

Creating your first e-commerce site



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Introduction

If you have a business that sells physical goods and that business does not yet have an active internet presence, consider this. In 2008, online retail trade turnover in the US measured somewhere around \$230 billion, which represented some 10% of total US retail sales!

Even with the recent economic downturn, the percentage of retail trade that is transacted online is set to keep growing throughout the commercialized world as the internet becomes more sophisticated and efficient, while 'high street' businesses are constantly on the lookout to expand their customer base still further.

In fact, if you have a real world, 'bricks and mortar' business that is not represented online, there has never been a better time to get your business online. Even if you already have a web site, unless you keep abreast of the latest online business trends and thinking – and you are probably too busy running a business for that – the chances are that your site is not doing what it should do.

What if you are thinking about starting a business that supplies physical goods, but you have not yet done so?

Once again, there could be no better time to think about doing so (and therefore no better time to be reading this book) because despite the phenomenal growth of online business over the past few years, we are only scratching the e-commerce surface at the moment.

There seems little doubt that in the next few years, there is likely to be a global explosion in e-commerce as potential consumers become more accustomed and comfortable transacting business online.

There is an awful lot to think about when you are considering taking your business online, an array of questions and alternatives that you need to address before diving in. This is a given, but it is not something that you need be too concerned about, as I am going to analyze and discuss these aspects of e-commerce as we move through this book.

Let's start by considering why taking your business online is such a good idea, and why there has never been a better time to do so than now.

Why e-commerce works, and why now more than ever...

There are plenty of reasons why starting an e-commerce site for your business makes a great deal of sense for both you and your prospects and customers. There might *never be* a better time than right now.

From your own businesses point of view, if you have a way of enabling customers to transact business online through an e-commerce site, you stand to benefit from many advantages.

Firstly, being able to offer your products online instantly multiplies your market reach beyond your neighborhood or city to take in the whole of the country, or even perhaps the whole of the world.

While there are some potential problems in dealing with the global marketplace – arranging delivery, accepting online payments and things of that nature – these problems are far less troublesome nowadays than they were even a couple of years ago.

Online security is better than ever, so whereas accepting secure online payments for transactions conducted online might have given you cause for concern in the past, it should no longer do so because online payment systems have improved since those times.

Added to this is the fact that global markets are becoming inherently more open, meaning that it is becoming more normal for people to trade across borders. Nowadays, it is not that much more difficult to buy goods from China than it is to buy goods from a town 20 km down the road.

If you are thinking of starting a new business, then cash flow is always an extremely important consideration, and once again, operating an online business has significant advantages over running a business from a high street store or an office in a tower block.

Firstly, in contrast to running a real-world business, you do not need significant amounts of start-up capital to launch an online business. There is no need to rent premises (removing a drain on your income), you do not need bank loans to fund inventory purchase (another cash drain) and staff are for the most part something that other people need to worry about (although taking on staff once your business starts to generate an income is certainly something that you will need to consider).

As a general rule, most businesses that sell their products online will get paid more quickly when they do so than if they were trading locally. This makes a good deal of sense, because in many situations, if you are

dealing outside your locality or even outside your country, you're not likely to release the goods until payment is received, but if you are trading locally, it is probably far more common to extend credit terms to your customers.

All businesses that operate online are playing on an absolutely level field as well. Whether you are the biggest multinational or a small, one person operation makes no difference as far as your customers are concerned.

They cannot have any concept of how big your operation is from your website (as long as it is constructed professionally), and as long as you operate professionally, the size of your business is irrelevant.

This is noticeably different from the way it works in the real world, where customers will often deal with big businesses rather than small ones because of (an often misguided) belief that by doing so, they are getting the best prices and dealing with the most professional operators.

However, it is not only your business that will benefit from your e-commerce enabled website, because as well as opening up markets that you had no way of accessing before, it also makes life far easier for your existing customers.

Think of it this way. If you have an existing customer who is 10 km from your store, is it easier for them to order the products they want online and have them delivered or for them to jump in their car to come and collect?

How about someone who lives 100 km from your store? If you have no e-commerce website, those people are never going to become your customers, because between you and them there are likely to be lots of places where they can buy what they need - but now, they can do exactly the same as your local customers. They can order online and have the goods delivered to their door.

What you are offering to your customers with an e-commerce site is convenience and a high-quality buying experience. You are allowing them to do everything in their own time from the comfort of their home, while also ensuring that they are not put under any pressure to buy by some high-commission salesman.

There is another extremely important aspect to this as well. One of the most amazing aspects of having an e-commerce site is the ability of that site to impact on your sales and marketing efforts almost immediately.

Because web-based sales recognize no national or international boundaries, you can publish your e-commerce site on the net today, and have new prospects approaching you from the other side of the world tomorrow.

Research carried out by [Forrester Research](#) a few years ago also established that setting up and running an e-commerce site is not likely to represent a negative 'drag' on your business. What they found in their research was that:

- 64% of small businesses that were selling their products online suggested that doing so had increased their sales and profitability.
- Nearly 50% felt that having an e-commerce site had actively expanded their market reach and customer base within the USA (and remember, this was a few years ago, so it is likely that this figure would be significantly higher nowadays).
- Three out of every four businesses that were selling products online had seen a significant fall in operating costs because of lower essential administration levels.

Here is why I believe there might never be a better time for starting your own e-commerce website (or upgrading an existing website so that it can offer e-commerce facilities).

With every passing generation, the populations of most developed western countries are becoming more and more comfortable and familiar with the computer as representing the centre of their life.

Because of what is known as the Web 2.0 'revolution', it is becoming ever more common for people to interact (chat, send instant messages and so on) with their friends via the computer, make [VOIP calls](#) to family and colleagues through the computer, and to generally rely on a computer to organize their life.

