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Developing and Maintaining a Low Cost Ecommerce Website

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by Chris Tomlinson

Introduction

The ecommerce industry has burgeoned into a $1Trillion global industry, seemingly overnight. In 2010, the industry was already going strong, with a $680Billion global revenue stream. This means that in just a few short years the ecommerce industry has nearly doubled. Ecommerce has been so successful, in fact, that it has outpaced traditional brick and mortar retail sales in the United States http://www.census.gov/retail/mrts/www/data/pdf/ec_current.pdf. With so much revenue being driven by online sales, it's becoming increasingly critical for retailers to offer their customers an online purchasing solution. Your current customers are coming to expect the convenience and flexibility offered through viable ecommerce options, and without one you may be at risk of losing business. Not only does developing an ecommerce platform help you secure your present business against potential competitors, but it can also provide you with untold developmental opportunities by connecting you to a global marketplace that would be very hard to penetrate through traditional, high overhead methods. Through ecommerce, your business can develop a presence outside of your local market, reaching potential customers from around the world. Many businesses even operate solely as e-tailers, without ever developing a physical store location. Regardless of your business model and what your percentage of online sales will be, it is possible to tailor an ecommerce solution to your unique needs for a relatively low cost.
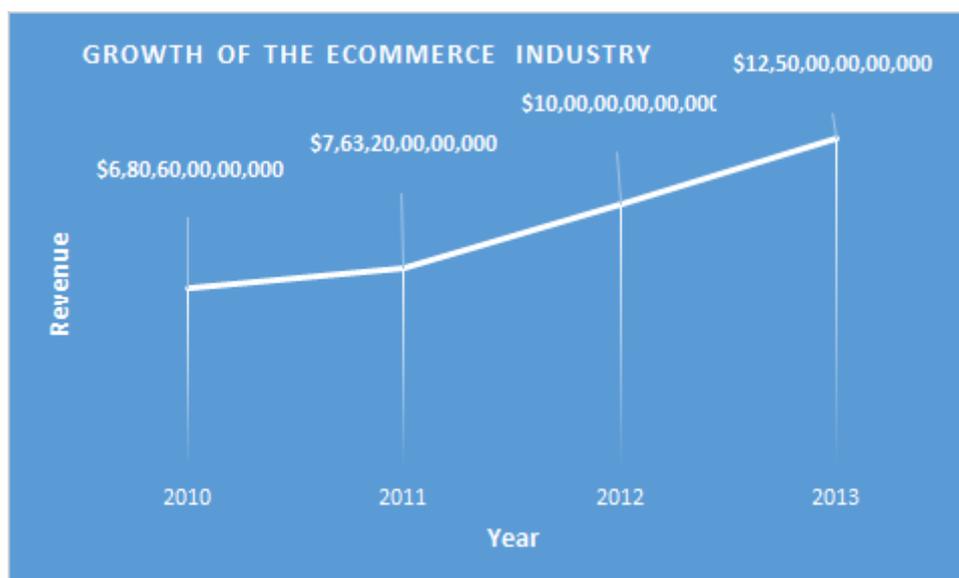
All of the big box stores seem to have an ecommerce presence, and many have invested quite a bit of capital into the strategy. However, ecommerce doesn't have to be a high dollar investment. For midsized and small businesses, the world of ecommerce is actually very much in reach – and in budget. By using open source (or, in this case, open cart) software solutions, low cost hosting platforms, and right priced marketing strategies, it is possible to develop ecommerce that fits your business' specific needs, without paying for the traditionally high cost of development, customization, and maintenance. Whether you're seeking to implement a new ecommerce strategy or making a move to a lower cost option, it can be a bit overwhelming out of the gate. However, if done well, ecommerce can really pay off in terms of your sales and growth potential in a huge way.

Figuring out what you want from your ecommerce site

While it can seem confusing starting out, developing a low-cost ecommerce strategy is actually a fairly simple process, with the right planning and resources. The first step is to determine what your needs are. Your strategy will look quite different if you're hoping to set up an exclusively online retail outlet than it will if you are hoping to add an ecommerce solution to a pre-existing physical business with brick and mortar locations. Other factors to consider are the volume of your operation (will you be looking to sell a few niche items, maintain a large and varied online inventory, or something in between?), your budget, and your timeframe. Decide who your target demographic will be and conduct as much market research as you can to determine how to be successful in reaching them. Once you have an idea of what you need from your ecommerce solution, it will be much easier to make the transition. Doing your research on the frontend will ensure that you don't make mistake that could potentially cost you money and time.

