



How to Set Up an Online Store

Start Selling Online Today

Presented by Lisa Li

A Bit About Me...

- I'm Lisa Li, and I specialize in web development and graphic design. I've been building websites and designing graphics for over 20 years.
- I've created online shops for many years using a variety of different platforms, plugins, and marketplaces.
- I have created designs for print-on-demand products and sold products online directly, and on behalf of others.



Class Agenda

- **Lecture Part 1: Introduction to E-commerce Platforms (~55 minutes)**
 - We exploring the different e-commerce platforms available today and how they work. We test drive some of them and explore their features, discuss the cost, and breakdown the advantages and disadvantages of each.
- **10-Minute Break**
 - Grab a drink or snack, take a restroom break, or simply engage in the class live chat
- **Lecture Part 2: Payments, Sales Tax, and Marketing (~55 minutes)**
 - We discuss common payment processors such as Stripe, PayPal, and Venmo; lesser discussed payment options like "buy now, pay later" and crypto payments. Next, we discuss sales taxes and how to add it to your store. Then finally, we discuss some ways to market your online store.
- **Q&A Session (Optional) (~30 minutes)**



What is an E-commerce Platform?

An e-commerce platform is software that enables you to create, manage, and grow an online store with ease. It handles everything from product listings to payment processing.

Key Functions:

- Allows customers to browse products, place orders, and make payments securely online.
- Manages inventory, shipping, taxes, and customer data, often automating many tasks.

Popular Examples:

- Shopify: User-friendly, scalable, with built-in marketing tools.
- SureCart: Affordable, easy-to-use, integrates seamlessly with WordPress.
- LaunchCart: Cost-effective and feature-packed for growing businesses.



Popular E-commerce Platforms

Shopify:

- One of the most popular and user-friendly e-commerce platforms, Shopify offers a wide range of customizable templates, secure payment processing, and powerful marketing tools to help you grow your business.

Shift4Shop:

- Shift4Shop provides an all-in-one e-commerce solution with built-in SEO tools, customizable themes, and support for multi-channel selling. U.S.-based businesses using Shift4 Payments can access the platform for free.

LaunchCart:

- A newer e-commerce platform that aims to simplify the process of setting up and managing an online store. While it does not have the extensive features or large user base of more established platforms like Shopify or WooCommerce, it has a user-friendly interface and features included that Shopify charges extra for.



Popular E-commerce Platforms

- **Magento:** An open-source e-commerce platform that offers flexibility, scalability, and a wide range of features suitable for both small businesses and large enterprises.
- **BigCommerce:** A cloud-based e-commerce platform that provides a range of customizable templates, secure payment processing, and powerful marketing tools to help you grow your online business.
- **Squarespace:** A user-friendly platform that offers a range of templates specifically designed for e-commerce, along with built-in tools for managing inventory, processing payments, and promoting your store.
- **Wix:** Another user-friendly platform that offers a drag-and-drop website builder, customizable templates, and integrated e-commerce features for setting up an online store quickly and easily.



Popular E-commerce WP Plugins

- **SureCart:** SureCart is a modern, easy-to-use e-commerce platform designed specifically for WordPress. Integrates seamlessly with your WordPress site, allowing you to sell products, services, and digital goods easily. It focuses on simplicity, automation, and flexibility, providing features like drag-and-drop checkout creation, subscription management, and built-in integrations with major payment gateways.
- **Ecwid:** A flexible shopping cart system that allows you to add e-commerce functionality to any existing website, including WordPress, Wix, or custom websites. Add it to your website and sell products on multiple platforms easily. Marketing tools included.
- **WooCommerce:** A free, open-source plugin for WordPress that transforms your website into a fully functional online store with customizable themes, secure payments, and extensive features. More challenging setup and may require purchasing extensions to have features.



Choosing the Right Platform

- **Budget:** Evaluate platform costs, transaction fees, and any add-ons (e.g., themes, apps, extensions).
- **Customization:** Consider the level of customization needed for design and functionality.
- **Product Range:** Does the platform support the number and type of products you plan to sell?
- **Payment Integration:** Ensure the platform integrates with your preferred payment gateways (e.g., Stripe, PayPal).
- **Shipping & Taxes:** Look for built-in shipping tools and automated tax calculations for ease of management.
- **Marketing Tools:** Check for built-in SEO, email marketing, and promotion features to help grow your store.

Recommendation: Start with a simple, budget-friendly platform that fits your immediate needs and can scale as your business grows. Plan for both current and future requirements.



Product Management: Adding Products

Steps to Add a Product:

1. Navigate to the product dashboard.
2. Add product details (name, description, price, images).
3. Set categories and tags.
4. Publish.

Best Practices:

- Use clear product images.
- Write SEO-friendly descriptions.
- Use product categories effectively.



Managing Orders and Inventory

Order Management:

- Easily view, process, and fulfill orders from your platform's dashboard.
- Automate key steps like order confirmations, shipping notifications, and tracking updates to streamline operations.