There is another thing here, something that is very specific to the times in which we live. For most people, life has got significantly more difficult over the last year, and unless there is some worldwide economic miracle very soon, this is not likely to change in the foreseeable future.

In short, there are millions of people all over the world who are struggling financially, and as a result, they are looking to cut costs in any way they can. What better way could there be of cutting costs than buying online, negating the necessity to spend money on gas to get to the store, paying additional mark-ups and so on.

We have already seen from established research that running an e-commerce site helps you to cut the costs of running your business, and

by passing on some of those cost savings to customers, you can provide exactly the kind of service that millions of potential consumers are desperately looking for.

Selling your products from an e-commerce enabled website is the perfect business model for hard times like these, especially if your business is a [B2C](#) type operation that deals directly with the end customer.

However, even if your business is primarily targeted at the [B2B market](#), you can be certain that there are many businesses that are finding times very tough at the moment as well. If you are in a position to offer the businesses that you currently supply (and any new businesses that come on board in the future) improved efficiency and lower prices because you have an e-commerce web site, you can be confident that they are going to be happier dealing with you than they are with any of your competitors.

For all of these reasons and perhaps contrary to popular thinking, I would suggest that there has never been a better time to establish an e-commerce enabled website.

What do you need to launch a successful e-commerce site?

one thing that you do not need in order to launch an e-commerce based business is a great deal of start-up capital. Depending upon the particular type of business that you want to own, it is feasible that a couple of hundred dollars would be enough to get your business off the ground.

However, what you do need to get started is a business idea, and an absolute determination to make sure that your business is a success. In order to be successful, you must be passionate about what you want to do (or indeed, about what you are already doing), and it is absolutely essential that you bring a 'can do' attitude to your business.

It is also important to understand that starting an e-commerce enabled website is a long term commitment in exactly the same way that opening a high street store would represent a long-term commitment.

If you are operating online, you are not paying a monthly rent or employing staff (at least in the beginning), but you must understand from the start that running an e-commerce enabled website is a real business, not something to play with. It is something that you could be doing for many years to come, the basis of a global business empire (yes, really!) and it is therefore something has to be taken extremely seriously from the start.

Hence, commitment and passion is all about finding something that you really want to do, working with something that you will still be happy to work with in 10, 20 or even 50 years.

Ask yourself this before you embark on any particular business venture – is the business that you are thinking about establishing one that you will be happy to pass on to your children in a few years time?

If not, then I suggest that you do not have complete confidence in or commitment to the business that you're thinking about entering. On the other hand, if you would be happy – even proud – to hand your business to the next generation, you are probably heading in the right direction.

What kind of business are you going to establish? There are as many different e-commerce enabled websites out there as there are different stores in your local high street or shopping mall, so what is it you are going to do?

One option may be to build a business around something that has always fascinated you or been a passion of your life. For example, if you

have always been a remote control model fanatic, is there potential for an e-commerce enabled online business based on this? For instance, are people going to be willing to buy RC model parts online, and if so, what is the present market place like?

You might consider setting up a business that is based on what you do at the moment, your current experience and skills. As an example of this option, if you currently work as a nurse and want to set up your own e-commerce site, it might make sense to consider dealing in medical supplies. You probably have connections with suppliers and potential customers already, so it might make sense to leverage what you already know and the experience you possess.

Have you ever been in the situation where you have tried to buy some kind of product online, but have not been able to find a suitable supplier? If so, then there may be a 'gap' in the market that is just waiting to be filled by someone like you.

Assuming that you already believe that you have the personal characteristics to make a new e-commerce based business a success story, the next essential is to come up with a business idea, or a list of potential ideas. With that done, the next stage is to start planning and researching the market.

Planning and research

Whether you are setting up a small business in the real world or doing so online, it is absolutely essential that you start off with a plan. As the saying has it, 'if you fail to plan, you plan to fail', which is definitely a saying that accurately applies to starting your own business.

If you are starting a business online, you have a significant advantage in that all of the information you could ever need is available on the internet, and most of what you need to know is available at no cost.

As you would expect in the planning stage, you need to look at every aspect of your proposed business with a very critical eye because this is certainly no time for 'rose tinted spectacles'. However much you might love to set up a business that panders to your passions, there is little point in doing so if that business has a very limited chance of achieving success even before you launch it. While you might have a passion for Mongolian nose flute playing, you are (unfortunately for you) in a very small, select group of people who are interested in the same topic, and it is extremely unlikely that you would be able to build a viable business around such a narrowly defined interest.

These are therefore the questions that you *must* ask as a way of establishing the initial viability of your idea.

Does this business idea work as an online business?

It is a fact that there are some e-commerce business ideas that are just going to work better than others, and if your idea falls into the category of 'difficult to do profitably', you might be better coming up with an alternative idea. If the business is apparently not suited to the internet and e-commerce, then you're better dropping the idea from the beginning.

Think about any artificial limitations that might be applicable to your business as well. For example, if you are considering launching a business to supply heavy plant and machinery, that business immediately has a very limited geographical appeal because you cannot realistically deliver a crane or a dumper truck to the other side of the world at a reasonable cost. Consequently, by choosing this business model, you have immediately removed some of the major advantages of e-commerce, namely its ability to attract customers nationally or internationally and to do so in an economically attractive way.

There are some businesses like running sports clubs or bowling alleys, amusement parks and the like that are never going to work online. While you could take bookings and sell sports and bowling equipment

and clothing from an e-commerce web site, the basic idea of running something like this does not work online.

Think about your local electricity company. Although they can accept bill payments online, most of them already have perfectly acceptable home delivery systems in place, so there is no scope for expanding their business via the internet at the moment.

