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So you want to create an eshop?

What is there to think about?

This article aims to inform and give practical advice about creating and managing a successful online 'estore' or 'eshop', either as an extension to an existing business as a standalone enterprise. Firstly, let's consider some key questions:

- Why have an eshop?
- What to consider and prepare for at the outset?
- Is there any specialist functionality that my eshop will need
- How much will it cost me to create?
- How long will it take?
- What are the on-going costs of running an eshop?
- How to choose an eshop provider?
- Will I need professional help or can I do everything myself?
- What are my responsibilities?
- How do I promote my shop and market my products effectively?

Get online or lose business

The web has caused a revolution in the way in which consumers shop and increasing volumes of trade – all types of goods and services, are transferring from traditional 'bricks-and-mortar shops and businesses to being initiated and transacted online. This trend is projected to continue and even accelerate in the coming years as savvy customers' quest for value, choice and convenience is being satisfied by a fast evolving 'multi-channel' market. This is disrupting centuries of established trading methods – as is evidenced by the decline of many of our High Streets and town centres and although this doesn't mean a hopelessly bleak future for traditional shops – but it's a loud wake-up call for the need for traditional business to embrace and adapt to new consumer preference patterns. If you own a business with the potential to include ecommerce facilities – this is the time to get on with it, it's not hard to do or expensive.

Then and Now – New Challenges

Eshops have mushroomed over the past decade but, even just 10 years ago, creating an online shop was a highly specialised and expensive proposition, requiring determined levels of technical expertise …and cost. Now, ecommerce is commonplace, highly sophisticated and readily available. Setting up an online shop up is now a much less daunting and

inexpensive proposition ….100s of new ones being started in the UK every week.

But note, achieving success with an ebusiness has shifted from a being primarily a technical challenge to very much a marketing one. I.e. The technology and processes needed are now available to configure almost out-of-the-box but, with intense competition from 1000s of online outlets, your main challenge will be ensure your eshop has sufficient profile and visibility to attract visitors/customers.

 There are two new aspects of ecommerce to get to grips with:

- **sCommerce**: is ecommerce generated through social media, particularly Twitter and Facebook and social interaction online with user contributions and recommendations assisting in marketing.
- **mCommerce**, is the ability to transact using a mobile phone, smartphone, or other mobile device. Mobile consumer technology means customers can now make purchases on the move. Your business needs to be able to offer the best possible experience to customers through a number of methods - including mobile devices.

The expression, 'savvy customer' is spot on – canny, adept at finding bargains & spoilt for choice – your new eshop will need all the methods at your disposal to attract these elusive creatures by making your eshop prominent, attractive, accessible and easy to use. When you do get visitors, you have just a few seconds to gain their attention by getting a clear message across – you probably know this already if you are a savvy customer yourself!

A Great Time to start an e-shop

Technology drives behaviour and behaviour drives technology, ecommerce, cloud and mobile technology, social media and simplified payment methods have co-evolved rapidly, now, for relatively small outlay and in a short time frame, you can create a great and profitable online shop that will feature most, if not all the following:

- An attractive, well laid out Shop front design
- Quick access for the customer to get to what they are seeking
- Great product configuration & stylish presentation
- Slick and Secure online Sales processing
- Flexible facilities to configure effective sales promotions
- Customer Relationship (CRM) tools to maximise business from your contact book
- Integrated Stock Control
- Customer feedback for your products & service
- Sales & Order tracking, reporting and accounting
- mcommerce optimisation to serve mobile customers
- Easy configuration to trade overseas - across postal & tax zones (if you want)
- Search Engine Optimisation (SEO) tools
- Visitor analysis and website statistics
- Easy integration with Social Media

Preparation, Preparation, Preparation

It's very tempting to jump straight into your eshop project feet first, OK choosing a provider is a bit daunting but once you get past this hurdle, you can't wait to get started; however, it's worth pausing to consider EXACTLY what it is you want to achieve, how you are going to achieve it and how you will run your online business day-to-day after your eshop goes live. *By setting your 'project' on a firm footing at the outset will save you time, money and frustration.*

Unlike running an actual shop in which you have opportunity to confront new business scenarios as they arise, an eshop has to be highly automated from the start which means having in place processes to deal with the majority of transacting scenarios in advance to provide a quality customer service. One slip-up that confuses or spooks your customer and they will abandon their 'shopping cart' and leave your site.

The ideal ecommerce business?

You want your ecommerce business to run like clockwork with all elements functioning smoothly with the minimum amount of intervention (=hassle). Your aim is to provide a great service to your customers – happy customers will return to shop again – An ideal ecommerce business should function, unassisted typically in the following manner:

1. Customer is drawn to your site by recommendation (e.g. social media), results from a search engine or some other form of marketing / advertising.
2. Customer likes what they see and understands precisely what it is they are buying, how much it costs including delivery and VAT, how & when it will be delivered and what happens if there is a problem. This gives confidence to buy from you online.
3. If there is sufficient stock, the customer enters their details at checkout paying for item(s) in their cart. The order number is displayed, payment confirmed and receipt or invoice sent automatically by email.
4. Your stock level(s) is decremented and you are advised by email/sms/app of the order to be fulfilled – with any specific delivery instructions. You can monitor online your orders and their fulfilment statuses. If stock level is running low, you'll be notified to replenish it.
5. You despatch the item(s), update order status which automatically advises the customer that the order is despatched.
6. Customer receives goods and is happy with them _and your service_ and you may encourage them to sign-up for a newsletter and add feedback to your site or 'like / follow' your website on social media.
7. Now you have the happy customer's email address you can send the occasional follow-up email to update them of any news or special offers you may have. If you sell consumables then timely messages offering replacement/replenishment can generate extra business.

