

# DIGITAL BOOST

power up your business

# ECOMMERCE OVERVIEW



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## SECTION 1

# WHAT IS ECOMMERCE?

Selling online has changed and gone global. What was once restricted to a few specialist industries and adventurous consumers is now a part of life for tens of millions of people around the world and the companies that sell to them.

There are now many different ways for you to sell your products and services online. eCommerce is the catch-all term that describes online shops, marketplaces and shopping baskets that make it simple and seamless for your customers to buy from you over the internet.

## CHOOSING TO TRADE ONLINE

Before you consider selling goods or services online, there are some things you should consider:

### WHAT IS THE POTENTIAL SCOPE OF YOUR AUDIENCE?

Selling online means that you have the potential to sell to a global audience. This can be a fantastic opportunity, but it can also add complexity in taxation, shipping costs and fulfilment to your customers. Think carefully about what you are trying to achieve.

### ARE YOU PLANNING TO SELL ONLY ONLINE?

Online only businesses can benefit from far lower overheads, but if you are also running a more traditional brick-and-mortar business, you will need to consider how to balance the needs of existing customers with the potentially far larger online audience. Do you have sufficient storage for stock, for example?

*Once you have assessed your readiness to trade online, the next step is to create an eCommerce strategy.*

## SECTION 2

# DEVELOPING AN ECOMMERCE STRATEGY

A good eCommerce strategy will help you to avoid expensive and time-consuming missteps as you begin selling online. Once you have made the decision to trade online, consider the following:

### IS THIS THE RIGHT TIME?

There might be many different reasons you are considering selling online. Perhaps a competitor has begun selling and is doing well. Or maybe you are regularly receiving enquiries from customers who want to buy from you, but are frustrated that they can't currently do it online. Ultimately the decision rests with you, so you should be sure that you are considering online sales for positive reasons and that you will be able to provide your customers with a good experience.

### WHAT DO YOU WANT TO SELL ONLINE?

Are your products or services physical, or can they be sent to customers over the internet? Are they perishable? Should you sell everything you offer online, or only some products?

### WHERE ARE YOUR CUSTOMERS?

Selling online only in the UK versus UK, Europe or the rest of the world call for different solutions and will involve more work to provide a good user experience and ensure compliance with local regulation. But the wider your potential marketplace is, the bigger the potential upside of choosing to sell online. Could you start more locally and build up to international selling? Or is your business restricted by the kinds of products you sell?

### **HOW DO YOUR CUSTOMERS SHOP?**

If you're setting out to sell into an established market, then it may already be clear where your potential customers will look for your products. Or you may need to do some research to understand what your competitors are doing and whether you should do the same or blaze a new path of your own. But whatever you do, remember that customer convenience and smooth, simple sales will usually overcome even ingrained habits.

### **DOES THE BUSINESS HAVE CAPACITY?**

Unlike a physical store, sales online have the potential to be effectively infinite – since customers don't have to travel to you and don't have any real limits on when or how they order, you may end up facing bottlenecks in your ability to supply customer orders. Consider whether you have the knowledge in your business, the time and the inventory to deal with increased online business.

### **WHICH SOLUTION IS BEST FOR YOU?**

There are different ways to sell online, some of which we will discuss in this guide. When you are considering which might be the best way for your business, you should consider all of the above, as some options for selling online will lend themselves more to some situations than others.

## SECTION 3

# THE ECOMMERCE CYCLE

**SELLING ONLINE (JUST LIKE SELLING IN PERSON) BEGINS WITH YOUR CUSTOMER.**



The customer will move through five stages of interaction with you before returning to the beginning of the cycle and, hopefully, choosing to shop with you again. Learning these five stages is key to understanding the different eCommerce solutions and challenges you will be facing.

### **STAGE 1 - ENGAGING WITH YOUR ONLINE PRESENCE**

If a user is unaware of your store or is otherwise searching for a product or service rather than a specific vendor, they will most likely arrive at your online presence via a search or filtering interface. This could be a web search, a bookmark or through searching or filtering on an existing marketplace like eBay.