You need to adopt a practical approach to your ideas from the beginning. If whatever you want to do is unlikely to be successful, drop it before you waste any more time and effort.

Study the competition...

Most people who are planning to launch an e-commerce based business probably think that they have come up with a completely original idea, but in truth, it is highly likely that other people have got there before them no matter what your idea is.

However, you should not necessarily view competition as a bad thing, because without competition, you would not be able to establish what works and what doesn't. The problem with being the first into a particular market, a pioneer, is that you are the person who is going to make all mistakes. On the other hand, if there are other people already on the market, they have made the mistakes for you, so you should be grateful for competition.

Competition also indicates that there is money being made in the business in which you are interested, and that is an extremely important consideration. While you do not want millions of competitors, because that might make entry into the market extremely difficult, if there are other people already doing what you plan to do, then you know that you are on the right lines, as there is money being made.

If you were to open a business in your local shopping mall, you would look at other competitors who are operating in the same local market, but if you want to start an online business you have to look at competition on a much wider scale. There are probably people in your business already operating all over the world, and you need to know what advantages and disadvantages each of those businesses has.

Research and analysis of what other people in your business are doing online is absolutely essential. While it might be a time-consuming process, it is necessary and time that is very well spent.

Imagine for example that you are thinking of starting a weight-loss industry business, so you want to research what other companies in the same sector are doing. You type the name of a well-known weight-loss

product like 'hoodia' into Google to see how many web pages there are that feature this particular word:

Results 1 - 10 of about 14,000,000 for hoodia.

There are 14 million web pages that feature 'hoodia', and while many of these will not be pages from companies who are supplying hoodia based products, many pages are. These companies represent direct competition in your market, so find those companies whose names come up most regularly, and study their websites.

Look at the product range that a potential customer can access through their site, the kind of prices they are able to offer, what delivery terms are available and whether they are running any specific promotions.

Take the domain name URL of the top rated companies in your market and search to see what other information is available about those companies. This might help you to find out how they operate, who their target audience is, whether people are happy about dealing with them and the like.

Remember that the internet is a largely democratic place where people can say (or write) pretty much what they want about other net users, so you will find other people commenting and reviewing your competitors, highlighting both the good and the bad.

From this research, you should be able to establish one very important thing.

You already know that if there are competitors in the market, there is money being made, but your research should highlight the weaknesses of many of your potential competitors.

This is crucial because what you should be looking for is a point of advantage or a unique selling point that you can use to differentiate your business from the competition.

As a newcomer to the market, you have to be able to demonstrate to potential customers why dealing with you is a better option than dealing with more established competitors. After all, if there are already e-commerce enabled sites in the market in which you hope to make an impression, those sites already have customers.

Your job is to convince as many of those customers as possible to switch their business to your site, but you have to give them a concrete reason for doing so. Human nature dictates that people do not change unless for a very good reason, so you have to supply that very good

reason, which is why you need a unique selling point that no one else in the market is currently offering.

It could be something as simple as free delivery if no one else is already doing this, or even if your competitors are already offering free delivery within 100 km of their geographical location, you might consider extending your free delivery boundary to 200km or even more.

Perhaps you could offer bonus products to customers who spend a certain amount of money, or offer long-standing customer loyalty bonuses.

Although having competition is a good thing, you have to differentiate your business in some way in order to be successful.

The practicalities of running an e-commerce site...

Online businesses operate 24/7, 365 days of the year. You have an immediate advantage over real-world businesses that are only capable of operating their businesses during normal business hours.

However, running a business 24 hours a day every day makes significant demands on your time, and depending upon those demands, you might need to seek assistance to make sure that the 'always available' nature of your enterprise doesn't swamp you.

For example, because your e-commerce site is always available, you may have new customers from the far side of the world that place orders while you are asleep. How are you going to dispatch goods, and how soon after payment is confirmed will those goods go out?

Most importantly, who is going to deal with it?

As your business develops, you would probably want to add products, new offers and the like to your site. Internet technology is always changing, and you might therefore want to include new features on your site from time to time as well.

Who is going to handle all of this?

The natural reaction when you are first starting out is to imagine that you can do everything, but in reality, it is impossible for one person to do everything. You will quickly find that you are buried under administrative tasks that make no money, whereas you should be focusing on sales and marketing.

For this reason, you should consider the requirements of your business, and then look at the practicalities of either finding people who can handle the day-to-day running of the business for you locally, or look at outsourcing through a site like [Elance](#), [Get A Freelancer](#) or [Guru.com](#).

The advantage of using outsourced workers is that you only pay them for the work they do and you only need them when there is work to be done. Consequently, using outsourced workers tends to be cheaper and far more flexible than employing your own people.

However, when you find good outsourced workers, try to build a long-term relationship with them, because doing so means that you have people available who understand your business and what is required of them, whenever you need them.

Your audience is who?

You must define your target audience, because knowing whom you are selling to will to a certain extent define how you operate.

For example, if your business is selling school supplies, then your target market is school administrators and boards. Your website would be created to appeal to people like these.

If you manufacture heavy-duty cold weather clothing, then you are going to have a very limited market in the tropics, so this would define what parts of the world you target your marketing at.

If you know who you are selling to, it becomes far easier to do so effectively. Defining your target market is therefore essential.

How will you deal with these people...?

Rather than trying to define a target market by requirements, you can do so by simply deciding that you want to limit the geographical reach of your business. For example, if you are running a US – based business, then you might decide only to deal with US citizens so that you always get paid in dollars.

However, to some extent this defeats the object of setting up an e-commerce site that otherwise has access to a truly global marketplace. It is also a very narrow view – how do you know whether your best customers are likely to be US citizens, when it could be people in the UK, Australia or mainland Europe, for example?

