



#### Selling on the Internet

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Managing Director Anicca Digital











#### A bit about me



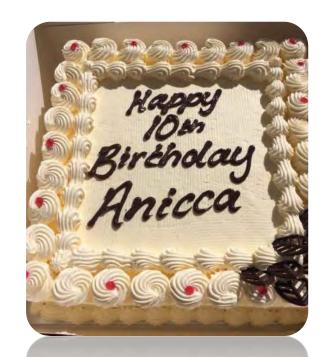








#### A bit about Anicca





















#### Examples of the brands we work with











































#### Housekeeping

- No fire alarm so exit downstairs into car park
- Toilets on same floor
- Tea break 11.15
- Finish 1pm
- Ask questions as we go along









#### Content of the workshop

- 1. Why garment manufacturers should sell direct to the public
- 2. Importance of developing your own brand
- 3. Methods of selling online
- 4. Selling on marketplaces
- 5. Best practices for planning and forecasting sales
- 6. Broad overview of how to set-up an e-commerce website
- 7. Understanding payments
- 8. Legal responsibilities for online trading
- 9. Increasing your sales understanding the elements









# Part 1 – Why garment manufacturers should sell direct to the public?



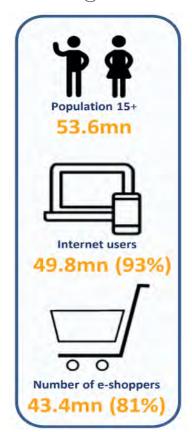






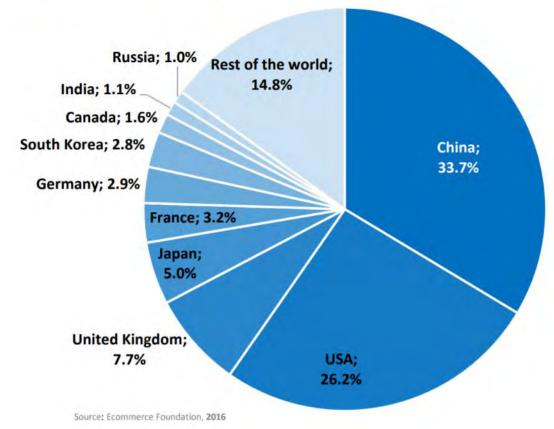
## Why e-commerce? World and UK statistics

UK figures





Share of global B2C e-commerce market, 2015











#### Growth in online sales of apparel

#### Data from London Fashion Week September 2017

As London Fashion Week kicks off this Friday (15th September 2017), it seems that shopping for clothes has never been simpler. Indeed, Mintel's Online Fashion UK 2017

Report reveals that this year Brits are set to spend an impressive £16.2 billion on online sales of clothing, fashion accessories and footwear—at the click of a button. In 2017, the online fashion market will increase 17.2%, continuing fashion's spot as the most popular category bought online.

Over the past five years, sales of online fashion have soared, doubling in value since 2012. What is more, online sales of fashion have increased to account for 24% of total fashion spend in 2017, up from 17% in 2013. But while online fashion sales continue to show spectacular growth, overall sales of clothing are forecast to grow by just 1.3% in 2017.

- £16.2 billion spent online in UK on clothing, fashion accessories and footwear
- Increased 17.2% since previous year
- Doubled since 2012
- Online is now 24% of total fashion spend
- Overall sales of clothing are forecast to grow by just 1.3%



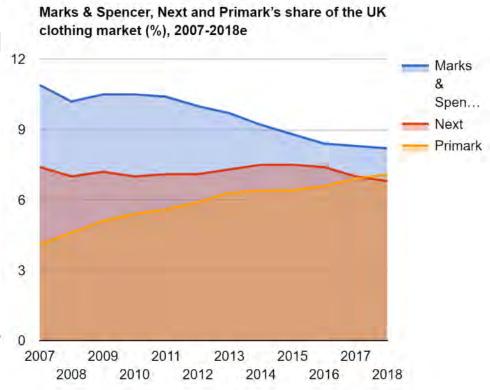






#### The online customer

- Millennials buy most fashion online (born between the early 1980's to the mid-1990's or currently aged 21-37)
- 48% of Millennials use smartphones for fashion
- Young women shop more at "young fashion pureplays"
- Retailers need to prioritise customer service and returns
- 50% return items bought online
- Young men most influenced by social media blogs.
- Improving deliveries to drive male purchasing
- Parents of young kids drawn to virtual reality











## Part 2: Importance of developing your own brand









#### Advantages

- Increased sales price and profit margins
- Freedom to develop your own style and look
- Sell the designs other resellers don't purchase
- You build your own brand and reputation (rather than the reseller)
- Increased demand if popular
- Allows you to sell direct and on other platforms/marketplaces
- Consider "sell & make" business model customer chooses any fabric, colour and size; then you make overnight for next day delivery









#### Disadvantages

- Need to invest in branding, logos, design etc
- Need to develop your own exclusive product collections unique to you (and repeat this every year)
- Need to invest in your own marketing and brand development
- Need to develop your own distribution channels, either direct to consumers via shop, marketplace or your own ecommerce website

#### Branding from local designers









#### magictoast























European Union
European Regional
Development Fund



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## Part 3: Methods of Selling Online









#### Different ways of selling online

There are a number of different ways that businesses can sell online:

- Third party Marketplaces
- Your own e-commerce website
- Social commerce (in conjunction with an e-commerce site)
- Mobile Apps (in conjunction with an e-commerce site)
- Multi-channel (mix of above)









## Part 4: Selling On Marketplaces









#### Examples of Marketplaces

- Amazon, eBay, Tesco, Fruugo, Facebook Marketplace
- Specialist: Etsy, Game, Folksy, Not On The High Street
- Fashion specific marketplaces:
  - Amazon Fashion
  - ASOS Marketplace
  - Depop
  - Fruugo
  - Trouva
- Foreign markets: NewEgg, FNAC, Cdiscount, Jet.com, Hitmeister, Sears









#### How marketplaces work

- Open an account, wait to be approved (there may be a joining fee)
- Create a profile or shop with logo and company descriptions etc
- List items in defined categories (images, descriptions, possibly barcode numbers, price) – note there may be a charge for listing
- You need to provide certain product information
- The Marketplace provides marketing
- The Marketplace handles payments (there may be a charge for this)
- Seller dispatches goods direct to the buyer (or via the marketplace)
- Seller handles returns and customer service
- You receive payment less fees of 5-25%

