



Browse e-Commerce sites to  
identify products & services



---



---



---



---



---

## Types of e-commerce Services

### Business to Business

- B2B model facilitates online sales transactions between businesses. Such as exchanging products and services in between a manufacturer and a wholesaler or a wholesaler and a retailer.

**Example:** Apple holds B2B relation with firms like Intel, Panasonic. And Samsung is one of the largest suppliers in the production of the iPhone.

### Consumer to Consumer

- C2C is the service where both the buyers and sellers are consumers, not businesses. This business model allows consumers to trade products and services in between private individuals, through any third-party platform such as Quikr, OLX, eBay etc.

### Business to consumer

- B2C service which refers to the process of selling and buying products and services directly between a business and the end-user that is the consumers.

### Consumer to Business

- C2B is a type of e-commerce where a consumer provides products or services to a business or an organization.

### Consumer to Administration

- C2A service. This business model takes place between individuals and the public administration. This model helps the consumers post their queries or requests regarding public administrations directly from their local government or authorities. Hence it provides an easy way to establish communication between the consumers and the government. Some of the examples can be: electronic tax filing, payment of health services etc.

### Business to Administration

- B2C service which refers to the process of selling and buying products and services directly between a

business and the end-user that is the consumers.

---

---

---

---

---

---

---

---

---

---

## Advantages of e-commerce

### Convenience.

Ecommerce provides the best in convenience and accessibility. Customers can find exactly what they need, at any time, directly from their desktop or mobile device. More convenience for the customer translates into more business for your company.

### Personalized Experiences.

With ecommerce, you can leverage the power of AI to create a personalized shopping experience for your customers.

With AI-enabled up-selling and cross-selling, you present customers with products, they're most likely to be interested in, increasing your business's sales.

### Borderless Transaction

A physical store limits business operations to a specific geographic area. They may only be able to reach a certain number of buyers. On the other hand, E-commerce allows to reach out to a larger number of consumers, across the world.

### Earnings while you sleep

The internet never sleeps. With a physical store, you are likely to operate during regular business hours. With ecommerce, your products are available for purchase at any time to customers around the world. That obviously means more business.

### Scalability.

As your customer base grows, you can expand your ecommerce businesses to accommodate more sales. Expanding your physical store typically means relocating or renovating, which can be expensive. In e-Commerce you'll simply need to increase the bandwidth on your platform to accommodate more traffic and orders. And, you can predict future sales based on past sales data and scale your platform up or down accordingly.

### Access to Innovative Technology

As technology continues to improve, you'll find more ways to streamline your business processes — saving you time and money. With a physical store, there can be limitations to what technology can do. With ecommerce, you'll find a range of apps and integrations that help you market your products, improve team collaboration, and provide faster customer service.

### Affordable and Effective Marketing

Traditionally, to drive traffic to a physical store, marketing used to happen through methods like print ads. With e-Commerce, you'll have a range of affordable marketing channels including Search engine marketing, organic and paid social media ads, and email marketing . Also, these methods allow you to reach a segmented market at a lower cost.

---



---



---



---

## How e-commerce Works

Step 1: Sitting at A computer, a client tries to order a book online. The browser communicates back-and-forth over the web with an internet server that manages the store's web site.

Step 2: The Web server then sends that order to the order manager. This is often a central PC that sees orders through each stage of the process from submission to dispatch.

Step 3: The order manager checks with the stock database system for the availability of client ordered product or service.

Step 4: If the item is not available, the stock database system will order the same from the wholesalers or manufacturers. This would possibly involve communication with order systems at the manufacturer's headquarters to seek out estimated supply times, whereas the client continues to be sitting at her PC (in alternative words, in "real-time").

Step 5: Then, the stock database system confirms whether or not the item is available or suggests an estimated delivery date once provides are going to be received from the manufacturer.

Step 6: Assuming the item is available, the order manager continues to process it.

Step 7: Next, it communicates with a merchant system (run by a credit-card processing firm or linked to a bank) to require payment using the customer's credit or identification number.

Step 8: The Merchandiser system would possibly make further checks with the customer's bank PC.

Step 9: The bank computer confirms whether or not the client has enough funds.

Step 10: The Merchandiser system authorizes the group action to go ahead, though funds won't be completely transferred till many days later.

Step 11: The order manager confirms that the transaction action has been successfully processed and notifies the web server.

Step 12: The web server shows the client a web page confirming that her order has been processed and that the transaction is complete.

Step 13: Once this is completed, the order manager sends a request to the warehouse to dispatch the products to the client.