## **STAGE 2 – SHOPPING AND SELECTING ITEMS FOR A CART**

Once the user has arrived at your store, they then go through the process of viewing, comparing and selecting the products or services they wish to buy from you. A 'shopping cart' mechanism will allow them to add multiple products and receive an overall total before purchasing.

## **STAGE 3 – PAYMENT AND SHIPPING**

When the user has completed their selections, they then need to take the critical step of providing you with the payment and shipping details you need to provide them with their chosen products. This stage is key and should be as friction-free as possible.

## **STAGE 4 – PAYMENT GATEWAY**

In many cases, at this point the user will be passed to a separate payment gateway where their payment will be processed. This may happen in the background and is built in to some marketplaces (Amazon, for example). Once approval for the customer's payment has been gained, the transaction is handed back to your online presence.

## **STAGE 5 – FULFILMENT AND DELIVERY**

At this point the user's purchase becomes a real and actionable transaction for your real-world fulfilment systems. Customer information is handed off to your warehousing or third party fulfilment systems for packaging, processing and delivery to the customer.

*If your business can successfully and repeatedly complete these five steps for each of your customers, you will be rewarded with repeat business and sales growth. But it's essential to reduce complexity and friction in the sales process so that users focus purely on how well your products meet their needs, rather than on why it might be difficult to order from you.*

## SECTION 4

# OUTSOURCE OR DO IT YOURSELF?

There has been a number of platforms and marketplaces launched in the past few years that make the creation and maintenance of an online store, even by non-expert users, much more feasible than in the past. However, depending on the scale of your business and the benefits of custom development, it may still make sense for you to outsource the planning, development and even ongoing running of your online retail presence to a third party.

### OUTSOURCING CONSIDERATIONS

When you consider whether to outsource, you should consider the following factors:

**Cost** – having a third party build and run your online store will more than likely cost more than doing it yourself. However, it may offer you the potential for customisations or integrations with other back office systems that you may be unable to do with an off-the-shelf online store.

**Quality** – If your business lacks the expertise or network to consistently deliver high quality online sales experiences, you may be best served by buying in the knowledge, rather than making costly mistakes yourself.

**Service** – You can outsource some or all of the online store process, through all five steps from customer acquisition to fulfilment. If you're considering outsourcing, you should also consider early on whether you are prepared for the ongoing cost and management time required to work with a third party. This should be weighed against the more direct time and effort costs of self-managing.



## DOING IT YOURSELF

You may decide that on balance you would prefer to keep complete control and use one of the many existing platforms or marketplaces to sell your products online.

Your key consideration will be choosing which kinds of online sales you will investigate, then selecting a platform or marketplace that fits your products, audience, budget and priorities.

## MARKETPLACES VS PLATFORMS

There are two primary ways to sell online, if you are not building a custom online store. These are **marketplaces**, where you sell your products within an existing digital sales arena alongside many other vendors.

Then there are Platforms, which allow you to build and configure your own online store using simple templates, plug-ins and themes.

*The decision about whether to use a marketplace or a platform can be taken over time. It might even be possible to 'test the water' with one and change to the other depending on your needs and when your sales justify it.*

## SECTION 5

# MARKETPLACES

Online marketplaces are large, well-known web stores run by other people, where you can register a seller account, create an online store with your products and sell to an existing audience.

Marketplaces can be very flexible and a great way to try out online selling without large upfront investments or complex fulfilment, but they can also be very crowded in some categories and may have relatively high overheads and transaction costs taken by the provider of the marketplace. Some of the big marketplaces in the UK include Tesco, Amazon, Boots, eBay and Etsy.

