E-Commerce: E-Commerce Fundamentals

Title: E-Commerce: E-Commerce Fundamentals
Course material - knowledge required - for certification
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Web: www.emarketinginstitute.org

Contact us
eMarketing Institute
c/o Web Media ApS
Tove Maës Vej 7, 3.tv.
DK-2500 Valby, Copenhagen
Denmark
VAT ID: DK 3531871301
Email: support@emarketinginstitute.org
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Introduction
1. Introduction

The internet has changed people's lives in numerous ways. From the way we look for information to the way we buy things. Nothing can stop the fast development of this immersion into the new technologies that we have now reached the point where we can no longer even imagine our lives without the internet.

In such a reality, people are trying to adapt their lives and to get the best out of it. They want to improve their lives and become more efficient. Why would they go to the restaurant for dinner if they can order food in? Why would they spend time shopping when they can order everything they need in less than ten minutes? There is a constant trend to use the internet, not only to find out information but to get things done.

Buyers and sellers

On the one hand, we have buyers, people who try to make their lives easier and better by buying online. Regardless if we talk about making a grocery shopping quick and easy, or ordering an item from abroad. The internet enables fulfilling those needs and the ability to obtain something you could not even imagine two decades ago. Besides convenience, online shopping also provides a great selection of products and services, as well as competitive prices. This is something that provides an incredible advantage over any local retail.

Due to the growing expansion of the internet and the fact that new generations are growing up with the internet experience being part of their lives from the early days, the number of digital buyers is constantly on the rise. From 1.32 billion digital buyers in 2014, this number is expected to grow to more than 2 billion by 2020.
On the other hand, we have people who create or simply resell the products through the usage of the internet. These sellers are turning to the internet as a tool to run their business and ultimately earn their living. Some are choosing the existing platforms specialized in the sale of goods, such as eBay, while others decide to create their online stores. Either way, the goal is to reach consumers and encourage them to buy. As a seller, your goal is first to reach the digital buyers, and then persuade them to buy from you, using a series of promotional activities, online interaction, etc.

**E-commerce**

Buyers and sellers together make up e-commerce, short for electronic commerce. E-commerce is the transaction between a buyer and a seller, which is done through online technologies. It is the process of using the internet to buy or sell online.
Despite the fact that e-commerce is something available to anyone and in spite of how easy it might be to start selling products and services online, there are many struggles to make this business viable and actually capitalize your efforts in the digital world. As the market gets saturated, day by day, it becomes even more difficult to place your products on that market.

A modern consumer is overwhelmed with numerous advertising messages each day. He is also mobile, which means easy access to the information and ability to buy on the go. A modern consumer is also doubtful and equivocal. Faced with plenty of choices and alternatives, a modern consumer needs to make decisions on a daily basis. All of this shapes the approach of modern businesses whose goal is to reach that modern consumer and persuade him that theirs is the product they should buy. It is not an easy task, but with the right strategy and tools, you should be able to introduce and position your company on the e-commerce market.

**E-commerce statistics**

Getting started with e-commerce is a process that requires learning about different aspects that influence setting up and running an e-commerce website. It is also helpful to have in mind the e-commerce statistics that provide a glimpse into the importance of this industry and the trends that are tremendously shaping the way strategy is implemented.

- Millennials and Gen Xers are similar in their likelihood to buy online—more than 90% of internet users in both age groups have made a digital purchase in the past year. But millennials are more likely to research products or make a purchase via their smartphone. ([eMarketer](http://emarketer.com))
- In 2015, the global population amounted to around 7.3 billion people, of which 1.4 billion people purchased goods and/or services online at least once. In total, they spent $2,272.7bn online, which results in an average spending per e-shopper of $1,582. ([EcommerceWiki](http://ecommercewiki.com))
- Worldwide retail sales—including in-store and internet purchases—will surpass $22 trillion in 2015, up 5.6% from 2014. Retail ecommerce sales, those purchased over the internet, will make up 7.4% of the total retail market worldwide, or $1.671 trillion. By 2019, that share will jump to $3.578 trillion, yet retail ecommerce will account for just 12.8% of retail purchases. ([eMarketer](http://emarketer.com))
- About 71% of consumers are shopping online to find the best price. ([IBM](http://ibm.com))
• 53% of global internet users have made an online purchase in 2016. ([SocialMediaToday](http://www.socialmediatoday.com))

• Primary reason for digital shoppers in the United States to abandon their carts is the cost of shipping. ([Statista](http://www.statista.com))

• Nine out of 10 of the survey participants said free shipping was the No. 1 incentive when asked what would make them shop online more often. ([MarketingLand](http://www.marketingland.com))

• Average e-commerce conversion rate vary from 3% to 4%. ([SocialMediaToday](http://www.socialmediatoday.com))

• 42 percent of online shoppers worldwide stated that they preferred to pay via credit card, while 39% preferred PayPal. ([Statista](http://www.statista.com))

• In 2017, global B2C e-commerce sales are expected to reach 2,143 billion U.S. dollars. ([Statista](http://www.statista.com))

• Customer satisfaction is the number one success metric for marketers today. ([Salesforce](http://www.salesforce.com))

• 39% of people will stop engaging with a website if it takes too long to load. ([SocialMediaToday](http://www.socialmediatoday.com))

• Eighty-eight percent of shoppers characterize detailed product content as being extremely important. ([Forbes](http://www.forbes.com))

• Over 90% of people buying on Amazon wouldn’t purchase an item with less than three stars. ([Forbes](http://www.forbes.com))

• One-click checkouts and e-wallets will become a game-changer in 2017. ([HuffingtonPost](http://www.huffingtonpost.com))

• 75% of people participate in webrooming to find the lowest price, while 72% do it to compare the products. ([RetailPerceptions](http://www.retailperceptions.com))

• The main reasons why customers webroom over showroom is because they don’t want to pay for shipping (47%) and because they like to go to a store and touch and feel the product before they buy it. ([Shopify](http://www.shopify.com))

• Social commerce accounted for 5% of ecommerce. But predictions are healthy and show a 25% growth rate over the next five years. Mobile ads are the backbone of this growth. ([HuffingtonPost](http://www.huffingtonpost.com))
Mobile remains a powerful upward force for ecommerce. US retail mcommerce will climb 43.2% in 2016, paced by a 78.3% jump in sales via smartphones. (eMarketer)

In 2015, mobile commerce accounted for 30 percent of all U.S. e-commerce in 2015, and U.S. retail e-commerce dollars are projected to grow to almost 482 billion in 2018. (PointSource)

56% of smartphone or tablet users intend to utilize their devices to search for and/or buy gifts this holiday season. (Invesp)

With the analysis of the data from numerous researches on the state of e-commerce, the following can be concluded:

- E-commerce market is expanding each year
- Mobile commerce is increasing its share in the overall e-commerce
- It is important to understand the profile of digital buyers
- Digital buyers want quick and easy way to buy online
- They also want the best price and free shipping
- Webrooming is slowly taking over showrooming
What Is E-commerce?
2. What Is E-commerce?

As this e-commerce trend is slowly taking over, changing the habits and the mindset of online users, increasing the number of digital buyers, there comes the time to explore this segment of the digital world and explore the opportunities it provides.

Regardless if you are simply starting your business and you want to focus on e-commerce, or if you already have an established business you want to transfer to the digital realm, you will need to understand the essence of the process and practices that can help with taking the most out of it.

What is e-commerce?

The term e-commerce stands for electronic commerce. It is usually abbreviated as e-commerce, but it is sometimes used as ecommerce, eCommerce or simply as EC. The terms e-business or e-tailing are sometimes used as synonyms. The term mCommerce is gradually taking its place as a part of e-commerce that is focused on transactions via mobile devices.

Image: https://unsplash.com/photos/67l-QujB14w
E-commerce is the process of buying and selling online. It is a business transaction where the funds and data are transferred through an electronic network. This way, the sales of all kinds of products, both physical and digital, and services are arranged between two participants in the transaction. Depending on those participants, e-commerce includes several types of transactions:

- Business to business (B2B)
- Business to customer (B2C)
- Customer to customer (C2C)

E-commerce has enabled companies and individuals to join this vast marketplace and develop their business using a sales model that brings significant advantages for both parties. The main benefit of this business model is convenience. E-commerce is up and running all the time, 24 hours a day, seven days a week. This means that buyers can obtain products whenever they find it convenient, without thinking about office hours, how to get to the location and similar things they would otherwise need to consider. Another edge that e-commerce has over brick-and-mortar stores is the selection. As opposed to physical shops, e-commerce offers a much greater diversity of products. The fact that you can always order products from different cities or even countries means that the selection is huge. For business, these benefits significantly increase their reach because they are open to customers at any moment, accepting orders with no geographical limitations.

Despite these benefits, e-commerce also has a couple of disadvantages for customers. Firstly, they are unable to see and touch the product. Although the images are quite helpful, you simply cannot get the whole picture as you would when you see the product in person. This can sometimes lead to customers feeling disappointed when they receive the product that does not fulfill the expectations. Buying online also deprives customers of instant gratification. When you buy a product in a physical store, you can instantly use it, test it and see the benefits of that particular product. On the other hand, with e-commerce, you have to wait for the product to be shipped and delivered to you, which can take anywhere from a couple of hours to a couple of weeks.

E-commerce store is an online shop. From a business perspective, e-commerce is the place to advertise products and services, and this is most commonly done through a website.

If you design your website, you will have your own webshop. You will have to take care of site maintenance and management of the store, which requires a more significant investment. On the other hand, there is always an option to join the online retailers and sell your products
directly through their website, without even having your own. While this is an easier solution regarding management and having in mind the fact that these sites offer a large community base which can find your products more easily, it still is a more competitive surrounding, as opposed to having your own online store.

Anyone can join the world of e-commerce because the limitations typical for running a traditional store are simply non-existent. There are no costs of building lease, employees, or comprehensive administration. Instead, all you need is a website and instructions on how to start. This means that an online store is easier and cheaper to set up than a traditional store, which is the main reason why a lot of people are turning to this activity as their way to earn their living.

Besides the actual presentation of products on your website, you will also need to understand the fundamental processes involved in e-commerce, such as payment processing, shipping, buying process, etc.

**The history of e-commerce**

The first origin of e-commerce is the process of sharing electronic documents and arranging sales, which can be traced back to 1970s. A couple of commercial sales websites were founded in the early 1990s, but the beginnings of what we now know as e-commerce started with the introduction of Amazon and eBay in 1995. These websites completely revolutionized the e-commerce industry and connected buyers and sellers worldwide. Interestingly, Amazon, which now takes up a large percentage of the e-commerce market share, first reported the annual profit in 2003, eight years after its creation.

Over the years, the development of other marketplaces was initiated globally. The ways of e-commerce evolved as the internet itself did. The first obstacle for the safe online transaction was resolved with the introduction of security protocol in 1997.

The first company that recorded a million dollars in online sales was Dell.com in 1997. The success of their business was mainly attributed to the fact that the company enables customers to browse the website and assemble PCs by choosing pieces. The company did not use intermediaries but directly sold to the customers, while providing them with full control over the buying process, which is what made this business model so successful.

PayPal was introduced in 1998, and it was acquired by eBay in 2002. The company is now one of the most popular methods for online payments, with over 200 million users worldwide.

After the 2000s, we have witnessed a massive expansion of the internet usage on the global level, which has also led to the further development of e-commerce. As online security was a
burning issue, the Payment Card Industry Security Standards Council (PCI) was formed in 2004, to regulate business compliances regarding security requirements.

E-commerce slowly became more available to the online users as a mean of setting up and running a business, which eventually led to the new e-commerce solutions and software, such as Shopify (introduced in 2004), WooCommerce (introduced in 2011), BigCommerce (introduced in 2015). Once a place for big players with their huge investments, e-commerce is now available to anyone anywhere in the world. Other online marketplaces were introduced, following the example of Amazon and eBay. Some of those are Etsy, Bonanza, and Craigslist.

Finally, as the mobile is in full swing, mobile e-commerce is gaining more and more importance for businesses. It is the perfect place to reach digital buyers who will most likely turn to the internet not only to buy but to get recommendations, suggestions, and reviews about the products and services they are interested in.

**How to get started?**

If you have decided that e-commerce is an area you would like to explore as an opportunity to earn the profit, you will need to start with developing this plan in details.

Firstly, start by deciding which platform you are going to use. The choice is basically between having your shop on your website or selling on marketplaces. And this choice depends on your business. For example, if you are a small-sized company, with limited resources for web development, starting with marketplaces is perhaps the better alternative. In case you have enough resources, having your own shop is recommended. However, even if you do decide to have your online store, nothing is stopping you from joining the marketplaces as well. In fact, it is advisable to use everything that is available to you to start making the profit through e-commerce.

You will also need to think about the strategy you are going to use, which will include a set of actions you will use to present and promote the products and services to the online users. The next step in getting started is choosing the online channels you will use. Have in mind that social aspect has a major role in online marketing in general, which means that your e-commerce website will also find this approach profitable and worthy of exploring.

Besides the presentation and promotion of products, you will also need to think about the legal aspect, how to handle shipping and payments, and finally about customer care. Since all of these aspects directly influence the performance of your e-commerce, you should consider this a serious business endeavor.
We are all witnessing the extraordinary growth of electronic commerce market and sales realized in the digital world, but if you want to become a part of that world, you will have to get acquainted with rules that are sometimes different from running a traditional commerce business. If you have an idea about what and how to sell, you are to a good start. But to shape this idea into a concrete strategy, a strategy that will yield good results, you should start working on a business plan.
Creating a Business Plan
3. Creating a Business Plan

It all starts with an idea. You decide to open an online shop, with a particular idea in mind. However, to make this idea concrete, to turn it into a business which will eventually bring profit, you will need to organize it properly. Even if you are completely new to the digital world, it is essential that you catch up with the trends and practices that will enable you to run your business successfully. If the assets are limited, and you are unlikely to afford an expert to help you with setting up, you should explore a DIY method, where you would study and explore each aspect of running an e-commerce website.

To make sure you keep your ideas and thoughts organized, start creating a business plan.


What is a business plan?

A business plan is a document which highlights business goals and strategies on how to reach those goals. It also defines the key aspects of starting and running a business. Essentially, it is a roadmap that will include where you want to go and how to get there. It is a way to describe
where you see your business with details about the actions that are needed to reach that destination.

There is no need for a business plan to be long or exhaustive. With this DIY method, you will be creating this plan for yourself, and you need the essentials to keep everything organized. It is likely that no one will analyze that plan, except for you and people you get involved in the project, so make it concrete and spot on. Focus only on those segments that will help you with defining your vision and determining a set of actions you will take.

Try to group your ideas into these three groups.

**Essentials**

This part of a business plan should contain basic information about your business. These include:

**Business name**

The business name is the name you choose for your business. It is the name that should eventually become recognizable, distinctive and associated with your business. It will become a part of your brand. This is why determining a business name is a crucial decision in the business plan. It requires a lot of thinking, piling up the ideas and eventually choosing the right one.

When it comes to making a decision on which business name to choose, it is helpful to know characteristics of a good business name. A good business name should:

- Be easy to spell
- Be relevant and associated with your products
- Trigger emotions
- Contain keywords
- Be clear and professional
- Be powerful and have deeper meaning
- Be unique

A good business name should not:

- Overuse keywords
- Have irrelevant keywords
- Have negative connotations
• Infringe upon anyone’s rights
• Be offensive
• Be difficult to spell

Make sure you choose a perfect name by following these steps:
• Know the characteristics of a good business name
• Create a list of names/keywords that can be associated with your business
• Expand the list by adding synonyms or related phrases
• Combine the words and phrases
• Start narrowing down the list
• Check the domain name availability
• Request feedback from employees, business partners or analyze the results of A/B testing

The final step is when you choose among the selected few. You might want to consider the opinion of the people who are directly related to your business. Alternatively, you could use A/B testing where you would create two identical landing pages. You could use a tool such as LeadPages or Unbounce for this purpose. You would then share the page, gain traffic and examine the performance of two or three name variations.

Your website

Ideally, your business name should match your website name. Use a tool, such as this business name generator, and check if a particular website domain name is available. The tool will also show plenty of alternatives, so even if the name is not available, you will get suggestions on which modifications of that name are available.
The main reasons why the website domain should match your business name are the users and the search engines. Firstly, users will expect to see your site once they type your company name into the search bar. In case a website with a different name comes up, as a result, they might not consider it to be related. You should be aware of this expectation when making a decision on choosing a business name and registering a website. And secondly, this will also be good for SEO because your business name will be a part of each URL created on your website.

**Logo**

Depending on the scale of your business and the budget you have, you could hire a professional designer who would design a logo once you have a business name. Apart from a business name, it is helpful to share some keywords and topics that are associated with the brand, the story behind the name, etc. This helps with the process of creating a logo.

If you prefer DIY method, there are tools to help you out:

**Logomakr**— The tool offers low quality + CC license with free logo, while you will need to pay for high-resolution photo.
LogoShuffle— Provide your business name, slogan, and keywords, select the icons, font categories and change colors to get logo mockups. Shuffle the ready-made designs, and once you find the one, you can buy it.

Tailor Brands— You will provide a logo name and a short description after which you will be offered a series of example pairs where you will choose the one you prefer. This will enable the tool to create a logo tailored to you, after which you can purchase the logo.

Online LogoMaker— Add text, choose symbols or upload an image, and get started creating your logo. A free logo includes a low-resolution image, while payment is required to download a full resolution logo.

Other business details can include:

- Social media profiles
- Blogs you can cooperate
- List of competitors
- List of keywords you want to associate with your business

Product information

The next part of the business plan is focused on your products. Start with defining what you are selling and how you are going to sell.

