

# Introduction to eManagement MGMT 230 WEEK 4: JANUARY 29

Implementing basic e-Commerce: technologies and options

# **Today's Class**

- Recap our first three weeks
- Focus on eCommerce platforms.... The online storefront
- Case study discussion

# Let's recap a few concepts from the first few weeks

#### **Key Takeaways Last Week**



- eCommerce changes industry structure by changing:
  - Rapidly shifting competition ..... Disruption happens fast
  - Strength of suppliers
  - Bargaining power of buyers
  - Consumer feedback (and trust) is real time, visible and needs to be managed

#### **Key Takeaways Last Week**



- Technology is no substitute for a good understanding of the basic principles of marketing
- Value proposition → Revenue Model → Market Opportunity
- Which technology to use & why?
- How to deal with the fast pace of technological change?

## **Key Takeaways Last Week**



#### **Revenue Models:**

- Advertising revenue model
- Subscription revenue model
- Transaction fee revenue model
- Sales revenue model
- Affiliate revenue model

#### eCommerce Channels



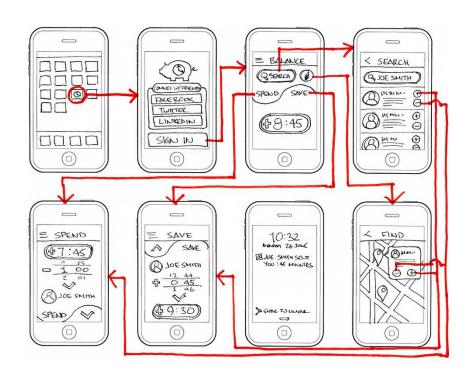




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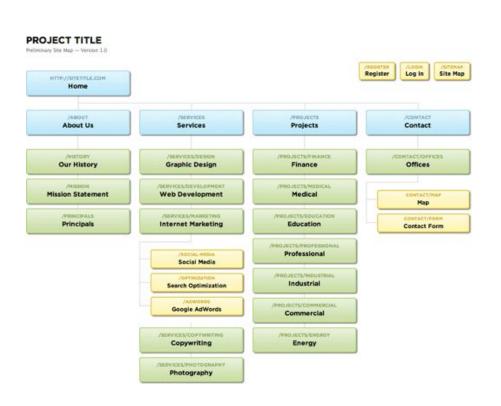
#### Web Planning in 5 Steps... Wireframes

- Analyze
  - Audience, demographics, consumer profile
  - Key goals and desired outcomes of the website
- Organize
  - Navigation
  - Content
  - Layout
  - Design
- Develop
  - Design implementation/ coding
- Implement
  - Beta testing and launch
- Maintain
  - Optimization
  - Analytics and fine tuning



# Site Mapping and User Experience







#### **Organize: Content Mapping**



- What are users searching for?
  - Search EngineOptimization
- How do I predict a user to engage with my website?
  - How will they travel through the site itself?
  - What do they want to know and when?
  - How will you measure success?



# **Search Engine Optimization**

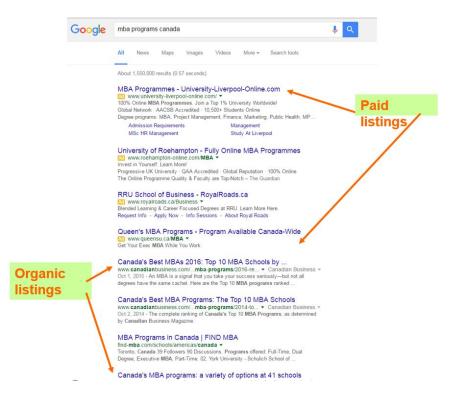
- Strongly influences ranking because an inbound link is a form of endorsement
  - The more relevant and authoritative the site that is linking to yours, the more value that link has in terms of SEO
  - Number and quality of sites that link to your pages (inbound links)
  - Must be content relevant (don't spam!)
  - Avoid link exchanges
  - Google regularly penalizes web sites with spammy link strategies



# **Search Engine Optimization**

#### Focus on:

- Ensuring that you have high quality, relevant content on your pages that matches what people are searching for
- Having high quality inbound links
- Making sure that the elements that are indexed by search engines are all optimal for your keywords called organic or algorithmic search results
- Never attempt to "game" a search engine by using deceptive practices – the site will be removed from Google's index



## **Basic eCommerce Considerations**

- Consideration 1: Scalability
- Consideration 2: The Product Catalog
- Consideration 3: User Control
- Consideration 4: Search
- Consideration 5: Agility
- Consideration 8: Integration
- Consideration 9: Interoperability
- Consideration 10: Synergy

# Implementing Basic

e-Commerce: Platforms for

**Online Stores** 



## **eCommerce Platforms**

#### What is an eCommerce Platform?

- It is a software technology solution that allows you to build storefronts
- A storefront is any customer or business facing proposition relating to the selling of products and services
- Online businesses, like all other businesses, need additional software to manage back end functions such as accounting, order management, inventory management, and customer service.



