How to launch your online business

TIPS TO HELP TURN YOUR IDEA INTO A SUCCESSFUL ENTERPRISE.
Turn your brilliant idea into a successful business

Congratulations on finding your inspiration and deciding to bring it to market.

Your new venture can give you a source of income and a sense of fulfilment, while creating – and satisfying – customer needs. This guide offers a road map to help you get into the e-commerce game and sell online:

- Launching your site: Build or buy?
- Choose the right domain name
- With website design, think mobile first
- Choose the right shopping basket
- Master inventory and order management
- Tackle accounting integration
- Manage security and compliance
- Measure – and refine – your success
Launching your site:
Build or buy?
A new business needs to prove the viability of its ideas. Turnkey e-commerce solutions give you a fast, low-cost way to do that.

Choose the right domain name
Make it memorable and easy to find – and with a clear connection to what you’re selling.

With website design, think mobile first
You might get most of your sales from mobile users in the near future.

Measure – and refine – your success
Start with traffic and sales, but don’t get stuck in ‘analysis paralysis.’

Master inventory and order management
Integrate both functions with your shopping basket.

Manage security and compliance
Make sure your payments processing is PCI compliant.

Tackle accounting integration
Look beyond desktop-based software to the cloud.

Choose the right shopping basket
Consider customisation and integration before you buy.

With website design, think mobile first
You might get most of your sales from mobile users in the near future.
LAUNCHING YOUR SITE: BUILD OR BUY?
Should you build from scratch, buy, or customise?

Deciding whether to build your own e-commerce website or go with a turnkey solution – or find a hybrid solution – is one of your first choices when launching an online business. The decision boils down to 3 questions:

1. Will building your own site give you a competitive advantage?
2. Is it more time- and cost-effective to build, launch, and maintain your own website (server, software, and support) than to pay the recurring fees charged by a turnkey solution?
3. Do you know the ins and outs of e-commerce well enough to build your own site, or to manage a contractor or agency?

If you customise, how much customisation do you need? How often do you need the basic functionality of your site to change relative to your day-to-day operations and projected growth? If the answer is ‘not much’ – as it is for most businesses – your budget might be better spent on value-added services such as free shipping and superior customer service and support.
‘It rarely makes sense to build your first website. There’s a competitive advantage to using a solution that has figured all that out for you, for a reasonable monthly fee.’

Kevin Klausman, Enterprise Account Manager, Bigcommerce.
Find out how much you can customise templates offered by the major services. Almost all will let you upload your logo, but how fully will you be able to ‘brand’ your site?

Can you add videos, change colour schemes, modify navigational flows?

How adaptable is each solution to testing and tracking? For example, look into how well each solution tracks the metrics most important to your business.

Assess scalability. You might not need a lot of fancy tools now, but as your business grows, you’ll want a partner that can scale with you. How easy is it to integrate an email marketing campaign?

Accept multiple currencies? Integrate with a customer relationship marketing (CRM) solution?
Consider these factors in the build versus buy debate

The case for a turnkey solution.
Most website solutions have put considerable R&D into road-testing their templates to drive sales. Explains Bigcommerce product manager Katey Ferenzi, ‘Unless you have a tried-and-true business model, your goal at this stage is to test the viability of your idea.’ When it comes to launching your first e-commerce site, don’t spend your precious time and budget reinventing the wheel.

1. **Budget**
Most small businesses have limited launch budgets. The costs associated with building your own site – design, development, employment, and testing – are significant. Go it alone and you’ll also pay for hosting, a shopping basket solution and integrated applications such as payments processing.

Compare the cost of building and maintaining a home-grown solution with the recurring monthly costs of a turnkey solution. And consider whether the decision you make today will be the same one you revisit in a year or so, when your needs will have changed.

2. **Expertise**
Few small business owners have the skills required to build a successful e-commerce site. Even if you hire a designer and coder you trust, you’re still going to need to know a lot about design and navigation, shopping basket functionality, page loading times, etc. When issues arise, you’ll need to provide direction and set strategy.