Product to sell

When you start with developing this business plan, you already have in mind the exact product you are selling. However, what you need to define here are the following things:

Produced product or sourced externally

If you are creating products, you will need to provide information about the supplies needed, the way you will obtain supplies and the time required for making those products. On the other hand, if you are going to buy products to sell them in your store, you will need to focus on choosing suppliers. The goal is to get the best product for the best possible price. Planning these activities in advance helps you stay organized and prepare everything to quickly implement the plan.
**Digital or physical products**

In most cases, you will either sell digital or physical products. However, when it comes to books or music, you can choose which one to sell, a digital format which is downloadable and instantly available, or a physical product. You can always offer both formats.

**Place to sell**

Since e-commerce is focused on sales that are conducted online, the primary place to sell products is the internet. However, this does not stop you from selling off-line as well. Choosing between a physical or a virtual store is simply a matter of how you want to run your business. The main difference is that virtual store usually requires less paperwork and administration. This is why it is easier to set up an online store.

The main convenience an online store offers is that it can be accessed anytime anywhere. There are no limitations regarding space which means that the customer base is much wider than when it comes to a physical store. For customers, this means an enormous amount of time saved they would otherwise need to spend looking for items and exploring different shops all across town. Searching for the desired product has never been easier, with the use of search option offered by every virtual store, allowing a quick and easy way to look for an item based on the keywords, product name, etc.

In terms of business owners, a virtual store primarily represents a smaller investment. It is much cheaper to run a virtual shop because there are no rent costs, no utility bills, etc. The only costs involve web hosting and technical support if you need it. With virtual stores, you can do most of the work related to management and handle the sales, which means that the costs of hiring employees can also be avoided.

You can always opt for an option to run both virtual and physical store. Since there is a huge number of consumers who still prefer that old-school method and are in fact willing to pay more if they are able to feel the actual product before buying, you could open a physical store alongside a virtual one. Being aware of additional costs that a physical store can impose is a good start to evaluate if you want to run this kind of business as well.

When we focus on the virtual realm, there are a couple of ways you can sell online. Firstly, you can have your own website. Alternatively, you could join marketplaces and sell through their website. This choice is also something to include in the business plan. If you are planning on using several marketplaces, provide all of this information in the business plan, to help you further along with the planning and promoting products.
Investment

Opening any business requires an investment. Even though running an e-commerce business does offer this advantage of being the one that needs a small investment, you will still need a certain amount of assets to open and start running a virtual store. It is helpful to determine the assets you can invest, and then compare those to the actual costs you will have when opening up an e-commerce business.

To help you with calculating the investment needed, let us focus on the costs you will have when opening this kind of business.

Web domain

The domain is the first thing you will have to purchase when setting up a business. The actual costs may vary depending on the provider, as well as on the type of domain extension you choose (.com, .net, .shop, etc.). The domain is bought yearly, but you can choose between one year, two year or even five-year period. Domain name is sometimes free with a hosting plan, or it can start from $1 for a yearly plan (usually for first-time customers only). The regular price is usually between $10 and $15 per year. If a domain name is not available, sometimes it might be offered for an auction, which means that the price can be much higher. This is usually what happens with popular domain names.

Hosting

Hosting is an online storage for your website, and it is the place where your website will be built on. There are many hosting providers on the market, offering hosting packages anywhere from $1 to $3 per month for first-time customers and basic plans. For e-commerce, you will need a hosting that is flexible and can grow as your business grows. When starting your business, you might be prone to choosing a simpler solution and a plan with some limitations. These plans are usually cheaper, which is great if you are in the phase where you are still testing the market and exploring the potential of your business. However, the plan you choose has to be easy to upgrade as soon as you recognize that your business needs a more powerful solution, in terms of performance, bandwidth, storage, etc. The average hosting package is between $10 and $20 per month, depending on the type of plan and hosting provider you choose. More advanced solutions such as a virtual private server, a dedicated server, etc. are more costly and will require greater investment, but surely are something to think about if you are thinking about a big online business.
Technical support

Although running an online store is a more convenient method of commerce in general, it still requires a bit of know-how, especially when it comes to setting up a website, online payments, etc. The costs here can range a lot, depending on how simple or complex the system is, as well as on what kind of help you will need.

You might be able to handle some portion of the tasks, such as setting up and optimizing a website, but you might want to hire a professional to handle sections with online payments (credit card payment, PayPal integration, etc.). In case you are not able to set up a website yourself, the costs here will be greater. Additional costs can include:

- Website optimization expert to improve performance of your website
- Photographer for product photos
- Content writer for product description/blog content
- Administrator for handling management and customer support
- Marketing expert to work on promoting your products

In case you opt for a marketplace instead of your own website, you will obviously avoid a part of these costs, such as the domain and hosting. Still, selling through marketplace usually requires a certain fee, that is often calculated as the percentage deducted from the sales.

Product related costs

This section of the investment can vary hugely from business to business. For starters, you might sell products by acquiring them directly from the manufacturer. In this case, you usually do not have to buy the actual products, but instead, you will simply purchase them once you receive an order.

On the other hand, if you make your own products, you will probably need some kind of materials to make them. These costs should all be included in the calculation of your business investment.

When it comes to offering services, you will think about the following:

- Who will be handling the service (this person’s time should be paid accordingly)
- Costs related to providing the service (if you need to drive yourself to a location to provide the service, the costs of transport should be included in the price of the service)
Create a business plan that features all these fields and then fill in the expenses you expect to have. Sometimes it is not possible to predict the exact costs but an approximate value. Then it is always better to calculate a higher value, just in case. Once you have all the values, the sum of those is the investment you will need to start your business.

These three elements make up a core of the business plan. These are the base from which you will form a strategy later on. For example, having determined a business name, you can then work on social media marketing strategy, by creating online profiles with this name. While a lot of information is included in these three parts, there are still more aspects of e-commerce website you should have in mind.

Other things in the business plan

Predicting profit

Each e-commerce has a goal of acquiring profit through sales. This is the primary goal you want to achieve, and we will focus on different methods for achieving this goal later on, but when setting up a business and defining a business plan, it is helpful to try to predict the profit over a given period.

Since each business requires an investment, the first income you acquire from sales will be enough to cover this investment, and it might be a while before you start gaining profit.

Here is how to predict the profit:

- Choose a period you want to focus on
- Predict the number of sales you can expect (based on the market research, previous experience, etc.)
- Multiply the predicted number of sales with the product price
- Predict the recurring purchase trend, and add this to the previous sum
- Subtract the investment needed for the same period from the total predicted revenue

Pricing

Another part of the business plan you will work on is pricing for the products or services that you offer. Since the price essentially should cover the costs needed for that product or service to be provided, plus some profit for you, a good starting point is predicting the costs to make (or buy) an individual product or to provide a particular service. It is how you get an estimate on
how much to charge. For example, if the product costs $10 to make, and you want to earn $5 from each sale, the product price could be $15. However, you will also need to consider other costs as well. Even though the cost of website hosting is not directly part of the product cost, it is an expense you will have to pay from the revenue you obtain. Thinking about overall predicted costs might give deeper insights into how to form the product selling price. So, you might want to go up from $15 to $18.

The second thing you should consider when determining the pricing is the situation on the market. Make sure you explore the internet and look up businesses that offer the same products or services. Take a look at their pricing, and check out if there is a space to modify your price further. For example, if you explore the same product category and the cheapest product you were able to find is sold for $25, you might want to increase the price from $18 to $23 or even $25 to match your competitors.

**Special offers**

With pricing, you determine the regular prices you will feature in your e-commerce. Still, special offers are usually a part of the company strategy, which is why you could plan and predict those offers with the initial business plan. Here are a couple of options:

- First-time offer – Offering a special discount to first-time customers only
- Newsletter discount – Sending out discount codes to your subscribers
- Bundles – When selling product, you might want to provide a special (discounted) price for buying a bundle of products
- Seasonal offers – Holiday seasons are popular times to offer discounts and special offers, so you might want to plan this for Christmas, Easter, etc.

**Plan for promotion**

So far, the business plan was focused on what to sell, where to sell and how to determine costs and pricing. Finally, the business plan should also include a section on how you are going to promote the products. Since promotion includes an important part of your strategy and it helps with estimating profit, it is very helpful to plan online promotion in advance.

**Channels for promotion**

Channels for promotion include the platforms you will use to advertise your products and try to reach the online customers. Unlike traditional marketing channels used for reaching customers, e-commerce is focused on the online media, and the usage of the following channels:
• Website
• Third-party websites (gaining inbound links)
• Social media
• Paid advertising

There are numerous opportunities within these channels. For instance, you can advertise products on your site; you could pay to have banners on other sites, etc. Regarding social media, you can choose a format (text post, image, video) and then promote it through different social networks such as Facebook, YouTube, Twitter, etc.

A good thing with planning channels for promotion is that this helps you determine online media you want to focus on. If you plan on using Facebook ads to promote your business, you will need to have a Facebook profile and a Facebook page first. The same goes for all other channels for promotion. Planning also gives you estimates on the budget you will need for this type of promotion. Let us say you plan to use paid advertising with Google AdWords. These campaigns require a budget, and you will be able to plan it within the business plan.

Promotional activities

Besides a direct promotion, which can range from promoted posts to paid video adverts, other promotional activities that are not as direct when it comes to promoting the actual product, but still are efficient at raising awareness of your brand. Those include promotional activities such as:

• Special offers
• Discounts
• Loyalty club
• Contests
• Giveaways
• Collaboration with other brands

With these activities, you award your online followers, regardless if those are your subscribers, your previous customers or perhaps even your social media followers. Your goal is to organize an activity that will increase engagement of those interested in your brand while awarding one (or several) of those based on certain criteria (randomly chosen winner, the one who gets most votes, the most active contributor, etc.)
Despite the fact that the promotion of the actual product is not a direct goal, these activities are still called promotional because they help with:

- Placing your brand on the market
- Raising awareness of what you do
- Increasing interest in your brand
- Engaging those interested in your brand
- Improving the level of loyalty with rewards, benefits, etc.

Since promotional activities improve your online influence, try planning them in advance inside a business plan. The main reason why it is good to prepare them in advance is the fact that you will be able to define the budget for each of these activities. Furthermore, you will be able to plan the exact period when you will be organizing each activity. You do not want to host several of those at the time, nor do you want to overlap with other activities you plan for your business. For example, when introducing a new product in your store, you might not want to offer a discount for that product, but instead, you could host a contest or a giveaway.

To successfully plan promotional activities, think about these:

- Type of the activity you want to organize
- Goals you want to achieve (promotion of the products, introducing new products, engaging previous customers, etc.)
- Period during which the promotion is going to be active
- Terms and conditions for participation
- Cost related to organization

**Determining goals**

The sale is the most obvious and the most common goal of each e-commerce website. However, this does not have to be the only goal. Here are some example goals you could have in mind:

- Sell 50 products during the first month of running the business
- Increase the number of sales by 10% each month
- Gain 10 recurring customers
- Work with affiliates to increase the number of new customers
These are only some ideas, and the numbers are used just as an example. You should define a goal based on your own business and based on the predictions related to the business success. If possible, always add a quantifier (such as 50, 10%, etc.) to make those goals easily comparable to the results. This also makes goals more specific, allowing you to plan actions that will lead you towards achieving those goals.

Your business plan should contain several goals that you want to achieve. Once you have those goals, try to predict actions that will help you achieve them, as well as the time interval need for that. For example, if you set up a goal to increase the sales for 10% each month, you obviously need to work on promoting your product and reaching new customers. You will plan actions such as social media promotion, search engine ads, organizing a giveaway in collaboration with a blogger or influencer, etc. As you can see, different segments of online marketing will directly affect the ability to achieve e-commerce goals.

**Benefits of having a business plan**

Having a plan of action for any business is always recommended. Here is why:

**Organization**

A business plan helps you stay organized. When you have a business plan as a reference, you will always know what your next steps are and what you need to complete preparation. Being organized helps you save time and effort by determining a roadmap you will follow.

**Time management**

We all know that time is of crucial importance, especially when starting up a business as you will soon become overwhelmed with the number of tasks you will face with. However, if you have a business plan, you will be able to organize your time much more efficiently.

**Asset distribution**

Since a business plan has the information about the estimated costs, this is an excellent reference when thinking about your available assets and how you are going to distribute those.

**Unified approach**

Finally, a major benefit you will see with the business plan is the fact that you will recognize activities that will require different departments to work together. For example, collaborating with social media department on a promotional activity can yield great results for your business. Smaller companies might not have departments, but different persons being in charge of those tasks, or even perhaps one person in charge of various sectors. This is simply a matter
of organizing and distributing work, but the point is that e-commerce is and should be seen as a part of global business running. Combining the power of sectors such as online marketing brings more benefits for your business by joining the forces to work on achieving the common goal.

**How to use a business plan?**

Once you finish the plan of activities, once all of the fields are filled in, you will have a very valuable document about your business and its future. All of these ideas gathered together represent a roadmap that will show you the way through many different situations that might shake your confidence and make you doubt your idea.

You will use the plan as a reference. It will be your guide and a resource you will turn to when you want to plan the next action. Check your business plan to explore other options you can grow your business.

And as your business grows, so should the business plan. Apart from that initial information gathered inside the plan, think of this document as something that will evolve and change as your business takes new turns.

Allow the opportunity for this plan to be flexible and to adapt as you change your business strategy based on the market situation. Update the plan with new trends, ideas and practice and how these can reflect your business approach. This way, you can create a document that follows your vision but still keeps the pace with the opportunities your company might be facing as the situation on the market changes.

The purpose of designing a business plan is to provide insights into how you will organize different aspects of your business. It is not necessary to go too deep into the matter and be too elaborate and thorough. For example, rather than planning a promotional activity for Christmas with all the details, a business plan could only acknowledge the fact that you will organize one and perhaps the budget you can allocate to this activity. The idea is only to plan the methods and activities you will use, as well as to predict the budget you will need for conducting those.

A good business plan is supposed to keep you organized and help you stay on track. The descriptions and details about each segment can be quite scarce, but enough for you to make sense of those. This will help you to stay focused and never lose track of what you want to do with your business and what kind of strategy you will use to achieve your goals. It will also help with setting up a time reference because some segments of the business plan are crucial before being able to proceed to the next phase. For example, planning and predicting the time needed to develop a website has an impact on when your online store will be up and running.
4

Legal Guide for E-commerce
4. Legal Guide for E-commerce

Although establishing your online business is an amazing opportunity to grow your business in the digital world, there are some issues you have to be aware before you even set up an online store. The legal aspect of running an e-commerce website helps you define your business and your relationship with the customers. The goal is to enable seamless cooperation and provide documents that regulate any issues that might occur along the way. This makes doing business much easier for you, but it also helps your customers to feel safe and confident about your business.

In the first place, you should have in mind that the laws differ from country to country. To run a successful business online, it is recommended that you explore the laws that are valid in your country and how each of the following issues is resolved based on the applicable laws. It is also helpful to have some parts of regulations available as documents for your customers. Not only do these help protect you and your business, but they will also contribute to establishing a better relationship with the customers. Your company will instantly appear more legitimate and professional, enabling customers to feel secure when buying from you.

Most of the documentation here follows a certain standardized form, which has to state obligations and rights of both parties involved, your business on one side and a customer on the other.

Trademark registration

A trademark is an important part of owning a business because it protects the brand names and logos. It helps you promote your brand and establish a recognizable name on the market. Customers can identify a certain trademark with a certain brand, gaining you credibility and reputation.

Simply choosing a name is not enough because you have to make sure that you:

- Conduct a trademark search – This way you check if anyone is using the same name (regardless if they have registered the name or not). If the name you are planning to use is already a registered trademark, you should avoid possible trademark infringements.
• Determine the name confusion – You should evaluate the likelihood of the name becoming recognizable and distinguished on the market. Analyze the industry and competitors to make this decision.

• Decide to register a trademark – If you want to protect your business and your brand, registering a trademark is a recommended option. Your goal is to make this name recognizable and trustworthy among customers, so you do not want to risk anyone taking the name to enjoy the benefits or possibly damage your reputation.

A trademark can be designated by the following symbols:

• ™ – "TM" in superscript symbolizes an unregistered trademark, a mark used to promote or brand goods.

•℠ – The letters "SM" in superscript stand for an unregistered service mark, a mark used to promote or brand services.

•® – The letter "R" surrounded by a circle is used for a registered trademark.

Countries offer formal trademark registration, which is used to protect the brand and the name associated with the brand. You should explore the regulations and the conditions for trademark registration, or you should hire legal help from someone who specializes in the legislation for the country where you do business.

**Terms of use**

Terms of use, also known as terms of service or terms and conditions, is a document that regulates the rules the users must agree to if they want to use the service. It is used for legal purposes, especially in cases when the personal data of the users are being stored, such as the case with an e-commerce website. Each customer agrees to accept the terms of use that are provided by the site owners. Besides being legally binding for both parties, the terms of use can also be subject to change, which is something that is also highlighted as a part of the document. As a website owner, your responsibility is to make the terms of use available to the users who want to review the file.

This document is often designed based on a certain template, as you will notice that most terms of use have similar sections as the part of the document. Those parts include:
• Company information

The first part of the document should provide the information about your company, as the purpose of the document is to regulate the relationship between your company and the online user.

• User rights and responsibilities

The second part usually defines the user rights when it comes to the website, products, or services you provide. This section should also focus on user responsibilities and any actions that may be prohibited. Defining a proper way to use the website or service also helps to prevent misuse. This section may also highlight the existence of a separate document that regulates the usage of the personal data (Privacy Policy).

• Additional business information

Sometimes, it might be helpful or necessary to give more information about providing the service, as well as possibilities that could lead to modifying or terminating the services due to a certain reason.