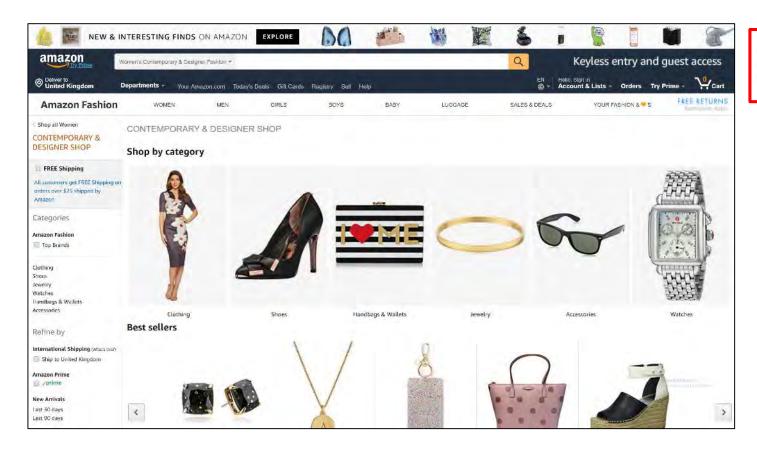








#### Amazon Fashion



How much does it cost to sell on Amazon.co.uk? It costs £28.75 per month (£25.00 for sellers that qualify for VAT-exclusive fees) plus a fee on each product that is sold. The fee varies across categories. (Click here to learn more about the pricing).

#### Commission for apparel

15% of the full price including VAT, delivery wrapping etc

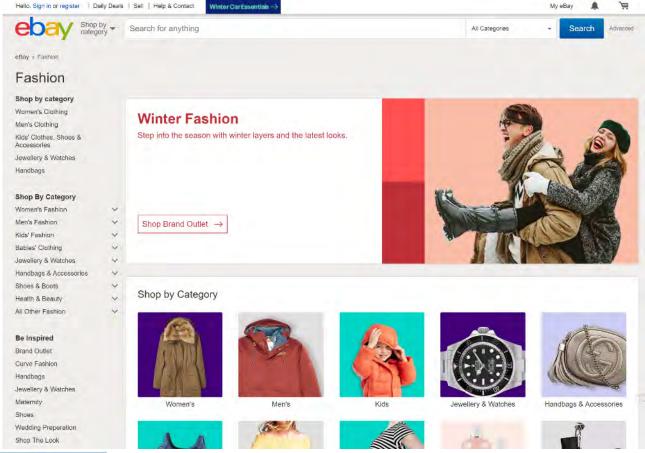








### Ebay fashion



Monthly cost	What's included
Basic Shop	100 listings a month (excluding Classified Ads).
subscription	After that they're 35p each.
£19.99	
	8% final value fees (rather than the normal 10%).
	Remember, we cap final value fees so you'll never pay more than
	£250 for a single item.

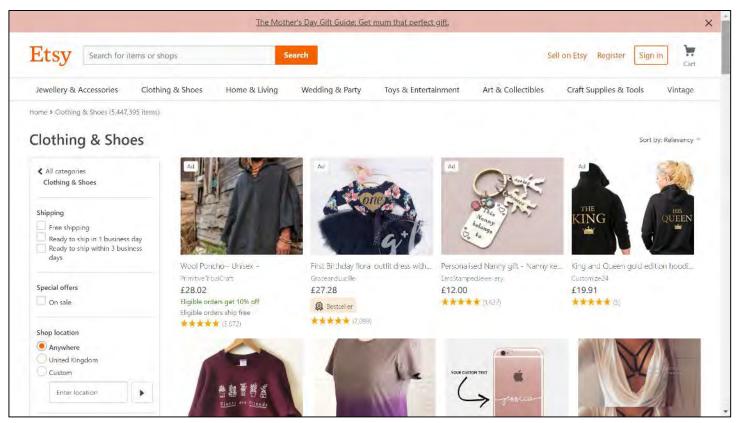








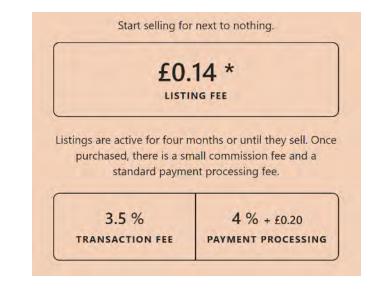
## Etsy: Handmade or designed by you



Everything listed for sale on **Etsy** must be **handmade**, vintage, or a craft supply. ... If you sell **handmade** items, you agree that: **All handmade** items are made or designed by you. 2 Oct 2017

Etsy's mission is to reimagine commerce in ways that build a more fulfilling and lasting world. By inviting designers and manufacturers (also referred to as 'production partners') to connect through our platform, we hope to empower designers who wish to grow their businesses and manufacturers who share our values. This Manufacturing Policy explains how designers and manufacturers may engage with Etsy and with each other while using our services.