Step 14: A truck from a dispatch firm collects the products from the warehouse and delivers them.

Step 15: Once the products are sent, parallely, the warehouse computer e-mails the client to confirm that her product is on their way.

Step 16: The products are delivered to the client

Step 17: But all of this happens in few minutes and all of those things are invisible—"virtual"—to the client, except the PC she sits on and also the dispatch truck that arrives at her door.

---

---

---

---

---

---

---

---

---

---

## Why Online Shopping?

- Convenience



---

---

---

---

## List Steps to Purchase Products Online

### 1. Finding the right website and product

- Knowing where to start can be the hardest part. The easiest way is to open the search bar and simply type the name of the shop or the product you are looking for. You will then get the best-matched results. You can click on the results to find more about them.
- Alternatively, many search engines also have a handy 'shopping' feature. This feature links you to the online stores selling the product you want. Not only can you compare prices within the search, you can also sometimes see how they rate for customer service

**Tip:** Make sure the websites you choose to visit for online shopping are secure. If you shop with more reputable brands, it's likely that their site is more secure. It is also recommended to check if there is a 'padlock' icon in search bar and if the website address starts with HTTPS (the 'S' indicates that it is 'secure!'). Additionally, check that the name of the web page does not contain spelling errors or strange characters.

### 2. Adding a product to your basket

- Another critical area is when you add a product to the basket. You'll need to focus on is selecting the quantity, colour or size that you want.
- Sometimes, purchasing multiple items or investing in a subscription can reduce your shipping costs.
- It's worth investigating if you will need these items regularly.

**Tip:** If you have your eye on an item but you are not ready to purchase at that moment, many sites offer 'wish list' or 'list' functions. These functions allow you to save items that you would like to purchase later.

### 3. Completing your purchase at checkout

- Before purchasing, you may need to set up an account using your email address. This is useful for regular purchases, such as groceries.
- Because you can store your card and address details for a faster checkout next time you buy online. At this point, the site will guide you through the payment steps.

**Tip:** Few websites offer one-click-payment as well. This feature makes online shopping much easier. Because you don't need to insert card details every time. You just need to set it up once and prove that you're the right cardholder. After which shopping is just a click away and hassle-free

#### 4. Pay it safe

- You'll need to enter in your card number, card expiry date and CVV (card verification value), for the first purchase. CVV is usually located on the back of your card which consists of three digits.
- You may also have to take an extra step while making the payment. This is called two-factor authentication.
- Most ecommerce sites accept payment with debit and credit cards, like your Visa. They use multiple layers of security check to prevent fraudulent activities and protect data. In case of any fraudulent activities, they take necessary actions to help you get your money back.

**Tip:** In order to prevent any fraudulent activities, you should check your account and transactions regularly. Some mobile banking apps sends you notifications when a payment has been made. That way, you can spot a fraudulent payment. Then you can take action with the "zero liability" policy to get your money back.

#### 5. Taking delivery

- Some eCommerce businesses allow you to book a delivery slot.
- Some will notify you via an email or a text when your order has been dispatched.
- Where you can choose a delivery time, always pick a lot when someone is available at home to receive the order.

**Tip:** Always, before making the payment, check out the return policy.

---



---



---



---



---



---



---



---



- Providing high-resolution photos and videos of the products is very important. Videos on how to use the product also is important. It would be better to have the product images from multiple angles so that the user can zoom in to see the finer details.
- According to some research, if a product image takes long time to load, it results in a drop-off rate of 39%.

### User-Generated Reviews

- User-Generated Reviews is an important feature that should be part of any e-commerce website. Research shows that consumers read 96% of the reviews. Also, the study says that 57% of consumers will only buy a product or a service that has 4 or more stars.
- It is also important that both positive and negative reviews are there. Without a negative review, it is generally assumed that the positive reviews are fake.

### Special Offers

- Every e-commerce site should also have a feature like Special Offers. This is a kind of a standard marketing practice, but critical in bringing more sales. It is proved that people buy more when there are special offers.

### Wish Lists

- Imagine, you are shopping in an e-commerce site. You love the product but probably don't have the money to buy it at that point of time. You decide that you would buy it once you have the money. This is the exact reason why you need to provide a wish-list feature to the shopping site.
- This feature would allow the shoppers to add their favorite products to wish-list.

### Security

- Shopping online is easy. But with that ease, also comes the risk. Any shopping site is an easy target for cyber criminals. So, it is important for an e-commerce business to ensure customer safety.
- Every e-commerce site should have security features like SSL Certificate, Two-factor authentication, Use a firewall, Privacy policy link in footer and so on.