• Disclaimer and limitation of liability

In this section of the terms of use, you clarify the legal liability for the damages incurred by the users. This particular section helps you protect your business from any loss or damage that cannot be foreseen or are caused due to no fault of your own.

• About the terms

The final part is where you state the fact that the terms of use may be subject to change, of which the user may or may not be informed. It is also in this section that you state if the document has been officially registered and in accordance with particular laws (usually those applicable in the country your business is founded). In the case of any legal issues that may occur, it is helpful to state the legal entity that will be in charge of solving those disputes. This is especially important when working with customers on an international level, as it is impossible to be aware of the legal regulations for numerous countries. You can also provide information on how to get in touch, in case the user has a question or an issue related to the document.

The terms of use should regulate all aspects of doing business with customers, including all the phases where an issue might occur. When running an e-commerce business, you should think about the terms related to the following segments:
Each of these segments is an area where issues might occur, which is why it is helpful to have the terms ready to regulate all of the transactions. For example, if there is a problem with the delivery, you, as well as the customer, can always refer to the terms of delivery. In essence, a customer must accept the terms of use before the transaction is initiated, which means that all of those conditions are applicable from that moment onwards.

**Refund policy**

During an e-commerce transaction, the money is paid upfront, and in return, the product is sent and delivered within the specified timeframe. In this process, it is crucial to realize that refunds are sometimes required. It is a part of doing business online, and having a clear refunds policy on your website allows you to provide a bit of guarantee for the customers. When you define the refunds policy, you determine the conditions under which the product can be returned. In the case of providing a service, it is also possible to issue a refund, but most service providers actually enable trial period instead. The period of 7 to 30 days is commonly used as a test period, during which the customer has the right to change his or her mind.

If the customers are eligible, they have the right to return the product and receive a full or partial refund.

When you provide refunds policy on your website and asking to accept those terms before initiating the transaction, you get customers to read and accept these terms. This way, they are familiar with the conditions that apply when a customer wants to claim a refund, regardless if that claim is due to the product damage, failing to fulfill the expectations, etc.

Handling refunds requests promptly is a way to establish a good relationship with the customers and to gain a good reputation. Take every refund request with seriousness and treat customers fairly. If they are eligible for a refund based on the conditions of the refunds policy, you are then obliged to issue a refund. Sometimes a customer might ask for a refund even though conditions are not fulfilled for that refund to be issued. For instance, a customer might want to return the product after three months when the refunds policy states that the product
may be returned within 14 weeks. In these situations, you could always refer the customer to the refunds policy document.

Regulations defining refunds are usually part of the terms of use, but they are a significant segment of the document. You should have this legal aspect in mind when creating the terms of use for your e-commerce website.

**Privacy policy**

Another legal document, binding for you as a product/service provider and a customer, is used to define terms of gathering and managing customers’ data. Privacy policy is used as an official statement to protect customers’ privacy and any personal information gathered on the website.

Personal information can be anything that defines a user, such as a name, address, the date of birth, contact information and even credit card information. These data are often provided by the users themselves when they fill in a form, but they can also be gathered through the use of third-party integrations, such as the usage of the cookies.

The important thing is to understand that as a business you can store and manage the data provided by the users, but you need to provide the information on how these data will be used. For example, the customers have the right to know if the data is kept confidential or shared with your partners, and this is something you should state in the privacy policy document.

Privacy policy should be based on the applicable law, which is why the geographical aspect and legal jurisdiction have an important role when creating the document. The content shared through the document should thus be in accordance with the applicable regulations in the county where your business is set up. Have in mind that personal data protection is a very hot topic in today’s reality when the user data have a great value for businesses and establishing the relationship with the customers.

Besides the data protection, where you agree not to disclose personal information about the users who give you the right to use the data for your own business, there is another segment related to privacy, and that is anti-spam. Since email marketing is a very powerful method for reaching the customers and promoting your business, it is essential that you follow anti-spam regulations and be extra careful when using the user information to contact the customers.

Typically, a privacy policy document can include:

- The kind of information you collect
This information is required by the customer, and it is usually the name, the email address, etc.

- How you collect the information

You should inform the customers how you collect and store the data. You could also mention the usage of cookies, in which case some data may be left on the user’s computer to track the habits and personalize the online experience.

- What you will do with the information

The customers have the right to know in what kind of purposes will the data be used, for example, for contacting the customers in the future, sending promotional announcements, etc. This section should also state whether you plan on sharing or even selling the information about the customers.

- Reviewing and deleting information

The customers should have insights into the information collected about them, as well as the instructions on how to change or delete them. The customer can send a request for his or her data to be removed from your database in which case you have to act upon this request.

- Time period for storing information

Information is often stored much later after the transaction is over. This is something you should inform the customers about.

- About privacy policy

At the end of the document, you will provide information about the effective date of the privacy policy and any further information about your business. Since the document might be changed over time, you could state this information here, or you could even provide information about previous updates of the document.

When you are selling online, it is essential to be aware of all the regulations and laws that are applicable in the country where you do business. Not only is it going to be helpful in the long run and assist with successfully running a business, but being familiar with the valid regulations will also spare you any issues and disputes that might occur with customers.

The documents that regulate the usage of your e-commerce website should be accurate, current, valid and concise. The customers should find them easily on your website and review them before deciding to do business with you. These documents keep your business credible in the mind of the customers while building trust in your brand.
Due to the legal character of these documents, it is recommended that you seek legal advice on the matter in the particular country. To help you with some general guidelines typical for some countries, you could refer to this online resource: A Legal Guide to Ecommerce. You will find general laws and regulations valid in Australia, Canada, Singapore, United States of America, United Kingdom and New Zealand.
Having an E-commerce Website
5. Having an E-commerce Website

When you decided to explore the possibilities of an e-commerce business, you will start with thinking about how you are going to make your products or services available to the internet users. Joining the market places is certainly one option you could explore, but first, we will focus on having your own website with an online store. For big businesses, having their own e-commerce website is a crucial step. Alternatives do exist and offer plenty of exciting opportunities, but having your website helps you with creating a compelling presentation, a brand and an image that you want your business to be identified with.

Regarding having an e-commerce website, you will need to explore different solutions from website hosting to e-commerce integration, shopping cart, and payment gateways.

Website

First things first, you will need to create a website. The most common choice is choosing one of the CMS (content management system) platforms. Platforms such as WordPress, Joomla, and Drupal, host a large percentage of websites. All of these platforms are free. They are mainly popular because they are quite simple and straightforward. You do not need any coding experience because all the features are already built-in or available as plugins and extensions. Other things that can be very helpful is provided documentation, resources, as well as the community of those using the same platform to exchange experiences. Furthermore, CMS platforms are usually up-to-date with the current industry standards, which means that they are SEO and mobile-friendly.

In e-commerce business, the website is your place to sell, which makes it the most important part of your e-commerce business. It is the place where your customers will get to learn about your products, to interact with you, get feedback and eventually buy. Therefore, your website should be:

- Engaging for the users to start interaction
- Helpful for them to quickly find information
- Responsive for both desktop and mobile users
- Effective to persuade visitors to buy

Your website should have:

- Homepage
- About us page
• Terms and conditions
• Privacy policy
• Contact us page
• Blog
• Shop

All of the pages, apart from the shop, are created on the actual platform you choose. When creating each of them, think about best SEO practices and how to optimize each page to make it SEO-friendly.

Store

When it comes to the actual store, this is the e-commerce section of the website which requires e-commerce platform integration. Choosing one over the other platform is a matter of preferences, business needs, and budget. In the following chapter, you will find suggestions on the most popular e-commerce platforms at the moment and what kind of features you can expect from each of them.

To make the store fully functional, you will have to integrate specific features that enable the online buying process. Sometimes, these features are already available as a part of the platform itself, but some platforms will require additional installations and integrations to make everything work.

Product information

Product information has a huge impact on the performance of your website, on your ability to engage the visitors, to convert them into customers and eventually complete a sale. The way you present the product can make or break your business success.

Product name

Choose a descriptive product name that the customers can easily find and relate to the actual product. Avoid using too many random capital letters or numbers. Although this might be helpful with tagging product for your purposes, the customers can only find it confusing.

Product image

Images are necessary for an e-commerce website. It is enough for customers that they are unable to feel the actual product, but not seeing it as well means that they will probably be reluctant to buy at all. Product images should be very vivid and depict the features correctly.
commerce websites usually provide a couple of images for a product (for example, product in a box, unboxing, product in use, etc.).

**Product description**

The description should provide more information about the product or service. It is a piece of text that provides more details, highlights particular features or explains how the product is applied, used, etc. The purpose of this text is for the viewer to get more familiar with the product features and how buying this product can be useful and practical. The length of the text should be optimal because you do not want to overwhelm the customers with irrelevant text. Since this text is also helpful in terms of SEO, it can be quite useful to have more content in the product description. After all, this is the segment based on which the search engines are going to index and rank the page. However, always have in mind that the page (and its content) should be user-friendly. If the content is completely redundant and repetitive, you should not add it just for the sake of the search engines because this can have a negative influence on user experience.

Additionally, it is recommended not to use the same product description for the multiple products. Despite the fact that it might be easier, and sometimes logical to do so (for example, you sell several types of running shoes with similar properties and design), you should avoid this practice. Firstly, because of your customers, but more importantly, because of the search engines. Search engine crawlers will use your website content (including product description) to understand how to index it and when to show such content as a response to a user query. Using repetitive product description will make this job more difficult for them.

**Buttons and fields**

Besides the actual products, you will probably use additional clickable buttons and fields to make the purchase process simpler. Some of the common items you will have to include are the following:

- Product size
- Product length
- Quantity
- Color
- Size guide
- Store locator
- Add to bag
Those and similar information can be provided about the product if you believe that this information would benefit the customers and provide a better user experience.

Finally, the button that directly leads the customer to the next step, to the shopping cart, is the most prominent one. This is the reason why it is usually in a contrasting color. It is an action button that invites the customer to complete the shopping, usually using the verbs such as buy, add to cart, order, etc.

**Order information**

Order information is another field that can be used to improve the customer experience. With this option, you enable customers to provide additional information about the order, as well as to monitor the status of their order. These features are commonly used as integration with the e-commerce platform.
• Order notes which can be customized – This way the users write comments or specify any information related to their order.
• Tracking the order – An additional integration can enable customers to track their order status, from the moment they have paid for until the item is delivered.

Shopping cart

A shopping cart is a software that allows the internet users to browse and eventually buy the product by putting it in a virtual basket. Adding a product to cart means that the customer is interested in buying that product, but he or she will continue purchase once they are finished with browsing the website. Besides storing product information, shopping cart also represents a direct link to the checkout process, where the user actually starts the process of purchasing.

There are two types of shopping carts you can use for the website:

Hosted shopping cart

This cart is provided by the third-party company that provides the solution that is fully hosted on their own servers. They are in charge of system maintenance as well as upgrades. While these might be advantages especially desirable by beginners in e-commerce, a hosted shopping cart involves customers being directed to another domain for payment processing. This is a drawback since changing domain might create a bit of distrust among the customers. Still, this solution is a recommended option for beginners because it is cheaper than the second solution and it demands less time for management.

Licensed shopping cart

On the other hand, having a licensed shopping cart allows more flexibility and customization options, allowing you to tailor the shopping cart based on your needs. Although this is a great plus, a licensed shopping cart comes with higher costs, and it usually requires more technical knowledge for implementing and fixing potential issues.

Shopping cart abandonment

As shocking as it might be, but over 69% of customers will put something in a cart on your website and leave without purchasing (Source). It is an extraordinary percentage of lost sales, and this evidently has an impact on your business. Just imagine how your revenue would spike if you could actually retain these customers.

The most common reason for abandoning the shopping cart is the extra costs. In fact, over 60% of customers have abandoned the shopping cart due to costs such as shipping cost, tax, fee,
etc. More than one third of customers (35%) say that they have abandoned the cart because they were required to create an account. This is an extra step for them, and if they were in a rush to complete the purchase, this would only slow them down, especially if they were on their mobile device. Too long or complicated checkout process, inability to calculate total order cost up-front or website errors are other common reasons for the customers to abandon their carts.

![Image: Reasons for abandonments during checkout](https://baymard.com/lists/cart-abandonment-rate)

Being aware of all the issues that can be causing shopping cart abandonment helps you optimize your website and the buying process in a way that you maximize the percentage of completed purchases. For starters, allow users to buy without registering an account. Instead, enable the customers to process through the checkout with their email address. Not only are you going to save them time, but you are also going to obtain their email address early on before they go on to the checkout, where they might still abandon the cart for some other reason.
The shopping cart page contains the following information:

- **Product list**

All of the items that have been put in the cart are visible here. The list can be edited, so the customer can increase the quantity of the products or remove the products from the cart.

- **Price**

Next to each product, there is a price, and the page will also contain the total price. Apart from the actual product price, the price can include taxes, fees or shipping costs.

- **Discount code**

Some e-commerce businesses offer discount codes, and you can provide them on this page. The price will automatically be recalculated.
Shipping

During this phase, the customer will also learn about shipping costs and shipping methods that are available. Since shipping costs are the most common reason for shopping cart abandonment, you could think about offering free shipping. A commonly used method is to provide free shipping on purchases that are over a certain limit. For example, if the customers buy products in the total worth of over $50, they are eligible for free shipping. Not only do you provide a special perk for you customers, but this practice also encourages customers to spend more in your store. Have in mind that free shipping is free for the customer, but your business will have to cover the costs of shipping which depend on the packaging, carrier, insurance, tracking service, etc. All of these influence the shipping costs, and you have to calculate whether you are able to offer free shipping to your customers.
Shipping is another major distinction between an offline and online store. Customers are not able to see the products, nor to collect them, but instead, the seller is responsible for delivering the product to the customers. However, the situation is far from simple. In fact, shipping can become quite complicated for e-commerce businesses which is why you have to come up with a plan and strategy on how to handle shipping.

There are several shipping models you can use in your e-commerce business. Choosing which one of these to use is based on the type and size of the business you run.

**Shipping yourself**

The first option is the situation where you send products from home. You are in charge of writing labels and packaging the product. When it comes to sending the packages, you can walk to the post office yourself and send the package or you can have a courier pick up the packages from you and deliver them to the customers.

**Fulfillment warehouse**

This option refers to using a warehouse to accept and process all the orders. You have the full control of the inventory, and you are able to create a much more consistent shipping strategy. This allows delivering products more quickly and more efficiently.

Both of these situations are shipping models where you send the actual product. However, there is a third option which is called dropshipping.

**Dropshipping**

This model is a business model where you do not keep the product in stock. Instead of doing so, you collaborate with the suppliers who actually send the product themselves on your behalf, with your own packaging and brand. As a seller, you purchase the product, but you never actually handle it, because the supplier will be responsible for fulfilling orders and delivering the products to the customers. The benefits of this model are lower investment, flexible location and a wide selection of goods. However, it can be more difficult to calculate shipping costs due to a large number of suppliers, and it also might lead to inventory issues and delivery errors.

Instead of offering free shipping, you can use carrier services, in which case you would provide this as an optional shipping plan. When you connect your checkout page with services such as FedEx, you can offer real-time rates to your customers. Customers are also presented with the time needed for the delivery using each of the services, as well as the price for each service, which is then added to the total price in the shopping cart.
Another alternative when charging shipping is to offer flat rates. Defining flat rates means that you determine the shipping price that will be applicable for all the products on your website. This price can sometimes be over or under the actual shipping price, but it is a great way to redefine the shipping strategy and make sure you charge all the customers the same.

Additionally, when forming flat rates, you can define different rates for certain package weights. This means that there would be one price for all the packages up to 1 kilogram, then you would change the price for the packages up to 2 kilograms, and so on.

**Payment gateway**

The buying process ends with the payment gateway. A payment gateway is a service that processes payment for an online business. It is integrated into your website as an additional software. This software facilitates the transaction by transferring the information from the customer to the bank. This service basically handles and authorizes the payment between the seller and the buyer. Once the checkout process is complete, and the customer is ready to buy, the payment gateway is activated which is where the customer will make the transaction safely.
The process goes like this. Web browser encrypts the data which is sent to the payment processor used by the bank that handles the payment. The transaction data is sent to the card association to the bank issuing that card to authorize the transaction. Once this authorization is received, the payment can be processed, and the approved response is generated. This process actually happens in a few seconds.

Commonly used payment gateways used by e-commerce businesses include:

- PayPal
- Stripe
- 2Checkout

The benefit of using such software is that the process filters out possible frauds. This provides an additional level of security to the customers. Online payment processing can be a little intimidating for them, especially if it is the first time they are buying from you. The customers can be scared to share sensitive information such as the credit card number with someone they are not familiar with. Using these services can increase their trust because these services are trusted payment gateways in the online world, and the customers are willing to share their data this way. In fact, they most probably have done so already through previous payments. In this case, your website does not actually collect any data related to payment, such as the credit card number because the service will do this process for you. An additional perk of these services is that they can calculate taxes which are applicable in particular countries and they also convert currencies based on the valid rates.

These services usually offer the service for free, and you pay based on the number of transactions. This fee can vary, and it depends on a number of factors, such as the number of
monthly transactions, the membership plan you are using, your location, etc. To calculate these costs and to add them to your business plan as a fixed expense that you will have, it is recommended first to choose the service and then look into the estimated rates for your business.

**Website security**

The final part of designing an e-commerce website is website security. Since you expect the customers to buy from you, during which they will go through the payment process and payment gateway, you need to think about security on your website.

**PCI standards**

Firstly, there is something called Payment Card Industry (PCI) Security Standards, which is how industry standards are defined to safeguard payment data before, during, and after the purchase. These standards have to be followed on your server, in the shopping cart, and throughout the payment gateway process. Since you are using third-party services for all these aspects of your business, you have this part of website security covered because those services are already PCI compliant.

