?



Figure 3. Described simply as "Used." The stamp is of course used, but is that the correct description? This is a real listing on a philatelic marketplace.

the inscription India Postage and Revenue. The left stamp is Scott 19 with a catalog value of \$10, while the right stamp is correctly listed as Scott 6 and has a catalog value of \$20.

What disclosures are necessary and/or helpful. This can be an arbitrary subject in the minds of some. I say that because there are many online sellers who do not, for example, show an image of the stamp they are selling because "it is too much trouble to scan all the stamps they have for sale." However, the majority view, and correct in my opinion, is that collectors must see the stamp they are buying. There is no excuse not to have an image of what you are selling, even without a scanner, with the current ubiquity of cell phones and digital cameras.

There are some sellers who, even with expensive listings, do not show images of the reverse of a stamp. That is their choice of course. There are many online sellers who do not disclose tears, thins, toning, pulled perforations or other faults but rely on the statement "the image of the stamp is part of the description." Figure 2 is a typical example.

Sadly, there are also sellers who do not list any statement at all about the stamp they are selling. Many sellers simply list used stamps for sale and say "Qty 5," for example, and, "the stamp you will receive will be as good as or a better a copy as the one shown." This may be acceptable to many collectors, but for a collector who specializes in postal cancels, for example, this will not necessarily have a pleasing outcome. Many collectors specifically choose the stamp going into their collection, which reinforces the need for an image or even multiple images.

Are the above honest, complete and accurate statements? From many points of view, they are not. These are just a few of the disclosures you must be aware of when listing a stamp and buyers should look for when buying a stamp online.

This leads into the next topic, **how to talk about condition.**

If there ever was a subjective topic in philately, most would rate the condition description of a stamp as the most

subjective. However, Scott catalogs and Stanley Gibbons catalogs have resources in their introductory pages that offer some clarity on stamp condition. The Stanley Gibbons catalogs share excellent statements about stamp condition with clear and concise descriptions and images. Both Scott and SG show images and annotate the appropriate condition wording. Basically, there is no excuse for a listing description to lack an appropriate and fair condition description (Figure 3).

Promoting without lying. All sellers want to promote the stamp they have for sale to attract the buyer. There is a paradox here, of course. The buyer wants to buy the quality they want for their collection at a price they can afford, or a stamp in a condition that fits into their collection. Words that exaggerate the quality of the stamp or the rarity will only mislead or divert the buyer away from what they are viewing. For example, Figure 4 shows a group of stamps of no material value with an asking price of \$479. A more accurate listing would be "Common U.S. stamps, including both Scott 1036 and 1058." These are not rare at all, so to many this type of listing is considered fraudulent. The top

The Internet Philatelic Dealers Association (IPDA)

Philatelic marketplaces are, generally speaking, unregulated marketplaces for buying and selling, be it stamps or any other product. Ultimately, anyone with some stamps, a phone for a camera and an internet connection can list stamps for sale. This is the free market economy at work and the internet has provided us all with this capability and freedom.

However, not all sellers are adequately qualified to be selling stamps. The founding members of the Internet Philatelic Dealers Association recognized this nearly 20 years ago, forming the Association with the aim of recruiting stamp sellers and dealers who uphold the values and ethics the IPDA founders believed in. These same values are in a large part described above, and members are expected to abide by them. The guidelines are listed in full at <https://www.ipda-stamps.com/internet-listing-selling-guidelines/>

To become a member of the IPDA, a stamp seller, part time or fulltime dealer, or philatelic organization, must understand and agree to the IPDA Code of Ethics.

Becoming a member adds credibility to the individual or philatelic business, in the same way becoming a member of the APS does, although with the IPDA it specifically signifies to the buying collector community that the seller is recognized as an internet accredited seller, not simply just as a stamp seller. The accreditation is granted by the IPDA Committee after a review of the applicants' listings, experience, and feedback, and other membership criteria including references. Applicants agree to abide by the IPDA Code of Ethics, and in turn, buyers can buy with confidence from IPDA members.



Figure 4. Listed as "RARE US Abraham Lincoln 4 Cent Stamp 6 stamps," with an asking price of \$479 USD.

and bottom left stamps are Scott 1058, rotary press coil stamps issued between 1954 and 1980. The other four are Scott 1036, issued from 1954 through 1968. All have a catalog listing of 25¢ each.