3. **Hybrid options**
There are options between in-house and outsourced. With community-built software such as Magento Community Edition for example, you can modify the core code and enhance functionality with application extensions. Whatever your choice, ask questions and do a cost analysis, then decide what’s best for you.
CHOOSE THE RIGHT DOMAIN NAME
Tips for choosing the right domain name

You want your domain name to be memorable, easy to find, and easy to promote. And perhaps surprisingly, your business name might not be the best name for your site. Web hosting company GoDaddy offers these suggestions for choosing a domain name:

- **Make it easy to type**
  'Creative' spelling (e.g., Xperteez) can make it hard for customers to find your site.

- **Avoid numbers and hyphens**
  They can make your domain name tough to remember, or confuse people who hear about you through word of mouth.

- **Keep it short**
  Short names are more memorable.

- **Be unique**
  It can feel like 'all the good ones are taken'. Do some searching. When you buy your domain, the registrar will confirm that your chosen name is available.

- **Consider keywords**
  Keywords are phrases that describe what you do. Include terms that people enter when searching for your product category (e.g., 'Dublin coffee'). This can improve your search engine rank and increase traffic to your site. Check out the Google Adwords Keyword Planner when coming up with possible names.

- **Choose your extension(s)**
  Some have specific uses (e.g., .ORG and .ORG. UK are for non-profit organisations). Consider purchasing many or all of the available extensions for your name – you don’t want a competitor launching a .NET version of your .COM website.

- **Be memorable**
  There are millions of domain names out there – you want to set yourself apart.
WITH WEBSITE DESIGN, THINK MOBILE FIRST
Start with mobile and go from there

Mobile optimisation is no longer just a nice-to-have – it’s an essential business strategy. Research shows that consumers are spending almost as much on mobile devices as they are on desktops.²

THE TAKEAWAY

Don’t assume that your desktop website works just as well on mobile devices — pick up your phone and take a look. Google Developers offers a helpful mobile-friendly test.

In 2015, mobile e-commerce in the UK grew by 42% and, in the third quarter, 45% of all online sales were made via a mobile device.³ If that isn’t enough to convince you, try this: Google recently changed how it ranks websites in mobile searches, prioritising whether a site is mobile optimised.⁴

If you’re shopping for a turnkey solution, make sure the provider has mobile-optimised templates (these days, most do). Look for phrases such as ‘mobile optimised’ and ‘mobile responsive’. If you’re building from scratch, approach your design as a multi-device experience, rather than following one set of best practices for desktop and another for mobile.
Consider your development options

There are three ways to develop a site that works well for mobile users:

**Responsive design**
This is the simplest approach – and the best for custom sites. It produces one website that works no matter what device or screen it’s viewed on. Fluid page layouts, resizeable images, and responsive style rules adjust site elements to fit any device.

**Dynamic serving**
This method serves up 2 sets of code (essentially, 2 different websites) for computers and mobile devices. Your domain name (URL) stays the same.

**Separate mobile website**
This option uses a different domain name (and code, etc.) for mobile devices. A URL such as ‘m.domain.com’ indicates a mobile site. Such sites can be launched through mobile apps.
Use best practices for mobile design

A mobile-responsive website should:

1. Get visitors where they want to go. Put calls to action front and centre. Include your phone number on your home page.

2. Require less scrolling, data entry, clicking and zooming.


4. Use larger fonts and bigger buttons, which are easier to see on a small screen.

5. Place important buttons (like Add to Basket and Check Out) at the top and bottom of each page.

6. Keep images to a minimum to speed page loading.

7. Streamline the payment process to reduce basket abandonment. Allow for guest checkout.

8. Offer universal sign-in, to seamlessly integrate shopping methods across devices.

9. Consider using PayPal to streamline checkout. PayPal account holders can check out using only a mobile phone number and 4-digit PIN.
Finally, ask for as little new information as possible – just a username and password for returning customers.

Don’t ask users to re-enter credit card, shipping, and billing information. With PayPal’s new One Touch™ experience, for example, customers login to PayPal to complete a purchase on an eligible merchant’s site; after the first purchase, they can then skip login and go right to payment.