Inventory Management:

- Keep an accurate record of stock levels to avoid overselling.
- Use automation tools for low-stock alerts and restock reminders to stay on top of inventory.
- Consider integrating with suppliers for real-time inventory tracking.

Best Practice: Leverage automation to save time and reduce human error in both order processing and inventory management.



Break Time!

Grab a drink or snack, take a restroom break, or simply engage in the class live chat.



Introduction to Payment Gateways

What is a Payment Gateway?

- A payment gateway is a service that securely processes credit card and other payment transactions for your online store, acting as the bridge between your customer's payment and your business account.

Important Things to Know:

- **Transaction Fees** – Payment gateways charge a fee for processing payments, typically around 2-3% of the sale. You still have to pay the fee, even if you give the customer a refund.
- **Payout Speed** – Some gateways process payments faster than others, affecting your cash flow.
- **Security & Compliance** – Ensure that your gateway is PCI DSS compliant and supports SSL encryption for secure transactions.



Popular Payment Processors

Stripe – Ideal for customizable payment solutions with wide currency support.

PayPal – A widely trusted, user-friendly option for online payments.

Venmo – Convenient for peer-to-peer transactions, popular in the U.S.

Square – Offers both in-person and online payment solutions for small businesses.

"Buy Now, Pay Later" Options:

- **Afterpay** – Allows customers to split payments into interest-free installments.
- **Klarna** – Offers flexible payment plans to customers.

Cryptocurrency Payments – Accept Bitcoin, Ethereum, and other cryptocurrencies for modern, tech-savvy customers.



Setting Up Payment Gateways

How to Set Up Payment Gateways:

- Navigate to your platform's payment settings.
- Choose your preferred payment processor.
- Enter your business and banking details.
- Activate the gateway.

Tips for Managing Payment Gateways:

- Offer multiple payment options (credit card, PayPal, Apple Pay, etc.) to cater to a wider audience.
- Monitor transaction fees to ensure they align with your pricing strategy.
- Enable secure transactions by ensuring your payment gateway supports SSL encryption and PCI compliance.



Managing Sales Tax

Sales tax rates can vary at the state, county, and city level, depending on the customer's shipping address. It's important to track where your products are shipped to and apply the correct rate.

Automating Tax Calculation:

- Many e-commerce platforms like Shopify, WooCommerce, and BigCommerce offer built-in tax calculators to simplify the process, sometimes included or available as an add-on.
- Tax compliance tools like Avalara or TaxJar can automate tax calculations, apply the latest rates, and even handle remittance.



Out-of-State Sales Tax

When to Collect and Remit Sales Tax:

- In the U.S., states often require businesses to collect sales tax on out-of-state sales if a certain threshold is met.
- These thresholds are typically based on either:
 - Total Sales Revenue in the state (e.g., \$100,000+ annually).
 - Number of Transactions in the state (e.g., 200+ transactions annually).

Typical Thresholds:

- Many states follow similar thresholds, such as:
 - \$100,000 in sales OR 200 transactions in the state within a calendar year.
 - Some states have higher or lower thresholds, so **it's essential to check specific state laws.**



Out-of-State Sales Tax

When Does It Apply?

- If you ship physical products to customers in other states and your sales meet the thresholds, you're generally responsible for collecting and remitting sales tax in those states.
- Digital products or services may also be taxed depending on the state.

Tools for Automating Compliance:

- Platforms like Shopify, WooCommerce, and others have built-in sales tax calculators.
- Integrating tax compliance tools like Avalara or TaxJar can help automate the process and keep track of changing thresholds.



Sales Tax Tips

- **Enable automatic tax calculation** through your e-commerce platform to ensure accurate and up-to-date tax rates.
- **Monitor your sales thresholds:** In many states, you'll only need to collect sales tax once your sales reach a certain threshold (e.g., \$100,000 or 200 transactions in a calendar year). Be sure to stay informed on where you may trigger sales tax obligations.
- **Stay updated on tax regulations** in regions where you sell, especially as laws frequently change, particularly for out-of-state sales.
- **Use reporting tools** to track your sales and easily generate reports for tax filings.
- **Use marketplaces that automatically collect and remit sales tax** for you such as eBay, Amazon, Etsy, etc.



Marketing & Conversion Expectations

Set Realistic Expectations:

- Simply having an online store won't automatically lead to sales.
- You need **consistent marketing** to drive traffic.
- **Average conversion rates** for e-commerce stores are between 1-3%.
- For print-on-demand (POD) stores, conversion rates may be lower, so you'll need to factor this in when planning your strategy.
- Sales trends, holidays, seasons, and other external factors may impact your sales.
- The products, product images, descriptions, shop design, policies, shipping times, and other elements you use will heavily influence your sales conversion rate.



Understand Your Target Audience

Know Your Audience:

- Who are your customers? What are their demographics, interests, and purchasing behavior?
- Where do they spend their time online? (Social media, search engines, specific platforms)
- What specific problem or need do your products solve for them?

Consider Their Priorities:

- What matters most to them? Price, quality, convenience, sustainability, or brand reputation?
- Highlight how your product addresses these priorities directly.