Once you have a handle on what your business is hoping to achieve by utilizing an ecommerce platform, it will be much easier to select the appropriate tools and resources to use. With the huge variety of software and website hosting options, it's important that you make a good decision early in the game. Taking a trial and error approach to ecommerce implementation is going to set you back, meaning that your competitors will have the opportunity to garner your share of the revenue. Taking a methodical approach to determining your needs and goals will ensure that you are up and running with minimal down time and without having to nitpick and adjust your strategy *ad nauseam.* Take a look at businesses who have seen success in the online space, and particularly those that play within your market. Pay attention to their strategies and find ways to apply these proven solutions to your own ecommerce strategy. You want your business to be original, but it is highly recommended that you keep an eye on what the competition is doing and determine how their successes could be applied to your own unique business model.

## Optimizing ecommerce to attract and keep customers

Once you've mapped out the details and decided how your ecommerce system will function from a technical aspect, you must then turn your attention to what is going to make for a successful strategy. There may be some temptation to dump untold dollars into advertising and marketing to ramp up your ecommerce presence, but it isn't necessary to break the bank to make your move a success. A successful but low cost ecommerce strategy is very much attainable. To make your service more appealing, it's important to consider what your customers want. Why are they choosing to shop online? What are they gaining from using your online purchasing service that they aren't getting somewhere else? According to a recent study http://www.statisticbrain.com/total-online-sales/, those answers are pretty straightforward. A whopping 73% of those surveyed said that they shop online to save time, 67% said they did so to find greater variety, 59% to allow for easy price comparison, and 55% for lower prices.
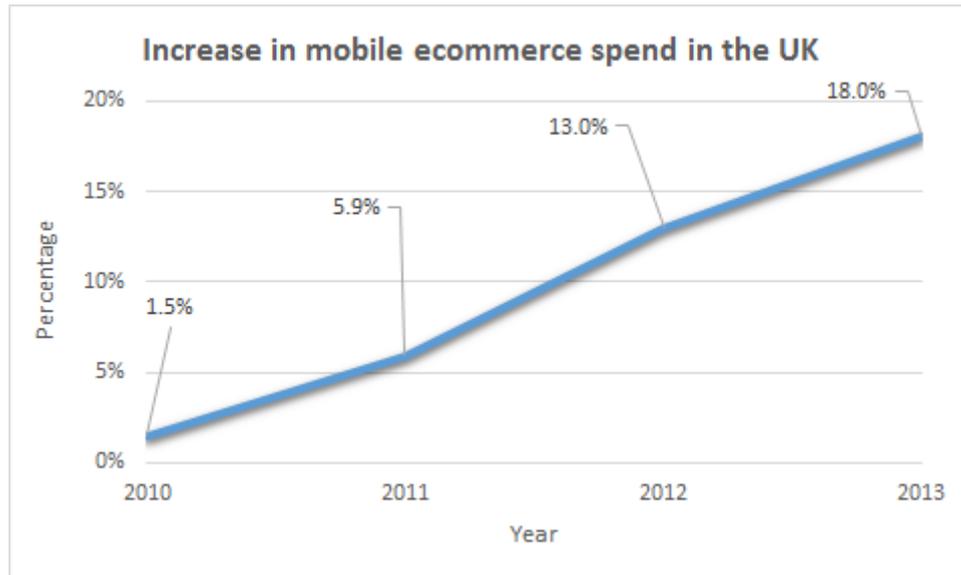
Speed and simplicity

This tells us, first and foremost, that using your ecommerce services must be fast and easy. Nearly 2/3 of online shoppers are turning to ecommerce to save time, so if buying through your site involves a lengthy sign-up or a drawn out payment process, you aren't going to attract or keep as much business. Your customers are likely to be crunched for time, so it is paramount that you offer intuitive and fast searching and browsing via your ecommerce site. Customers should be able to apply filters, search keywords, and browse related categories to find just what they are looking for without spending an exceptionable amount of time. The payment process should also be as simple and expedient as possible. Customers appreciate value adds, such as utilizing a shopping cart program that allows for the creation of secure accounts and saved payment information. Your customers have come to expect a level of ease and convenience from their shopping experience, which also means using a payment gateway company that accepts a variety of payment methods.