https://www.etsy.com/uk/legal/manufacturing#join



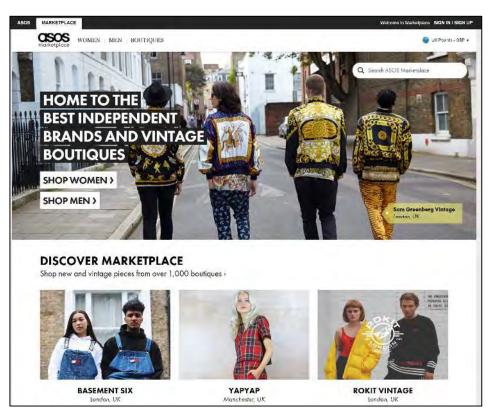


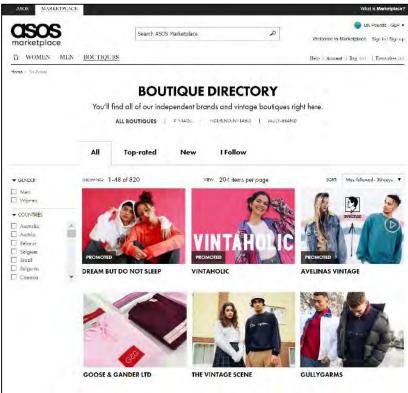


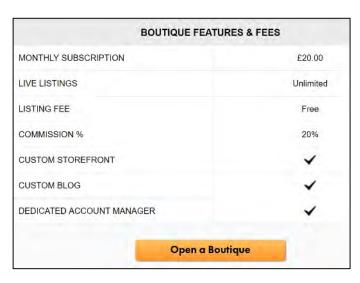




#### ASOS Marketplace







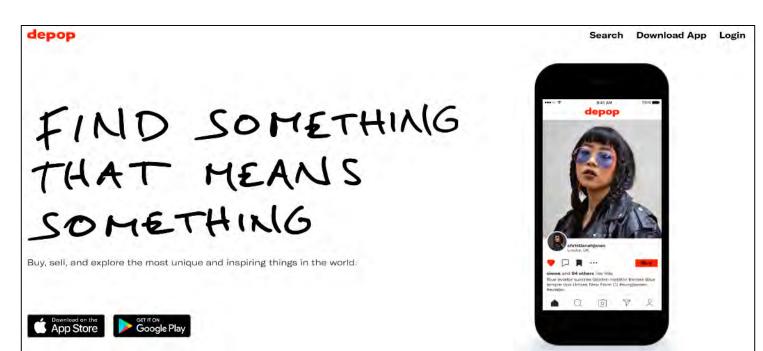








#### depop - mobile app



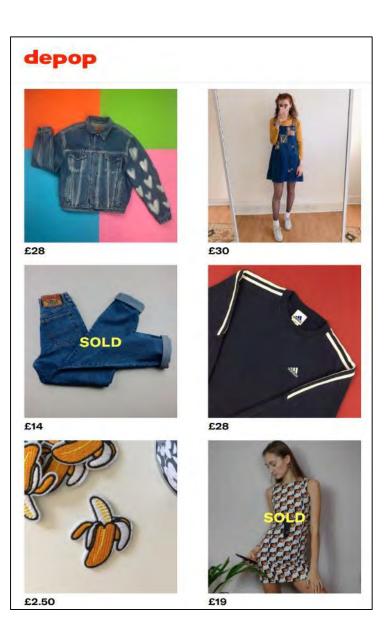
Listing an item for sale is always free. If you sell an item, **Depop** will automatically charge the 10% **fee** on the total transaction amount (including shipping costs). 4 Jan 2018



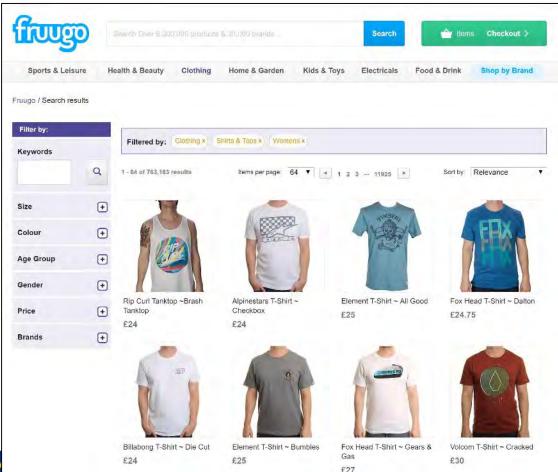








### fruugo



There are no joining, set-up, monthly, listing, or marketing fees for all products listed. We charge just 15% of the shopper's basket value (ex VAT) along with a funds processing fee (2.35% of transaction value) which contributes towards Fruugo's payment and transaction processing costs (inclusive of any currency and forex charges).

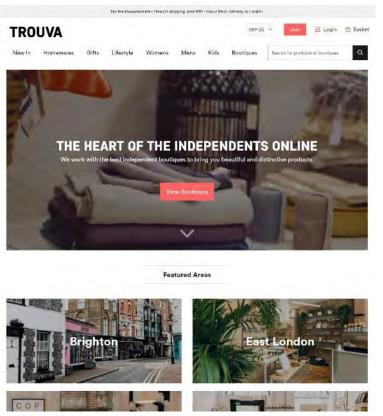


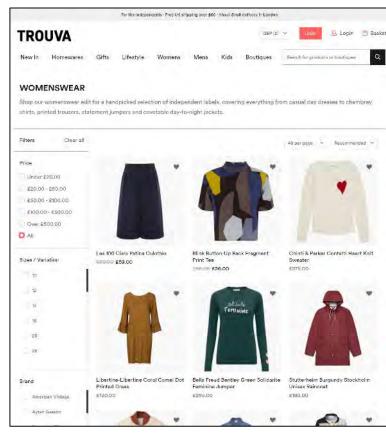






#### Trouva





#### What we're looking for:

- Boutiques with a bricks and mortar shop, with fixed opening hours. We do not accept applications from online-only shops
- · Distinctive, cohesive style
- · Good quality products, preferably with good photography
- Boutiques selling brands (or making products) that are as interesting and unique as our customers

No fee information available on the site









## Marketplace Advantages & Disadvantages

#### Advantages

- Huge audience
- Shopper convenience higher conversion rates
- Good mobile experience (apps)
- Search engine visibility
- Low cost of entry good for testing
- Lots of seller tools available
- No need to setup secure payments

#### Disadvantages

- Costs of selling/margins
- Highly price-sensitive
- Feedback and reviews
- Amount of competition
- Data requirements e.g. GTIN (bar code number) for products









#### Comparison of fees

	Monthly fee	Listing fees	Credit card or fees on payment	Commission on sale
Amazon	£25 +VAT	Free	Included	15% of full transaction including delivery
eBay (shop)	£19.99	First 100 free then 35p each	Additional Paypal charges	8% (reduced from 10%)
Etsy	None	14p each	4% +20p each	3.5%
ASOS Marketplace	£20	Free	Included	20%
depop	Free	Free	PayPal fee: 3.4% of total + £0.20	10%
Fruugo	Free	Free	2.35%	15%
Truova	Amount not known	-	-	Amount not known









### Marketplaces vs. having your own site

	Marketplace	Own Site
Set-up costs	Minimal	High
Fees	5 – 25%	Variable
Marketing	Their responsibility	Your responsibility
Risks	Removal from marketplace and changes of policy	Financial / Business Risks
Technical knowledge	Some required	Lots required

There are a number of reasons why businesses should considering moving beyond the marketplaces to develop and promote their own sites including:

- Additional sales opportunities
- Different pool of customer
- Develop your own brand

Marketing costs rather than fees – giving you more control









## Part 5: Best practices for planning and forecasting sales









#### Mass market vs. niche

#### Mass market

- Price sensitive
- High volumes but low margins
- Need effective sourcing/manufacturing and internal processes
- Margins lower than cost per acquisition (CPA) no profit!
- Best for established businesses

#### Niche or speciality

- Driven by quality
- Low volumes at a higher price with higher margins
- Requires a unique product, handmade or exclusivity
- CPA should be less than margin
- Suitable for artisans or lifestyle businesses
- May not scale