Dealing with customers overseas raises additional questions, such as how are your overseas customers going to pay you, and once they have done so, how are you going to ship their goods to them?

However, these are not major considerations, because there are plenty of solutions available already, and there are more solutions coming to the net every day.

For example, most US banks will accept credit card charges from overseas, and online payment processing companies like [Paypal](#) and [2CO](#) operate on a pan-global scale without restrictions.

Furthermore, most e-commerce sites use an online shopping cart to make buying a more convenient experience for customers, generally integrated with a suitable merchant account. This is something that we will look at in a little more detail later, but suffice to say that it is nowadays easy to integrate many of the necessary logistics under one heading, so this should not be a primary concern.

Shipping charges...

Most e-commerce businesses that have a major problem do so because they did not fully appreciate how much of an effect shipping charges can have on their bottom line.

Far too commonly, a customer will find a suitable e-commerce site offering exactly the product they are looking for at a fantastic price, only to discover that the shipping charges quoted are so high that they remove any cost advantage of buying from that particular business. Consequently, they cancel the whole transaction seconds before they are due to make payment, and turn to the Yellow Pages to look for a local dealer instead.

All too often, this happens because online merchants get greedy. They offer attractive discounts on products they list in their online catalogue, only to try to get back some of the money that they are 'losing' by offering a discount with an artificially inflated shipping charge.

This is not going to work, because most national delivery services (US Post, The Royal Mail etc) and international courier companies show delivery charges on their websites, and if you can see those charges, so can your customer. It is very easy for them to see whether you are 'cheating' on delivery costs, and if you are, that is your business relationship with the customer concerned at an end.

It is in the interests of the long-term future of your business to find the most economical and reliable way of delivering your goods to your customers, and you should never try to grab an extra few cents here and there by inflating delivery charges. Do so and you will lose far more than you could ever gain.

You need a customer service policy...

Before you start, you need to know what level of service you are going to provide to your customers, because providing customer service is resource heavy and labor-intensive.

For instance, many online businesses provide 24-hour customer service 'chat lines', and because this is becoming the norm rather than the exception, it is something that your customers might expect. Looking on the bright side, providing on-call 24 hour customer support could be

the unique selling point you are looking for, so this may be a silver lining in what might appear to be a cloud on the horizon!

Nevertheless, if you want to provide this level of customer service, you are going to need other people to help you. Although this work can be outsourced, you need to know what you are going to offer and how you are going to handle it before you start.

Do not fall into the trap of underestimating the importance of customer service, because when you make a commitment to a certain level of service, this is exactly what your site visitors, prospects and customers expect.

If you state on your site that you have a 24-hour chatline, then people must be able to get through on that chatline 24 hours a day. If you state that every e-mail will be answered within six hours, then that has to be what happens.

Making a commitment to a certain level of customer service, and then sticking to what you have promised, is crucial, because there is nothing more likely to turn potential customers off than a company that does not supply the level of service that they promise.

Whatever you promise must be fulfilled, and you have to factor the necessary resources to make sure that this happens into your initial plans.

Before you start building your site...

With your business idea and detailed plan in place, you are nearly ready to start building your e-commerce site. However, the operative word here is nearly, as there are certain steps that you need to take before you can start the site building operation.

The first thing that you need if you are starting a business for the first time is a domain name under which your e-commerce site can be built. Most importantly, this must be a domain name that is related to the business that you are about to launch, because by having a domain name that is related to your business, you are doing something that is search engine friendly, and this is extremely important and advantageous.

You will no doubt have used a major search engine like Google, MSN or Yahoo yourself, and you will therefore know that when you type in a particular search word or phrase, the search engine presents you with a page of results that are related to that search term.

In order to do so, the search engine algorithm tries to find individual web pages or advertisements that feature the same phrase you just used to search. In online marketing terms, the search engine looks to match [the keyword terms](#) that you have used when building your site to the search phrase, and the domain name of your site plays a very important role in this.

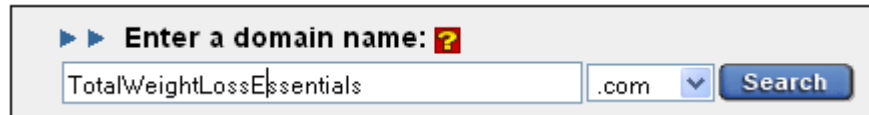
So, you need to register a domain name that either matches the name of your business or one of your main [keyword phrases](#), to help the search engines find your site.

However, because domain names have to be unique – there is only one Google.com or Yahoo.com – you should try to create a short list of half a dozen domain names that match your business in this way.

Once you have done this, you need to check the availability of these names using a domain name registry company such as [The Internet Company](#).

Continuing with the earlier idea that you are creating a business that is going to attack the weight-loss product market, let's imagine that you have decided to call your business 'Total Weight Loss Essentials'. This should be a good name, because it tells prospects and customers exactly what you do, it is easy for them to remember, and it contains weight loss related keyword phrases such as 'total weight loss', 'weight loss essentials' and 'weight loss' itself.

So, is this available as a domain name (always use a.com is possible, because it is still the default that people choose when they search by domain name from memory):



Click the blue 'Search' button to the right-hand side to check whether this is available:



Great, it is, so go ahead and register it.

The next thing you need to do is set up a web hosting account, an account with the company that will rent you a space on their servers (internet connected computers) where you can 'house' your site to present it to the world. There are dozens of web hosting companies, but amongst the best in terms of service provided and monthly hosting fees charged is [Hostgator](#).

In particular, their \$7.95 'Baby' account offers outstanding value, and as basic shared hosting is all you need to get started, this will more than suffice.

There is one other extremely powerful reason for using Hostgator called a cpanel, but this is something I'll come back to.