**MULTIDEVICE BEST PRACTICES**

Whether you build your own site or choose a customisable solution, check out Google Developers’ Web Fundamentals a set of best practices for web experiences across devices.
CHOOSE THE RIGHT SHOPPING BASKET
Select the right shopping basket for your business

Online shopping baskets mimic their real-world counterparts as places to put items for later checkout. But they’re also the means of purchase.

Most turnkey e-commerce solutions provide integrated shopping baskets and checkout page templates with varying levels of customisation. Many also compute shipping, provide reporting and integrate with inventory management tools. Be sure to check out the level of customisation and, if applicable, whether the basket works equally well for ‘intangible goods’ such as software or music downloads.

IF YOU BUILD YOUR OWN SITE, CHOOSE A SHOPPING BASKET PROVIDER THAT CAN INTEGRATE WITH YOUR SERVER AND PAYMENT GATEWAY. HERE’S WHAT THAT MEANS:

1. **Integrate with your server**
   Most web hosting providers support a variety of shopping baskets. Still, make sure your basket provider and host play together nicely.

2. **Integrate with your payment gateway**
   Learn which shopping baskets work with your payment gateway – the software, often provided by your merchant service, that connects your website to the electronic payment networks.

3. **Remote versus local hosting**
   Should you buy and host your basket software (hosting it on the same server hosting your website), or go with a subscription model? This is reminiscent of the ‘build or buy’ decision – you’ll need to consider level of customisation, initial versus long-term costs, service levels, etc.

   Shopping basket prices vary widely, depending on factors including features, storage space, process and interface customisation, and how many sites a basket serves.
MASTER INVENTORY
AND ORDER MANAGEMENT
Manage inventory and orders with the right tools

If you sell hundreds or thousands of SKUs, uploading products to your e-commerce solution can be time consuming.

Turnkey website providers have built-in apps that walk you through the process and let you assign characteristics such as sizes and colours. If you build a custom site, there are software packages that you can integrate. With either route, look for the following features.

A good inventory management solution should let you:

- Create unique SKUs for each product combination (for example: SKU 10001 for Shirt, Small, Green; SKU 10002 for Shirt, Medium, Green; SKU 1005 for Shirt, Small, Red).
- Upload photos and videos, then rotate or zoom images, show a product in different colours, etc.
- Import an existing inventory list from a spreadsheet or flat file.
Look for integrated order tracking and processing software that:

- Syncs inventory across channels (e.g. your website, point-of-sale (POS) system, eBay store and mobile site) whenever a sale is made or stock is replenished. This reduces the risk of stock shortages.
- Allows for flexible shipping rules, such as free shipping for all orders over £50. Such tactics can help turn a ‘maybe’ into a ‘buy’ decision.
- Processes and tracks orders from initial sale through fulfilment.
- Prints invoices and packing slips.
- Calculates taxes for all countries in which you do business, with regular updates to tax rates.
- Offers real-time insights and reporting capabilities, such as sales by product and low inventory alerts.
TACKLE ACCOUNTING INTEGRATION
Consider the cloud for accounting services

While a desktop solution is perfectly fine, today’s cloud-based (aka software-as-a-service or SaaS) accounting packages offer advantages worth reviewing:

- **Check your books anytime, anywhere, any way**
  All you need is an internet connection. Most cloud-based solutions are also mobile responsive.

- **Share more easily**
  Cloud-based solutions make it easy to share your books with sales reps, managers or accountants.

- **Don’t worry about software updates**
  If you’re like most businesses, your current software is probably several updates behind. Cloud-based solutions are always up to date.

- **Do more**
  Cloud-based companies – and third party developers – are continually adding new capabilities and tools to their accounting packages.
If you don’t yet have an accounting solution, look for one with a robust set of tools that meet your needs. Beyond just balancing your books, today’s solutions can perform a wide range of tasks and integrate with other powerful tools:

<table>
<thead>
<tr>
<th>Order management</th>
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<tr>
<td>Some accounting solutions can track goods once they’re sold – from order receipt through fulfilment and shipment to customer delivery.</td>
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<tr>
<th>Sync with your POS</th>
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<tr>
<td>If you have a point-of-sale solution (say, in a physical shop), look for an accounting package that lets you import these transactions and reconcile them against inventory and expenses.</td>
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<tr>
<th>Sync with your shopping basket and online payments</th>
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<tr>
<td>Make sure your chosen solution syncs with your online merchant service/payments processor.</td>
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<th>Sync with your other software</th>
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<tr>
<td>Look for a solution that allows you to upload and sync website transactions, inventory and shipping data as well as customer information.</td>
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Most importantly, weigh any solution against your needs as a small business. You likely won’t need all the bells and whistles right away.