### Detailed Shipping Information

- Study shows that shoppers spend at least 30 percent more per order when they have an option of free shipping.
- On the contrary, there is ample evidence to show that many shoppers stop the procurement process once they see the cost of shipping.



## Compare features & functionalities of different e-commerce sites

### Wix

Wix is one of The Best Ecommerce Platform for Small Business (\$23/month). They're the fast-growing website builder. They allow the users to upgrade to full e-commerce functionality for \$20 per month. They offer hundreds of designer-made templates, promotions, gift cards, beautiful product galleries. They also have easy order management and shipping. They automatically optimize your online store on mobile, including iPhones and Android devices. They have an online store builder tool. It allows users to customize the look of their mobile ecommerce site. HTML or CSS knowledge is not required to create a stunning website with Wix. They have product galleries to layout your products in a conversion-optimized way. These product galleries layouts are responsive. Wix offers the easiest tools to use in both the website builder and ecommerce space.

### Steps to Build your Online Store on Wix

There are only seven steps that you need to follow to build your online store:

- Log in to your account or sign up for free.
- Pick a template from the Online Store category.
- Edit the text and add your business name.
- Click "My Store" & "Manage Your Store".
- Add products to your store.
- Select "Business Setup" to add Payments, Shipping & Store Settings.
- Publish your site & connect to your own domain.

Wix offers a secure checkout, 24/7 customer support. It also offers multiple payment options and solutions, global tax and shipping, and coupons, and discounts to help you sell more.

---



---



---



---



---



---







## Square Online

Square Online: Square Online is The Best For Retailers and Local Businesses Looking to Move Online (Free - \$72/month). Square, the popular POS System, launched Square Online as an ecommerce offering to help retailers move their businesses online. It's a strong standalone ecommerce platform but also adds great options for local businesses, like curbside pickup and local delivery.

Here's how you can get started with Square Online:

### Create Your Website

Create your website using their pre-made templates. You can add pages with page editors.

### Add Your Store Details

Once you're done with creating the website, add your store details.

### Add Products

Add all the products to your store.

### Launch Your Store

Launch your store for free (only pay 2.9% + \$0.30 per transaction).

you can move to a paid plan for more advanced features.

---

---

---

---

---

---

---

---

---

---

## Square Online features for small business websites

- It's a very easy setup and a flexible option made for small businesses looking to quickly and easily move online.
- You can sell directly from your Instagram feed and then expand to a full ecommerce website when



---

## Use eCOMMERCE Site to source items

### Introduction

In recent times, shopping online has been a common phenomenon. It is a convenient way to compare the prices of other brands and buy items of interest. The current online shopping scenario has truly transformed the way we shop and makes the market a customer-centric market from a seller-centric one.

### How to Start your Online Store?

#### OFFLINE BUSINESS

Typically, to start a business, you need to register your company as a Proprietor Firm or LLP (Limited Liability Partnership) or Private Organization or Public Limited Company with the Company Registrar, fill multiple documents, agree to compliance norms and rent office building, hire people and similar

This may take weeks or months depending on the size and nature of your business before you start actual selling.

#### ONLINE BUSINESS

In comparison, when you start your online business, you need to:

- register as a sole proprietor
- create your web store
- maintain a current account in the business's name
- tie-up with the online payment aggregators and
- start selling.

---

---

---

---

---

---

---

---

---

---

---

---

---

## Importance of Quality Seals in Online Sales

- Generally, customers prefer items that contain quality seals like ISI-certified O-rings, BEE-ratings and similar. They ensure quality standards, data protection, and overall customer satisfaction. Therefore, online retailers and merchants attach great importance to the quality seals such as Trusted, EHI, and similar because it generates a sense of trustworthiness among the customer to the brands.
- Another advantage of having quality seals is that it ensures that the online retailers adhere to good quality management and the legal standards and compliance norms adequately.

## Example Study of Use of Quality Seals

Let us look at some examples to understand how quality seals helped in online business.

### Aponeo

- The online pharmacy store, Aponeo, opted for good consultation quality. In doing so, it guarantees not to sell cheaper products from its store and balances out the margin weaknesses without being subjected to the price war in eCommerce
- As a result, through its good services and qualitative standards, it earned exclusive recommendations from trained pharmacists; customers rely on the goods bought from Aponeo's store than its competitors.