## CONSIDERATIONS

When you are considering a marketplace, you should look at:

### WHAT KIND OF ENVIRONMENT IS IT?

Some marketplaces are generalist web stores that offer an overarching brand for anyone who wishes to sell nearly anything, while others are restricted to broad categories (for example, Amazon sells nearly anything, while Tesco sells primarily housewares, food, clothing and furniture).

### IS YOUR CATEGORY CROWDED?

Depending on the marketplace and the process for becoming a listed seller, you may have to compete with multiple other sellers. It's a good idea to do the kind of searching and filtering in the marketplaces you are considering to see how many other sellers are offering similar products.

### IS THIS A GOOD FIT FOR ME AND MY PRODUCT?

Your product may be a niche one, or of interest to groups of potential customers who already habitually buy from certain marketplaces. Or you may be selling something which will be of more general interest, meaning a broader marketplace might be better.

### WHAT ARE THE STEPS TO BECOME A SELLER?

Different marketplaces have different bars to entry. In some cases it is as simple as creating an account and paying a monthly or yearly fee for listing. In others, your products may need to be reviewed and approved for sale. Compare the different policies and costs before making a decision.

### TESTING THE MARKET

**Remember** – there is no need to commit for the long term and hence risk immediate or medium-term failure. If you choose to sell your products online via a marketplace, it is possible (and even desirable) to ‘test the water’ on multiple web stores. You can consider:

**Starting small** – You can list only one or two of your products on a given marketplace, perhaps your best-selling or most requested products. And you can list them on multiple stores to test where they sell best, fastest and bring in the most revenue. Small ranges sold in multiple places are easier to track and manage, helping you decide where you might wish to commit more inventory, time and effort.

**Monitoring return on investment** – The main variations in online marketplaces will be the audience and cost compared to the sales. As you list more products, you should pay close attention to your cost-per-sale and the ease of fulfilment and payment. Optimise and focus your efforts on marketplaces which offer the best numbers of sales while taking the least fees and offering the best customer experience. You will need to trade these different factors against each other in some cases. For example, one online marketplace may have higher fees, but have an unbeatable audience size.

**Testing new products in specialist marketplaces** – When you are trying out new products, you can begin by selling them in lower cost or more specialised marketplaces (see Etsy or eBay later in this document). Once you have confirmed a definite demand, you can optimise them for sale on more general stores with higher costs.

**Using marketplaces to test ideas for your own web store** – Remember, it's fine to mix and match your approach. If you want to try out a new way of describing your products or bundling them together, you can test it for a low cost on a third party marketplace before implementing the same approach on your own web store.

## EXAMPLE MARKETPLACES

There are many different online marketplaces around the world. Below, we've listed a few of the larger ones that will be immediately relevant to you as a UK business. But you should also research other options yourself, using the same factors we list below for different marketplaces. Consider the geographical reach of each marketplace, the size of the potential audience, barriers to entry and the initial/ongoing costs of using them.

## **TESCO**

While Tesco is primarily a brick-and-mortar supermarket chain, they also have a growing online business. Verified sellers (known as 'trusted partners') can sell their products through the Tesco web store. If you think your product may be a good fit for Tesco's audience and you are prepared to go through their verification and listing process, they can offer a large online audience willing to buy from you.

## **AMAZON**

With 304 million active accounts in Q4 2015, the days when Amazon mainly sold books are long gone (although they are still a major category). The global reach and excellent logistics offered by Amazon make it a good option for those selling books or technology products. However, the highly structured and competitive nature of their categorisation, search and filtering mechanisms mean there is very limited scope for establishing a 'presence' on Amazon – you will be one among many other sellers. Relatively low monthly fees and the option of pay-as-you-go per-item fees mean that Amazon can be a great option for testing out new products, optimising sales copy and establishing demand.

## **BOOTS**

Similar to Tesco, Boots works with verified sellers to allow them to sell their products on the Boots online store. As a UK household name in household, cosmetics, beauty and toiletry products, Boots online store can offer a great opportunity to sellers in those categories.