### Can you make a profit?

- How much is a sale worth to you?
- How much is a customer worth to you?
- Are you going to sell on a marketplace or your website?
- How effective is your website?
- How much can you afford to acquire a sale (CPA)?
- Likely costs of selling an item priced at £25 +VAT or £50 +VAT
- Note the high cost of returns in your industry, so you need the margins to allow for this

		Sell wholesale for £5	Sale price £25 +VAT	Sale price £50 +VAT
	Manufacturing and product costs	£4.80	£6	£11
	Cost of marketing (directly or on marketplace) 20%	None	£5	£10
	Cost of credit card fee 2.5% + 20p per item	None	83p	£1.45
	Cost of picking and packing	Included in above	£1.25	£1.25
- 10	Cost of delivery (if you offer free P&P)	None	£5	£5
	Total costs	£4.80	£18.08	£28.70
Eu De	Net profit	20p	£6.92	£21.30

### How to determine your sales targets

There are two approaches to forecasting your sales targets:

- 1. Determine the amount of marketing budget you have available to grow the sales organically over a few years. Reinvest your profits and gradually increase your marketing
- 2. Set you sales targets based on production, units available, margins, profits available to match your production facilities and infra-structure. This will then allow you to estimate a marketing budget and the resources required to hit these targets
- Approach 1: 100 sales per month due to limited marketing spend
  - Marketing cost of £1,000 per month, likely sales of £5,000 per month
  - Equivalent to 100 units per month at £50 +VAT
  - Profit of £21.30 per unit or £2,130 per month
- Approach 2: 1,000 sales per month what do you need to achieve this?
  - 250 units per week at £50 +VAT = 1,000 sales per month = revenue of £50,000/month
  - Marketing cost of 20% = £10,000 per month
    - This will generate £21,300 per month profit of which you will need £1,000-2,000 for wages for marketing staff or agency costs









#### Part 6:

## Broad overview of how to set-up an e-commerce website









## Should you rent or buy your first e-commerce website?









#### Development options

- Options
  - Subscribe to a monthly subscription e-commerce service
  - Employ an in-house developer with the relevant skills
  - Employ a freelancer
  - Employ a web development agency that specialises in ecommerce websites
- You need to weigh up various factors:
  - Time vs. money
  - Steep learning curve vs. experience
  - Business knowledge vs. technical knowledge
- In most cases you will be better off focussing your own time on your business and either subscribe to a monthly web service or outsourcing to a specialists web development agency









### What you can get for your budget?

- Less than £1,000 monthly subscription site
- £1,000-£5,000 freelancer
  - Open source software and template design
- £5,000-£10,000 national specialist or local agency
  - Open source software and mobile responsive design (may include bespoke design)
  - Option to add additional modules
- £10,000-£50,000 Accredited agency
  - Bespoke design, development and integration
  - Costs dependant on customisation









### Choosing an online rental e-commerce service









### On-demand "cloud" based rental e-commerce software

- These packages make it easy for new merchants to get started
- They allow users to create an "of-the-shelf website", with the ability to customise the design by adding your own theme/design
- The main providers (Shopify, BigCommerce etc) offer a number of packages based on the amount of features and/or monthly sales
- They normally provide a range of payment options, so you don't need to have your own merchant bank account (or one of the common payment gates ways)
- In addition to transaction fees for using the payment gateway, some charge a commission fee based on the revenue generated by the site
- Most offer a full range of features and then provide a range of plug-ins (free or paid) so additional functionality can be added
- Many offer integration with other platforms such as Facebook and Pinterest
- You don't own the software/website however you maybe able to upgrade your subscription package
- Some limitations in functionality or ability to customise









### Shopify packages

	Basic Shopify All the basics for starting a new business	Shopify Everything you need for a growing business	Advanced Shopify Advanced features for scaling your business
Monthly price	<sup>5</sup> 29	<sup>\$</sup> 79	<sup>5</sup> 299
CREDIT CARD RATES			
Online ①	2.2% + 20p	1.9% + 20p	1.6% + 20p
In person ①	1.7% + Op	1.6% + Op	1.5% + 0p
TRANSACTION FEES			
Using Shopify Payments	None	None	None
Using external payment gateways	2.0%	1.0%	0.5%
FEATURES			
Staff accounts	2	5	15
Number of products	Unlimited	Unlimited	Unlimited
File storage	Unlimited	Unlimited	Unlimited



Sell on Facebook and chat with your customers on Messenger, add products to any website or blog, and accept credit card payments for only \$9 per month.

#### shopify plus

Enterprise-grade solutions for high volume merchants, and large businesses.









BigCommerce packages

Standard	Plus	Pro
\$29 <sub>95/mo</sub>	\$79.95/ma	\$249 <sub>.95/mo</sub>
Sell online with your own beautiful online store	Grow your online business with marketing tools proven to increase conversion	Scale your growing business with a comprehensive set of features

Included in all plans	Standard	Plus	Pro	Enterprise
No transaction fees	0%	0%	0%	0%
Products, file storage and bandwidth	Unlimited	Unlimited	Unlimited	Unlimited
Staff accounts	Unlimited	Unlimited	Unlimited	Unlimited
(Optional) Special credit card rates from PayPal powered by Braintree Learn more	2.9% + \$0.30 per transaction*	2.5% + \$0.30 per transaction*	2.2% + \$0.30 per transaction*	2.2% + \$0.30 or lower per transaction*









#### ekmPowerShop packages

#### Startup

All eCommerce features and an Account Manager to help you get set up and ready for

Up to £50k in online sales per year

£24.99+VAT

Per Month - No Contract

Try it FREE for 14 days

**Get Started** 

- ✓ All eCommerce Features
- ✓ Account Manager
- ✓ Annual Site Review
- Payments included n
- ✓ 1 User Account

#### Growing

All eCommerce features, priority support, and an Account Manager dedicated to helping you grow your business.

Up to £150k in online sales per year

£49.99+VAT

Per Month - No Contract

Try it FREE for 14 days

Get Started >

- ✓ All eCommerce Features
- ✓ Account Manager
- ✓ UK Based Support
- Payments included a
- ✓ Priority Support
- ✓ 5 User Accounts 
  <a>n</a>

#### Established

All eCommerce features and 24/7 emergency support. An eCommerce Consultant to help your established business reach its full potential.