Keep in mind that most e-commerce solutions offer many of the capabilities – you may need an accounting package only to manage your finances. The right mix of software solutions for you is the one that allows you to balance accounting requirements, non-accounting needs, price points and ease of use.
Charging for your time or expertise?

Does your business charge for time and expertise rather than sell goods – web design, legal services, plumbing or even dog walking? New tools can help you save time and get paid more quickly.

Adrian Norville, Product Marketer, at FreshBooks says that most service-based small businesses can benefit from tools that handle:

- **Time tracking**: If you charge for your time, you’ll need to track it easily and accurately – and, as you grow, track employees’ time as well. A good time-tracking solution makes it easy to convert tracked time into invoices, and to adjust rates by worker, project, and client.

- **Estimates and invoices**: Unlike businesses that sell goods, then provide a receipt afterwards, you’ll be expected to provide clients with an estimate before you begin work. To get paid, you’ll also need to invoice at the end of each engagement, and possibly at milestones along the way.

- **Online payments**: Much like a shopping basket, an online payment gateway allows clients to pay online by credit card. A gateway can help you work with long-distance clients, and can increase both cash flow and customer convenience.
Cloud-based accounting software such as FreshBooks is built for service-based businesses like yours. Most integrate these functions into a simple package with web and mobile access. They help you automate repetitive business functions so you can spend more time and energy on your core business.
MANAGE SECURITY AND COMPLIANCE
Understand how fraudsters operate

You might think your site is too small to interest criminals. Sadly, you’d be wrong. One in 5 small businesses falls victim to cybercrime (usually phishing or hacking) every year. Of those, about 60% go out of business within 6 months after an attack.\(^5\)

**ENSURE PCI COMPLIANCE**

To help businesses protect themselves and their customers from online fraud, the Payment Card Industry Security Standards Council (PCI) has developed a set of requirements designed to ensure that ALL companies that process, store or transmit credit card information maintain a secure environment.

Complying with these standards – PCI compliance – is not optional and is strictly enforced. Many of the following recommendations fall within the PCI Standards – visit the [PCI Security Standards website](https://www.pcisecuritystandards.org) for full requirements. Your payment processor can also help; many, like PayPal, build PCI compliance into their solutions.

At the least, if you accept a fraudulent payment, you could be held financially responsible for the loss. But you can minimise your risk. Generally, online fraudsters use 2 methods to steal money:\(^6\)

1. **Account takeover**
   Most customer accounts store personal information, financial data and purchase history. In the most common phishing scheme, fake emails trick customers into revealing usernames and passwords. The fraudsters then login to customer accounts, change passwords and make unauthorised purchases.

2. **Identity theft**
   Although most businesses take many precautions to secure customer data, fraudsters can still manage to hack into databases and steal valuable information. Hackers often sell credit card numbers to other criminals who use them to pay for online purchases. This type of fraud is difficult to detect because many people don’t check their credit card statements thoroughly – and have no idea that others have opened accounts in their names.
Manage your risk

Although the potential for fraud is high, the right tools and processes can help keep you and your customers more secure – and reduce your chances of chargeback fees and lost revenue. Recommendations from the PayPal Security Centre:

Monitor transactions and reconcile bank accounts daily
Nobody knows your business like you do. Monitor accounts and transactions, looking for red flags such as inconsistent billing and shipping information. There are also tools that trace customers’ IP addresses and alert you to those from countries known as bases for fraudsters. Check out Get Safe Online or the Metropolitan Police’s Little Book of Big Scams for more information.

Use the address verification system
AVS compares the numeric parts of the billing address stored within a credit card with the address on file at the credit card company. This tool is widely supported in the UK, USA and Canada, but less common in other countries – check with your processor.