## **EBAY**

eBay was one of the first online marketplaces open to individual sellers and is still a huge factor in person-to-person internet sales. However it also offers great opportunities for those who wish to sell more products and even create their own web store using eBay's software.

eBay also has significant long-term brand recognition and marketing that drives a great deal of visits, searches and buying from their strong and growing userbase. Critically for those testing out online selling, eBay can be used on a 'final sale' basis, with the cost of your transaction being applied only when you make a sale. This is a percentage of the final sale price for your product, with a capped maximum. With careful pricing, you can price this cost into your product's overhead. Note that you may also have additional fees if your buyer uses Paypal.

There are also options to create and (to a degree) customise a web store of your own within eBay, although visual customisation is limited. But with your selling costs largely dictated by how much you sell and how often, eBay is a fantastic, low-risk way to begin your online selling adventures.

## ETSY

Etsy is a newer but very popular niche online marketplace, primarily for handcrafted or specialist products. It is an excellent option if you want to offer your customers the ability to request customisations or you are interested in selling lower volumes of handmade, higher cost items.

Etsy has both listing fees and transaction fees which are a percentage of the item cost. If your products are lower cost and you do not expect to sell many, you may wish to consider another option such as eBay. But for niche, artistic or specialist products, Etsy is a new and growing marketplace.

## OTHER OPTIONS

From ASOS Marketplace for fashion to depop for niche items or Rakuten for technology, media and housewares, there are as many options as you can think of. Research by looking for products similar to your own, comparing prices and following social media and online discussions among entrepreneurs.

## INTEGRATING ECOMMERCE WITH A MARKETPLACE

It may be possible to use a platform (see the next section) directly with an online marketplace. This can allow you to 'list once', putting a single product up but then having it appear in multiple places. This offers obvious advantages in time and cost, while helping to ensure that errors in stock availability, different pricing and so on are limited.

### For example:

- **Shopify** offers integration with both eBay and Amazon, allowing your Shopify web store to create and amend listings on one or both marketplaces.
- A service called **Veequo** allows you to integrate **WooCommerce** (Wordpress eCommerce plug-in, see below) with Amazon and eBay.
- **Boost My Shop** allows you to integrate a **Magento** online store with Amazon.

## SECTION 6

# PLATFORMS

You may decide that you would rather create your own online shop, either as a next step from selling through online marketplaces, a combined approach or because you feel your product or service is better suited to a custom online store.

Platforms offer you the ability to create, customise and integrate an online store of your own with your website. They offer far greater flexibility and the ability to make your web store a seamless part of your website, with branding, design and user experience that gives customers a single place to view, compare and buy your products.

**Platforms offer some clear advantages, including:**

**Easier and more precise stock control** – your own platform can be instantly and reliably updated when you sell out of a product, ensuring that customers are not disappointed by a sale that you cannot fulfil.

**Product customisation and optimisation** – you have far greater control over how your products appear, including number and quality of images, length and detail of copy, page layouts and user features such as reviews or comments.

**Consistent branding and user journey** – although some platforms are hosted (i.e. offered over the web as a service) most can be displayed so that they appear to be part of your website. Users feel as though they are never leaving your online presence, moving through a smooth and consistent process towards a sale. This encourages return sales and loyalty to your brand.



However, creating your own web store also requires more in-depth technical knowledge. Most web store platforms are 'vanilla' out of the box, requiring significant time to review documentation, customise templates and ensure the correct plug-ins are installed or added to do what you want to do. In some cases you may need to engage with specialist support such as your existing web agency to create or customise templates.

Platforms can be further split into two broad groups – 'build-your-own' platforms which offer pre-built templates and are usually hosted by a third party, as well as Integrated platforms that are designed to be seamlessly included within your own website, usually at a subdomain such as shop.yourwebsite.com.