Offering freedom of choice

Secondarily, you'll attract more traffic and garner more sales if you are able to provide variety. Your ability to do this will vary, depending on your business model and the market that your business plays in. Some e-tailers are quite successful at selling only very niche items, and that is a fine strategy. However, the key is to provide as much variety as possible within a particular niche, if you choose to go that route. Customers crave one stop shopping and they don't want to scour the web for all of the products they need, as evidenced by their desire to save time. Providing as much variety as your business can sustain will satisfy your customers and help your ecommerce site thrive.

Price comparison

Over half of those polled focused on pricing in some form or fashion. It is important to know your market and price accordingly. Doing preliminary market research will be key to ensuring that your goods are competitively priced. Remember that 59% of your potential online customers are comparing prices, and your prices will be no exception. The increasing popularity of ecommerce may provide your business with a lot of potential development opportunities, but it also breeds a lot of new competitors. If your goods and

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services are priced too far above the market, your customers can – and will – easily go elsewhere. Making it even easier to compare prices is one great strategy, as it allows consumers to feel confident making a purchase from you – both as it relates to your integrity and regarding your price competitiveness.

Preparing for growth and maintaining sustainability

Another important thing to think about as you are developing your low cost ecommerce platform is growth and sustainability. According to Forrester Research's US Online Retailer Forecast, ecommerce sales will continue to increase by 10% annually through 2018 https://www.forrester.com/US+Online+Retail+Forecast+2012+To+2017/fulltext/-/E-RES93281?docid=93281, and the global market should follow this trend as well. When you design and develop your ecommerce strategy, make sure that it is set up to grow with your business. If your online sales doubled tomorrow, could the ecommerce program you institute keep up without costing you a fortune? What if the competitiveness of online shopping starts a price war in your market? Be sure to plan for success, since you will hopefully have a great deal of it. The market is clearly open to ecommerce and conditions are perfect for online payment to continue enjoying increasing popularity.

Take a global view

Running a business means that you have a lot of logistical balls in the air, so it's important to determine how much volume you can support, in anticipation of future growth. It's not advisable to try and learn on your feet. Planning in advance can save you headaches and costly mistakes in the future, and best of all planning is free. Starting an ecommerce website will give you access to a global marketplace, which could mean global shipping, for one thing. As you are designing your ecommerce strategy, take the time to plan for how your business can adapt to a fast-paced, online environment, including whether or not your business is equipped to handle orders on a global scale.

Keep an eye on overhead costs

In an industry rife with competition and change, it can be difficult to turn a profit without keeping overhead costs low. The ecommerce industry has seen shrinking margins over the past several years and there have even been some very notable victims of bubble bursting or price changes throughout the history of ecommerce's rise to success. Be sure that your outgoing cash flow is sustainable. Starting with a low cost ecommerce strategy is a great first step, but it's important to ensure that all of the elements of your business' supply chain – from start to finish – run smoothly. Make contingency plans and alternate routes for developing your ecommerce presence so that you are better able to adapt to a frequently changing climate.

Ensuring a secure payment process

Security is a growing concern in an increasingly online world. In the wake up some big name data breaches (think Target and Home Depot), many customers are hesitant to share their personal payment information – and for good reason. Providing a secure shopping cart and processing payments via a licensed payment gateway company are key, both to providing seamless and uncomplicated service to your discerning clients and customers, and to protecting their valuable information. The security should extend to any internet connected device on which customer payment information is stored or processed. At a minimum, a firewall and trusted virus protection should be in place. The ecommerce website must also be hosted on secure webserver. In short, security should be a primary concern throughout the entire

payment process. Security not only benefits your customers, it also protects your business. Becoming a victim of fraud can be very costly, and as the merchant you are responsible for ensuring the security of your customers. A successful ecommerce business must think about matters like encryption and data storage. It's simply the cost of doing business in a digital space.