**SSL certificate**

SSL (Secure Sockets Layer) is the security standard that establishes an encrypted link between a web server and a browser. This means that all the data that passes between these two is encrypted and it will remain private and integral. This protocol is used by HTTPS pages to encrypt communication and keep the data protected, which is why it is recommended to have SSL certificate activated on your e-commerce website. Furthermore, customers are more likely to trust HTTPS websites which will encourage them to complete their purchase.
Choosing an E-commerce Platform
6. Choosing an E-commerce Platform

Once you have finished planning, the time comes to start working on bringing your e-commerce website to life. You have a vision of what you want to do and you have your goals in mind. Now it is time to realize this vision by creating a store that perfectly reflects your idea.

To begin with, you will consider using one of the e-commerce platforms as a website integration that will enable you to take advantage of numerous features to set up and manage an online store.

Shopify

Shopify currently hosts over 400,000 active online shops. The platform is constantly evolving with new apps and extensions, growing in popularity, especially among beginners. The platform offers:

- Customization of the store with 100+ templates and 1500+ apps
- Unlimited bandwidth, products, and inventory data
- Manual order creation
- Discounts codes and gift cards
- Website and blog
- Tracking sales and grow trends
- Free SSL certificate
- 24/7 customer support
- Free 14-day trial

There are three pricing plans, starting from Basic Shopify, available at $29 per month. For a growing business, you might want to consider Shopify plan ($79 per month) or even Advanced Shopify ($299 per month) which includes more advanced features, such as reports. Shopify Plus is an enterprise-grade solution but to find out more, you will have to send an inquiry. Finally, if you want to sell on Facebook exclusively, you might want to explore options offered by Shopify Lite, available at $9 per month.

Ability to connect with a Facebook page and sell on this social network, as well as a mobile-friendly shopping cart, are the features that certainly make Shopify a platform suitable for reaching online users. The process of using the platforms is also pretty straightforward with simple design and integration of 70 external payment gateways, making accepting payments
easy. SEO tools and secure hosting are also benefits offered by the platform. The main drawback is the fact that running the store might become a bit costly, with additional extensions which are paid separately, or when you do not use Shopify Payment, in which case additional transaction fee is applied for every sale.

BigCommerce

BigCommerce offers a variety of solutions suitable for businesses of all sizes. The platform allows creating stores with engaging features to help increase sales. In fact, the solution is perfect for those who are not much tech savvy and are reluctant to tamper with the code themselves. Highly customizable platform with a great selection of e-commerce templates, reliable hosting, and seamless migration process are some of the features that make BigCommerce a desirable solution for an e-commerce business. Other benefits of using this software include:

- Single-page checkout
- Coupons, discounts, and gift cards
- Professional reporting tools

Image: https://www.shopify.com/
- Product rating and reviews
- Integration with Facebook, eBay and Amazon, Pinterest, Google Shopping
- No transaction fees
- Unlimited products, file storage, and bandwidth
- Unlimited staff accounts

There are not many plugins because the platform itself is very customizable and already provides a set of integrations to help you optimize and boost the performance of the online store. The plans start with the Standard plan (available at $29.95 per month), the most popular Plus plan ($79.95 per month) and Pro plan ($249.95 per month). Finally, there is the most advanced solution called Enterprise, but to get more details, you will need to get in touch with the customer support. There is a 15-day free trial period.

Image: https://www.bigcommerce.com/

**Magento**

Another established name in the world of e-commerce is Magento, offering solutions for small businesses, as well as advanced technology and reliability recognized by some of the top
players on the market, including Coca Cola, Charlotte Tilbury, Burger King, etc. Over 250,000 merchants are using the platform to grow their businesses and increase sales. Some of the available features the software comes with are:

- Flexibility to customize the platform to provide branded experience
- Open source platform
- Thousands of plugins and extensions
- Extensive documentation and resources
- Tools to attract and retain customers
- Product bundling, gift with purchase, and customer reviews
- Free Magento social integration to catalog products on social media and create advertisements

For beginners, Magento offers a free Magento Community Edition platform. It is a good way to experiment with the features and learn how to integrate and grow your e-commerce business with this platform. There is no clear pricing on the website regarding solutions for growing businesses and large enterprises. The best way to find out more is to schedule a free product demo.
WooCommerce

WooCommerce is an ideal e-commerce solution if your blog is hosted on WordPress platform. The software is specifically designed with WordPress in mind, providing hundreds of free and paid extensions to help you fully customize the store based on your requirements. The software seamlessly integrates with WordPress, and it offers easy migration from other platforms. Features provided by WooCommerce include:

- Selling both physical and digital products worldwide
- Mobile-friendly platform
- Marketplace with free and paid extensions
- Comprehensive documentations related to setup, extending, theming, etc.
• Unlimited number of products
• Secure code
• Pre-installed payment gateways
• Geo-location support making shipping and tax calculation simpler
• SEO-friendly platform
• Discount coupons and codes
• Built-in analytics + 3rd party integrations

WooCommerce offers a self-hosted solution, which means you retain full ownership of the information and data shared through your e-commerce store. There are no transaction fees, and you will have support available for all the paid products provided by WooCommerce. Getting started is free. You will log in to your WordPress account and go from there. To get the most out of your store, you will probably need to use some of the extensions, such as:

• WooCommerce Subscriptions – If you are going to use recurring billing to your membership website (from $199)
• Products Add-Ons – To create additional options for products, including select boxes, text areas, custom price input, etc. (from $49)
• WooCommerce Bookings – It enables appointment bookings on your own website (from $249)
• Stripe – It allows accepting different credit cards directly in your store (free)
• Product bundles – It is used to create customizable offers and product bundles (from $49)

The purpose of these extensions is to provide advanced features and functionalities for running an e-commerce business, which is why it is worth exploring the features and how those can help with optimizing and improving your store and customer experience.
Volusion

Besides an e-commerce platform, Volusion is an all-in-one solution with options to grow your business with built-in SEO management, newsletters, and CRM system. This provides an interesting option for hosting an e-commerce website even if you are only starting out and exploring the market. You can upgrade at any moment enabling you to unlock more features you might need as your business grows.

All plans include features such as:

- Free, responsive themes
- Securely accepting payments
- Built-in SEO tools
- Social media integrations and reporting tools
• Expert support plus helpful resources
• Inventory management

There are four plans, starting from Mini (available at $15 per month) with a limit of 100 products and 1GB of bandwidth. The Plus plan is a more advanced (priced at $35 per month) with 1000 products and 3GB of bandwidth. In case you need a solution that goes beyond these limitations, you can choose Pro plan (the price is $75 per month) with 10,000 products, 10 GB of bandwidth and priority support, or Premium plan (for $135 per month) with unlimited products, 35GB of bandwidth and dedicated account manager. A free trial is available during the 14-day period. Advanced features you can unlock with more expensive plans include:

• Rating and reviews
• Newsletters
• Abandoned cart reports
• eBay and Amazon integration
• API access + batch order processing
• Deal of the day + customer loyalty plan

With comprehensive website builder and responsive themes, the platform allows creating high-quality e-commerce websites with no coding experience. You will have full control of managing the content, with customization options to help you explore the benefits of your content. It is quite easy to connect the platform with the most popular tools for an e-commerce business that provides additional functionalities. Finally, the built-in SEO management and reporting features are powerful options to explore the influence of your website and your content, which helps with running your online business.
You will notice a lot of similarities between platforms we have mentioned here, and chances are you will find more platforms that provide a solution for running an e-commerce website. The choice should be based on the needs of your company and the budget you can provide for the platform integration. When it comes to choosing different plans, try using the solution that is enough for your current needs, but always make sure that there is a possibility to upgrade to a more compressive solution once you need it.
7

How to Promote Your Business
7. How to Promote Your Business

Having gone through all of the work of establishing your e-commerce business online, you will probably be eager to see the results. Your store is up and running, and all you want to see is sales being completed. However, this is not as simple. Setting up an online store is the first part, but getting the first sales is another segment of the e-commerce business you will have to work on.

Again, it is very useful to have a plan, a sort of a strategy on how you are going to promote your business to the online users. There are slim chances of online customers finding you on their own if you are only starting out. Your website will probably need some time to become indexed by the search engines, and you will probably struggle to get visits at first, let alone to realize actual sales.

At this point, you will probably start wondering how to make the first sale. What can you do to improve chances of starting to sell in your store?

Well, it might be a while before you see the first sale, but instead of waiting for this to happen on its own, there are online media and tools you can use to increase the reach of the products and ultimately increase the chances of selling. The following set of strategies will help you get through this first phase and make the first sale.

Leverage the power of Facebook

This network is such a powerful tool for promoting a business. Regarding promoting your business, there are four options to help you make the first sale.

Facebook profile

Although you will not use this option as much later on, in the first few months of starting a business, you could think about sharing your products on your own Facebook profile. This means that this post can be seen by your Facebook friends, as well as by your followers if the post is public. Obviously, your target group goes beyond your Facebook friends, but it is a good way to start spreading the word about your business.

Facebook group

Facebook groups are places for people of the same interests to hang out, exchange experience and share stories. Some groups also support selling feature, which you will quickly spot if you see the “Sell Something” option at the top.
You have to be very careful to follow the rules of the group when sharing the links of your products. Of course, you do not want to share too frequently and risk being marked as a spammer. In general, this option is a good way to reach people of the same interests, and it can help you with increasing the reach of your products.

**Facebook page**

When you create a business, you should create a Facebook page as well. A page is your official presentation on this social network. The page should have photos, website address, contact information and other information about your business such as product information, hours, etc. You will then try to attract followers and start being active on the page by posting updates regularly. Even though having a Facebook page is recommended for all the businesses, to start getting conversion and sales from the page will probably take you some time. The page will start with zero followers, but you will slowly build your following through all sorts of interaction, viral posts, collaborations, recommendations, or ultimately paid advertising.
**Facebook ads**

The final option you have when starting promotion of your business on Facebook is paid ads. You will need to have a Facebook profile, which you will use to access Facebook Ads Manager. You will start creating a campaign, through which you can achieve different goals such as brand awareness, increasing traffic, generating store visits, etc.

Following the instructions in the manager, you will go through a set of options to customize your campaign by choosing ad format, budget and schedule, placements, audience, etc. You will have full control over the budget. You will also use targeting options to choose the audience for your ads which is how you make sure that your ad is shown to the people who are generally interested in what you are selling.

When starting out, this option can be very helpful. With a Facebook page, you need to wait for people to like your page through organic reach, while your ads will instantly be served to the target group as soon as the campaign goes live.

**Spread the news on Twitter**

Here is another network that can help with promoting your business and spreading the news about your products. Start by setting up an account for your business. On Twitter, there is no distinction between a profile and a page, but instead, you have an account. You can have your private account, and then you can have an account of the business you manage. For the account of your business, you will need a profile photo which is preferably the one used in other profile as well, to help with recognizing your brand and promoting logo. You will also need a bio where you can share your mission, type of business you run or location. Just
remember to keep it short, since there is that 140-character limit. You should also add a cover photo and the website URL.

You start the interaction on Twitter by tweeting the status updates to your followers. Have in mind that following someone on Twitter does not establish a mutual connection. When you start following an account, you can see their updates, but they cannot see yours until they follow you back.

In terms of posting status updates, try to be active regularly and offer great content. Do not make it all about sales. Instead, try sharing some useful content, practical information, problem-solving articles or videos, etc. This will make your audience appreciate your content more, and it will help you build trust. Once your first sale is realized, Twitter is a great place to interact with the customers and ask them for a feedback about the product, about the purchase, etc. Not only is this going to help with improving the business-to-customer relationship, but it will also be a great promotion for your business because other potential customers will see your professional relationship and positive feedback others shared about their purchase.

Additionally, you can use Twitter ads as an extra option to reach more people with your tweets.
Network on Pinterest

Pinterest slowly grew from a social network to a powerful tool for online store owners. The platform is primarily focused on visual content, which is why you will need lots of inspirational and creative images to promote your products on Pinterest. It is recommended to have your personal account created on Pinterest, but you should create a business account as well. This way you can take advantage of both. Through your personal account, you can have a more personal relationship with online users and share occasional updates, while you will use the power of the business account to actively work on your online promotion through this network.

People use Pinterest to discover content, to share projects and save ideas. These ideas are organized in boards which are created as a single topic with resources shared as pins. Start by sharing amazing images and high-quality content. Interact with other users by sharing comments, liking pins, etc. A very helpful option with spreading the word on Pinterest is to have the “Pin it” button on your website.

In terms of paid promotion, the network offers Buyable Pins where users can see product information and buy directly without leaving the app, or Promoted Pins, pins that are more likely to be seen as Pinterest users than regular pins.
Explore the power of video

As a content format, video is slowly taking over. It has become a number one format to use in content marketing and some even go as far as to say that video represents the future of marketing. When it comes to sales, studies show that “after watching a video, 64% of users are more likely to buy a product online” (Source).

Besides promotional videos, which is probably the first thing that comes to mind when you think about using video for promotion, there are other options you can explore. Product reviews, unboxing, live chats, webinars, and Q&A sessions, are all some ideas how you can use this video format to create content that is primarily addressed to your customers. Rather than directly trying to sell, focus on content that is creative, engaging and helpful to gain trust and credibility.


As you are waiting for that first sale to be finalized, start exploring the video format and networks such as YouTube, where you can share your content to gain more reach.
Embrace the world of social media

Social media world is here to stay, and if you are planning to make it work for your business, you have to be a part of that world. Despite the fact that you might not want to spend an hour or two of your day reading tweets or YouTube comments, chances are, at some point, you will probably have to do so.

Social media is a great place to get reviews from the clients, to share the new products, to help customers complete their purchase, to get feedback or to ultimately solve issues that customers might have. All of this means that social media is a place where you get to connect with your customers and to establish a good relationship. This relationship is very useful for building the reputation and creating a reputable brand on the market.


When you start your e-commerce business, try to explore the world of social media and how you can benefit from it. Since businesses are all different, with different goals and needs, there is no unified approach. There is no one single roadmap to follow that will surely bring the good results. Instead, social media marketing is a personalized and customized approach with actions
that are designed to promote your business through social media and get visitors to your website where you can convert them into customers.

Here is how you can start:

- Choose the networks you want to be active on
- Create profiles on those networks
- Customize each profile
- Start sharing content through these networks
- Promote your online store
- Explore paid advertising if available
- Interact with your followers
- Define and implement social media marketing strategy
- Keep an eye on the statistics
- Analyze the approach and make necessary changes

Get on Google

There is an easy way to get on Google, even if you are still in the initial phase of building your online presence. You should use Google My Business tool. This option helps you to get your local business listed on the map, with all the necessary information such as the company name, price range, direction, website, hours, reviews, etc. All of this can help you get your business on Google quickly, which means your business is likely to be shown in local Google searches.
While the process of getting in the search results might be more complicated, Google My Business account ensures that your business will be shown as a suggestion when the local area is explored. In case you have an offline store as well, this will help you a lot when getting started with e-commerce.

**Check your website again**

During this initial phase, you should go ahead and recheck your website. Even though you might have done everything right when setting up the site, errors can still slip through, so make sure that everything is just fine with your website.

**SEO**

Check if your site is SEO-friendly. Besides checking all of the aspects manually (image optimization, content optimization, detecting any external or internal link errors, etc.), you can always conduct an SEO audit of your website to identify any weak spots. Some of the SEO audit tools include:

- [Site Auditor](#)
- [Seoptimer](#)
- [Website Grader](#)
**Website analytics**

Analyze your site analytics and if you notice any unusual data, such as a high bounce rate or short average session duration. All of these can be indicators that you need to improve your website performance.

**Mobile-friendliness**

A website that is not mobile-friendly will hardly have any chance of succeeding nowadays, so use this [Google’s mobile-friendly test](#) to check how your site performs on mobile devices.

**Write a blog post**

Here is another creative thing you can do while you wait for that first sale to hit. Write a blog post. If you have been exploring the world of online marketing, you probably know that content marketing holds that special place nowadays. It is an amazing way to reach consumers. Unlike advertising and promotional campaigns, content marketing uses that subtle approach where you offer quality and help through content in order to get trust and encourage interest in your brand. Indirectly, you will be promoting your brand as well.

When writing a blog post for an e-commerce website, make sure the topic is directly related to the type of products you are selling. Your goal with content marketing is to create content that will attract people who could also be interested in what you are selling. This is why choosing a niche is very important.

When it comes to content creation and blog posts, you have a couple of options:

**Share on your blog**

Create your blog and start sharing content that will be helpful to your target group. This content will also help with on-site SEO.

**Write a guest post**

Instead of publishing the post on your blog, try to find blogs or websites from the same niche that would be interested in publishing your post. Of course, you would have the link back to your website. This is great for those visitors who would like to know more about you, and it is good for off-site SEO.
Interview an influencer

The post you can create can be a product of collaboration. The major benefit of working with influencers is the fact that you will be sharing expert advice and you can count on the influencer sharing this post with the followers on social media.

Start building your mailing list

It is never too early to start with building a mailing list. That “Sign up for the newsletter” button should be on your website from the beginning. This is certainly a start, but to really work on building your mailing list, try creating something that you will share exclusively with the subscribers. It can be free content (an ebook, a video course, templates, etc.), free access to members’ area, exclusive access to limited products, coupons or discounts, etc. All of these will give that special character to the subscription, and they will make people really want to leave their email to gain access to this special benefit.