Now, you have a domain name registered through one company, and web hosting set up with another. You therefore need to tie the two together by changing the DNS, and while this might sound a little complex, there are detailed Flash video instructions about how to do this roughly two thirds of the way down this [Hostgator support page](#). While there are no specific instructions relating to The Internet Company, changing the DNS is fairly generic, so check any of the available video tutorials, and you should be able to do the job pretty quickly.

It will take anywhere between 6-48 for the DNS changes to take place, but all you can do now is wait for it to happen. Once it does, you're ready to start building your site.

General e-commerce site guidelines

Before beginning to consider the specifics of creating your e-commerce site, you need to understand a little more about what your customers will be looking for when they visit. In essence, if you know what your customers want, then you can give it to them, which makes it far more likely that they will do business with you.

For the majority of people who spend money online, there is one factor that of all else dictates sites they buy from, and which they don't. More than anything else, they want simplicity, and therefore ease of use and convenience.

While many new online entrepreneurs might be tempted to try to create an all-singing, all-dancing website that is flashy and complex, that is not what your customers are interested in. They want to know what you have to offer as quickly as possible, they want to know why they should deal with you, and finally, they need to know how they can do so.

It is important that the design of your site and the content on your homepage should grab your visitor's attention, but it must do so in a positive way. It must be easy for visitors to navigate from your homepage to your internal pages (it should never take more than three clicks to get from the homepage to any page on your site), while getting back again must happen with one click.

Also, make sure that all of the information on your site is presented to your visitors in language that they will understand, rather than in business jargon. Again, it is all about making it easy for your visitors to use your site.

Give details on the homepage of who you are and what your business does. Make sure that the home page has a clearly evident site map, as well as links to other important internal pages such as your FAQ page, details of payment terms, delivery conditions etc.

You will need to have a catalogue of the products you supply somewhere on your site, and each of those products will probably have its own individual page so that you can give further information about what they do, why they are beneficial for the people who use them and so on. Once again, links to your catalogue should be clearly highlighted from your homepage, and each of the individual product pages should be linked to the short product description on your catalogue page.

If you are providing a 24-hour customer service chatline, then you should feature the chat utility on the homepage, as well as further contact details such as an e-mail address, telephone numbers and so on. Incidentally, if you list telephone numbers, I would advise that you

also include an indication of your time zone to deter people from calling in the middle of your night (especially if you're working from home).

It's always a good idea to include images on your site, because images break up large blocks of written text. This makes each page of your site easier on the eye, which in turn encourages people to keep reading. Images also encourage people to do business with you, because pictures of products on the individual product pages give potential customers far more idea of what it is you are selling.

Keep each individual image file size as small as possible, because the larger your graphics are, the slower your site will load. While this may not be a significant problem for anyone who has a reasonable internet connection, a slow loading site could be the reason why people who are still using dial-up net are not going to buy from your site.

Every page of your site should have a consistent look, so if your homepage uses specific header and footer graphics to give the page a certain appearance, every other page on your site should match that look. This is important, because a consistent appearance encourages your visitors to browse around your site without really noticing that they are doing so.

If however every page looks different, then this has an adverse 'jarring' effect which is likely to encourage visitors to leave rather than stay.

Site creation...

With some essential basics of e-commerce site design out of the way, you're ready to move on to the process of designing and creating your e-commerce site.

The first thing to say is that unless you are very proficient in HTML coding and design, building your site from scratch is probably not something you want to get involved in. Doing things this way is going to be a long and involved process, one that is likely to prove frustrating and difficult.

If the time that it is taking to do the job does not dissuade you from pursuing your goal, the frustrations that you suffer on the road to doing so may very well blow your e-commerce idea out of the water before it is ever even launched!

It is far easier and quicker to put together a list of what you want your site to do, how many pages you want it to have in the beginning with a list of products that you want to sell, so that you can submit the whole thing to a professional website designer. Having a site designed from scratch should not cost more than a couple of hundred dollars, which is money extremely well spent, because it frees you up to do things that are more likely to make money for your business.

An alternative would be to use a website template which you would then need to modify and alter to suit your own requirements. Doing this is not as difficult or time-consuming as designing the whole thing from scratch. Furthermore, as long as you have an easy to use, visual WYSIWYG ('What you see is what you get') HTML editor like the free [Kompozer](#), you should be able to edit the template itself, which saves the design fee.

There are dozens of places where you can find free templates, starting within the cpanel of your Hostgator web hosting account (this will probably also apply to any other web host who uses a cpanel, but as every individual host is different, you would need to check).

When you open the cpanel (= 'control panel'), it will look something like this:



Towards the middle right, you will note a link to 'Website Templates' (1), while on the left, you have a couple of simple site builder programs (2).

Hostgator lists templates in a couple of hundred different categories, so no matter what kind of site you building, there is likely to be something that you can use:

Categories

- Accommodations
- Accountants
- Advertising
- Animals & Pets
- Antiques and Collectibles
- Appliance Store and Services
- Architecture
- Art
- Assisted Living Centers
- Auto Dealers
- Automotive
- Beauty Salons
- Blinds and Curtains Installation
- Boats & Yachts Charters
- Book Stores
- Building Contractors
- Business
- Cafe and Restaurants
- Camp Grounds
- Camping Stores
- Cell Phone Equipment
- Children
- Children's Parties
- Chiropractic Services
- Cleaning / Maintenance
- Clowns

Quick Search


Category: Templat

Type:

Designer:


Free website templates are available to all HostGator Web HostGator account? [Sign up](#) to recieve access to all these reliable web hosting and 24/7 support.