Marketing and advertising your ecommerce website

With your ecommerce site established, your payment processes in place, and your market research completed, the time comes to turn your attention to marketing and advertising to make your online business thrive. You can promote your ecommerce site through a variety of traditional, direct ad campaigns, such as pay per click and keyword advertising, but there are also other options that can be done with relatively little expense – and even for free.

Writing blogs and articles

Blogging is one low cost strategy that has been very successful at driving ecommerce success. Among B2B companies, those who blogged generated 67% more leads than those who didn't http://www.demacmedia.com/infographic/2014-ecommerce-trends/. It does require some time and effort on your part, maintaining and promoting an online blog, but it enables you to position your business as a subject matter expert, serves as value add content that you can share with your patrons, and can add to your search engine optimization strategy by acting as keyword rich content and boosting your rankings. If you don't want to take on the burden of building and maintaining a blog, there are also guest blogging and article writing opportunities that require less of a commitment but can still offer big results. Seeing your name in print and benefiting from your insight will give your customers the sense that you are a reputable source. Credibility is key to building trust, which can be hard to do in the relatively faceless online world.

Social media accounts

Social media presence is another way to drive growth without spending a dime. Among ecommerce marketers, 52% found new customers through Facebook and 43% through LinkedIn. Developing an online presence outside of your ecommerce site will allow your business to get face time with potential customers on websites that you know they are visiting. The cherry on top is that these accounts are free and require relatively little upkeep to be successful. By taking advantage of opportunities such as blogging and social media to market your ecommerce services, you can drive new customers to your ecommerce site and stay connected with current customers, while still keeping costs low. By making a deliberate effort to use social media as an outlet to drive customers to your ecommerce site, you direct both new and returning customers to your site consistently. Social media can also be used as a direct way to provide personalized customer service, by engaging with customers and addressing any questions they may pose. You already know that your potential clients are using social media, so using it is a support and marketing tool for your ecommerce website is a no brainer. It's a free way to connect with prospects where they are, rather than waiting and hoping that they will come to you.

Developing and maintaining the ecommerce website

Your products and services are obviously the key to your business, but in the world of ecommerce your web presence is just as important. Without the right approach to operating in a virtual environment,

simply supporting an online payment platform won't be enough for your business to be a success in an online context. From the initial design and development, to updates and maintenance, it's best to take a strategic approach to hosting your ecommerce site.

Search Engine Optimization

Your business is now able to reach so many new customers, but so are your competitors. Because of this, it is crucial to your success that you position your ecommerce site where it will be seen, which means putting yourself where they will be searching. As many as 80% of those utilizing search engines choose to follow links to organic content over paid advertisement. By optimizing your site for search engines, you allow your ecommerce site to be found by the most relevant potential customers, when it's most likely they're looking to buy. To ensure that your ecommerce site attracts customers and remains visible, it's important to ensure that your site is optimized by including relevant keywords and content. Optimizing your site for search engines is key to achieving visibility. Relevant keywords should be included on all pages, to include shopping cart pages. Make sure that your site is well optimized and follows SEO best practices and you'll put your ecommerce site in a position to capture traffic from all possible potential sources.

Some best practices to follow are updating content regularly, making sure that your code is written in a format easily indexible and readable by search engines, and avoiding "blackhat" SEO practices like keyword stuffing. SEO is constantly evolving, however, so it is helpful to revisit your website regularly and keep up to date on new developments with search engines.

Measuring and tracking analytics

With all of the work that you put into developing and marketing your ecommerce site, you will obviously want to maximize your returns. While your revenue is an easy way to track success, to ensure you're your site is as effective as possible, you should measure success against a number of factors. To ensure that you are meeting your targets and to monitor and measure your results, an effective ecommerce platform should have solid analytics behind it. Analytics measure things such as your conversion percentage or your total unique views. This can be done for your website as a whole, or by breaking the numbers down to individual pages. This flexibility helps you measure the success of specific campaigns or changes. You can track analytics a variety of ways, but you certainly don't have to break the bank. There are free services, such as Google Analytics, that are easily customizable and scalable and don't cost a dime. These tools measure more than just raw numbers, but can also provide insight to your demographics, such as age, gender, and even known interests. The value of this information goes further than just providing you the ability to measure the success of your website, it also allows you the opportunity to learn more about your customers and their behavior within your website, so that you can continue to optimize your website to meet their needs. Analytics can also be kept offsite on any social media platforms you use for your business. While monitoring this information won't show you much as far as your revenue is concerned, it will allow you to measure your impact and influence with your customers, which is also very valuable. At the end of the day, you're dealing with people, not numbers, and it's important to the health of your business that you understand how you impact your customers' lives and maintain a connection with them. It's harder to measure the return on investment from social media, but it doesn't mean that it isn't an important factor.