Have in mind that email marketing results are impressive, and your mailing list will become one of the powerful tools in your online marketing strategy. Even if you still do not see any sales, you should still work on creating a mailing list. At one point, you could try to convert those visitors through an email campaign.
The primary goal with all of these strategies is to work on spreading the news about your e-commerce, which is essential in the beginning because you have yet to establish your brand and your position on the market. Ideally, you should work on all of these aspects simultaneously, so that you can take advantage of those and really give your business that first kick.
8 Strategies to Increase Sales
8. Strategies to Increase Sales

As you can notice, there are a lot of things to do while you are waiting for the first sale to happen, but even when it does happen, it is not over. There are plenty of activities that will help you improve your business and increase profit. The work on promoting the products and reaching customers is far from over. Actually, these activities go in a circle.

Your goal is to sell products consistently and to increase the customer base gradually. The activities that help you get your first sale are helpful later on as well. For each of those, you get to define a set of tactics and strategies to use in order to maximize the effect of those activities. As your business grows, so will your approach to using different tactics to promote it with online marketing.

With this in mind, here are a couple more tips to make online marketing a part of your routine:

Social media marketing

You should actively be using at least one social media to interact with your online customers. Social networks enable users to find you, to interact with you and learn more about your products, special offers, etc.

To make the most out of social media, follow these tips:

Choose the networks

There are hundreds and thousands of social media out there, but in terms of business, you will probably end up using only a selected few. Choose the networks that are most likely to help you reach customers and promote your products. At first, you might create profiles on multiple networks, but after a while, you will begin to notice that only some of them actually bring benefits. This makes them worth the time and effort, and that is why you will keep posting on those, while you might reduce the activity on the networks that are not converting.

Create a plan

Publishing as an e-commerce business on social media usually entails a particular plan. It is not enough to post product links or blog articles randomly, but instead, try to make posting activity organized and coherent. Have in mind that social media users love helpful and engaging posts, which are likely to perform better. This means that providing great content through social media is very important, while promotional posts and advertisements of products are activities you should occasionally do and if possible, discreetly. For example, if you want to promote new
tennis gear in your online shop, try writing a blog post about tennis gear and how it can influence a player’s game. Instead of directly sharing product links, you will create a useful article with links to products for those interested in buying tennis gear. Ideally, you want to mix between helpful and promotional content, but this ratio should be 90:10 for example. So, more great content, and less direct advertising.

To follow these guidelines, create a plan on what you will post. Your plan can also include the times when you will post on social media. This kind of planning is usually based on customers’ behavior research or the engagement statistics from the previous period.

Try creating a calendar to organize everything and make sure your offer diverse content to your customers. Using social media management dashboards and scheduling tools can help you with keeping everything organized. Helpful tools for this purpose include:

- **Buffer**
- **Everypost**
- **SocialOomph**
- **HootSuite**

**Be active on social media**

While customization of the profiles and regular status updates are helpful in terms of establishing the presence on social media, being active is another major component you should not neglect. You must not forget that social networks are all about people, connections, and communication they can establish through these networks.

When users interact with your business profile, regardless if they leave a comment or send a private message, they expect real people to answer their questions. They do not want a template that will be copied and pasted all over again. You should always try to make it personal and to make the customers feel like they get the attention they deserve. It is also helpful if you are monitoring social network notifications regularly and if you are able to respond rather quickly.
Explore paid options

Most social networks offer paid options to help with reaching more users. Organic reach is usually limited to your own followers, and even in that case, not all of them is going to see the posts you share. To make sure you increase the visibility of your post, try using paid advertising as an option and see how the ad performs. If you notice that you can make your investment worth, if you see real profit from the social media ads, then this is something that should be integrated into your social media marketing strategy.
The major benefit of paid advertising on social media are:

- Reaching more people
- Increasing brand awareness
- Using advanced targeting options (target based on location, gender, based on the interest, target members of specific groups, etc.)
- Scheduling ads (choose the time during which the ad will be active)

**Analyze the performance**

Once you analyze the performance of the accounts, you can see the whole picture. This can help you determine whether you want to be active on a certain network, whether you need to change your approach to social media marketing, etc. Pay attention to these things:

- The number of followers for each network
- Engagement level (comments, shares, likes)
- Negative statistics (unlikes, marked as spam, reported post, etc.)
- Click-through rate
- Organic vs. paid reach
- The number of conversions (sales, leads, etc.)

Finally, it is important to have in mind that social media marketing is a whole segment in online marketing, and as such, it should be studied in more details. These are quick suggestions on how to use social media to keep your business profiles active, but to get the full potential of having and implementing a social media strategy, you should explore the topic in more details. For starters, check out this [Social Media Marketing Course](https://www.facebook.com/business).

**Email marketing**

Collecting emails on your website is an excellent way to build a list of those interested in your business. On one side you have those interested, while on the other you have those who already are your customers, which means that they have completed at least one purchase on your website. As a result, this means that you will have to use at least two different strategies to communicate with those users effectively.

You can divide the strategies like this:
Subscribers

This first group includes the users who subscribe to your blog updates or provide their email address so that they could redeem an offer you have provided, such as a coupon, or a free template. When you use email marketing, your goal is to get those subscribers interested in your business even more. Here is what you can do:

- Do not send a promotional email as soon as the subscriber is on the list
- Instead, start building this relationship gradually
- Offer even more great content to the subscribers
- Share some helpful content from your blog
- Use personalized approach
- Customize each email campaign
- Make sure your email message is mobile-friendly
- Then share a promotional email where you would feature some of your products
- Offer exclusive discounts for subscribers (or first-time customers) only

Customers

Customers are those who have completed at least one purchase. This means that they were persuaded to try out your products. However, this is not to say that your relationship is over. The same way you nurture the relationship with the subscribers, it is necessary to nurture the relationship with the customers.

Some of these tactics can be helpful:

- Ask for their impression related to the product, or any feedback they would like to share
- Ask if the customer was satisfied with the purchase process, customer service, etc.
- Suggest that they share the experience (or link) with friends
- Offer exclusive discounts for recurring customers
- Send customized email with product suggestions based on the previous purchase
- Share product suggestions at the perfect time (for example, if you sell printer ink cartridges, and you know that one could last approximately a month, you could send
a reminder email next month, just in time when the person would actually need to buy a new one).

**Analyze the abandoned cart**

We have already mentioned that an astonishing number of products placed in carts is never actually purchased, but instead, the cart is abandoned. This abandonment can happen anywhere through the checkout process, but it most commonly does when unexpected shipping costs are calculated (based on the studies).

Nowadays, most e-commerce businesses use email as the first piece of information they require when the person starts the checkout process. Some require creating an account, but more and more business are deciding to skip this step to speed up the process and make purchase quicker and easier for the customer. Asking for an email address early on guarantees that you get priceless information to contact the person even if they abandon the cart along the way.

This kind of a situation requires a completely new email marketing approach where you will have to define how you address your customers (or potential customers). Obviously, there was a reason for that person to abandon the cart. They might be surprised by the shipping costs, but they also might be uncertain whether they want to buy the product from you or not. Or perhaps they were simply in a rush and had to quit the browser before they were able to complete the purchase.

When sending an email to the email addresses you have in your abandoned cart list, you should:

- Remind the person they have the products in the cart
- Ask for feedback about the purchase process (a poll with ready-made answers is much quicker than for the users to write the feedback themselves)
- Share helpful resources from your blog or website
- Offer a special discount if they complete the purchase they have started within a certain time limit

In conclusion, we have to highlight the importance of the user in e-commerce business. All of the work you will have when trying to make the first sale and beyond is focused on reaching new users and converting those interested into your customers. The users will become the
center of your strategy and your ultimate goal will be understanding users and which practices would be the most effective in order to turn them into your customers.

As you will soon realize, a significant part of an e-commerce business is developing and nurturing that business-to-customer relationship. Both social media marketing and email marketing are helpful strategies to do so, which is why you should explore them in greater details.
9

E-commerce SEO
9. E-commerce SEO

If you want to run a successful online business, you know that SEO is everything. Search engine optimization helps you increase the performance of your website in order to make it more user-friendly and discoverable in the search engines. As a result, you can expect more sales through the website which is SEO-friendly because it is more likely to be shown in the search engine result pages.

Keyword research

Every SEO strategy and planning starts with the keyword research. Keywords make a base for the website optimization, content creation and even for the paid search engine ads. This is why they are so important part, and it is crucial that you start with keyword research.

Keywords are basically words or phrases you want to position for. This means that once that word or phrase is typed into the browser, you want your site to show at the top of the search engine result page. Being positioned at the top ensures that the users find your website and click on the link. According to numerous studies, the top results receive the highest number of visits, as opposed to the results shown below, while the results on the second, third and subsequent pages of the search result received hardly any visits.

In a nutshell, the process of keyword research works like this:

- Write down all the words and phrases you think are associated with your business
- Add synonyms and related phrases
- Explore the competitors and the keywords they are using
- Use a tool to check the popularity and competitiveness of those keywords
- Narrow down the list based on popularity and competitiveness
- Use a tool to get keyword phrase combinations
- Make a final selection by choosing a certain number of keywords (for example, between 10 and 30)

Since you will need a tool to help you with keyword research, here are a couple of suggestions:

- [Google Keyword Planner](#)
- [Keyword Match Type Tool](#)
- [Keyword Explorer](#)
Site structure

Site structure or site architecture is the way your website is built. In general, you should always have in mind SEO-friendliness as a factor when creating a website, when designing the menus, categories, etc. Everything should be well-organized and follow a logical structure, which is also something that the search engine crawlers will be able to follow.

Structure

E-commerce websites usually have lots of pages. These are typically product pages, and there can be thousands of them. If not organized properly, these pages can turn into a huge mess, in which case it would be impossible to index the pages accurately and determine the relationship between them. Therefore, thinking about site structure is crucial.

Start with the domain and go from there. You will have a couple of pages branching, such as home, about us, contact, products, etc. Now, each of these can branch into other submenus. You want to focus on products, or services if that is what you are selling. If you have a lot of products, try to organize them in categories. For example, if you sell tennis equipment, you can have categories clothes, equipment, shoes, etc. Then, inside each of these categories, you will further classify the products. Speaking of clothes, you maybe have T-shirts, shorts, socks, accessories, etc.
A structure like this one makes pages more organized and easier to find, for both the users and the search engines.

**Friendly URLs**

Another element of the website structure that has the influence on website ranking and indexing process is a friendly URL structure. A URL helps search engine crawlers to understand context and index those URLs properly. A good SEO-friendly URL usually:

- Is readable
- Is short
- Matches the title
- Has keywords or words that describe content
- Does not use the stop words *(and, or, but, the, etc.)*.

When creating URLs for an e-commerce website, you should not use numbers or other abbreviations for the product page name. Instead, use the product name and make this also a part of the URL.

So, following the example above, instead of: `https://yourdomain.com/products/shoes/90087`

You could use: `https://yourdomain.com/products/shoes/barricade-classic-bounce-shoes`
Internal links

Internal links are the links that point to other pages of your website. In terms of SEO, internal links help website crawlers to discover new content on your site. It works like a giant spider web. A search engine crawler gets to one page of your website, and then from that point, it crawls to the other pages. Without the internal links, the crawlers would consider this one page independently and would neglect the other pages.

When you create a good structure of your e-commerce, you do a pretty good work in arranging internal links. The navigation is created through the structure, so every product page links to the other internal page which actually has higher priority. For example, the product page links back to the category page, and the category page links to the menu.

Structured data markup helper

Website content is presented in a way search engine crawlers see it. Google, for example, needs to understand the content in a better way, so that it can present this content in the search results more effectively. Apart from the search results, Google can actually present content in a useful way in Gmail as well. This is done through rich snippets. These snippets improve user experience with enriched information and presentation that is more engaging.

To take advantage of this feature, all you need to do is tell Google about the data on your website. In terms of e-commerce, you will use “Product” as the data type.
Provide the URL or HTML of the page you wish to markup and once you finish it, you will get schema.org markup which you will add to the pages on your website. The same process can be done for email, so that Gmail presents the data in a new way.

**On-site SEO**

On-site SEO is the process of optimizing website pages to make the website more SEO-friendly, and thus increase the performance of its pages in the search engine results. This process requires a series of actions to enhance the performance. You need to follow the guidelines related to content optimization, image optimization, etc. This is what is typical for most websites, but for an e-commerce website, on-site SEO also has to focus on product pages and their optimization.

**Title tag**

Title tag represents the title of the page. It is marked with an H1 tag (heading 1), and it has the greatest importance for the search engine crawlers. Typically, you should use keywords in the title tag. When it comes to an e-commerce website, your goal should be to aim for a more specific keyword phrase (a long-tail keyword). These actually contain words like *buy*, *online*, *cheap*, *best*, etc. These words help you create long-tail keywords that perform better as they will attract the right traffic. For example, if you use keyword *“buy tennis equipment”* in the title tag, the page should appear when someone uses this phrase in the search query. And someone
who conducts this kind of query is usually interested in completing the purchase. Of course, these do not apply to product pages, which should have product names instead.

**Product pages**

Product pages are an essential part of e-commerce, but at the same time, they are what makes e-commerce SEO different from the usual website optimization. Unlike content articles, which provide a lot of content, which is optimized and thus accessible and indexable by the search engines, product pages might become a challenge. Firstly, they do not have as much content. The main content on these pages is actually product description.

Secondly, product pages usually focus on visual content, such as images and videos. Visual content is more successful at grasping the attention of the visitors. Additionally, the features and usefulness of the product are much better illustrated through the visual content, which makes it more effective in terms of persuading customers to buy.

![Image: https://www.lilgadgets.com/products/connect-pro](https://www.lilgadgets.com/products/connect-pro)

**Product description**

Google uses content to learn what your page is about. When you provide this content, you instruct Google how to index your page and when to show it in the search results. This is why it is essential for the content to be relevant to the actual product. You will also need to use keywords, but always make sure that you use them naturally in the text, along with the synonymous phrases.
Regarding content length, the industry statistics show that “long form content of over 1,000 words consistently receives more shares and links than shorter form content” (Source). Even though this might be a difficult goal to achieve if you have thousands of product pages, you could at least provide lengthy content for the most important pages, such as the main category page. Try creating more content to enrich those pages and make them more SEO-friendly.

**Product images and videos**

Since they are an essential part of an e-commerce website, product images and videos should be SEO-friendly as well. When it comes to the users, the most obvious requirement is that the visual content is relevant and of high-quality. On the other hand, the search engine crawlers are unable to see content this way. Instead, they try to understand what the content is all about. How do they do that? Using HTML tags.

- **Name** – Start by file name. Always make sure the file name is descriptive and, if possible, use keywords in the file name.

- **Size** – High-resolution images are a fantastic presentation for the website visitors, but they might cause optimization problems for your website, such as decreasing site speed. Therefore, make sure to use a tool to change the format or compress the file when uploading images and videos to your server. These will help you preserve the quality and reduce the file size.

- **Alt text** – Alt text or alternative text is a phrase or a part of the text that is displayed when the image file cannot be uploaded and shown to the viewer. Alt text enables search engines to understand what the image file is about because the search engines on their own cannot see the images. As a result, this helps them index the visual files correctly.

**Related products**

Related products feature is great for two reasons. Firstly, it shows similar products to the customers, which can increase the chance of them finding new products on your website. The other reasons why you should have this feature is the fact that the related products are actually links to other product pages. Like mentioned in the part about the site structure, for search engines crawlers it is essential that you interlink pages and make logical connections. This will provide the search engines with additional context to understand and index the product pages.
Finally, e-commerce websites with lots of products can have thousands of product pages. Not only is it a lot of work to optimize each page, but additional problems might occur due to the fluctuation of products. When you have lots of products, it usually means that you will often get
new products, some of the old ones will be discontinued, etc. What it all means is that you will need to develop a system to track all of these pages and keep an eye on changes. Maintenance of an e-commerce website can be an arduous task, and the best way to make it work is to keep everything organized. Start with a great website structure, which is yet another reason why you need to assign product categories and subcategories.

**Product page issues**

In terms of products, we can differentiate between two types of e-commerce websites. First, there are those that sell a limited number of products, which are usually pretty constant. This means that they are unlikely to update product pages often. Websites that offer services also do not change their pages frequently. The offer is usually the same and rarely changes. In these cases, website maintenance is somewhat simplified, because once you create and optimize the product pages, that is pretty much it.

On the other hand, we have more dynamic types of websites. These are the sites that have a lot of products, sometimes even hundreds or thousands. Apart from this large amount of products (and thus product pages), there is a need to keep an eye on the product inventory because some of the items might be sold out, some might be seasonal, so they are only sold during a particular period of the year, etc.

Since these websites are dynamic, the product page information change frequently. Unfortunately, this leads to a lot of product page issues which can result in broken pages, incorrect or obsolete information, etc.

- **New products**

Every time there is a new product added to your website, think about your site structure. You have to add the product page to the right category, and you have to optimize it based on the guidelines above. You could also add “New” sign to the product page or even create a special category with the newest items.

- **Out-of-stock products**

If the product is out-of-stock, but it will be back soon, you should just leave those pages up with a message that the product is currently unavailable. This way you keep the ranking of that page. As for the users, it is helpful if you could provide the date when the product will become available (they can leave their email to get the notification), or you could offer alternatives, such as the products in a different color or a similar model.

- **Expired products**
When the product is expired and will no longer be available, you have two options. You can either delete the page, in which case some users might be arriving at the 404 error page. Alternatively, you could use 301 redirects. In this case, the users will automatically be redirected to the new page. The good thing about 301 redirects is that they pass link juice from the old page to the new one. So, if the expired product page was ranking really well, this will transfer to the new page. You could redirect to a new product page (for example, a new model of the product) or the product category page.

- **Product variations**

When you have product variations, such as different sizes, colors, etc. you might have different URLs for those pages. However, you should always use the rel=canonical tag for the original product pages. This way the search engines will know which pages to prioritize, and you will avoid the risk of duplicate content because the description is likely to be similar or perhaps even the same.