Up to £1M in online sales per year

£149.99+VAT

Per Month - No Contract

Try it FREE for 14 days

Get Started >

- ✓ All eCommerce Features
- ✓ eCommerce Consultant.
- ✓ Monthly Site Review
- UK Based Support
- Priority Support
- Payments included
- ✓ 24/7 Emergency Support 
  <a>⑥</a>
- ✓ 15 User Accounts 
  <a>♠</a>

'Startup' transaction fee

2.49%

2.19%

'Growing' transaction fee

'Established' transaction fee

1.99%



### Comparison of rental e-commerce platforms

	Main features
Shopify	Package options from \$29/month to \$299/month Choice of using Shopify or your own payment gateway Built-in customisation with Facebook Pinterest etc 10% market share in the UK
ekmPowerShop	Package options from £30/month to £150/month Choice of payment gateways 4% market share in the UK
BigCommerce	Package options from \$30/month to \$250/month No additional transaction fee for using 3 <sup>rd</sup> party payment gateways Not as well known in the UK









# Using an e-commerce web development agency









#### Finding a web developer or agency

- Most agency specialise in one e-commerce platform So which is your priority software or the supplier?
- Recommended selection process:
  - 1. Get a shortlist of suppliers
  - 2. See their portfolio
  - 3. Ask about their experience
  - 4. Ask for references
  - 5. Talk to their existing clients
  - 6. Meet them (at their offices) and get to know them
  - 7. Provide functional requirements and a request for proposal (RFP) from at least 3 suppliers
  - 8. Explain what you want and like (in person)
  - 9. Score the proposals
  - 10. Compare their costs, day rates and the way they charge
  - 1. Review their contracts, terms and conditions









## Comparison of open source (free) e-commerce platforms

	Advantages	Disadvantages
Magento Community	<ul> <li>Free open source software</li> <li>2<sup>nd</sup> most popular technology in the UK (13% of UK stores)</li> <li>Lots of features as standard</li> <li>Lots of free or low cost plug-ins</li> </ul>	<ul> <li>Slow – can be an issue for users and SEO</li> <li>Admin interface is not easy to use</li> <li>Difficult to customise so can be expensive</li> <li>Need developer with Magento experience (can be costly)</li> </ul>
WooCommerce	<ul> <li>Free open source software</li> <li>Plug-in for WordPress</li> <li>Growing popularity (8.45% of UK stores)</li> <li>Ease to install and use</li> <li>Do not need specialist developer skills to install</li> <li>Can be easily modified by a developer</li> </ul>	<ul> <li>Not as scalable (number of products)</li> <li>Not as many features or Plug-ins as Magento</li> </ul>
PrestaShop	<ul> <li>Free open source software</li> <li>Growing popularity in the UK (4% of UK stores)</li> <li>Lots of features as standard (similar to Magento)</li> <li>Ease to install and use</li> <li>Lots of free or low cost plug-ins</li> <li>Can be easily modified by a developer</li> </ul>	Not as well known in the UK (French product)









#### Costs, Budgets and Timescales









#### e-commerce – set-up costs

### The main fixed costs of an e-commerce website are:

- Design
- Development
- Content creation (text, photography and images)
- Software licenses or rentals

#### What impacts the costs

- Day rates of suppliers
   (DIY>Freelancer>small agency>larger accredited agency)
- Choice of software open source vs. bespoke
- Bespoke design vs. bought theme (or template)
- Bespoke or customised functionality
- Amount of content, product descriptions and images
- 20% for VAT









#### Running costs once your site is live

Ongoing costs for e-commerce websites include:

- Hosting
- Technical support
- SSL certificates
- Payment processing
- Merchant accounts
- Maintenance and website upkeep
- Development
- Fulfilment (packaging, postage, couriers, returns)
- Marketing
- Third party costs e.g. Reviews/Seller ratings accounts, ad spend, software and tools









#### Project time to develop your site

- Subscription site
  - A few weeks for you to load all the product details and content on to the site (and open a payment service like PayPal)
- A new site built from scratch with a developer:
  - Project duration allow at 2-4 months
    - You may need to spend 10-20 hours/week for 12 weeks liaising with the developer and producing (and uploading content and images for the site
    - External or agency resources:
      - Designer typically 1-2 days
      - Developer minimum 10 days
      - Content depends on number of products and pages you may want to write the product descriptions to save money









# The elements of developing your e-commerce website

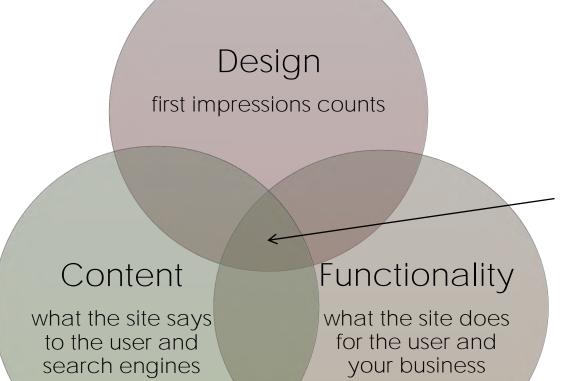








The key to getting the best website



We need to get a balance between these elements









### Design









### Branding for your company or collection

If your business is looking to create a new brand it is important to:

- Know your customers
- Reflect your products from your name
- Be memorable
- Have a domain available
- Does it work both online and offline (packaging, labels, point of sale etc)
- Have you protected it trademarks etc









#### Design and branding of your website

- Use your existing brand guidelines or develop new ones
- Build the brand visuals and identity (colours, logo etc.)
- Create the design:
  - Create a wireframe or use a template (which has the position of each of the elements of the page
  - Mock up website creative, including home page, internal pages and hand-crafted pages such as the Gallery
  - Create design for the internal pages based on the approved home page design e.g. category page, product pages, shopping cart etc.
  - Website headers, imagery and calls for action
  - Social profiles and headers
  - Online advertising banners and collateral
  - If required product photography or sourcing images
- Incorporate/build the design within the website (using the e-commerce platform or software)

