

Things I wish I knew before starting an e-commerce business

by: www.techglimpse.ph

Running an e-commerce business is not as easy as it may look. Most people would probably think how hard can it be? setup the website and wait for the sale to happen, that's what I thought at first! I am no expert with e-commerce, I am still learning everyday but I'd like to share some of the struggles and success I've encountered running an e-commerce business.



Not so common sense problems:

Products

How would you write a creative description for each product? In our case how creative can you be making a description for an item like a ballpen and a notebook?

Inventory

For some reason the virtual inventory and physical inventory never matches. It's not like a retail store where you can't over sell since you only sell what is available. Oh and don't forget uploading the inventory is not a one time thing, restocking online is another headache.

Size chart

If you are selling clothing apparels then including the measurement of the apparels would really come handy. Remember the customers can't try on the merchandise the best they can do is rely on small-medium-large- extra large. If you cater to international customers you might even get inquiries if the clothes you sell are US or Asian size.

Weight and Measurement

Did I not tell you that for online items you also need to measure the weight and

dimension of the item? This would be needed for your shipping partner to calculate properly the shipping cost of each transaction.



Customer complaints/inquiries

When will I receive my item?

Apparently customers think that our shipping is powered with air drones, and they expect the item to receive asap even if it is clearly stated in the FAQ of your shipping terms. Customers actually understand that shipping is not instant, but all they want is to inform them when they can expect the package to arrive. Remember to always give buffer when informing them about expected date of arrival.

Out of stock

How do you explain to the customer that the item they bought online is out of stock? I guess the best you could do is don't put your actual warehouse inventory to your virtual inventory, give a buffer.

No shipping fee/Technical errors

For some reason you might encounter a technical problem where the shipping fee was not charged to the customer, so how do you charge for the shipping fee? You can't just ask money from the customer online and as much as possible you would want to refrain from giving refunds since the transaction was already made.

How do I order?

One of the most common issues, even if the "add to cart" button is dominantly visible in the page, we still get inquiries on how to order. Some would even prefer with just sending us their order thru PM/Email.



10 key learnings

1. Online customers are more demanding since they can't see the actual product or feel the product
2. Find out the best traffic source for you website. At first I thought that our Facebook page was driving the most traffic but when I tried exploring twitter it actually doubled our traffic despite it having a small following.
3. It's only in the Philippines that the delivery address might be a bit confusing which may lead to delay in shipping. To prevent this, when you notice that delivery address is incomplete, immediately ask for the full address.
4. Cheaper price is never a unique selling point for e-commerce, there will always someone who will be cheaper and bigger especially since you can easily compare prices online
5. Cross selling, whether this is selling something similar to the product or a product he/she has never bought
6. Soon everybody will be on the e-commerce business, it's not just ads that people can earn/sell online
7. E-Commerce is not just creating the website, uploading the products and then waiting for a sale to happen. E-commerce is actually a labor intensive platform, which warehousing alone consumes to almost 50% of the workforce.
8. Always give customers reason to go back to your website, through new products, new features, sale, etc in short there should be always something new
9. Mobile is used to browse 2-3 pages, there are no transactions usually made on mobile
10. Develop a good CRM for e-commerce there are tons of data from the customer. I guess the best thing with e-commerce is you can measure everything! From the time the customer lands on your website, to the point where the customer makes the purchase.

Some key data/insights can you gather

- Customer profile
- Traffic source that drives conversion
- Top products being viewed vs top products sold
- Average order value
- New customer vs first time customers vs repeat customers
- Order locations - Metro Manila vs Provincial vs International
- Location of visitors
- Mobile vs Desktop usage
- Online behavior - you might notice more people making a transaction in the evening and less transactions during weekends

Check out part 2 of this article here: <http://www.techglimpse.ph/2016/07/things-i-wish-i-knew-before-starting-e.html>