- **Seasonal products**

Since seasonal products are available for a limited time only, try introducing these pages earlier with “Coming soon” label. This will give you more time for the product pages to be live on the website allowing the search engines to index them early on. Labels such as “Limited series” show to the users that the products will be available for the limited time only, urging them to buy if they are interested. If each year, you bring out new products, use the year in the URL to make difference between pages. As for the old product pages, use a 301 redirect to redirect the users to the product category.

Due to this dynamic process of product page updates, you also have to update your website sitemap regularly. Since the sitemap holds all of the website files together, enabling the search engine crawlers access to read and index them, you need to keep it updated as the pages and links on the site change.

**User-generated content**

User-generated content is an excellent way to add unique content to your website (good for SEO), and it is also encouraging for the future customers. Therefore, this content brings freshness to your site, and it helps you with achieving conversions. There are two essential steps to help you with user-generated content:

- Obtain great reviews and testimonials by providing amazing products and excellent service
• Encourage the customers to provide their review

When it comes to how to get reviews, try these:

• Schema.org – This review markup enables you to get stars on product pages
• Integrate social media – Plugins for social media integration allow providing feedback through social media accounts
• Install a plugin – You could install a plugin that will enable customers to leave their review. The review can feature customer’s name (or any other customer data if relevant, such as age, etc.), a star review and a written review. The date when the review was posted could also be helpful for the future customers.
• Make review process easy – Make this process quick and easy for customers to encourage more reviews
Site search

You should not underestimate the power of site search. This option is very useful in e-commerce, and a lot of website visitors will use it to look for the products. This means that you have to optimize the internal site search results, so that even the users who type synonyms, misspell the product name or use spacing errors are eventually taken to the appropriate product page. This way you significantly reduce the chances of losing sales due to incorrect search results and because users were unable to find the right product using the internal search results.

Analysis of the search results can also help you find out what the users are looking for on your website, which products are popular and how users interact with your website in general (for example, they might explore the category page first, etc.). This can help you understand the
behavior of your customer in a better way, and it also shows you if you need to optimize or adapt certain pages to increase their performance even more.

**Link building for e-commerce**

Link building is an essential activity of off-site optimization. The process includes a series of activities conducted to get more links to point to your website. The main benefit of these links is increased exposure. When a link to your site is placed on another site, you increase the chance of online users learning about your products. In terms of search engines, links are seen as a vote of trust, and thus they help with deserving better ranking in the search engine result pages. This is why gaining quality links (i.e. links from the authority websites) can be very good for your SEO.

In SEO, links are usually deserved with exceptional quality and relevance. These are so-called editorial links, and they are the most valuable links a site can get. When it comes to e-commerce websites, things can be a bit different, because an editorial link can be harder to obtain, especially on its own. Product pages are usually not seen as quality content, but instead, they are often considered commercial content. Here are a couple of ways to get links for an e-commerce website:

**Influencer outreach**

This strategy includes contacting influencers in the industry and asking them to share the review or information about the product. This can help create a buzz about your products, and get exposure online. To sum up the process of reaching out:

- Find the influencers
- Choose the influencer
- Create an outreach email with an offer for the influencer
- Conduct a campaign together (creating content, organizing giveaway, etc.)
- Track social shares, visits, etc.
- Evaluate the performance of the campaign and determine its efficiency in achieving goals

**Partnership**

A partnership can be a very lucrative collaboration for business. The idea with this approach is to find another business that is somehow related to you, but it is not your competitor. For
example, if your e-commerce website sells tennis equipment, your partner can be a local tennis club. This way, they could promote your brand, and in return, you could offer a discount or special offers for their members.

**Affiliate marketing**

Online marketing includes several segments, and one of those is affiliate marketing. With this type of online marketing, you become a merchant, and you create special offers for affiliates who decide to join your affiliate program. Once they join, the affiliates get unique codes that track sales originating from their campaigns. They can distribute these links in any way they see fit. For example, they might share an article on their blog. They might share on social media, or they might even send a newsletter to their subscribers. The point is that they are in charge of promoting your product (and distributing links online) and in exchange, they get a commission, which is usually a certain percentage of the sale. It is a very profitable strategy for merchants because they do not invest anything and yet, have so much to gain.

What we can conclude is that optimizing an e-commerce website does have some distinctive elements, such as product pages, but in the core of each website optimization should be the user. Everything you do here is to improve the website performance for the users. This refers to the entire structure, link building, and even mobile optimization. All of this provides better user experience, and this results in more visits and more interest in your brand. Ultimately, this leads to more purchases and more exposure through recommendations.

Think about your potential customers and how they would browse, what kind of information they would need, etc. All of this helps you learn how to design your website and present products.

In the end, do not forget about the search engines. Even though we are way past this phase in marketing when optimizing for the search engines was all marketers were focused on, it is still essential to enable the crawlers to access and understand the content of your website, so that they could index and rank it successfully. However, this user experience component is believed to have influence here as well, because the crawlers are now learning to evaluate how users interact with your website, how long they do so, etc. This is supposed to show them how exactly your website is helpful and providing better user experience ultimately means that your website will probably rank better in the long run.
10

Common Issues with E-commerce SEO
10. Common Issues with E-commerce SEO

Like said, e-commerce websites often have lots of pages, which requires a lot of time for maintenance and administration, but an error here and there is bound to happen. The best way to be prepared for those is to learn about common issues most e-commerce websites face concerning SEO.

Duplicate content

This is the number one problem e-commerce sites face. First of all, you need to know that Google hates duplicate content, and this can lead to penalties for your website, which means you might lose ranking. Duplicate content confuses the search engines. They are not able to determine which page is more relevant and which should come first in the search results because they are the same. They might have a different URL or the title, but if the content on the page is identical, this is an issue for the search engine crawlers. Duplicate content is caused by:

- Product variations
- Copying short description similar for multiple products
- Using manufacturer’s description as other sellers might do the same so the search engines will find the same content on different websites

The best way to deal with this issue is to create unique content. Content helps with optimizing pages and increasing traffic, and it also provides useful information for the customers. However, it can be rather difficult to create the amount of content needed for a large e-commerce website, in which case, there are two more solutions for fixing this issue of duplicate content:

**Noindex tag**

If there are pages with similar content that cause a duplicate content issue, use noindex tag for a page that does not bring traffic and does not have to show in the search results. Using this tag, you instruct the search engines not to index the particular page, and thus they will not see the duplicate content.

**Canonical tag**

Another way to solve the problem is by using rel=canonical tag. In this case, you tell the search engines that a copy or a variation of the page does exist, and the search engines know not to
treat this page as unique. So even if the pages have similar or identical content, search engines will still know what to do and how to prioritize them.

Content

Content, in general, can be an issue. Besides the duplicate content, there is an issue of “thin content”. Thin content is the situation when a page has a minimal amount of content. One of the main reasons why this issue occurs for e-commerce websites is the fact that there is a need to create a huge amount of content for rather similar products, with the similar features and properties. This can be quite a challenge. In general, longer content (1000+ words) ranks better, which is another reason why content on the e-commerce website can be considered thin. Hardly anyone will write that much content for each product. Just imagine having 1000 words written, or even 1500, for every product. It might be doable with three, four or even ten products. But e-commerce websites can have hundreds of product pages.

How to fix this problem? Start by identifying the pages with thin content and then determine how to improve them. You could use a template. Of course, you will have to pay attention to avoid all of that duplicate content issue, but you could create a sort of a template to make things easier for you.

- Intro – Describe the product
- List of the features – It is best to use bullets
- Product description – Describe when to use the product, how, benefits, award, etc.
- Summary – A short conclusion about who and how will benefit from this product

Your aim should be at least 300 words, but whenever there is a chance to make this description more lengthy, you should go for. It is a general rule to create more content for the most important pages (those that bring traffic, that rank well, etc.).

Pagination

Pagination does not necessarily have to be an issue, but it frequently is for e-commerce websites. When there are a lot of products inside a category, those are sorted using pagination. The number of products shown on each page is usually between 20 and 70, even fewer for the mobile version of the pages.
Series

Adding the tags rel=next and rel=prev is the way to create a series of pages. When you use these tags, the search engine can understand the connection between these pages. You should use noindex tag for all other pages, so the search engine will only index the first one.

Load more

This option shows a limited number of products with the “Load more” button. There is no need to click on separate pages, but the products are shown once the user clicks on the button. This solution reduced the loading time of the page because the products are not loaded all at once but in segments, as the users click on the button.

Scrolling

Scrolling is similar to load more, but it is infinite. This means that a limited number of products is shown, but as the user scrolls down the page, the content is automatically loaded. This way, the users cannot reach the footer until all of the products are loaded.

Choosing the type of pagination for your website is based on the type of products you sell, but also based on the number of products you have within each product category. What you need to pay attention is not to prolong the loading time or affect your SEO.

Site speed

Another issue that can harm your SEO is site speed. Search engines use site speed as one of the factors that are integrated as a part of their algorithm used to rank websites, which is why this element is crucial for successful website optimization. The most common reasons why the sites load slowly are:

- Large images
- Slow hosting or server
- Messy website code

Address each of these issues to improve the website speed. You could also run a check of your site to get additional suggestion on how to make your website pages faster: PageSpeed Insights.
Think about all of these issues as a way to further optimize your website. Even though they might be common obstacles, there are ways you can solve them to make sure the performance of your website stays unharmed. You should definitely address these issues as ones of high priority. Do not let anything slow you down, and anything that might harm the user experience should be something you should work on. The bottom line is that reaching more users is what you should be focused on in order to increase sales and fixing these issues can certainly help you achieve this goal.
11

Mobile SEO for E-commerce
11. Mobile SEO for E-commerce

The whole world is going mobile. So should your e-commerce website. Mobile optimization is something you should focus on with your e-commerce to make the most out of your performance. The number of customers buying from their phones is growing gradually. Even though they mostly use it for browsing, a significant rise in the number of purchases is also noticed.

One of the ways to address the issue of a mobile-friendly site was to have a mobile version of the website. This means that the desktop version would be a primary asset, while the mobile version would be loaded for the mobile users. This practice is no longer recommended for two reasons. Firstly, it gives precedence to the desktop version. However, the search engines now consider mobile-friendliness as one of the most important factors for ranking, and actually, give priority to the mobile-friendly websites in the search results. Secondly, having this separate mobile version can somewhat limit the user experience, because the site might not be fully recreated for mobile.

Instead of this solution, there are different strategies to optimize a website for mobile devices.

**Have a mobile-friendly configuration**

Nowadays, when designing an e-commerce website, or any website for that matter, you need to use a responsive design. What this means is that you will be creating one website. Still, this site will automatically adjust regardless of the type of device you use to access it. So a responsive design resizes to provide a mobile-friendly experience. There is no need to zoom in to see the text because the content will be adapted to the small screen.
Increase site speed

A user accessing your website via a mobile device often has a slower internet connection than the desktop users because 3G network takes more to load content. This means that site speed is even more important concerning mobile users. Browsing and buying online through a mobile device is more “on-the-go” action, and it is expected to be done rather quickly. Therefore, your website needs to load fast to provide good user experience and to keep the users on track until they have eventually completed the purchase.

Try to optimize the site speed using these practices:

- Reduce the number of redirects
- Use tools such as PageSpeed Insights to detect issues that reduce the speed of the mobile site
- Optimize images

Video format

Mobile devices have certain limitations when it comes to how they access and present content of the internet, and flash videos are part of these limitations. Most mobile devices will not
support this format. Not only does this lead to a poor user experience, but it also affects sales negatively.

Having in mind that videos are a prevalent type of content and can increase the performance of your website, you should not avoid using them. To fix the issue, use HTML5 video instead. It will ensure that the video is played correctly on mobile devices, thus not harming the mobile user experience.

**Design with mobile users in mind**

When you are creating a mobile-friendly website, have mobile users in mind and how they interact with the site. Make options tappable, not clickable. Mobile users tap with their fingers which are less precise than a mouse cursor, which means that the buttons should be bigger on a mobile website to make them more responsive.

It is also helpful to have the most important things centrally located. This ensures the highest level of visibility, and this is particularly important when it comes to CTA buttons.
The less they need to scroll to find the button, the more likely they are to tap on it. Therefore, the most important options should be at the beginning of the page, to make them visible as soon as the user gets to the page, before scrolling down to see the rest of the content.

Based on the current trends and where they are taking us, it is expected that we will soon witness the rise of mobile-first websites. This means that in the future, we will be designing websites for mobile first, and then we will adapt them to a desktop view. It is only natural to expect this, as the number of mobile users is constantly on the rise.

For e-commerce businesses, it means that mobile optimization, as well as overall mobile strategy including promotion, content creation, and mobile website analytics, is going to become an essential part of e-commerce SEO.
12 Exploring Online Marketplaces
12. Exploring Online Marketplaces

Although e-commerce as an industry is associated with having an online store, there is actually more to the story. On the one hand, there are sellers that create their online stores hosted on their websites. However, there is always an option of using online marketplaces for selling products. In fact, some sellers choose to pursue sales success on marketplaces exclusively. Regardless if you choose an online shop or online marketplaces, knowing the benefits and possibilities online marketplaces provide is certainly helpful.

Image: https://unsplash.com/photos/z55CR_d0ayg

What is an online marketplace?

An online marketplace, or simply a marketplace, is a type of e-commerce website specialized in the sales of product or services provided by the multiple third parties. In this case, there is no single seller behind the marketplaces, but instead, the marketplace merely becomes a platform that is supposed to unite multiple sellers and buyers, usually on the global level. In a way, the marketplace is an intermediary between sellers (also called merchants) and buyers (also known as customers).
Online marketplace vs. e-commerce website

Even though an online marketplace is a type of e-commerce, there are still differences between this kind of business model and an e-commerce site, which has been the topic of this ebook so far.

Hosting

The first distinction is the hosting of the online store. With an online marketplace, you just register an account on the platform, and you can start selling online. You will usually have to go through a particular process to verify your account, integrate a credit card, or provide other details about your business, but once that is all over, you can start creating product pages. After that, the pages will soon be published, and the products (or services) will be available to the customers. There is no process of buying a domain, a hosting plan, designing a website or integrating payments. Also, there are no costs associated with these, so site maintenance costs are non-existent when it comes to the online marketplaces, as opposed to an e-commerce website.

Payment

Despite the fact that there are no hosting costs, online marketplaces still have to earn their income to be able to provide this platform, and they do this through fees. Each online marketplace has its own payment system, which collects some kind of fee for using the service. This fee can either be paid in advance (as a sort of membership), or introducing fees for different services which include some of these:

- Sellers’ fee
- Buyers’ fee
- Bank transfer fee
- Chargeback/Return fee
- Currency conversion fee
- Technology support

The marketplace charges its usage through these payments. The fees and other rates are usually available online, so you can see the exact terms before you join a marketplace.
**Competition**

Another significant distinction between using an online marketplace as opposed to an e-commerce website is direct competition. You always have competitors in the e-commerce business, but when selling on an online marketplace, your competitors are selling on the same platform. You use the same product page design available on the marketplace, and you are usually part of the same payment system.

It might become harder to differentiate yourself from the competitors this way, but you still have to try to do so. For starters, follow the best practices for optimizing a product page. Even though it is not your website, product page guidelines are still valid. So think about keyword usage, elaborate description, competing images, etc. Make your product pages distinguished and recognizable using optimization methods and branding (add the logo to the images, or use a unique seller’s name).

**Customers**

Regarding customers, there are also differences. An online marketplace usually has its base of clients. A marketplace is usually popular among online users and thus attracts them with its reputation. This means that once you start selling through a marketplace, you already have a certain base of online customers you will reach. They use the website’s search engine to look for products and browse based on different criteria using available filters.

This is an entirely new way of reaching customers because with an online store you try to reach consumers through a search engine. It is more difficult to build trust, especially having in mind that the customers are supposed to provide you with sensitive details, such as credit card information. When they buy through a marketplace, they usually already have an account (or are required to create one for the first purchase). They have trust into the whole payment system due to the reputation of the online marketplaces.

**Selling on Amazon**

One of the most popular marketplaces is Amazon. It offers two types of plans. The Individual plan comes with no monthly fees, but instead, the platform collects $0.99 per each item sold, plus referral and variable closing fees. The plan is perfect for the users selling fewer than 40 items per month. On the other hand, there is a Professional plan for those selling more items per month. The Professional plan includes a monthly subscription fee, currently priced at $39.99, plus referral and variable closing fees.
To calculate the exact fees and costs of selling through Amazon, check out this page for Amazon selling fees.

**What to sell?**

Before you decide to start selling on Amazon, you should decide what you are selling. Products on Amazon are divided into two categories. Open categories include the products that can be listed without any permission from Amazon. The products within this category can be used, but some categories within this group only allow new products. Closed categories on Amazon require approval.

When a category requires approval, it means that the product can be listed only with the permission from Amazon and this permission can be requested only by sellers with a Professional selling plan. The reason why there are the limitations here is the fact that Amazon needs to make sure that the products meet the standards. Some categories have special requirements, and some are not even accepting new sellers at all. To make sure where you stand when it comes to selling on Amazon, check this link for more information: Amazon Categories.
### How to start?

Visit the Amazon homepage and find the “Sign in” button. The drop down menu will also have an option to click on if you are a new customer, which will take you to the page where you will create your own Amazon account.

You will need:

- Name
- Email address
- Password
Once you are registered, it is time to list the products. There are two ways to do so:

- List products that are already on Amazon – In this case, the description is already available, so you can only specify how many products you have to sell, condition and shipping options
- List products that are not yet on Amazon – You will need to list all product attributes (title, description, etc.)

When you finish creating the listing, your products become visible to the Amazon customers. One way to make sure you increase the visibility of your products is to provide:

- Complete and detailed description
- High-quality images
- Accurate description and product details
Shipping and getting paid

As soon as a customer places an order, Amazon notifies you. There are two ways to handle shipping.