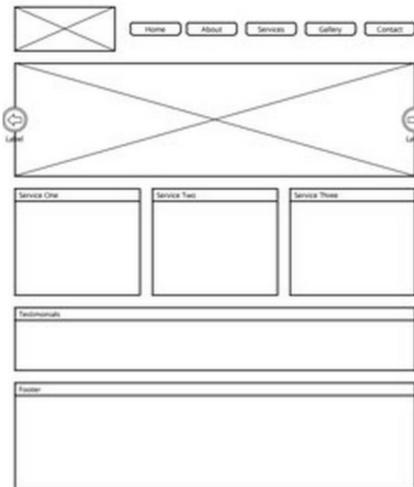








## Typical home page wireframe or template











# Alternative designs based on the same template/wireframe



City Council

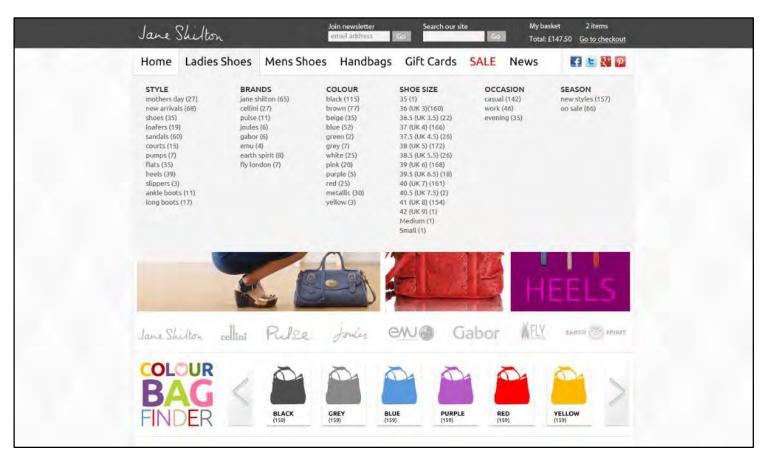






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# Design of mega-menus to show navigation structure





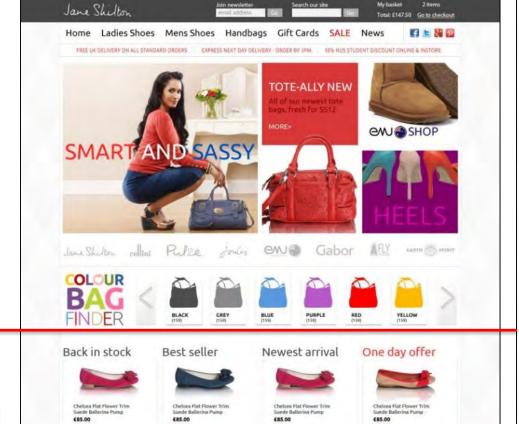






## Text for search engine optimisation (SEO) – below the fold

Scroll to see more text









Tell the girls 2 1



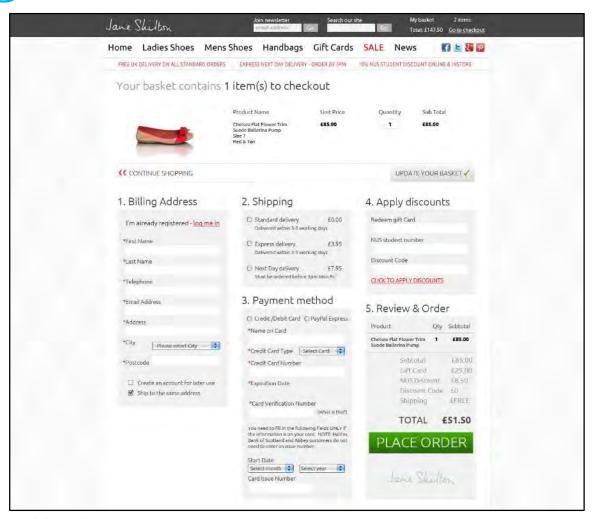
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#### One page checkout



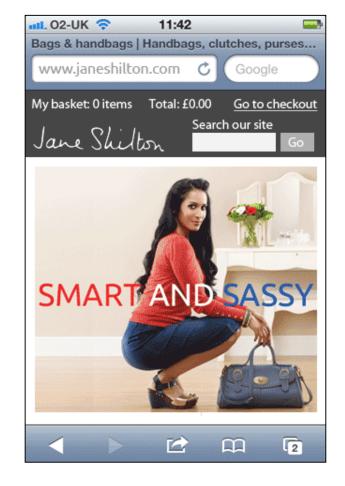


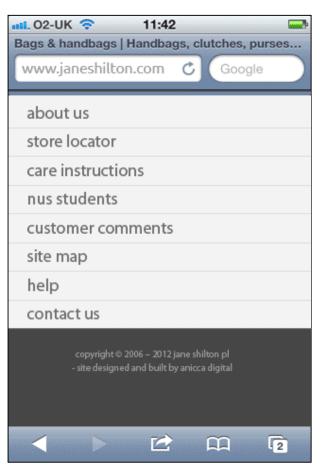






### Mobile responsive design













#### Content









#### Category and sub-category pages

- Create a category hierarchy
  - For a new site it is worth mapping out the category hierarchy in Excel
  - You will then need to create the category structure within the software
  - You may be able to put products into more than one category (but this may create some duplicate content issues, which will need to be addressed for SEO purposes)
- Ideally you will want to add content on the category pages this may involve adding a plug-in to allow this



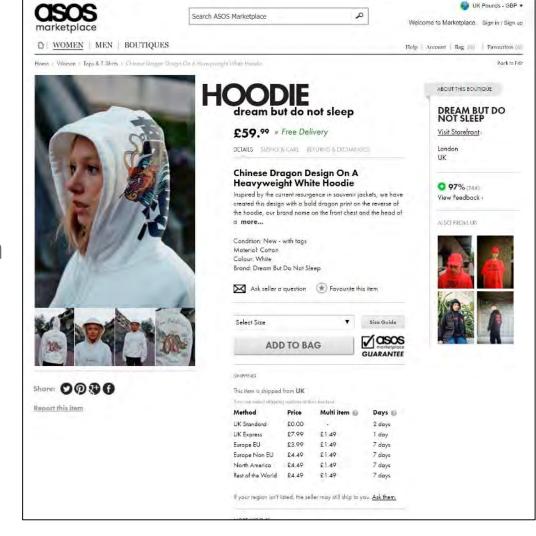






#### Product descriptions and details

- Product description should be prepared in advance either in a big spreadsheet or by adding the text directly into the product database
- Where possible these should be unique and as detailed as possible (more than 150 words)
- Where possible, add as much information on product attributes and other specifications
- Also create unique titles and descriptions for each product – in order to aid SEO
- Source as many images as possible for each
   product, use image labels and tags to help





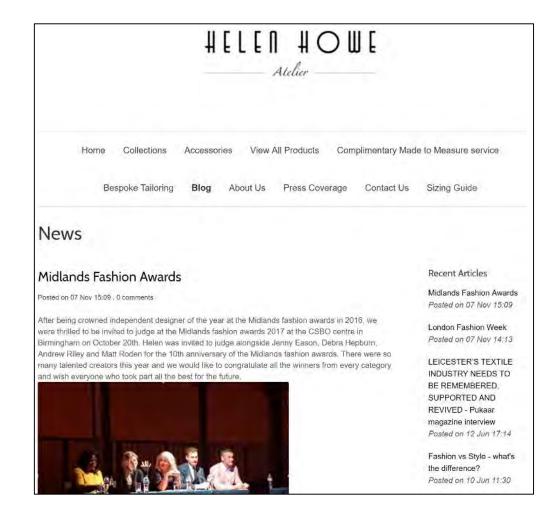
European Union
European Regional
Development Fund