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Optimizing for mobile users

Reasons for shopping online

Percentage of Polled

73.0% — To Save Time
67.0% — Greater Variety
59.0% — Easy Price Comparison
55.0% — Lower Prices

Mobile spend in the UK reached 18% of the total ecommerce spend that took place in 2014 http://www.statista.com/statistics/281256/mobile-commerce-as-percentage-of-e-commerce-sales/. Similarly, Europe as a whole saw an average of 13% of ecommerce spend coming in via mobile device. While this is far from outpacing the rate of traditional online shopping, it is still a significant amount and all signs point to the continued increase of mobile shopping. In 2010 the numbers were significantly lower, at 1.5% in the UK and 1.4% in Europe as a whole. The increase of the percentage of mobile ecommerce spend is impossible to ignore. Make sure that your shopping cart and ecommerce website are optimized for mobile devices or face losing out on a significant market. At the very least, attracting mobile customers will help round out your revenue stream, and at best it could be a place to find continually increasing dollars for years to come. Either way, mobile ecommerce is far more than a passing fancy and should be a cornerstone of your strategy.

Using your size to your advantage

Just because you aren't a multinational corporation with thousands of employees and man hours at your disposal, it doesn't mean that you're necessarily at a disadvantage to be successful in your market. In fact, using the agility and personal touch of a smaller business can help you be successful in the ecommerce world.

Low overhead

We've established conclusively that ecommerce is on the rise across the globe. This can mean great things for your business, as it opens new potential markets helps you to cut costs and lower overhead. However, there are new and unique challenges that come with developing ecommerce. For example, you now find yourself head-to-head with the big box stores, who have lofty ecommerce budgets and seemingly unending resources. This isn't a death sentence, though. If you play your cards right, running a small to midsized ecommerce business can be done at a low cost. This means that it will be easier to keep margins low than if you had a large outfit. This is good news for the little guy, since margins in the ecommerce space have been shrinking.

Personal relationships

By its very nature, the global ecommerce environment breeds competition, and as such keeping your costs low will be key to helping you keep prices low, and in turn to attract more customers. Smaller businesses have the advantage of being more agile and dynamic, which is very helpful in a fast paced and technology dependent environment, in which change is a constant. Having a smaller feel will also help keep your ecommerce business from seeming impersonal. No matter how anonymous online shopping can seem, at the very heart of ecommerce it is still just commerce and at the other end of each purchase is a real human being. Even though they are virtual, these relationships are still very real and incredibly important to the success of any business.

Maintaining consistency and reliability

People have a choice as to where they spend their money; thanks to ecommerce, now more than ever. They want to do business with a company who they feel they can count on and who delivers an unfailing level of service and results. It is imperative to your ability to retain customers and drive return business that your patrons know what to expect and can count on having those expectations met each time they interact with your company.

Avoiding costly mistakes

We have talked so far about keeping up with changes, adaptability, and growth, but it is also worth noting the importance of ensuring consistency and reliability in all aspects of your business. The temptation exists to make constant updates to your ecommerce website, but keep in mind that rolling out new features means taking a risk. You need to make sure that your efforts are calculated and contribute to your overall business goals and objectives. Change for the sake of change will do nothing for the success of your business and will only serve to waste time and drain resources. Customers now have a low tolerance for technical hiccups or gap in the supply chain, so disrupting the steady flow of commerce could cost you dearly in terms of return business. Down time doesn't just cost you money while it's happening; the residual costs from business lost due to inconsistent service and avoidable errors are difficult to calculate, but very real. Make consistency a priority in any changes you make and assure your customers through clear and open communication that the reasons they choose to do business with you will remain, even as aspects of your ecommerce strategy may evolve in the future.