Get tougher with passwords
It won’t take hackers long to crack a simple 4-character password. Best practices these days call for an 8-digit alphanumeric password that includes at least one capitalisation and one special character (e.g., P0r$che9!!). Your customers might grumble, but better safe than hacked.

Consider setting limits
Set limits on the number of purchases and total value you’ll accept from one account in a single day. This can help minimise your exposure.

Require the card verification value
This is the 3 or 4-digit security code printed on credit cards. PCI rules prevent you from storing the CVV along with the card number and card owner’s name, making it virtually impossible for fraudsters to get it unless they’ve stolen the physical credit card. Most processors include a tool to require CVV at checkout. Use it.

Keep your platforms and software up to date
Running the latest version of your operating system helps protect you from vulnerabilities, viruses, and malware. Install and regularly update business-grade anti-malware and anti-spyware software. If your site is hosted on a managed solution, automatic security patches help ensure that any vulnerabilities are quickly resolved.
Finally, remember that only you can decide whether to accept a transaction. The most powerful protection comes when you combine multiple improvements. Your customers have entrusted their financial well-being to you – make sure you keep it safe.
MEASURE AND REFINE YOUR SUCCESS
What to measure

The second you launch your site, you’ll be asking:

How many visitors do we have? How many sales have we made? Which products are selling best? Worst? Find out all that information – and much, much more – with tracking and analytics.

The technical methods of collecting data are complex and beyond the scope of this paper. In general, analytics measure not only the flow of traffic to your website, but also who visitors are and their behaviour on your site.

Begin by tracking these metrics:

1. Traffic sources and traffic patterns
   - How many visitors are coming to your site? How many new visitors versus repeat visitors? Mobile or desktop? Where do they live? When do they shop?

2. Page views
   - Once visitors arrive, where do they go? What do they click on? Which pages and sections of your website get the most eyeballs?

3. Sales conversions (and its evil inverse, basket/cart abandonment)
   - How many visitors are putting products into their shopping basket/cart of these, how many actually complete their purchases, and how many don’t? Which products are selling the best?

4. Cost per lead and cost per sale
   - Which lead sources and marketing campaigns are driving the highest-quality traffic to your site? Are your search engine marketing (SEM) and email campaigns providing good customers? What about your social media pages?
How to measure

Figuring out the best analytics software for your site can be tricky. There are hundreds of solutions, many with both free and paid versions.

Not all do everything you’d like – for example, you might need to install separate packages to measure SEM or email campaign results.

**ESSENTIALLY, THE CODE DOES 2 THINGS:**

- It makes a call to the Google servers every time a page is loaded. Google stores this page visit.
- It places a cookie in the visitor’s web browser, which collects anonymous data, such as whether the visitor is new or returning, time of site visit, previous sites visited, etc.

One of the most popular analytics packages is Google Analytics (GA), which provides cross-platform and cross-device tracking. It can tell you where visitors come from, how long they stay on your site, and where they go afterwards. It’s integrated with Google AdWords, which displays your ad in search engine results based on keywords, to provide end-to-end tracking of your online campaigns.

GA, like many analytics packages, works by placing a piece of code, or ‘page tag,’ on each of your web pages.
Whatever tracking and analytics software you choose, the data volume can be overwhelming. To avoid ‘analysis paralysis’, think about the most important thing you need to learn about your business right now.

What do you need to know to make the biggest impact on your business and your sales? Over time, you can dig deeper and refine your online strategy.
Ready, set, go

Throughout development and launch, remember this: You believe in what you’re selling. Don’t let yourself get overwhelmed and don’t second-guess your decision to start an e-commerce business. Your site doesn’t have to be perfect. Just put your best foot forward.

When you launch your site, have a grand opening. Blast the good news through your social media channels, and ask friends to link to your site on social media. This is when the fun begins!

Visit [www.paypal.com/business](http://www.paypal.com/business) to learn more.

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1 Adapted from [GoDaddy](https://www.godaddy.com), ‘10 tips to choosing a domain name’.


3 IMRG Capgemini e-Retail Sales Index, January 2016.


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