#### Supporting content

- If applicable, optimise and migrate any existing content from your current site
- Create any new content and optimise it using your target keyphrases (identified in previous research)
- Upload all content using the content management system (CMS) – this may require a plug-in
- Optimise URLs, titles and descriptions
- All other content like images, videos, events, news, blogs etc will also need to be copied across from an existing site or created from scratch
- If possible, install a blog for ongoing SEO content and social sharing











### Functionality









#### Out-of-the-box functionality

- Standard "out-of-the-box" features varies by software
- Developer will install and adapt this functionality
- Required features will be enabled and configured
- The development time (and cost) of a website is often dependent on the level of customisation



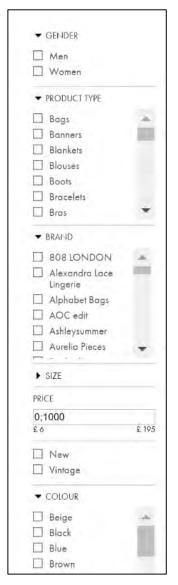


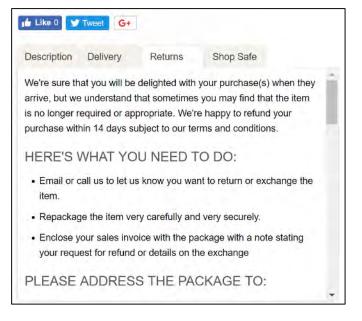




#### Front end functionality – for the user

- Product search and filters
- Shopping cart
- Alternative payments options e.g. invoicing for B2B customers
- Delivery tracking
- Returns







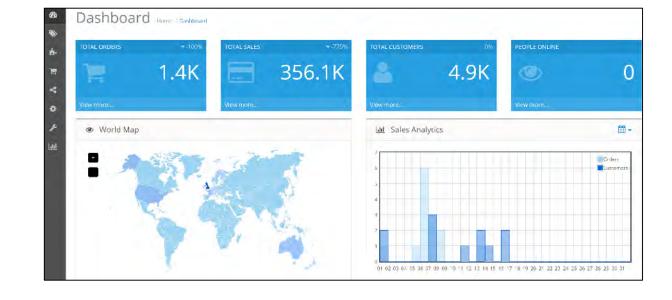






## Back-end functionality – for your business

- Upload product details and data entry
- Addition of on-page content and CMS
- Promotion codes and discounts
- Delivery costs and options
- Customer data and accounts
- Reporting and dashboards
- Stock control
- Product feeds (for shopping ads)
- Analytics and tracking











#### Technical









#### Hosting

- The following need to be considered:
  - Databases and software options
  - Shared IP
  - Shared hosting security issues
  - Speed and resources
  - Business impact of hosting failure
  - Speed particularly with Magento sites (which can be slow)
- Technical support (especially out of hours and phone support
- Back-up and version control
- HTTPS secure site
- e-commerce hosting can be £20-£500/month depending on your requirements and visitor volume



Development Fund





#### Security: online

- HTTPS secure site
- Firewall in office and for web server
- Operating systems and latest software patches
- Anti-virus in place
- Secure passwords
- Credit card transactions via a third party payment gateway - they take responsibility of the credit card compliance (Payment Card Industry Data Security Standard - PCI DSS) - so you do not need to









#### Security: offline

- Data back-up
- Secure internal procedures
- Educate employees
- Secure physical storage
- Data Protection Register and the new General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679)
  - This is a regulation by which the European Parliament, the Council of the European Union and the European Commission intend to strengthen and unify data protection for all individuals within the European Union (EU)









# Part 7: Online payments









# Online payments

The most common mechanisms for taking payment online are:

- Internet merchant accounts with a payment service provider (PSP or payment gateway e.g. Sage Pay)
- Third-party checkouts (as above but card details collected by provider e.g. Pay Pal)
- For very small sites it is possible for payment buttons to be placed onto websites









# Overview of payment process

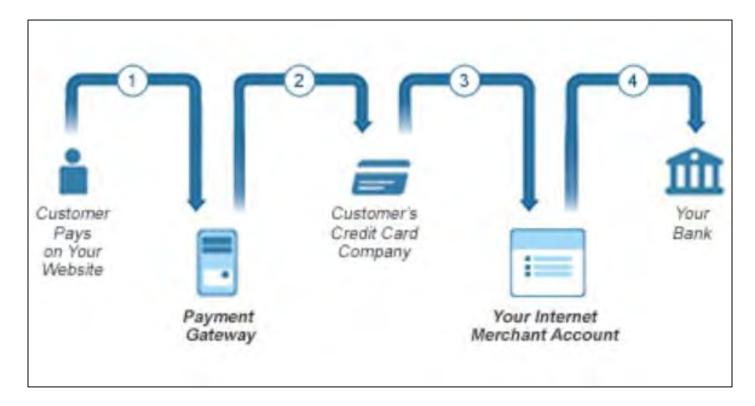


Diagram Courtesy of PayPal









#### What is a merchant bank account?

- Even if you have a "customer not present account", you will still need an Internet Merchant Bank Account to use many payment options
- Normally you apply to your bank to open a merchant bank account
- Many new businesses will be unable to obtain a merchant bank account due to poor credit record – this is because you have to be able to pay back any charges as part of the 6-month credit card "charge back" guarantee
- Costs vary depending on the services to be provided, the volume/value of transactions and the bank's risk assessment
- If you have a merchant bank account you can use a service like Sage Pay
- If you can't get a merchant bank account you will need to use another service like PayPal Pro









# Payment gateways











#### Credit card fraud

- There is always the threat of credit card fraud online. It is impossible to eliminate entirely but there are steps that can be taken by companies to minimise the threat.
- These include:
  - Speak to PSP
  - Enable 3-D Secure
  - Use an Address Verification Service (AVS)
  - Ensure that payments are only accepted with a valid CV2
  - Check orders using a fraud screening service
  - Look out for something 'fishy'









# Credit card chargebacks

- A chargeback is when a customer demands a refund from their credit card company e.g. because their card was stolen
- This is then passed back to you to pay the refund
- The international standard period is six months
- Your Merchant Service agreement allows the bank to transfer liability for refunds to you
- Merchant banks/payment gateways may expect you to lodge a bond or they may delay payment back to your bank
- Insurance against charge-backs can be arranged
- There may also be fees as well as the refund









# Part 8 – Legal considerations









# EU Regulations

The Electronic Commerce (EC Directive) Regulations 2002, SI 2002/2013, incorporates the EU Electronic Commerce Directive 2000/31/EC into the law of the United Kingdom. They apply to contracts concluded by electronic means over distance whereby the buyer is a consumer.

