

How to start an online retail business

A practical guide

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Agenda

Introduction

Statistics and myths

What are you selling

Evaluating ecommerce platforms

Designing your website

Marketing your website

Customer LTV



Some of our clients

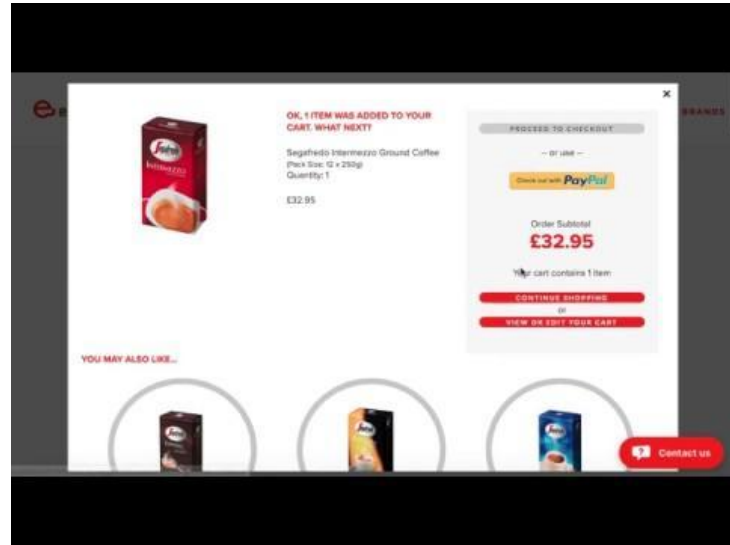


My passion is ecommerce

2008 I started an ecommerce website selling Italian coffee

Have experienced successes and failures, good years and bad

Know what it's like to be a merchant and grow an ecommerce store

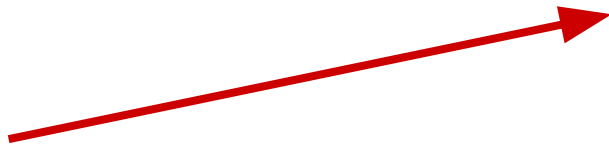


ecommerce Statistics

Internet sales as a percentage of total retail

2012

9%



2018*

18%

Source: Office of National Statistics * Estimated January 2019



ecommerce Myths

- ★ Running a successful ecommerce website is easy
- ★ ecommerce can be a side-hustle
- ★ ecommerce will account for over 50% of retail
- ★ Online retail is price driven

Start with a plan

What is your customer's pain point?

How does your solution help them?

Do you have a Unique Selling Proposition (USP)

Test the water with a pop-up or market stall, or online marketplaces, to validate your product

Start with a cost-effective, entry level ecommerce solution



amazon.co.uk

Etsy

ebay



Your product

Target market

Tell a story

**Can the product be
shipped?**

Is it returnable?



Will you make money?



ecommerce Platforms

TCO - Total Cost of Ownership

Functionality

Scalability



SaaS vs Self-hosted

SaaS

Pros

- Low technical knowledge required
- Usually cheaper
- PCI Compliant
- Content Delivery Networks
- Upgrades/updates/maintenance included
- Fixed monthly cost and scalable
- Shorter time to launch

Cons

- Reduced customizability
- Lack of control

Self-hosted

Pros

- Greater control of resources and performance
- Full access to software allows increased customisation
- No shared resources

Cons

- Responsible for maintenance and upgrades
- PCI compliance
- Limited technical support
- SSL certificates
- Time-consuming

Which one would you rather be?