## **BUILD-YOUR-OWN**

Build-your-own eCommerce platforms are usually offered as part of a broader 'build-your-own-website' package. Notable examples include Squarespace, Wix and Weebly. These platforms allow non-expert users to quickly build a professional-looking website and, optionally, add an online store to sell their products. However, they are usually based on using one of a small number of set templates (usually 6-12 options) which can largely be customised only by adding different imagery, logos and colour changes. Where budget and/or product range is limited, these platforms can be a good option.

## **INTEGRATED ECOMMERCE**

The other option is an integrated platform, where the system itself is largely used as a backbone of basic online shop mechanics (viewing products, selecting and adding to baskets, adding payment and address information) which you can visually 'skin' to match your existing website. If your organisation already has a custom-built website, an integrated eCommerce platform such as Shopify, Magento or WooCommerce may be your best option.

## EXAMPLE PLATFORMS

eCommerce platforms are constantly changing and evolving, so the examples below should serve as a guide rather than a limit. Choosing between a 'build-your-own' solution and an integrated platform will depend heavily on the current and future scale of your eCommerce ambitions, as well as your own technical knowledge and willingness to learn. Which integrated platforms you might consider could also be dictated by your existing website platform, your budget and the specific needs of your audience. In each case though, you should consider how much flexibility you need, initial and ongoing costs and whether a solution that you choose now will also serve you in the future.

### SQUARESPACE

Squarespace offers a complete website-building solution with a growing userbase (up to 1.8 million users in 2015). The tools and templates they provide are aimed at non-technical users, allowing a good looking website to be created quickly and easily. Online shop tools are also part of all of the packages they offer.

Squarespace fees are simple, but limited, allowing you to list and sell up to 25 products. A sales transaction fee is also applied when you use Squarespace's eCommerce platform, which is a small percentage of the selling price. Squarespace offers a month trial which can be a good length of time to try out their services and decide whether they will be suitable for your needs.

If you are looking for a convenient, low-cost way to quickly create your own website and begin selling online, Squarespace might be a good fit for you. However, if you are intending to sell more products or want more customisation options than Squarespace might provide, you should look elsewhere.

### **WEEBLY**

Weebly is a similar website builder to Squarespace, although eCommerce facilities are only available as part of their 'Business' package. However, they do offer an unlimited number of products and no transaction fees. So if you find the simplicity of Squarespace appealing but you're looking for more flexibility and lower costs for your store, Weebly may be a good fit.

### **WORDPRESS (WOOCOMMERCE)**

Wordpress is an extremely popular blogging and content management system that powers tens of millions of personal and business websites. Wordpress can be self-hosted (i.e. buying server space and installing, configuring and theming yourself) or hosted by Wordpress (by creating an account at Wordpress.com or vip.wordpress.com).

WooCommerce is an eCommerce plug-in which can be used with Wordpress websites. This allows the user to create and customise product pages and integrate popular payment solutions like Paypal.

This is very much a 'do it yourself' option, with extensive documentation, support forums and online tutorials, but it is also possible to find developers and even companies who will build and customise a WooCommerce store for you. WooCommerce does offer the ability to scale up or down quickly, but also will require you to be willing to learn new skills and make many decisions about how to best use the package for your needs.

## **SHOPIFY**

Shopify is a major integrated eCommerce platform that allows you to produce and manage 'skinned' stores that can fit into your site visually, but which are hosted by Shopify. It has a huge range of potential payment processors, store themes and layouts and basket mechanisms that can make it a very flexible way to setup an online store.

## **MAGENTO**

Magento online stores are part of the broader Magento offering, which is enterprise-grade online shopping, marketing and email services. They are similar to Shopify in many ways, but are aimed primarily at larger organisations with hundreds or thousands of products and extensive, global shipping and payment processing needs.

## SECTION 7

# PAYMENT PROCESSING

Once your customers have chosen their products, decided to make a purchase and provided their address and payment details, it comes time to take their payment. Some marketplaces offer their own, seamless payment processing (i.e. Amazon). However, the majority of platforms and marketplaces use third-party payment processing systems.