0 - 9 of 4450 [Next](#) > [Last](#)
4450 web templates were



Category:
Hosting

Template Type:
Website Templates



Category:
Art

Template Type:
Enhanced Flash Templates

This does not necessarily mean that there will be something that is to your taste, but there are plenty of other places where you can find free e-commerce templates. Try searching Google for 'free e-commerce templates' and you will find sites like this one that [lists 35 templates](#) any of which you can download completely free.

You can also find over 2000 no-cost website templates on the [OSWD web site](#), and while these are not specifically e-commerce templates, you should be able to modify anything you really like to suit your requirements easily.

Using templates in this way makes creating your site a whole lot easier, but there is a one disadvantage. You are not the first person to have chosen the template that you are going to use to promote your business, so there may well be other businesses in your market that have an e-commerce site that looks like yours. However, the more modifications you make to the template, the less it will look like other

people's sites, so it really is your decision to decide how much work you want to do on it.

Once you have got the site design the way you want it, the next step is to start populating that site with content. In simple terms, content is the information that you provide on the pages of your site, and it is important to understand that while many people might be looking at your site with the intention of buying the product you offer, still others are looking for information.

However, these people who are looking for information are also prospects for your business (they are reading your information, right?), so providing information is extremely valuable, as it will attract a continual stream of new prospects.

You should populate your site with articles about your business which focus on keywords, the latest news from your industry and any other information that would be relevant to the kind of people who are going to visit your site.

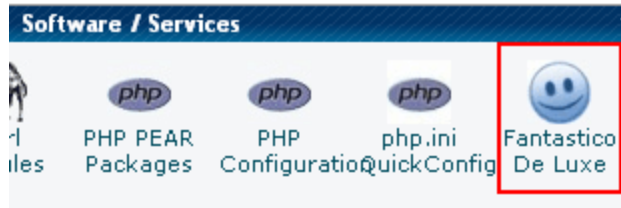
Sometimes, you may have the time available and the inclination to create articles of your own, but if not, there is nothing to stop you downloading appropriate articles from directory site like [EzineArticles](#) for re-publication on your own web pages. As long as you leave the original author's information attached to that article, this is acceptable and within the rules of using the EzineArticles site.

Similarly, you might want to add video materials to your internal information pages, because net users are becoming increasingly familiar and comfortable with absorbing information from videos. You can look at sites like [YouTube](#) to see what videos might be appropriate to your market, and add them to your site.

You need to have your product catalogue, within which each listing is linked to an individual product page. From these individual product pages, you must allow your visitors to add products to their shopping cart before checking out.

You need a shopping cart. However, your trusty cpanel can come to the rescue once again!

Scroll to near the bottom of the cpanel page, and under 'Software/Services', you'll see the icon for 'Fantastico':



'Fantastico' is a suite of software programs that are already installed on your web hosting account, so that all you needed to do is activate the programs you want to use. Click on the 'Fantastico' link to be taken to the list of programs available, scroll some way down the page and you will see a list of the 'E-commerce' programs that you can install on your site with no more than two or three clicks:



All of these programs can be installed on your site completely free (although [Cube Cart](#) is only free for a 30 day trial period), and each has their own strong points and weak points.

However, by preference, I would recommend that you consider [Zen Cart](#) for several reasons.

First and foremost, this is a shopping cart that I've used on many occasions, and so far, it has never let me down. It is elegant and simple to use on your side, while it is also straightforward and efficient on the client side.

Using Zen Cart also has another significant advantage. If you look on the '[Recommended Services](#)' page, you will see that they already have certain merchant account companies integrated into the shopping cart system:

Payment Processing

Getting paid for your services and merchandise is one of the most important aspects of setting up your business. The Zen Cart™ team has sought out some of the most reliable payment services and built payment modules for them right into the shopping cart. All you have to do is choose the program or programs best suited to you.

North American
Merchants
[Click Here](#)
for payment
solutions

Choose a merchant account from leading providers.

International
Merchants
[Click Here](#)
for payment
solutions

Apply for your merchant account and start accepting
credits cards from your web site.

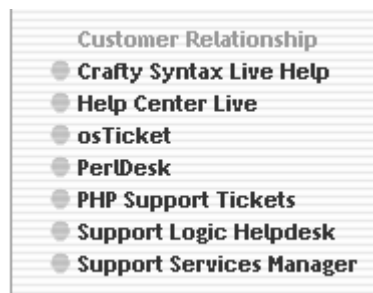
While there is no guarantee that the individual merchant account company will accept your application (although one of the recommended payment solutions is a [PayPal business account](#), and they are not likely to decline your application), having the two sides of the financial area of your business tied together will certainly make things a lot easier.

Zen Cart is also tied in with a couple of shipment handling and storage companies as well, so you can even integrate your shipping and delivery requirements with your shopping cart and payment processing system as well.

I would also suggest that you look at all three options to see which is the most suitable for your own requirements.

Incidentally, another combined shopping cart, payment processing and marketing resource that is well worth considering can be found at [1 Shopping Cart](#). This is a very powerful solution that is often favored by online marketers because of the range of services packaged together, so I would recommend that you take a look to see whether what this company has to offer matches your requirements better.

Using the cpanel can also satisfy most of the other requirements you have for your site. For example, if you want a 24-hour chat utility, then you can use either [Crafty Syntax](#) or [Help Center Live](#):



These are both excellent programs, so I would recommend that you check out both to see which is most suited to your requirements.

Most professional online businesses nowadays use a support ticket system for online queries that cannot be dealt with by a chatline operator, and the cpanel offers various helpdesk options.

Adding a degree of interactivity to your site is also a good idea, because doing so enables you to build a community that is centered on your business and the products that you supply. If you involve yourself in this community on a regular basis, this enables your customers to get to know you better, and that goes a long way to ensuring that they will continue to do business with you in the future.

You can do this using cpanel, either by installing a [WordPress blog](#) on which you can publish the latest news from your company, or by installing a forum where not only can you chat with your customers, but they can also send messages to one another.