### Outfittery

- Outfittery, a Personal Shopping Service, attaches great importance to the quality of the product and service sold from its site.
- Eventually, a combination of machine learning tools and a pool of trained stylists leads Outfittery to become a clothing consultation firm that sells tailor-made clothes. The advisory service of Outfittery further justifies its business strategy of not running any discount campaigns in its shop.





- Software, Applications, and Gateways fee
- Platform fees
- Office rent
- Warehouse to store your products
- Bank and processing fees
- Shipping fees
- Returns and refunds
- Salaries of the Employees

### **Risk of Using Cost-based Pricing**

The model, however, has few shortcomings.

- Pricing an item too cheap that it undervalues the product
- Pricing an item too expensive that it yields zero sales

### **Market-based pricing**

Online consumers generally compare a product's price on various platforms; therefore, consider the market competition always when deciding on the price.

#### **Benefits of Market-based Pricing**

The major and often neglected benefit of market-oriented pricing with solid competitive pricing intelligence is that it sometimes grants companies exceptional price increase opportunities, where you can increase profits while still holding a competitive edge.

#### **Risk of Market-based Pricing**

Pursuing competitive pricing does not mean undercutting your margins paper-thin. It creates doubt among the customer regarding the quality and the brand.

## **Dynamic Pricing**

Dynamic pricing is a very profitable e-commerce pricing strategy in which marketers set flexible prices by considering the cost, profit margins, demand, and competitor prices.

#### **Benefits of Dynamic Pricing**

It sets an optimal price for the product in response to the real-time demand and competition status. With the mix of competitive intelligence and repricing ability, your business can gain a competitive edge in the market.

### **Risk of Dynamic Pricing**

A potential drawback of dynamic pricing is that it can make customers irritated or even angry if they discover that they have been subject to price discrimination resulting decline in customer loyalty.

### **Consumer-based Pricing**

When determining the price of a product, answer two questions: who are the customers and what value the product can bring to customers on purchasing. The answer to the questions brings a solid self-awareness about the product and the cost.

#### **Ways to determine the Consumer-based Pricing**

- Define the targeted consumer groups
- Use real-time data and purchasing history of the targeted consumers
- Analyze their willingness to pay (WTP) for the product

### **Bundle Pricing**

Product bundling is simple. It is a great way to increase the sales of different products by creating a similarity between them. Online marketers often push for bundle pricing, i.e., selling a range of products together for a discounted price

---

---

---

---

---

---

---

---

---

---

---

---

## Penetration pricing

Penetration pricing is a marketing strategy where a new product enters the market with below-average prices highlighting its services and features.

**The key focus of the merchants when they follow the penetration pricing is to:**

- set their prices lower than the competitors
- lure the customers
- build the brand reputation

## Price discrimination

Price discrimination is a tailored approach to e-commerce where an identical item is sold at different prices to different buyers. It follows three levels of execution.

### Level - I

Charge a maximum price to your consumer to test their willingness to pay.

### Level - II

- Allow the customer to choose a price for the product and add or decrease
- the product's features. For example, buying a mattress offers three different prices depending on its height.

### Level – III

Price a product differently based on customer segments

## Loss leader pricing

- The pricing strategy involves setting a few products to be sold at a lower price to get the customers through. Once the customers are on the website and more likely to buy other products from your merchandising firm, they encounter with pricey or marketable rates.
- So, if you implement a loss leader strategy to determine the price of your product consider whether you have any add-on products where people would need to come back to your store to make a supplementary purchase.





### How do you price your products online?

Based on your business goals, long-term growth plan, and product-specific sales strategy, you can choose from or combine several strategies including Price Skimming, Penetration Pricing, Cost-Plus Pricing, Dynamic Pricing, Basket-Based Pricing, Bundle Pricing etc.

### What are the 5 common pricing strategies?

Commonly pursued pricing strategies include Price Skimming, Penetration Pricing, Cost-Plus Pricing, Value-Based Pricing, and Competitive Pricing. Before deciding on one or several, determine which ones fit your business strategy and answers your needs.

### How to apply cost-based pricing?

Calculate the price for a product by using the formula

$$\text{Price} = (\text{Material Cost} + \text{Labor Cost} + \text{Overhead Costs}) \times (1 + \text{Markup})$$

---

---

---

---

---

---

---

---

---

---

### **Recap:**

- The current online shopping scenario has truly transformed the way we shop and makes the market a customer centric.
- To start a business online is easy.
- Quality and Price of an item are the key determinants for purchasing.
- Studies shows that 90% of online shoppers compare an item's price on different platforms before deciding to buy.



---

---