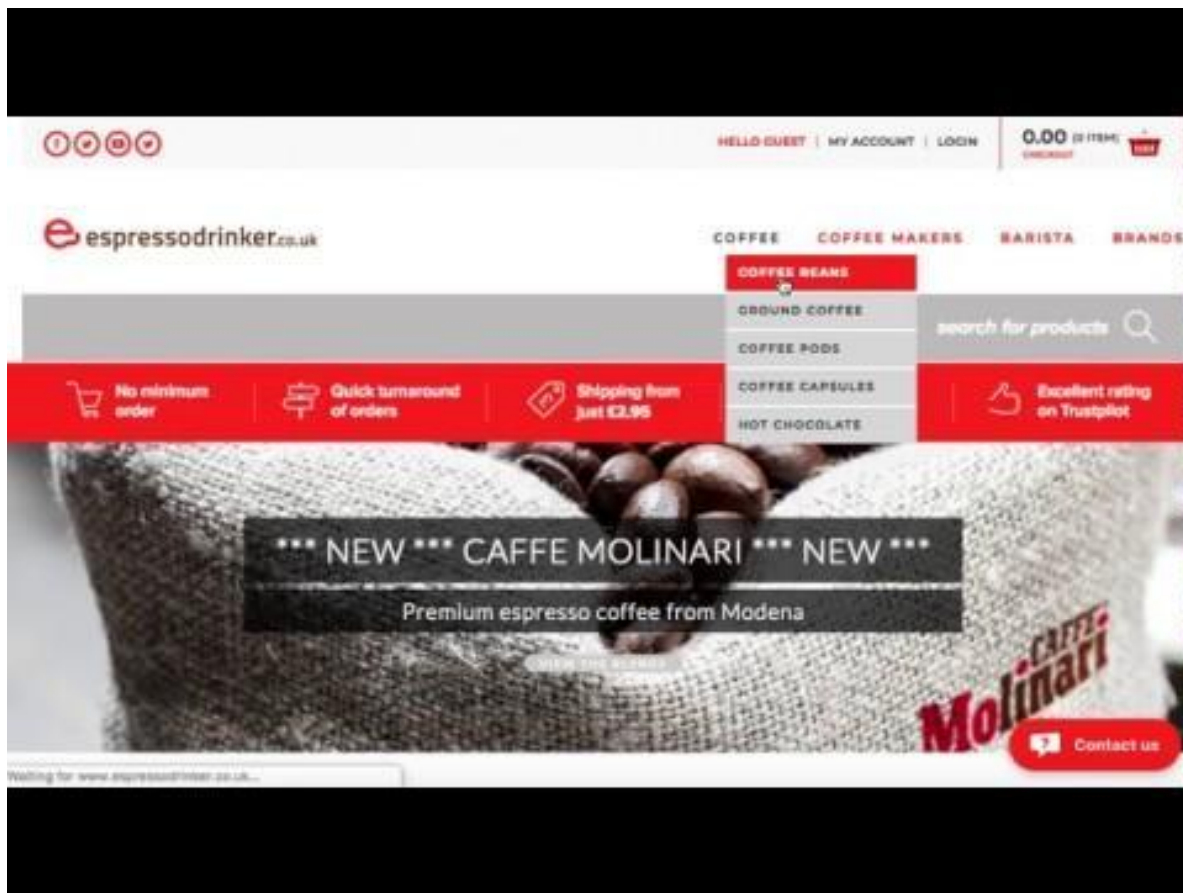
4 Golden rules

Mobile first

‘Don’t make me think’

Consistency

3 to 4 click to checkout



1

2

3

Content

Content is king

Content must be useful, informative and entertaining

Content is great for SEO and higher SERP rankings

Product descriptions must entice visitors to buy

Split product descriptions into bullet points and in-depth descriptions

Use persuasive words such as:

- ★ Introducing
- ★ Easy
- ★ Amazing
- ★ Sensational
- ★ Remarkable
- ★ Quick
- ★ Hurry

Getting paid

Make it as easy as possible for people to pay for orders

Give customers as many payments options as possible

Digital wallets are a must:

- Apple Pay
- Amazon Pay
- PayPal

Did you know...

‘Merchants that offered PayPal Express Checkout saw a 61% sitewide conversion rate...47% higher than sites that didn’t’



Source: Comscore

Payment Providers

Braintree
A PayPal Service

 **Square**

amazon pay

stripe

 **PayPal**

 **Pay**

sage Pay

Things to consider

- Transaction fees (vary per card)
- Monthly fees
- Payout schedule (immediate, 2 days, 7 days)
- Fraud and security measures
- Chargeback procedure and costs
- ecommerce platform integration
- Accounting system integration

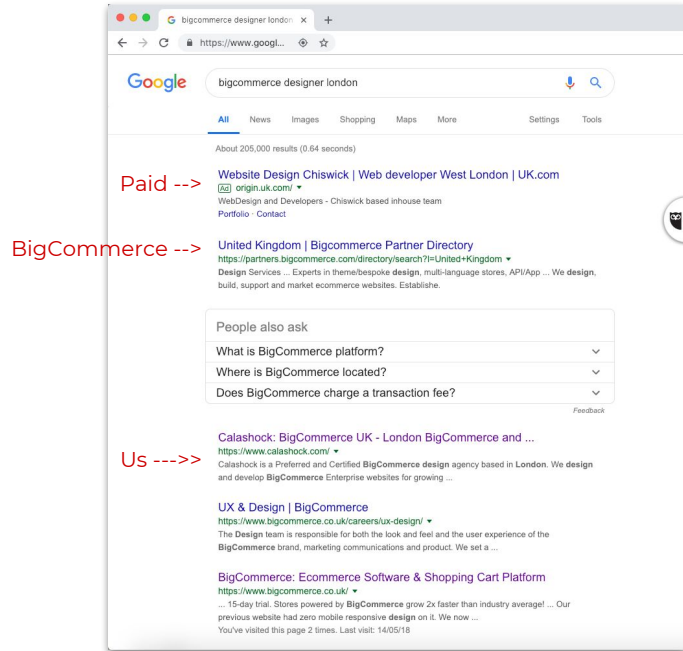
 **CALASHOCK**
DIGITAL MARKETING

 **PREFERRED**
BigCommerce Partner

 **CERTIFIED**
BigCommerce Partner

 **BIGCOMMERCE**

Driving traffic



Search Engine Optimisation

Reputable agency/consultant will be upwards of £100/hour

Results **cannot** be guaranteed

Content. Content. CONTENT!