Interactivity is becoming an increasingly important part of online business websites, so building this feature into your site from the beginning is a very powerful strategy that will assist your long-term business building efforts enormously.

Once you have built the shell of your website and added suitable content to it, all of the business functionality that you need to turn that site from being something that is a simple source of information into one where customers can get involved, meet other customers and buy products that they want can be added by using the cpanel and the programs contained therein.

Product sourcing...

As previously suggested, you will be approaching the idea of setting up your e-commerce website from one of several different positions. The work that you have to put into finding suitable sources of products that you want to supply to customers will to a large extent depend upon your background.

For example, you may already have a business that operates in the real 'bricks and mortar' world, and your move into e-commerce is an extension of your existing business rather than a completely new venture. In this scenario, you probably already have suitable suppliers for the products that you want to start selling online.

In a similar manner, if you are coming from a particular occupation and you plan to use your previous knowledge and experience as the basis of your e-commerce business, then you probably already have suitable suppliers that you can source products from.

The third possibility is that your new e-commerce venture is a 'green field' opportunity, something that you have never been involved in previously but want to be involved in from now on.

If you boil down these three different options, you have two possible sourcing situations. You either know where you can get the products that you want to supply from your e-commerce site, or you don't.

Let us consider each of these in turn.

The first of these situations would at first glance appear to be very straightforward. If you already know where you can source the products that you want to supply to your customers via your e-commerce website, then that would appear to be 'job done', but is it?

While you are dealing with your local neighborhood or city, you are working within an environment where prices across the region do not tend to vary very much. If you buy a pizza from a fast-food store on one side of your city, the price is not going to be very different to that in a similar fast-food place on the opposite side of town.

Consequently, anyone who is a product supplier in that region is going to base the price of his products on what is acceptable to the retailer, who bases their judgment on what the customer will pay.

You can see this any time a new supplier moves into an area where they have not previously operated, and seriously undercuts existing suppliers. A percentage of businesses will switch to that new supplier, because they are trying to carve themselves a niche in the market based on price.

They have shaken up the 'cozy cartel' of suppliers who were previously happily working together to keep prices reasonably stable.

Whoever they are, the supplier that you are currently working with probably fits into this 'cozy cartel' picture. Most importantly, there is no guarantee that the prices they are charging you are competitive on anything other than a local or regional basis.

However, by moving online into e-commerce, you are presenting your business to all parts of the world, and you can guarantee that in other parts of the world, the prices that your supplier is charging to you would seem scandalously high.

Although you have a supplier already organized, you do not know how competitive you are going to be if you continue to pay the prices that they are charging.

If you want your e-commerce business to be truly able to compete on a national or global stage, you must have suppliers who can provide the products you need at prices that enable you to be competitive throughout the area from which you hope to attract new custom.

In short, although you may already have suitable suppliers in place, by using them, you may be limiting your ability to expand your business because your prices are going to be too high in other parts of the country or in the world.

Added to this is the question of shipping or delivery costs. Even if you are paying a very good price to your supplier, if you are in one geographical location and a new customer approaches you from several thousand miles or kilometers away, shipping charges become a significant consideration. Indeed, as suggested previously, many e-commerce businesses flounder because they build their business on the idea that they are going to use local suppliers and ship their products halfway across the world, without paying sufficient attention to the cost of doing so.

The bottom line is, if you want to maximize the profitability of your e-commerce site, you might have to reconsider your sourcing options.

Then you have the other scenario, where you have an idea of the kind of business that you want to run, but little or no idea of where to find the products that will enable you to do so.

In both cases, you therefore need to consider sourcing options. Let us consider a few ways that you can do this now.

Using drop shippers...

A drop shipping company is one that buys products in huge numbers, and then stores them in a warehouse somewhere. Because they are

buying in bulk, they get the best prices per unit on every individual product they buy, and because they often own their own warehousing facilities, storage costs are fairly limited as well.

While some drop shipping companies specialize in particular types of products (e.g. household electrical items), many will buy almost anything, with the vast majority of products (if not all) being brand new but surplus to requirements. For example, many drop shippers buy government surplus equipment and products.

Consequently, almost irrespective of the business you are in, there will be a drop shipping company somewhere that has products that are relevant to your business.

If you want to work with a company like this, this is how it happens.

You advertise a particular product on your website, one that you know a drop shipper somewhere is holding in stock. You find a customer for this product, the customer pays you for it and you then transfer a proportion of that money to the drop shipper to buy it from them on the customer's behalf.

The drop shipping company then delivers the product directly to the customer, meaning that you never hold of the products in stock nor do you have to get involved in delivery.

The price the customer paid is higher than the drop shipper is charging you, so the difference represents your profit.

The advantage of this is that there are drop shipping companies all over the world, with a simple Google search for 'drop shippers' turning up companies in the USA, Australia, the UK and mainland Europe. If you can read Japanese or Chinese, you will find many drop shipping businesses there as well.

If you have customers in these countries, you can use drop shipping companies to supply products to customers in the same country. You have minimal involvement in the logistic arrangements, and there is no necessity for you to carry inventory at any point either.

The disadvantage of this approach is that the products offered by drop shipping companies are generally dependent on what they can obtain, and it can therefore be difficult to supply a consistent stream of the same products.