### WHAT DOES A PAYMENT PROCESSOR DO?

Payment processors handle the actual taking of payment from a customer's credit or debit card, including checking the available balance with the issuing financial institution, verifying that appropriate security information and address details have been provided and notifying the issuer of the deduction of funds.

Payment processors normally take a percentage of the sale value in return for their services. Some processors also have additional fees for access to their systems.

## **PAYPAL**

One of the most well-known payment processors is Paypal. Owned by eBay, Paypal provides payment processing services for millions of people each day, allowing users to pay with one card or directly-linked bank account on tens of thousands of websites and marketplaces.

Fees for merchants are based on the volume of transaction and the cost drops as you process more orders.

eBay requires that you accept Paypal as a payment option, but it is also an option on other eCommerce platforms.

## **PAYPAL ALTERNATIVES**

There are dozens of payment processors, with fees and pricing structures for different levels of users. A common Paypal alternative that is currently gaining traction is Stripe. Credit-card processors such as WorldPay, SagePay and Merchant Services UK also offer a range of eCommerce integrations.

*Most platforms and marketplaces will offer you a small range of payment processors and a few other options such as cheques or money orders.*

## SECTION 8

# COMPLETING THE SALE

Once your online store or marketplace account is up and running, you can start to look at the key challenge of selling online – consistently completing sales.

These steps can sometimes be neglected while you are focused on creating your store, but it is in the actual ordering and delivery experience that you will win a customer's loyalty and repeat business.

### MAXIMISING BASKET SIZE

Your first step is to ensure your store is set up to appropriately cross-sell and up-sell your products. This ensures that when customers are ordering, they are offered additional products and services that may go well with their initial selection.

Many platforms allow you to automatically offer additional 'frequently bought together' or 'people who bought X also bought Y' offers. Bundling of products in this way reduces shipping costs and encourages your customers to explore your product range.

### BASKET ABANDONMENT

Customers deciding not to commit to a purchase is nearly the most common action taken online, with some figures as high as 68% of all potential purchases. Even small reductions in abandonment can have a transformative effect on your overall sales and profit, so it is very important to be aware of your overall abandonment rate and to pinpoint what might be causing customers to fail to go through with a purchase.

## You should consider:

### **ARE WE PRESENTING THE USER WITH AN UNEXPECTED COST?**

The most regularly cited reason (at 56% of respondents on one survey) for abandoning an online purchase was an unexpected cost such as an extra delivery fee or high transaction costs. To reduce this figure, be open about your delivery fees, reduce them if possible and ensure the price users see when they click 'Buy' is as close as possible to the price they will pay. If your cart relies on variable shipping costs, for example, try to provide an indication before the customer makes a buying decision.

### **IS THE JOURNEY CLEAR?**

Nearly 21% of abandonments can be put down to purchases 'taking too long'. Are you asking too many questions or forcing users to register an account for a one-time purchase? Look for ways that you can speed up a customer's progression to a finalised offer.

### **IF SOMEONE DOES ABANDON THEIR CART, COULD WE GET THEM BACK?**

In some cases, you may already have captured contact information for a customer (either because they already have an account with you/the marketplace) or because you have captured their email when they selected their first product. In these cases, many platforms can be configured to automatically email customers who do not complete a purchase within a certain time, prompting them to return and finish the purchase. You may even be able to offer a discount (such as 10% off their purchase) to tempt them back. As with overall cart abandonment, it makes sense to monitor the take-up of these offers and adjust them as necessary.



## ORDER CONFIRMATION

Customers have been trained by the rise of large, automated sales platforms to expect instant or near-instant confirmation that their order has been received and payment has been taken. If your store is not set up to acknowledge customer orders in this way, it can create considerable anxiety and prompt unnecessary support interactions as your customers try to confirm whether their money has disappeared or if the order has got through to you successfully.