You must provide online customers with:

- Your business name, geographic address and other contact details including email address
- Details of any register in which you are registered, e.g. Companies House
- Details of any professional body with which you are registered
- VAT registration number
- Clear prices with indication of tax and delivery costs









# Distance selling regulations (2014)

#### Consumers have the right to:

- You now need to provide further information to your consumer surrounding the goods or service you're selling
- The cancellation period for online purchases (for services and goods) has increased to 14 days after the day which the contract was made
- Additional extras are no longer the default option consumers need to opt into buying any additional add-ons
- Goods need to be delivered to the consumer within an agreed time frame. If you fail to do this
  within the agreed time frame the consumer is able to cancel their order and/or contract with
  you and receive a full refund
- Any goods which you deliver are your responsibility until the goods are in the consumers possession
- If you send unsolicited goods to a consumer, they do not have to take any action. They don't even have to tell you they have received them









#### Terms and conditions

Your terms and conditions should be tailored to your business, but generally speaking they should address:

- Description of goods/services being supplied
- Price and payment structure
- Delivery details
- Contract termination rights
- Limitation of liability
- Confidentiality
- Confirmation of which country's laws apply









## Terms and conditions (cont.)

From a financial point of view, the following areas should be covered in the terms and conditions displayed on your site:

- Maximum number of days after receipt of goods that you will accept a return for refund
- When payment will be processed (immediately or on despatch)
- What listed prices include (VAT, delivery etc.)
- How long prices are valid for
- Payment methods accepted









#### VAT in the EU

- Sales to non-VAT registered businesses or consumers in the EU require you to add VAT to the price
- Sales to VAT-registered businesses in the EU require the customer to pay the VAT at their rate
- To sell to VAT-registered EU businesses without incurring VAT, you need to obtain their VAT registration number and provide documentary evidence the goods have left the UK
- If you have sales over a certain value (either € 35,000 or € 100,000) in an individual EU
  countries, you will need to register for VAT in that country (note the amount varies in
  each country)
- You will need to check whether the local VAT is lower than the VAT rate applicable in their country and if affirmative, proceeding with a voluntary local VAT registration







# Data protection (GDPR)

- The local Data Protection laws primarily protect consumers and personally identifiable data
- This is currently managed via the Information Commissioners Office
   <a href="https://ico.org.uk/for-organisations/guide-to-data-protection/key-definitions/">https://ico.org.uk/for-organisations/guide-to-data-protection/key-definitions/</a> and is
   £35 to register for the year
- Whilst we are in the EU and if we continue to trade with EU countries after Brexit we will be subject to the GDPR
  - General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679)
  - The rules for collection and use of data are significantly stricter and in most cases specific opt-in consent will be required
  - The GDPR will apply in the UK from 25 May 2018. The government has confirmed that the UK's decision to leave the EU will not affect the commencement of the GDPR
  - https://ico.org.uk/for-organisations/data-protection-reform/overview-of-the-gdpr/







# Accessibility

- The Disability Discrimination Act ("DDA") was introduced in 1995, making it unlawful to discriminate against disabled people in all areas
- From 1 October 2010, the Equality Act replaced most of the Disability Discrimination Act (DDA)
- The Act is 'anticipatory', which means you cannot wait until a disabled person wants
  to use your services, but you must think in advance (and on an ongoing basis) about
  what disabled people with a range of impairments might reasonably need
- https://www.gov.uk/service-manual/helping-people-to-use-your-service/making-your-service-accessible-an-introduction
- As a minimum, your service must meet Level AA of the Web Content Accessibility Guidelines (WCAG) 2.0









### Accessibility (cont.)

#### It may be unlawful for a website to:

- Have links on that are not accessible to a screen reader
- Have application forms in a PDF format that cannot be read by a screen reader
- Have core service information (EG Product datasheets) that is not in a format accessible to screen readers.
- Use text, colour contrasting and formatting that make the website inaccessible to a partially sighted service user

#### For further information:

- RNIB "Surf Right" website accessibility requirements
- World Wide Web Consortium (W3C) Website Content Accessibility Guidelines (WCAG 2.0) - https://www.w3.org/WAI/intro/wcag.php









#### Part 9:

# Increasing your sales – understanding the elements

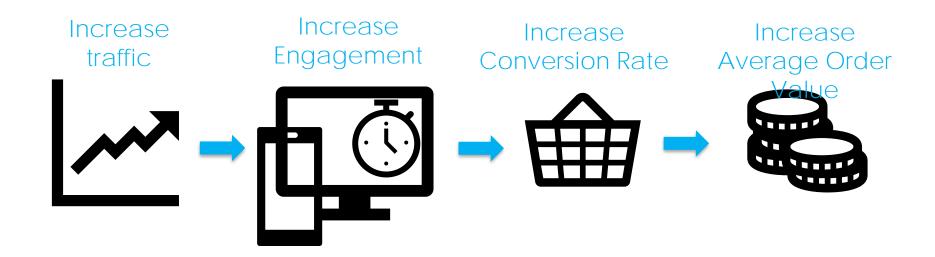








#### How Can You Increase Sales?













Increase Frequency These subjects would be covered in another course

#### Digital Growth Programme Workshop



- ▶ Data and Making the Most of your Business Relationships
- ► Blogging for Business
- ► Improve Operational Effectiveness with Cloud Computing
- ► Converting Website Visitors into Sales
- Creating Video Content for the Web
- Developing a Cyber Resilience Strategy
- Developing Content for the Web
- ► E-mail Marketing for Success
- Understanding Google Analytics
- ► International E-Commerce / International Online Marketing (2x Half Day)
- ► An Introduction to Paid Social Advertising









#### Digital Growth Programme Workshop



- ➤ An Introduction To Smart Remote Working
- ► Online Marketing for Local Business
- Understanding Paid Search and Display Advertising
- ► Growing your e-commerce Business
- Selling Online Getting Started
- Effective Search Engine Optimisation
- ► Integrating Social Media Into Your Business
- Video Marketing including Live Streaming
- ► Planning an Effective Website
- Working with Digital Images and Video

Register at www.ebusinessclub.biz









# Thank You ann@Anicca.co.uk Anicca.co.uk