Ship yourself

In this case, you will be handling shipping yourself. There will be shipping costs involved, which are usually added to the product price so that the customers will be charged more.

Fulfillment by Amazon (FBA)

The second option is using Amazon’s service which is trusted by the customers and offers perks such as free two-day shipping, free shipping or other benefits. Amazon has fulfillment centers where your inventory is stored and managed online. With FBA, Amazon handles picking, delivery, customer service and returns, which is why this service is top-rated among customers who want a trustworthy handler to be responsible for their deliveries. Products that are part of FBA program have the Prime logo next to it. This service does increase your monthly budget for selling on Amazon because you will have to pay for the storage space and the orders Amazon fulfills for you.

The final part of the process is getting paid. Amazon sends payments to your bank account which is linked to the Amazon account. Payments are sent at regular intervals.

Selling on eBay

eBay is another popular marketplace with a huge base of online shoppers you can reach as soon as your product is listed on the website. You start by joining the platform using the option “Register”. You will need to provide your name, email address, and a password. Besides creating an account, you will need to meet these requirements to start selling on eBay:

- Create a seller account
- Confirm your phone number to verify your identity
- Provide a valid credit card, debit card, or bank account
- Provide information on how you will pay seller fees
- Select the payment methods you will accept
- Make your Feedback profile public
Start selling

Determine which the products you would like to sell and make sure those are legal to sell on eBay (here is a list of prohibited items). You will then choose the selling format (Auction or Buy It Now). Select a category, upload the listing and determine the price.

There are a couple of ways you can improve your chances of selling through eBay:

- Provide high-quality images of the product
- Use listing upgrades to customize the appearance of your listing
- Set up your Q&A
- Communicate with the buyers
- Leave the buyer feedback
- Have a clear returns policy and issue refunds promptly
• Send products immediately with appropriate packaging to protect the product during transport
• Use selling tools to save time and automate seller tasks
• Maintain buyer satisfaction to get great feedback

It is also helpful to check out these documents to further explore your possibilities of becoming a seller on eBay.

• Sell an item - Getting started
• Seller’s checklist
• Tips for successful selling
• The rules for sellers

eBay allows listing up to 20 items a month for free, after which you will pay a £0.35 fee for extra items you list. This fee excludes Classified Ads listings and items listed in the Cars, Motorcycles & Vehicles category.

When you sell an item through the platform, you pay 10% of the final transaction value, including postage, but this final value will never be over £250. There are optional listing upgrades which require an extra fee.

When it comes to an eBay store, the basic shop subscription starts at £19.99 per month, with 100 listings available and 8% final value fee (instead of 10%).

An eBay store

An eBay store is a perfect solution if you want to use this marketplace as your go-to e-commerce solution. Unlike regular seller’s account, the store offers marketing and merchandising tools, customization features and branding options to maximize the success of your business. Store sellers can even create customized headers below the standard eBay store headers and completely customize the store home page using HTML. A "Visit store" tag next to a seller's user data indicates that the seller has an eBay Store.
The requirements you will need to meet for opening an eBay store are the following:

- Having an eBay seller’s account
- Using a verified PayPal account
- Not having “below standard seller performance” rating which can be visible in your Seller Dashboard

If you fulfill these conditions and want to set up an eBay store, you can do so using “Subscriptions” option in your Account tab. You will then click on the option “Manage My Store” to start designing the store and listing items.

eBay stores have different levels which affect subscription price and other fees. To calculate the monthly subscription value, you can provide more information about your average monthly sales and system will show estimates for the store subscription.
Other marketplaces

These two platforms are considered the leaders in the online marketplace industry, mainly due to their immense popularity worldwide and an impressive number of buyers. However, the possibilities for using marketplaces for an e-commerce business do not end here because there are many more marketplaces you can explore.

- **Etsy**– Etsy is a peer-to-peer website, which is mainly focused on handmade items, vintage products, and supplies.
- **Bonanza**– A marketplace offering a variety of products from women’s fashion to collectibles and art.
- **CrateJoy**– If you sell subscription boxes, this is the perfect website for you.
- **Vide Dressing** – This platform is specialized in selling high-end fashion.
• **Flipkart**—This e-commerce platform is India’s biggest online store selling a great variety of products, such as fashion, books, sports equipment, home decor, furniture, etc.

• **Alibaba**—As a top marketplace in China, Alibaba represents in the Asia market, what Amazon is for the US.

The bottom line is that marketplaces offer a lot of possibilities, especially when it comes to opportunities to reach customers. Once you join a platform, your products are instantly available to a huge community of buyers, while your own e-commerce website needs more time to get visitors and actually convert them.

Apart from fierce competition, there are those additional subscription costs and other fees you will have to pay to be able to offer your product on a marketplace. However, this can become quite a cost-effective solution for you because in reality, running your own e-commerce website is not free either. One way to decide if you want to work on marketplaces, and which one to choose is to consider your own business and product you have to offer. Analyze both advantages and disadvantages and how those would reflect your business. Explore possibilities and limitations that come with this strategy to determine if this is an approach you want to pursue.
13

Understanding Customers
13. Understanding Customers

E-commerce is an industry which revolves around people. Those people are online users, and they are often referred to as customers. They can be both previous and future customers, as well as those who are only interested in your brand. However, to make sense of the approach and to fully understand the relationship with the online users and how that relationship can help in growing your e-commerce business, it is best to segment the online users into several groups of customers.

Types of customers

Being aware of the different customers you will encounter, helps you with defining your goals and actions in a way to get the most out of the relationship and keep growing the customer base. Different customers require a different tactic or an approach. Understanding customers and their needs help you optimize and provide a better experience for them, which, in the long run, has tremendous benefits for your online business, starting from word-of-mouth marketing, to recurring sales.
Target group

Target group represents the group of people you plan on reaching with online promotion of your business. Those are the online users who are potentially interested in your business due to some reason, such as the fact that they are within a particular age group, that they are male or female, or even based on the fact that they have searched for a related topic recently. When you first start setting up your business and plan promotional activities, considering the target group is helpful because it allows you to:

- Create highly targeted campaigns which perform better
- Design your website (product and/or service) in a way that it appeals to the target group
- Shape your entire business strategy with those users in mind
- Anticipate the need the online users will have and provide a solution (answer or help).

When it comes to defining the types of consumers, the target group is the largest group.

Potential customers

Unlike the target group, the potential customers are within a smaller group which includes people interested in your brand. Potential customers are members of the target group who are more likely to become your customers due to a particular action such as:

- Visiting your website
- Signing up for the newsletter
- Placing the products in the cart
- Sharing your site link on social media
- Sending an inquiry through your website form
- Commenting on your website/blog content
- Following you on social media
- Interacting with your brand on social media (liking, commenting, sharing, etc.)

In general, potential customers show greater interest in your brand. For you as a business, this means an opportunity. It is an opportunity to start the interaction and establish a certain
relationship with the potential customers with one goal in mind - turning these potential customers your first-time customers.

**First-time customer**

When someone buys from you for the first time, that person becomes your first-time customer. Once you recognize a potential customer, your goal is to complete a set of actions that will help you convert that visitor. To improve the chances of achieving this goal, you could use options such as lead nurturing, interaction with the customers through social media, etc. Offering special discounts or free trials for the first-time customers is also proven to be quite useful.

Processing the sale does not mean that the process is over. Keeping the customers loyal to your brand demands as much work as gaining the new ones. In fact, it is generally known that it can be more cost-effective to keep the existing customers than to organize activities that will enable you to attract new ones who have not had prior contact with your brand.

Finally, great experience through exploring your products and completing the purchase is what will leave a positive impact on the first-time customer and eventually help you turn a first-time customer into a recurring customer.

**Recurring customer**

A recurring customer is a customer that has completed several purchases. When we consider the whole customer group, this one is the smallest. It includes a portion of the first-time customers, because not all of them will go back and buy from you again. The obstacles that might reduce the chances of gaining recurring customers include:

- Poor website performance
- Low-quality product
- Not meeting customers’ expectations (regarding quality, size, durability, functionality, etc.)
- Negative experience with customer service
- No efforts in engaging and keeping the customers loyal

Maintaining good customer relationship, apart from providing quality product or service, is a crucial factor for gaining recurring customers. The most commonly used channel of communication for this purpose is an email campaign. These types of campaigns provide great targeting options, customization, and personalization which create a much deeper bond with
the customers, and thus yield great results. When it comes to email campaign ideas to engage previous customers, those include:

- Discounts for recurring customers or a certain renewal period
- Promo email for the product the customer has already purchased
- Product suggestion email based on the previous purchase
- Free shipping with a minimum purchase value

There are many more options you could consider here, which are all the topics you will focus on when you explore email marketing in more details and how this section of online marketing helps with promoting your business and generating sales.

The main reason why gaining recurring customers is often considered easier than acquiring new ones is the fact that you already have established the connection. You already have the customer’s email address which enables you to initiate the next phase. On the other hand, with gaining new customers, you have to use different methods to reach your target group, which often includes a set of actions and efforts from your end to promote your business in the online world. Frequently, these methods will require payment, such as the case with search engine ads, social media promoted posts, etc.

**Buyer persona**

This term is often used in e-commerce, and it represents your ideal customer. Determining a buyer persona helps you with marketing, sales, product development, tailoring content, etc. Ultimately, this has a significant influence on your business and strategy you will use.

The representation of an ideal customer helps you get a deeper understanding of the persons you want to attract. The best way to shape your buyer persona is to analyze your insights. The information which can help you divide and categorize customers include:

- Demographics
- Location
- Behavior
- Patterns
- Goals

Try to analyze each of these areas and find as many details as you can about your customers. Collect all the details and try to detect the characteristics of a buyer persona, i.e. characteristics
of those online users who are most likely to become your customer. These can include people within the age group, people who visit your blog, etc. Understanding a buyer persona helps to:

- Relate with customers
- Recognize their needs
- Organize your campaigns
- Improve your approach
- Create an effective online strategy

Opposite to a buyer persona, there is a negative persona. These are the customers you do not want. When you analyze the customers to identify the buyer person, you will also find out which type of customers you do not want, i.e. customers who are unlikely to buy from you. Either the product is too advanced for them, or they are a type of person who would not benefit from such product. Learning about the negative persona can help you narrow down the group of potential customers and focus only on real buyer persona.

**User experience**

Person's emotions and attitudes about buying and using a certain product or service are feelings collectively known as user experience (commonly abbreviated as UX). User experience includes all the emotions that start as a part of the initial interaction of the person with the brand and last until the purchase is complete. In fact, they go beyond the completed purchase, as the attitudes linger in customer's mind much later than that. These attitudes also affect the following purchases or the recommendations the customer is likely to share with other online users.

For a business, it is helpful to understand the user experience, as this gives opportunities for improvement and development. It is also a chance to identify pitfalls that might be preventing your business from going ahead.

Explore the user experience through these methods:

- **Website user experience** – Analyze session duration, page views, bounce rate, etc. to see if your website is user-friendly.
- **Feedback from potential customers** – Try to obtain feedback from potential customers to see what might be stopping them from completing the purchase, if they have any doubts, etc.
• Feedback from customers – Customers can share their impressions about the buying process and what triggered them to complete the purchase.
• Rating – While feedback demands more work to come up with, a rating is a quicker way for customers to tell you about the user experience. They can rate products, buying process, customer service, etc.

Understanding the buying process
To help you optimize user experience and improve the overall success of your business, you need to understand the buying process.

What is the first thing potential customers will notice?
They say that the first impression is the most lasting. You should have this in mind when you design your website, your promotional campaigns and in general when presenting your brand on the online market. Think about how the online visitors would feel:

• What will they see?
• What will intrigue them?
• Will there be enough information?
• Will they need to learn more?
• Does the landing page (or product page, or promotion page) fit the company image?

These are only some of the questions you can analyze to figure out the impression you leave. You could always conduct a survey to find out more details.

Who are your customers?
Knowing more about your customers helps with understanding your buyer persona, user experience and ultimately with understanding the entire buying process. The goal of all this is to make necessary adjustments and improvements to make your strategy even better.

Why do they buy from you?
Try to determine why do people buy from you. Or why they do not. This means that you should check out the website analytics and explore user behavior and spot any patterns. For example, you might have a landing page with a video which is converting more visitors than any other page on your website. So the reason for the conversions is on this page. You might also notice a large abandoned cart rate on the checkout page. This would mean that there is something that
is driving them off, such as unexpected shipping costs or long delivery time. The answer to improving your strategy is to fix these issues you were able to identify as the reasons why the customers are not buying from you.

**How do they buy?**

Learning how people buy from you is also helpful in understanding the process. There are several aspects to consider here:

- Payment method the customers like to use as their preferred method
- The time needed for them to make a decision to buy, which can be immediately, or after some thinking
- Redeeming an offer is another way to buy from you, which is an excellent method for encouraging purchase, especially if the offer is time-sensitive

The ultimate goal is to find out more about the customers to improve your business. Your business revolves around the customers and your relationship with them. Learning more about them and how they behave, what affects their buying habits and how they go through the buying process is priceless information for a business looking for opportunities to grow its reach and success in the e-commerce world.
14

E-commerce Glossary
14. E-commerce Glossary

1. **301 redirect** – 301 redirect is used for permanently moved pages to redirect traffic to the new page. Most of the link juice from the old page is passed on to the new one with this redirect.

2. **404 error page** – This is the page that is displayed when the page could not be found. It is a standardized response, but the page could be customized with custom text, links to other pages or the homepage, etc.

3. **A/B testing** – It is the process of creating two versions of website pages and comparing their performance.

4. **Ad format** – Ads can be created in different formats, including text, image, video, and link.

5. **Affiliate marketing** – It is a segment of online marketing where merchants create an affiliate program for affiliates to join. Affiliates are paid a commission based on their success in promoting the merchant and referring customers.

6. **API** – Application Programming Interface (API) is a set of functions, procedures, and tools used for creating an application or software.

7. **Bandwidth** – Website bandwidth refers to the amount of information that a website can handle.

8. **Bounce rate** – Bounce rate is a metric that shows the percentage of visitors who left the website after viewing only one page.

9. **CC License** – A Creative Commons (CC) license is a public copyright license that allows free distribution of content. This way the author of the content gives the right to share, use, and alter the published content.

10. **CMS** – Content Management system (CMS) is an application used for creating and managing digital content. It is a platform on which you create a website.
11. Conversion – A conversion is an action that you mark as desirable. For example, when a site visitor becomes a customer, you achieve a conversion since the desired action, in this case a sale, is complete.

12. Cookies – A piece of data from a website stored on the user’s computer.

13. Crawler – A search engine crawler is a program that browses the internet to collect data and create the index.

14. CRM system – Customer relationship management (CRM) system is a software used for management and analysis of the customer-related data.

15. CTA button – Call-to-action (CTA) button is the button that you want the users to click on to achieve a conversion. A CTA invites the users to click on it.

16. Dedicated server – Dedicated server is a rented server where you host your website. It is assigned only to your company, as opposed to a shared server where multiple websites can be hosted on one server.

17. Domain extension – A domain extension is an internet category added to the domain name after the dot (.com, .org, .edu, .net, etc.)

18. Email marketing – Email marketing is a type of online marketing focused on promoting your brand through email campaigns.

19. External link – External links are links pointing to a source that is not hosted on the same domain. When you link to another website from your own, this is considered an external link.

20. Flash video – This is a file format for delivering digital video content.

21. Follower – A person who chooses to follow your online activity, through social media, blog, forum, etc.

22. Google AdWords – It is the program provided by Google used for creating and managing search engine ads.

23. Guest post – Guest post is an article designed to appear on another website instead on the author’s site. It is a strategy in online marketing which is often used for increasing traffic and influence in the online community.
24. Hosting – Website hosting or web host is a service enabling you to create the website and make it available on the internet.

25. HTML – Hypertext Markup Language (HTML) is a standardized system for tagging text files on the web pages.

26. HTML5 – This is the latest version of the Hypertext Markup Language (HTML) used for presenting digital content.

27. HTTPS – Hyper Text Transfer Protocol Secure (HTTPS) is a protocol that sends data from the browser to the website. It is a more secure version of the HTTP protocol that is still used.

28. Inbound link – An inbound link is a link published on a third party website that links to yours.

29. Index – To index a website means to collect information about the website and make them available once the relevant search query is performed in the search engines.

30. Influencer – An influencer is an individual who has the authority, knowledge, and position to persuade people. Influencers have a significant following on social media as well as on their website/blog.

31. Internal link – This is a type of link that points to a page that is hosted on the same domain. A link from one product page to a related product page is an example of an internal link.

32. Keyword – A word or a phrase that is considered to have great significance for your business is called a keyword. Keywords are determined through keyword research, and they are used when optimizing the website.

33. Keyword competitiveness – This is the level of how difficult it would be to rank for a particular keyword.

34. Keyword popularity – This is a metric showing how popular a keyword is. More popular keywords are more difficult to position for.

35. Landing page – A landing page is usually an entry page. It is designed with a particular campaign in mind, and the purpose of the page is to engage and convert the visitors.
36. **Link juice** – This term is used to describe strength or the reputation one web page passes on to the page it is linking to in terms of SEO. It is believed that if a page is ranked well, when the link is placed on that page, this rank or popularity will pass on to the new page as well.

37. **Load time** – Website page load time is the time needed for the content of the page to be downloaded and displayed to the online users. This is one of the metrics that affect the search engines when ranking the websites.

38. **Long-tail keyword** – It is a keyword phrase which is more specific than a single keyword. Long-tail keywords are used to narrow down the target group, and they are often less competitive.

39. **Mailing list** – A mailing list is a list of email addresses of your subscribers or previous customers.

40. **Marketplace** – A marketplace is the place where the things are sold. It connects sellers and buyers.