It can take between 2 weeks and 2 months to see results

Cost-effective method of search engine marketing

SEO Resources



Search Engine Journal



Google Webmaster Central Blog



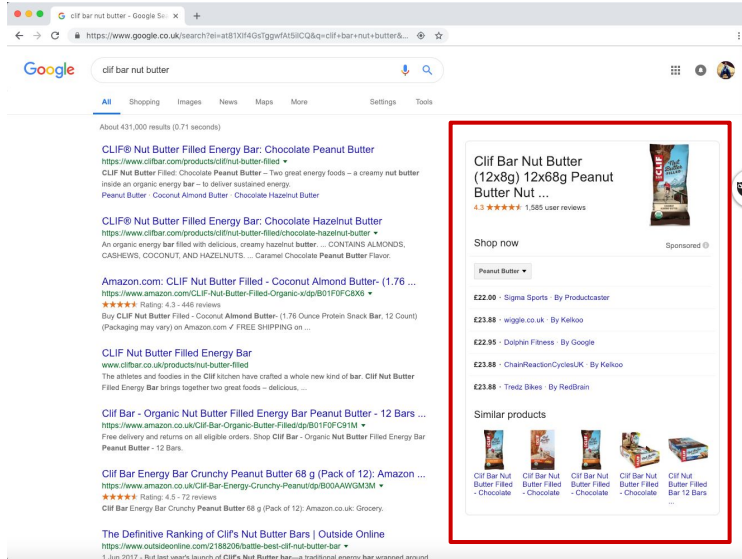
Search Engine Land



Moz.com



Driving traffic



Paid Search

Google/Bing Product Listing Ads

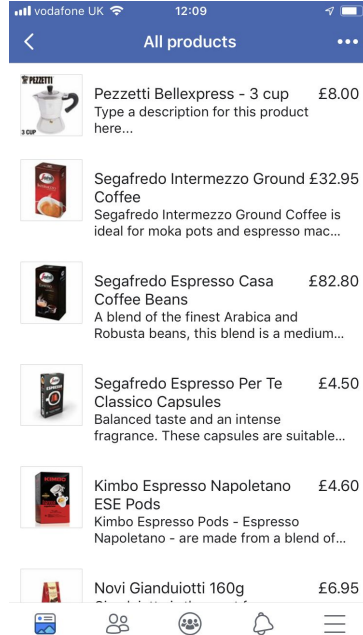
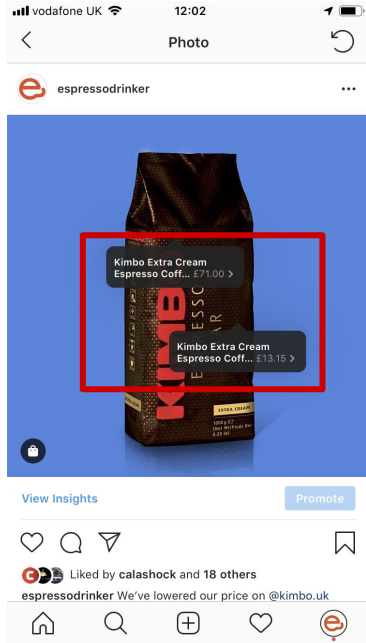
Short time to appear (hours)

Can control when to display (days/hours)

CPC model, can eat into margin

Often promotes competition on price only

Driving traffic



Sell on Social

Tag products on Instagram

Display product catalogue in Facebook

Integrate social media with ecommerce

Making it easier to buy, reducing barriers

Underpriced and cheaper than search engines

Customer Lifetime Value

LTV - CLV - CLTV

The net profit of a customer over the entire relationship

LTV gives you an idea of how much you should be investing in retaining customers against acquiring new ones - it is cheaper to sell to current customers than acquire new ones

Mike's Mirror shop

Customers buy one-off purchases and Mike has a low retention rate and low LTV

Steve's Supplement shop

Customers regularly place repeat orders, with some even taking out product subscriptions which gives Steve a high retention rate and good LTV

Differentiating yourself

Compete on service

- Provide same day despatch
- Offer quick delivery
- Communicate with your customers at every stage of the process

Compete on unboxing

- Customer's first physical contact with item
- Presentation of box, don't reuse cartons
- Include handwritten notes or unexpected gifts and samples

Compete on delivery

- Offer free delivery where possible
- Keep delivery cost low - sensitive cost
- Use reliable couriers who give updates



Engaging with customers

Email Marketing

- Everyone has an email address
- Highest ROI of all channels
- Quick set-up and response
- Fully measurable and personalisable

Customer = Promoter

- Word of mouth is the best advert
- Give customers a reason to tell others about you
- Generates loyalty and trust

Social Media

- Build a community around brand/interest
- Wide reach of interested individuals
- Time consuming and highly competitive
- Demographic specific





Can you use your website for B2B?

By 2020 B2B will be twice the size of B2C



ecommerce Checklist

Swing by the BigCommerce stand to pick up your
free ecommerce checklist



Thank you

calashock.com/enterprisenation - hello@calashock.com