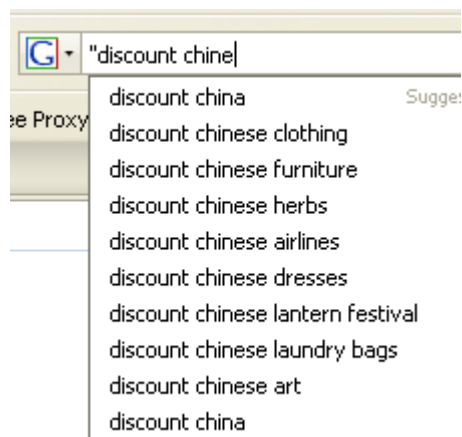
Furthermore, because you are dependent on the drop shipper for the contents of your product catalogue, that catalogue could become immensely complex if you are supplying one type of product in Australia, a different type of product in the USA and something completely different in mainland Europe.

Having said this, using drop shippers does have significant advantages, so it is something worth considering.

Buying in bulk overseas

Another option to consider is whether you can buy the products that you want to supply in bulk from countries where manufacturing costs are considerably lower than they are in the developed industrialized nations of the West.




For example, if you use the [Google search suggestion tool](#), and start to type 'discount Chinese' into a standard Google search, you will see that Google has plenty of suggestions about the kind of products that you can buy in bulk from China at a discount:






Try looking at [Alibaba.com](#) as an example of the kind of products that you can find and add to your catalogue for supply to your customers:


All Results [Find "Digital Cameras" in Promotions](#)


Select to [Contact Now](#) [View gallery](#) Page 1 of 248:


 **100K MINI camera**
 Dimensions:76*50*22mm, Image Sensor:100K pixels,Storage Capacity :18-160 Photos...
[DEPO MFG. Corp., Ltd.](#) [Verified Member]
 Gold Supplier  Company Video
[14 Matching Results](#)


China
US\$100~100000
Min. Order: 1000 Pieces

 **Digital Camera(WT2214)**
 300k CMOS sensor digital camera...
[Wellturn Electronics Co., Ltd.](#) [Verified Member]
 Gold Supplier
[15 Matching Results](#)


China
Min. Order: 1000 Pieces

 **8.0 Megapixels digital camera(TDC-8803)**
 8.0 Megapixels Interpolated to 12Megapixels
 Digital Camera with 32MB flash memory
 2.5"LCD, 8X Digital Zoom, L-ion battery...
[Shenzhen Aomeijia Technology Co., Ltd.](#) [Verified Member]


China
Min. Order: 500 Pieces

Buying in bulk has a significant advantage in terms of price, but the downside is that you have to buy thousands (or at least hundreds) of whatever you want to supply in order to take advantage of the lowest prices.

Nevertheless, the savings on offer could make this worth it if you work in association with an order fulfillment company. Companies like these provide warehousing space where you can store the bulk order that you have just bought and also delivery services so that the products can be delivered in small numbers to customers or sometimes other businesses.

You do not need to stock the inventory itself and the logistics of getting the product from your warehouse to the customer can be dealt with by the fulfillment company. In addition, many fulfillment companies will provide other back office services as necessary to help you to control your stock and to run your business.

Some companies like [ShipWire](#) (the fulfillment house that is integrated with Zen Cart) have warehouses in many countries (in this example, USA, Europe and Canada), so you can achieve significant geographical

reach by using just this one company. However, you can find many other similar companies by running a Google search for 'order fulfillment' or 'order fulfillment services'.

Order fulfillment and your own products

If you have your own products or plan to offer a range of products that cannot be easily sourced elsewhere, you might also consider using an order fulfillment company as a way of expanding your business into other countries.

In this scenario, rather than buying your products in bulk from China, you would send your own products to appropriate order fulfillment facilities for onward transmission to customers in that part of the world.

However, even in this scenario, in order to achieve economies of scale that will make a significant difference to your 'balance sheet', you are going to have to ship the products that you are supplying to the order fulfillment house in bulk. Anything less and it will adversely affect your profits.

After this comes marketing...

The final thing that you need to give consideration to is how you're going to market your site. It is essential, because even if you have the most attractive site in the world, and your product range is breathtaking beyond belief, you're not going to sell anything unless potential customers can find your website.

In the same way that we worked our way through how you would plan your business in the earlier part of this report, you need to have a marketing plan in place before you start the whole business development process. There is no sense in plowing ahead with the development of your business, the creation of your website and finding suitable products that you can promote from your e-commerce site, if you have no idea how you are going to promote it once you have done all of it.

Fortunately, there is no shortage of information and advice about how to promote and market an e-commerce web site on the net.

Consequently, instead of regurgitating what you need to know, it is easier for you to follow these links directly:

<http://www.businesslink.gov.uk/bdotg/action/layer?topicId=1075384972#>

<http://www.ecommerce-digest.com/internet-marketing-plan.html>

<http://www.plonka.com/website/contents/buildit.asp>

<http://www.access-ecom.info/article.cfm?id=53&xid=MN>

<http://www.webpractices.com/ebizstrategy.html>

Conclusion

This report has taken you from the very beginning of the e-commerce website journey, and along the way has highlighted the essential elements of an e-commerce business plan, demonstrating what you should and shouldn't do when you are building your website and how to find products that you can sell to turn your e-commerce dreams into a reality.

As I hope is clear by now, starting an e-commerce business is not difficult, but it does require a good degree of application and commitment. You have to be willing to put in the initial work, because if you do not, it is inevitable that your business will be built on foundations that will be shaky at best.

It is also important that you bear in mind that the whole thing is a step by step process, and you should not be tempted to try to shortcut or bypass any individual step of the process. Once again, doing so would endanger the whole of your business operation, and for the sake of a little additional time and effort, this is really not a chance that is worth taking.

The bottom line is, with all of the information, tools and resources that have been presented in this report, there is absolutely no reason why you cannot set up a successful e-commerce business starting right now. If you have read this far, you clearly have the determination and the willpower to carry this thing through, and you now have all the information that you need to enable you to do so.

Action is the key to taking your e-commerce plans to the next level, and there will never be a better time to start taking action than right now!