41. **Niche** – In marketing, a niche is a part of the online market which is focused a particular topic, product, or service.

42. **Online marketing** – Online marketing, or internet marketing, is the process of advertising products or services on the internet using online channels such as search engines, email, social media, etc.

43. **Organic reach** – Organic reach is the portion of online audience you reach without paid distribution.

44. **Page view** – The act of an online user visiting a page is referred to as page view.

45. **Paid reach** – This is the total number of people you reach through paid distribution using online advertising methods, such as social media ads, search engine ads, etc.

46. **Payment Card Industry Security Standards Council (PCI)** – This is a global forum formed to manage the evolution of Payment Card Industry Security Standard.

47. **Penalty** – When a website is believed to use suspicious practices and methods to mislead the internet crawlers and thus increase its ranking, this site is given a penalty by the search engines. This has an adverse impact on the ranking of that website.
48. Ranking – In terms of SEO, ranking is referred to as a position a certain website has in the search engine result pages.

49. Registered trademark – It is a symbol signifying that a product or service has been registered with a national trademark office.

50. Rel=canonical tag – This is a part of HTML that is used to resolve the duplicate content issue. With this tag, the webmaster specifies which page is the preferred version.

51. Schema.org markup – It is a code placed in your website code, that enables search engines to understand the site in a better way.

52. Search engine ad – A search engine ad is a part of advertising message shown in the search engine result pages, usually above the organic results.

53. Search query – A search query is a term the online user types in the search engine.

54. Security protocol – This protocol is conducted regarding security-related functions. It is a method used to establish a secure transfer of the data from the web browser to the user and vice versa.

55. Segment – In online marketing, to segment means to create categories or groups based on particular features. For example, you segment a mailing list to create several groups of subscribers (those that already bought from your, those that live in a particular location, etc.)

56. SEO – Search engine optimization (SEO) is the process of conducting a series of actions to improve the site's ranking the search engine results.

57. SEO audit – SEO audit is the process of analyzing the website performance by examining the SEO elements such as title tag, image optimization, site speed, etc.

58. Session duration – This is the metric in website analytics showing the duration of the visit, usually in seconds.

59. Showrooming – Showrooming is the act of visiting a shop to see the product before buying it online, usually at a lower price.

60. Site speed – This metric is used to measure how fast a website page loads. It is one of the factors that affect ranking.
61. Sitemap – A sitemap is a list of all the pages of a website. Search engine crawlers use it to detect links and figure out the site structure.

62. Social media marketing – Social media marketing (SMM) is the process of using social networks to promote your business, connect with the customers, etc. It includes both organic and paid reach.

63. Spam – Spam is an irrelevant or unsolicited message. This term is used in reference to email messages, but some people use it in a more general context, so any type of irrelevant and poor-quality content is considered spam.

64. Strategy – A strategy is a plan of action, a roadmap that shows you the goals you plan to achieve, as well as how to achieve them.

65. Subscriber – The person who willingly decides to follow your email updates via newsletter is called a subscriber.

66. Targeting options – Targeting options are used for targeting content so that it reaches the users who are most likely interested in such content. These options can include targeting by location, age, gender, behavior, etc.

67. Template – A website template is a predesigned set of webpages that are used to create a website which is further customized with custom texts, images, and videos. A template represents the layout of the site.

68. Trademark infringements – It is an unauthorized use of a trademark.

69. Traffic – Traffic, or website traffic, is the amount of data sent and received on the site. A measurement used to track traffic is called a visit, or sometimes a session.

70. Transaction – Transaction in e-commerce is an agreement between the seller and buyer which finalizes the purchase process.

71. URL – Uniform Resource Locator (URL) is the web address of an online resource. It points to a web page.

72. Virtual private server – Virtual private server (VPS) is a service provided by hosting providers giving the owner of VPS access to the virtual machine used to operate the system.
73. Visibility – In terms of online marketing, visibility is often referred to as the likelihood of the website being shown in the search engine results and thus being visible by the online users.

74. Webrooming – Webrooming is the term used for researching products online before buying them in a physical store.

75. Website optimization – It is the process of modifying and improving the website to increase its ranking. Website optimization is frequently called search engine optimization (SEO).

76. Word-of-mouth – In marketing, word of mouth (WOM) is the process of passing information about a certain topic, product, or business, from one person to another. It is an excellent way to get your products promoted and recommended without any promotional action from your end. In the online world, this practice is sometimes called electronic word of mouth (eWOM).
Questionnaire
15. Questionnaire

Questions

1. E-commerce is:
   a) Short for email commerce
   b) The transaction between a buyer and a seller in a physical store
   c) The transaction between a buyer and a seller which is done through online technologies
   d) Software for browsing the internet

2. A business plan is:
   a) A document explaining what e-commerce is
   b) A document with business goals and plans on how to reach those goals
   c) Universal guidelines for setting up an online store
   d) An analysis which includes website analytics and reports for the previous period

3. A good business name should:
   a) Have as many keywords as possible
   b) Have negative connotations
   c) Be difficult to spell
   d) Contain keywords and be relevant to the products

4. Which of these is a type of transaction in e-commerce business?
   a) Business to business (B2B)
   b) Business to customer (B2C)
   c) Customer to customer (C2C)
d) All of the above

5. What is a disadvantage customers face when buying online?
a) No instant gratification
b) Convenience
c) Diversity
d) No geographical limitations

6. When you determine to set up an e-commerce business you can:
a) Create your own web shop
b) Create your own web shop and join the online marketplaces
c) Join the online marketplaces
d) Join social media

7. What should product page contain?
a) Product name, images, and description
b) Terms and conditions
c) Privacy policy
d) Blog

8. What is the number one reason for shopping cart abandonment?
a) Too long checkout process
b) Website errors
c) Requirement to create an account
d) Extra costs such as shipping, tax, etc.
9. What happens when the products are shipped through fulfillment warehouse?
   a) You send the product yourself from home
   b) The supplies directly send the products to the customers
   c) You use a warehouse to store the inventory and ship products
   d) You hire a carrier service

10. Which of these is used to promote your e-commerce business on Facebook?
    a) Facebook page, groups, and ads
    b) Facebook messenger
    c) Google AdWords
    d) “Pin it” Button

11. What are the essentials for a business plan?
    a) Business name, website URL, and logo
    b) Content writer, marketing expert, and administrator
    c) Products and places to sell
    d) Web domain and hosting

12. Which of these is a payment gateway?
    a) CMS
    b) Stripe
    c) FedEx
    d) Unbounce
13. Which of these is not a channel for online promotion of e-commerce?
   a) Website
   b) Social media
   c) Paid advertising
   d) Web hosting

14. What does a customer have to do before the e-commerce transaction is completed?
   a) Accept the terms and conditions
   b) Return the product
   c) Participate in a giveaway
   d) Register a trademark

15. What are the benefits of having a business plan?
   a) Paid advertising and Facebook page
   b) Organization and time management
   c) Business name, website URL, and logo
   d) Special offers, discounts, and giveaways

16. What should privacy policy document contain:
   a) Information about the refunds policy
   b) Information on what user data you collect, how you collect them and how the user data will be used
   c) Information about shipping and deliveries
   d) Product information and details
17. Which of these are promotional activities you can organize on your website to promote your e-commerce business?
   a) Paid advertising and Facebook page
   b) Organization and time management
   c) Business name, website URL, and logo
   d) Special offers, discounts, and giveaways

18. What does an SSL security standard do?
   a) It creates landing pages
   b) It establishes an encrypted link between web server and a browser
   c) It defines industry standards for payment gateway process
   d) It helps to create multiple shipping options

19. When choosing an e-commerce platform, you should look for:
   a) A platform that is enough for your business needs but can easily be upgraded to a more advanced solution once you need it
   b) The cheapest platform you can find on the market
   c) The platforms that come with free integrations
   d) The online marketplaces you can join

20. Being active on Twitter can help you:
   a) Monitor sales
   b) Optimize blog article
   c) Improve client-to-customer relationship and promote your business
   d) Schedule the activities for all social networks
21. The letters "SM" in superscript next to the brand name stand for:
   a) Social media
   b) Search engine marketing
   c) Unregistered service mark
   d) Services and products

22. Which of these content formats is rapidly growing in popularity?
   a) Image
   b) Video
   c) Ebook
   d) Blog article

23. What is Google tool that can directly help you gain visibility in the local search results?
   a) Google Analytics
   b) Google Insights
   c) Google My Business
   d) Google Trends

24. A very effective way to build an email list is:
   a) Having an unsubscribe button in a newsletter
   b) Offering exclusive content or access to the subscribers
   c) Using social media
   d) Conducting an SEO audit

25. How to make sure you get the most out of social media marketing?
a) Conduct an SEO audit
b) Have a subscribe button on your website and an effective landing page
c) Create a social media strategy and be active on social media
d) Use search engine marketing ads

26. How can you nurture the relationship with the customers?
   a) Use search engine ads
   b) Offer special discounts for recurring customers
   c) Organize a giveaway on Facebook
   d) Use Twitter ads and Promoted pins

27. What is the tool that can help you conduct an SEO audit of a website?
   a) Seoptimer
   b) SocialOomph
   c) Google My Business
   d) Buffer

28. When you analyze the performance on social media, you should pay attention to:
   a) The schedule for posting the ads
   b) Engagement level, click-through rate, and organic vs. paid reach
   c) Your website traffic
   d) Visibility in the search engines

29. What is keyword research?
   a) The process of discovering the keywords you will use in online marketing
b) Popular words and phrases on the internet

c) Words used in paid ads exclusively

d) The process of creating alt text and title tag

30. Which part of the product page you should optimize?
a) Product description

b) Product title

c) Product images and videos

d) All of them

31. Site structure represents:
a) The process of keyword research

b) The way your website is built

c) The paid results in the search engines

d) Site search and site speed

32. A friendly URL:
a) Isn’t related to the page content

b) Uses words such as and, but, the

c) Is readable and matches the title

d) Has only keywords and does not match the title

33. The focus of on-site SEO are:
a) Links

b) Website pages
c) Social media profiles
d) Email campaigns

34. How is title tag marked?
   a) HTML
   b) URL
   c) H1
   d) SEO

35. What to do with the page of an expired or discontinued product?
   a) Use 301 redirect
   b) Leave the page up
   c) Use HTML title tag
   d) Optimize it for mobile devices

36. What is an online marketplace?
   a) An e-commerce website specialized in the sales of products in mobile apps
   b) An e-commerce website specialized in the sales of product offline
   c) An e-commerce website specialized in the online sales of product provided by the multiple third parties
   d) An e-commerce website specialized in the sales of product on social media

37. Which tag should you use for product variations?
   a) Title tag
   b) Rel=canonical
   c) Noindex
38. Link building helps with:
   a) Optimizing the website
   b) Improving ranking in the search engine result pages
   c) Optimizing search engine ads
   d) Understanding the best practices in SEO

39. Which option(s) you can use for shipping products when selling on Amazon?
   a) Only you can ship products
   b) Only Amazon can ship products
   c) You can ship yourself or use the service fulfillment by Amazon
   d) Only special agents can ship products

40. What is a buyer persona?
   a) A person who is unlikely to buy from you
   b) A person who follows you on social media
   c) A first-time customer
   d) An ideal customer

41. Which of these is a link building strategy?
   a) Mobile optimization
   b) Site structure
   c) Product page description
   d) Influencer outreach
42. How can the problem of duplicate content be solved?
   a) Noindex and canonical tag
   b) HTML tag
   c) Title tag
   d) Site structure and URL optimization

43. In affiliate marketing:
   a) Merchants pay the affiliates in advance
   b) Merchants do not pay the affiliates
   c) Affiliates earn fix monthly salary
   d) Affiliates are paid on commission

44. Which of these is used as a type of website pagination?
   a) Site speed
   b) Sitemap
   c) Scrolling
   d) Structure

45. The potential problems that can reduce the site speed are:
   a) Large images and slow server
   b) Product description and title
   c) Product variations and tags
   d) No internal links and social media integration
46. Which of these can have a negative influence on gaining recurring customers?
   a) No efforts in engaging and keeping the customers
   b) Free shipping with a minimum purchase value
   c) Placing the products in the cart
   d) Sending an inquiry through your website form

47. What is essential for mobile SEO for e-commerce?
   a) Having lots of pages
   b) Using a responsive design
   c) Designing two versions where desktop would be a primary asset
   d) Using lots of redirects

48. What are the main differences between an online marketplace and an e-commerce website:
   a) Hosting and payments
   b) Keywords
   c) SEO audit
   d) There are no differences

49. You can identify potential customers based on one of these actions. Which one?
   a) Being within a certain age group
   b) Buying from your competitors
   c) Placing the products in the cart
   d) Accessing the website via a mobile device

50. Understanding a buyer persona helps you:
a) Provide free shipping

b) With a responsive design

c) Start selling on online marketplaces

d) Create an effective online strategy
## Answers

1. c  
2. b  
3. d  
4. d  
5. a  
6. b  
7. a  
8. d  
9. c  
10. a  
11. a  
12. b  
13. d  
14. a  
15. b  
16. b  
17. d  
18. b  
19. a  
20. c  
21. d  
22. b  
23. c  
24. b  
25. c  
26. b  
27. a  
28. b  
29. a  
30. d  
31. b  
32. c  
33. b  
34. c  
35. a  
36. c  
37. b  
38. b  
39. c  
40. d  
41. d  
42. a  
43. d  
44. c  
45. a  
46. a  
47. b  
48. a  
49. c  
50. d
Conclusion
16. Conclusion

The internet has opened so many opportunities for doing business online, and e-commerce is one of the most popular ones. Not only does it require low investment, it actually is a type of business that does not require a full-time commitment, especially if you are selling a limited number of products. You just make an online presence and promote the business here and there using both free and paid methods. However, as each business, it has its positive and negative sides. If you want to achieve success, you will have to create an organized strategy which is based on realistic goals and comprehensive analysis of the market.

Advantages and disadvantages

Website maintenance, processing orders, customer services and website analytics are all the tasks you will have to handle once the store is live and running, but this is not a 9 to 5 work. You do not have to be there all the time, sitting by your desk, bound by the fixed working hours.

Instead, e-commerce offers lots of flexibility or the merchants, and this is one of the main characteristics that bring this profession into the list of top desired ones for people nowadays. It brings a level of freedom to manage your own time and work flexible hours, which is a priceless thing to have in life.

Even though this is an advantage a lot of work professionals can only dream of, running an e-commerce business also requires being online and available all the time. You always have to monitor the notifications and be ready to help customers. Since e-commerce is not restricted by location or limited work hours, you can accept the orders from anywhere at any time. For you, this means that keeping an eye on the activity and customer support emails is going to be a requirement all the time. And this is important if you want to have a successful business because good customer support is one of the best ways to attract and keep customers loyal.

Consistency and dedication

Running an e-commerce business requires a lot of consistency and dedication from your end to create a successful business. You always need to keep it professional and use an approach that is in accordance with your business goals. The first part is the initial one where you are focused on planning and setting up the online business. Besides planning, which will actually be one of the main tasks, you will also have to focus on website development, product page creation, and optimization, etc. Before you make products and services available to the customers, you will also have to do a lot of testing of the website. You should especially focus on testing of the integrations such as checkout page and payment gateways. It is crucial that everything works
fine on your website because any loading error will probably turn away the potential customers.

The second part of the work is done once the store is published online and these tasks are focused on website maintenance, product promotion, and customer service. Consistency in the approach you use is necessary here as well because each social media post, each newsletter, and each ad represents your company and adds up to the public image you create for the business you run. If you want to be taken seriously, if you want to build a respectable online business, you have to be professional and dedicated to representing your company in the best possible way. After all, every online activity will be scrutinized by potential customers, and you do not want to give them any reason to doubt your credibility.

**E-commerce and online marketing**

Throughout the ebook, the most important tasks and goals of an e-commerce website have been highlighted. Online marketing, or one of the segments of online marketing, is mentioned on several occasions. This is because having an e-commerce business requires the usage of online marketing techniques and strategies.

You will need SEO to optimize your website. You will have to learn about website analytics to be able to analyze and improve the performance of your website. Promotion of the e-commerce website cannot be done without search engine marketing, social media marketing, email marketing and even affiliate marketing.

This means that e-commerce is a part of the system. It is an online business, and as such, it is dependent on the online marketing strategies that can bring success. To make the most out of these strategies and to be sure you are doing all that is possible to promote your e-commerce business, you should explore the topic of online marketing in more details. The focus of this ebook was to show you different aspects of running an e-commerce business, and online marketing and its types are mentioned to a limited extent, which does not mean you should stop there.

For example, if you have learned that email marketing can help you with promoting your e-commerce, find relevant resources on email marketing and then explore strategies that can be implemented to your business.

Finally, it is necessary to highlight the influence of mobile devices once again. There is no doubt that mobile user experience is one of the primary goals you need to think as the statistics in favor of mobile users are keep growing. This affects the creation of a sub-sector called m-commerce. It is left to be seen how this trend will affect selling online, but what is evident now
is that mobile users comprise a significant portion of overall traffic, and as such, they cannot be ignored. You must not neglect the traffic that could help you increase the number of buyers, because, after all, that is what you are trying to do with various promotion strategies.

The bottom line is that the internet changed the idea of shopping forever. So many limitations are now extinct because you can buy goods from anywhere in the world. Even so, some boundaries are part of this online experience such as inability to touch and feel the product before it is delivered. All of this changes the way buyers think about shopping, and this is something you, as a business owner, need to think about.

This industry is all about consumers. Understanding their needs and expectations, together with defining your business goals and strategies is going to help you with running a successful e-commerce business. Have in mind that the online world is a very dynamic environment, and to be on top of your game, you need to make industry research and website analysis your top priorities.