You should always ensure that your customers are receiving an order confirmation, ideally within a few minutes, which includes the ordered products and value, shipping destination/details and support information.

## FULFILMENT

The next and arguably most important step (especially from the customer's point of view) is fulfilment of their order. The customer has successfully ordered and paid for a product or service. It is now your job to deliver it to them. You may hold stock directly and need to ensure that the order goes from your online shop to the part of your business that picks, packs and ships the product. Or you may need to pass the order onto a supplier or a third party shipping firm.

At each stage a key priority should be ensuring each customer is kept up to date with the status of their order, especially if there are delays due to stock management, shipping or communication of information to third party firms.

## TRACKING

You may also be able to include real time tracking information in your communications to users, where a code supplied to the customer can be supplied to them. This will allow them to track the progress of their delivery themselves, building excitement and anticipation for their purchase and, if delivery is smooth, encouraging them to order from you again.

## SECTION 9

# AFTER THE SALE

If you want customers to buy from you again in the future, it is essential that you maintain contact with them in a non-intrusive, relevant and helpful way. Soliciting feedback, offering future discounts and keeping your customers abreast of new products, sales and other offers are all great ways of doing this.

### CONFIRMING DELIVERY

Your fulfilment/tracking mechanism should let you know if any order has not been successfully delivered. Proactively engaging with customers who have not received their products and helping to resolve their issue is preferable to waiting for them to self-report and can turn a potentially negative customer experience into a positive one.

### FEEDBACK

After successful delivery of a product, you may be able to automatically schedule a followup prompt email which asks the user to provide direct feedback. This could be in the form of a publicly visible review, or a survey, depending on whether you are trying to improve the public profile of your web shop or identify any issues or improvements which could be made to your sales process.

If you are soliciting technical or user journey feedback, incentivisation (such as small discounts on future orders) can be a great help in encouraging honest feedback.

## **EXTERNAL REVIEWS**

You may also choose to solicit customers to leave feedback on public feedback portals such as TrustPilot. Some payment mechanisms (such as Paypal) allow you to set automatic feedback prompt emails that encourage customers to do this. Note that this may prompt some bad reviews unless you are very confident of the overall quality of your products and smoothness of your sales processes.

## **REPEAT SALES**

Making your first sale to a customer is often the first and most important goal for your online shop and your marketing spend. However, the ongoing health of your business is dependent on turning first time customers into repeat customers.

Repeat sales come through the creation of a robust and high quality sales cycle that includes a great initial buying experience, quality products that meet the customer's needs, smooth delivery and after-sales support and continuing communication with the customer. Prompts for peer-to-peer recommendations like customer reviews can also help your customer to become more loyal to you as a brand or company which they respect and are happy to do business with.

## DATA RETENTION AND ONLINE SECURITY

Most eCommerce platforms will store user information, such as name, address and in some cases financial information such as credit card numbers. This means that you must comply with the relevant legislation for your jurisdiction, including:

### Data protection act

<https://www.gov.uk/data-protection/the-data-protection-act>

### Distance Selling Regulations

<http://www.legislation.gov.uk/ukxi/2000/2334/contents/made>

### E-Commerce Directive

<http://www.legislation.gov.uk/ukxi/2002/2013/contents/made>

### Cookie Law

<https://ico.org.uk/for-organisations/guide-to-pecr/cookies-and-similar-technologies/>

### VAT

<https://www.gov.uk/guidance/vat-exports-dispatches-and-supplying-goods-abroad>

*In addition, part of your assessment process for any online platform or marketplace should include reviewing its security processes, what kind of encryption it uses and how and where it stores data. When researching a new platform, check for reports of data breaches or instances of misuse of customer data and avoid using services with reported problems.*

## CONTACT YOUR LOCAL BUSINESS GATEWAY OFFICE

Get expert advice on this and a wide range of topics for free at your local Business Gateway office.

[bgateway.com/local-offices](http://bgateway.com/local-offices)