Keeping a consistent voice

Consistency should be a cornerstone of your ecommerce business model, and not just from the perspective your technological capabilities and functionality. Equally as important is the concept of consistent messaging. From your social media presence, to your ecommerce site and shopping cart, through your customer service and follow-up, and even your internal communications; it is helpful to create synergy and clarity through keeping homogeneous tone and voice. This means making sure that all of your communications to customers contains similar verbiage, from assisting with customer issues to your promotional and marketing materials. Again, this is a low cost strategy that will set your business up for success.

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Summary

Ecommerce can be a very rewarding industry. There is huge upside potential and the market is poised for growth. If you are strategic and deliberate in your efforts, it's not entirely difficult to develop a low cost ecommerce platform or drive the cost of an existing ecommerce business down. Planning is the first key; it means doing the market research necessary to understand what your customers want and at what price point they expect it. You should know your competitors well and know your own business even better. Outlining clear goals and objectives will give your planning direction and serve to keep your plans focused and well-anchored to necessary results.

Knowing that the mainstays of customer expectations are saving time, having access to variety, the ability to compare prices, and tangible cost savings will help you develop a truly effective strategy. Your customers and clients are the heart of the business, and as such they will determine your ultimate success – or lack thereof. Design your ecommerce website and shopping cart with the end user in mind and offer simplicity and expediency wherever possible. Be sure to you can offer your customers a secure payment platform, to stave off privacy and protection concerns. As you turn to growing your business and marketing your services online, reach out to potential customers and develop consistent relationships where you know they will be, such as social media. Use free outlets like blogging as alternate ways to boost your credibility and your online reputation.

Take the time to build your ecommerce platform thoughtfully. Make sure you optimize your site to be found by search engines and to work on a variety of devices, including mobile ones. Track and measure your success through free or low cost analytics tools to determine the success of your efforts and your site over time. Make sure your technology is reliable and that all of your tools and partners, from your shopping cart to your payment gateway company, perform reliably without exception.

Finally, play to your strengths. It can feel intimidating, competing with the big box stores for visibility on an even playing field, but for small and midsized business, their size can actually be an asset. Ecommerce tends to be a space that runs lean, with small margins and fierce competition. Remaining smaller and more agile can have a huge impact on a business' ability to adapt to changes, which are rife within the industry. Embrace the more personal feel by connecting directly with customers and clients and giving them a reason to keep shopping with you or using your services. Shopping in an online world can seem impersonal, so the smaller business' ability to build and maintain strong interpersonal relationship can be a huge boon.

With a large portion of planning, a customer focused strategy, and a methodical approach, an ecommerce business has a lot of room to grow and thrive. As you set up your ecommerce platform, take a systematic approach to prevent potentially costly mistakes. It doesn't take an astronomical budget or unlimited resources to develop a successful ecommerce solution. With the right research and methodology, you can develop ecommerce that can grow with your business, serve as a great value add for current customers, connect you with untold numbers of potential customers you would otherwise never have access to, and provide you with a low cost way to offer your products or services in the increasingly popular online space. Most of these strategies involve a free resource, your own ability to plan, protect, anticipate, and respond. Following this simple outline will help you build a solid ecommerce solution with cost saving precautions and a scalable, sustainable framework. Your ecommerce platform should allow your services and dedication to shine. It should be seamless and indistinguishable from your company's mission. When done correctly, ecommerce doesn't have to cost a fortune. It is accessible to small and midsized businesses, and with a little deliberate effort, can be a fantastic source of revenue.

About Peppersack

Peppersack provides digital marketing services to small and medium sized businesses.

Our philosophy is to deliver more expertise at a lower cost by reducing our cost base and spend in the UK and sourcing talent on a project by project basis on the global market.

About Peppersack

Peppersack is a leading digital marketing agency providing SEO and content marketing services that deliver results. Our search engine optimisation services will help to raise your page rank. We deliver proven results in the form of traffic to websites and sales inquiries though integrated inbound marketing campaigns. We make it easy for your potential clients to find you. These services are based on a disciplined approach to research, analysis, business planning and reporting. Support services include content development, social media management and creative design and development.

Contact Peppersack

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