To reach this state of ecommerce nirvana, it is advisable to gather all the information you will need to create your eshop and list the functionality that you expect to use. Your

eshop package provider should be able to help you cover all the bases - but it's important to anticipate the key areas to consider and make a note of them. The following checklist will help you.

Eshop project Checklist

Check list item	Notes
1) General	
Do you own the domain (web address) that best suits your eshop, or if not, is it still available?	• Go for a .co.uk or .com if you can • Keep it as short, memorable & easy to spell as is possible e.g. www.jackandjill.co.uk • Use a domain service like domainmonster to search for, buy & administer your domain.
Ts & Cs – With potential for fraudulent trading, it is essential that you state clearly terms of trade and conditions & policies for customer information & confidence	• Ownership & address /contact • Guarantees policy • Payment terms • Returns policy • Limits of liability
Look & Feel of your eshop: have you ideas for how your eshop will look or be structured?	• Don't re-invent the wheel, see if you can find an existing site whose design takes your fancy – see how they do it. Are there things that you would do differently? • Sketch out what you'd like • See what eshop providers offer by way of free templates that you could use or adapt • Consider a simpler format for smartphones / mobile devices • Have you imagery that you want to use in your shop to define your style / logo
Payment gateway, who handles transacting.	• Do you already have a payment system that has ecommerce options? • Would a basic Paypal account do the job? • If a high volume site, consider different options to minimise transaction charges • Need to satisfy payment processor that you are a legitimate merchant and satisfy basic credentials check • Need ability to refund • Need transaction summary & details
Contact details	• You'll need an email address to channel orders and enquiries through
	•
2) Products & Categories	
What categories of product will you be selling	• Make a list, with a brief description of each category of products you'll be selling online • You may have categories in categories – e.g. brands, which your provider will need to support – draw out a hierarchy (Footwear>Outdoor>Boots)
How many products will you be selling, in which of your categories?	• 10s, 100s or 1000s of products? • Do they have existing stock numbers /

| | barcodes? |
	• Will there be variants (e.g. size, colour, options)?
Product units, how will they be sold	• Per piece (may be a service) • By volume or weight or other dimension
VAT?	• VAT registered? • Do you have products with different VAT rates / zero rate? • If selling outside UK / EU need to exclude VAT from the sale

3) Marketing & Promotions

Social Media (scommerce),	• Have you a business Facebook account – could you do one? • Twitter? • YouTube clips etc.?
Integrated Marketing & SEO	• Important that you think about & list the ways, words & phrases that will bring visitors & customers to your eshop • Look at how your competitors eshops & products are selected on search engines • Do you expect your package to handle email / newsletter broadcasts?
Will you be running special offers?	• Featured products set apart from other items
Promotions and Discounts	• Do you want to give discounts on quantity or order value? • Will giving promotional discount coupons or loyalty points help your business? • Will some customers get a discount?
User Comments	• Do you want to encourage customers to leave comments about the products you sell?
Email marketing, mailshots	• Do you want your eshop package to include customer emailing facilities & CRM, if so consider how you wish to go about these functions

4) Fulfilment & Stock Control

Postage / Carriage of goods	• Postage included in price option? • Different rates for postal zones? • Postage included above certain quantity or value? • Restrict delivery to certain countries? • 'Click & collect' option needed?
Order & Stock control. you will need stock control to ensure order expectation can be fulfilled	• Items in stock are automatically decremented on sale? • Do you want warnings for low stock • Need to state fulfilment period if items have an order lead time
O5rder restrictions	• Will you have minimum & maximum order sizes/values? • Are there countries where you will not fulfil orders (e.g. outside UK)?

Costs?

As we have stated, the cost of creating an eshop has fallen considerably in the last year or so and it has also become much easier to get set-up and trading online. For small and medium sized businesses it is not economic to commission a web designer to build you an eshop from scratch as there are a number of eshop providers offering low cost packaged solutions – offering sophisticated features if not as standard, available as optional extras.   If you are canny and know your way around web design you could be up and running for under £100! But of course, it takes time and knowledge. Below are the items and guideline estimates of the costs (subject to VAT)

Initial costs

- Website domain acquisition (from £20 upwards)
- Initial package joining fee (£0 to £100)
- Professional Help / assistance / design to set up shop (from £200)
- Professional Imagery / branding / logos / product artwork for your shop (£200+)

Recurrent costs

- Monthly eshop package provider charge (£20 - £75)
- Email / web services (£5 - £20)
- Payment processor (for more advanced options) (£0 - £50)

Conclusion

We hope that this may have helped to clarify some of the factors you need to think about, why not give it a try? It does not have to be a major expense but does require a considerable amount of time if you are not at home with web or ecommerce concepts. You will find eshop package providers helpful (why wouldn't they be – they want business too) but be wary of various paid-for extras and charges for adjustments for non-standard designs.

We can offer you a friendly and free 30 minute consultation about setting up and eshop. Contact us at **enquiries@coldwellfarm.com** and, if you would like help setting up you eshop, from the idea stage through to delivery then we are happy to give you a quote. We charge from as little as £250 and would expect you to be up and running inside a week (depending upon whether you require bespoke functions and imagery). For those with more complex requirements, we can offer a full application development service.

Peter Domanski – October 2013

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