Speak To Your Target Audience

Identify Barriers to Purchase:

- What reasons might stop them from buying? (Cost, uncertainty about the product, complicated buying process)
- Address common objections upfront—use FAQs, customer testimonials, and clear product descriptions.

Tailor Your Messaging:

- Speak their language and resonate with their values.
- Craft content that meets their needs and preferences—whether it's practical, informative, or emotional.



Choose Marketing Channels

SEO: Invest time in search engine optimization (SEO) for organic traffic. Focus on optimizing product descriptions, meta tags, and blog content.

Social Media: Utilize free social platforms (Instagram, TikTok, Facebook) to post engaging content and run inexpensive ads targeting your audience.

Email Marketing: Build an email list and engage with customers through newsletters, exclusive deals, and product launches. It's one of the highest ROI marketing channels.

Paid Ads: Run targeted ads on Google, Facebook, or Instagram. Start with a small budget (\$5-10/day) and scale based on performance.



Free & Low-Cost Strategies

Run Contests or Giveaways:

- Why it works: People love free stuff, and giveaways incentivize engagement. They also encourage users to share the contest, which extends your reach organically.
- Tip: Use a platform like RafflePress or Gleam to easily manage entries and grow your email list or social media following.

Offer a Free Digital Product (in exchange for an email address):

- Why it works: Offering a valuable digital product like a guide, e-book, or coupon in exchange for an email address can help grow your email list, which can then be leveraged for targeted email marketing.
- Tip: Focus on high-value content that solves a real problem for your customers, and use simple landing page builders like Mailchimp or ConvertKit to set it up.



Free & Low-Cost Strategies

Invest in Paid Social Media Ads (targeted ads):

- Why it works: Paid ads on platforms like Facebook, Instagram, and even Pinterest allow you to target specific demographics and interests, getting your products in front of the right audience quickly.
- Tip: Start small and optimize as you go. Many platforms let you test different ads (A/B testing) to see which works best, helping you make the most of a limited budget.

Leverage Influencer or User-Generated Video Reviews:

- Why it works: Video content has a higher engagement and conversion rate. Featuring reviews or testimonials from real customers (or micro-influencers) can build trust and authenticity.
- Tip: Encourage your existing customers to share video reviews and offer discounts or freebies in return.



Free & Low-Cost Strategies

Use Email Marketing (with a clear call-to-action):

- Why it works: Email marketing has a high return on investment (ROI). Regularly sending value-added emails, special offers, and reminders to your growing list can convert potential customers over time.
- Tip: Use free or affordable email marketing tools like Mailchimp or Moosend, and personalize emails to fit your audience's needs.

Leverage SEO for Free Traffic:

- Why it works: Organic search traffic remains one of the best free traffic sources. Optimizing product pages with the right keywords and providing valuable blog content that ranks in search engines can pay off long term.
- Tip: Use tools like Ubersuggest or Google Search Console to identify low-competition keywords and optimize for SEO.



Free & Low-Cost Strategies

Plan Promotions & Discounts:

- Regularly offer time-limited discounts, free shipping, or bundles to incentivize purchases.
- Use strategies like scarcity and urgency (e.g., "only 3 left in stock" or "sale ends today") to drive conversions.

Use Marketing Tactics:

- Use exact numbers in marketing materials and ads
 - *Ex. "I saved \$244!" tends to convert better than "I saved \$200".*
- Repetition is often necessary
 - *On average, people need to see an ad 7 times before they will be ready to take action on it.*
- Use AI tools like ChatGPT to write copy for your headlines, product titles, descriptions, and tags



Track & Adjust

Use Tools:

- Utilize free analytics tools like Google Analytics or social platform insights (e.g., Facebook Insights, Instagram Analytics) to track the success of your campaigns.

A/B Testing:

- Test different ad copy, landing pages, and offers to see what works best for your audience.

Budgeting:

- On average, successful small online stores spend 10-30% of their monthly revenue on advertising.
- Start small, track ROI, and adjust.



Final Takeaways

Choose the Right Platform: Start with an e-commerce platform that fits your budget and needs (e.g., Shopify, WooCommerce, LaunchCart).

Payment Processors Matter: Make payment easy for customers by integrating secure payment gateways like Stripe, PayPal, or Venmo.

Consistent Marketing: Leverage social media, email marketing, and paid ads to grow your store's visibility.

Measure and Adjust: Use analytics tools to track traffic, conversion rates, and improve performance over time.



Key Statistics

Online Store Growth: Global e-commerce sales are projected to reach \$6.3 trillion by 2024.

POD Market: The print-on-demand industry is expected to grow by 26.1% annually from 2020 to 2030.

Mobile Shopping: Nearly 72.9% of e-commerce sales in 2021 came from mobile devices.

Abandoned Cart Rates: On average, 69.8% of shopping carts are abandoned, highlighting the importance of follow-up emails and retargeting.

Shipping Preferences: 90% of customers say free shipping is their top incentive for making online purchases.

Customer Retention: Acquiring a new customer can cost 5x more than retaining an existing one—focus on retention strategies like loyalty programs and personalized offers.



Q&A



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