# **eCommerce Platform Options**

- 1. **Shopify:** A Canadian-based ecommerce solution, <u>Shopify</u> has been helping online businesses across the globe with a sharp focus on the trending social commerce and mobile shopping.
- 2. Magento: Released in March 2008, <u>Magento</u> is an open source ecommerce website platform. Its reliability and scalability has made it one of the most popular ecommerce platforms available today.
- **3. YoKart:** Specially designed for startups and SMBs, <u>YoKart</u> is a turnkey and features rich ecommerce marketplace solution to build multi-vendor stores such as Amazon, eBay, and Etsy.
- **4. BigCommerce:** Since its inception, <u>BigCommerce</u> has more than 55,000 online stores to its credit and is lauded as one of the most prominent ecommerce software providers. From famous companies such as Martha Stewart & Toyota to many SMEs, BigCommerce has helped businesses of all sizes launch their online storefronts.
- **5. WooCommerce:** A free WordPress plugin, <u>WooCommerce</u> is a name that needs no introduction in the world of ecommerce.



# eCommerce Platform Categories

- There are two major categories with e-commerce platforms:
  - hosted
  - self-hosted
- Hosted simply means that the company will host your store, while self-hosted means they will provide you with software, but you have to get your own Web hosting.
- For stability purposes, hosted versions always have dedicated support and the chances of it going down due to hosting are slim.
  - The downside of hosted software is that you will have to pay a monthly fee, and sometimes it can be pretty high.



# **Acquiring Storefronts**

- 1. Build and code from scratch bespoke development
  - a. (HTML, CSS, databases, eCommerce functionality etc)
- 2. Use a content management system (CMS) as the foundation for the site then add shopping cart & payment functionality
  - a. WooCommerce, Shopify
- Build using templates, infrastructure and services provided by a vendor (outsourced / hosted solution)
- 4. Use another eCommerce firm's storefront technology



## **eCommerce Platform Trends**

- Two features in particular -- reorder and subscription services
- The level of customization has increased dramatically thanks to all the technological advancements that we saw in the wake of improved user experience (such as AI, AR, VR) in past few years.
  - Integrating a <u>chat system</u> or prompting call-to-action buttons, all improvements focus on offering the best possible user experience.
    - E.g. Suggested 'other' purchases
- Consumers are finding digital wallets attractive. Therefore, online stores too, are adding this new payment option to their websites.
  - According to Finder.com, "An estimated <u>106.6 million American adults</u> are swapping traditional methods of banking and purchasing for something more tech-forward: a digital wallet."



## **eCommerce Platform Trends**

- Mobile users have increased, but their conversion rates are still low ... or are they?
  - 'Smartinsights found that "...although mobile (phone and tablet) accounted for 59% of all sessions by device on e-commerce sites, these mobile browsers made up just 38% of revenue." And then later concluded that, "Mobile users are on the site to consider purchasing and make up their minds as to what products they want. As a result, they are extremely important and should never be ignored. The fact they then go to desktop to make the purchase does not mean you can neglect the mobile experience." (See related article, Here's Why Mobile Payments Are The Future Of Commerce).'
- Since the role of analytics is crucial in improving conversion rates, a built-in analytics system is essential for every ecommerce website.
  - If you can't collect relevant data, you can't learn about the customer behavior, which is at the heart of all conversions.
     Simply put, a focus on <u>analytics is important to run an ecommerce business</u> successfully.



## **eCommerce Platform Considerations**

- Pre-built, 1-click integrations to enterprise ERP and CRM systems
- Robust, open API architecture with unlimited API calls that aren't throttled
- Premium support and services
- Onboarding services to ease the transition from your old platform
- Strategic account management for your largest customers
- Express routing and priority support to get mid-market customers help fast



#### eCommerce Platform Criteria Basics

- Price
- Performance, including:
  - a. site speed for desktop and mobile, mobile UX, platform SEO
- Features, including:
  - a. product search, ability to send abandoned cart emails, blog, mobile store, coupon and discount capabilities, integrated ratings and reviews, multiple product photos with zooming capability, ability to handle subscriptions/recurring product orders, drop shipping integration, ability to sell customizable products, <u>fulfillment by Amazon integration</u>, <u>real-time</u>

    <u>shipping and tracking</u>, reward points program compatibility, Google trusted stores
  - b. <u>WooCommerce Extensions</u> Example
- Number of payment gateways and options, PayPal, Stripe, etc...
- Amazon, eBay, Etsy integrations, Facebook, Pinterest syncing, Google Product data feed, Open API, design customization
- Ease of use, including: phone support, 24/7 support, chat support, certified additional dev/marketing support, free templates

# Setting up.... WooCommerce





#### eCommerce to eManagement

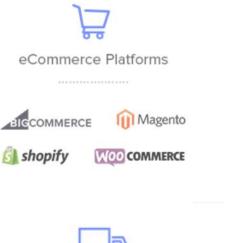


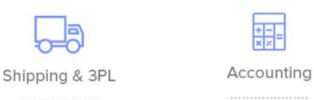
#### We've covered:

- Channels
- Revenue Models
- Key Considerations in eCommerce.
- Platforms available (tonight)

You've shown familiarity with the various *marketplaces* 

Now.... payment

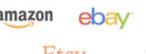




























#### **Next Class**



#### Wednesday Class

Wednesday's lab: Web Development Fundamentals & Web Assignment Part 1

#### **Outcomes for Wednesday:**

- Selection of your website organization. Please email your organization by Friday.
- Website basics, getting started.
  - Themes
  - Wordpress starter