Far too many sellers use what can generously be described as a creative range of descriptive words to promote their stamp. Are they honest, complete and accurate? Again, from many points of view they are not.

Promoting with an honest, complete and accurate description is far more likely to impress a buyer than exaggerated words of rarity, uniqueness, color, centering, and others. Another "creative" promotion that I have seen sellers try is to inflate the price of a stamp, only to then offer an 80% price reduction couched as a sale or deal. Well, that is not honest and certainly not promoting without lying, especially when the inflated price is over the catalog list price.

However, as many collectors will pay a premium for a stamp they really want, catalog values, while useful, are at times only a guide.

So how do you price your listing for best realization?

If you consider all of the above and have listed with honest intentions, with complete details on quality and condition, a stated catalog value for context and sale % of catalog value, good quality images, and accurate catalog reference details, then pricing according to these factors should be a natural outcome. But it is of course never as simple as that, is it?

There are extremely well-established sellers on eBay and other online marketplaces who have, over many years and much hard work, established a reputation for themselves, which is reflected in their feedback rating. This is where a new seller has to devote time and patience to building that brand name and credibility. This will not happen if a seller does not write up their listing in an honest, complete and

accurate way, or if the seller does not correctly describe the condition of the stamp for sale or present realistic and competitive pricing for the stamp.

So, in summary, let me outline a few of **the online selling practices to avoid**. To summarize, do not list a stamp with

- no or poor image
- inaccurate or incomplete quality and condition description
- wrong catalog reference and perhaps therefore inflated / or undervalued pricing
- exaggerated quality terms and language
- inflated prices and price reduction offers

The above is not exhaustive but an adequate starter set of guidelines.

How Online Marketplaces Work

There is one more aspect to online selling that is worth discussion concerning how online marketplaces work, like eBay for example, for both auctions and "Buy it Now" selling.

There are many of what I will call "traditional internet auction sites" – auction sites owned by and managed by professional stamp dealers who sell their own material or material consigned to them. For example, eBay is a marketplace where individuals and philatelic businesses can create their own auctions or Buy it Now listings.

There are around six million stamp listings on the eBay marketplace, with the United States, Europe and Great Britain accounting for some 3.5 million listings. Other philatelic marketplaces have similar numbers, although often the same material will be listed on more than one marketplace. eBay auctions and eBay Buy it Now features are likely well known to most readers, however, to learn more it is best to

visit eBay and explore its Frequently Asked Questions page.

One of the powerful features of eBay is the ability to search for what you as a buyer might be looking for. The simple search function allows buyers to use the Scott catalog number and country name alone. The more advanced features allow searches by seller, price range and many other criteria.

Whether selling or buying, however, the one criteria that is absolutely essential is authenticity. Many professional sellers will include a statement from an expert body authenticating the stamp that is for sale. Sellers will state “with certificate” and show the certificate as one of the images in the listing. The potential buyer can read the certification details. There are many bodies for expertizing services in the USA and other countries, including the APS authentication service, APEX.

Having found what you want to buy, and if the item is not on a Buy it Now listing, it is time to bid. This can be a challenging experience if you have not previously experienced it. In a real auction room situation, the bidding continues until there is no higher bidder. On an eBay auction, the bidding continues until the time allocated for the auction expires. For an auction lasting seven days, once that time is up the item is sold to whoever is the highest bidder. The question is, how do you ensure you are the highest bidder in the last few seconds?

There are many bidding strategies. To explain them all and the pluses and minuses of each would take far more space than we have here. However, one method is frowned upon by many, and in fact not even permitted on some marketplaces: sniping. In simple terms, this is where you register with a service and a machine places the bid for you in the last seconds before the auction closes.

Of course, there can be other issues with online buying and occasionally these do unfortunately occur. Many stamp dealers repeatedly comment, “Knowledge is power.” This is advice that we all should remember when we are listing stamps for sale, whether on eBay or other marketplaces. It is the seller’s responsibility to have the knowledge about what you are selling and communicate that knowledge. The same applies when buying. Buying without knowledge is also fraught with danger.

The Author

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