

Market Research Report



E-Commerce

CREDITS

This report is provided by the Kutztown University Small Business Development Center.

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E-COMMERCE

There are numerous services available to assist in developing a ecommerce presence for your business. When considering what solution will best fit your needs, there are generally some questions that will help you narrow down an option for you.

Time: Time is a major concern because there is a limited supply of this asset.

Development: Consider how long it will take to get the ecommerce page up and running. Some third party e-commerce platforms like eBay can have you ready to start selling online within minutes. Professionally developed sites can take a few weeks or even longer.

Photography: Beyond getting the site technically ready to handle e-commerce transactions, time and energy must be spent to prepare the inventory to be displayed and sold online. This means that accurate and detailed descriptions of the product must be developed. Quality photography is critically important when selling online. Some items that are common like coffee beans do not require the same level of photography as unique items like jewelry do. Consider the products you intend to sell online and invest in photos that match the expectations.

Website traffic: Building and maintaining your own website for e-commerce can help build a strong brand identity in the mind of your customer. By keeping them on the site through the entire e-commerce transaction, your site is highly visible. There is considerable cost associated with doing this, however. Beyond the security and maintenance issues discussed in the next section, there are concerns about website traffic.

Many small websites have minimal traffic which makes it hard to generate significant online sales. Websites like eBay and Etsy have built in searches and users of those sites are using those services to locate and purchase items. It is like locating in a shopping mall that has significant foot traffic. Not everyone is there for your store but they are usually there to purchase something. Being in that space can make your store more visible than if it were isolated.

Trust: Building on the security issue, trust is important in creating smooth online transactions. Having a third party process your financial transactions can help build trust, particularly for first time online customers. Sites like Amazon can make this process easy, but it does come at a cost. Customers may view online retailers that transfer to third party vendors for transactions as small and untrustworthy. Additionally, third party processors carry higher per transaction fees.

ADDITIONAL MATERIALS

Selecting an eCommerce Platform for your Online Store

<http://www.forbes.com/sites/elandekel/2012/11/27/how-to-set-up-an-online-store-part-1/>

<http://www.forbes.com/sites/elandekel/2012/11/30/how-to-set-up-an-online-store-part-2-2/>

How To Choose the Ecommerce Platform for Your Small Business

<https://www.kabbage.com/blog/how-to-choose-the-ecommerce-platform-for-your-small-business#>

Amazon's Webstore

<http://webstore.amazon.com/>



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Helping businesses start, grow, and prosper.

Report

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