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ECOMMERCE



SECRETS

THE **5 KEY STEPS** TO SETTING UP A PROFITABLE

ONLINE STORE IN **SOUTH AFRICA**

Insaka
eCommerce Academy

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WELCOME

Hi there, my name is Warrick Kernes and I'm the founder of the Insaka Online Academy and I would like to welcome you to this ebook on eCommerce.

My personal eCommerce journey started back in 2008, when I lived in London and I started working for an online store. I was one of the first team members to join the team and over the next two-and-a-half years the business grew rapidly to over 25 staff members. I played a valuable part in the companies success and in 2009 I was nominated and won the HSBC award for being London's Young Outstanding Business Person of the year.

That set me up well to return home to South Africa in the middle of 2010, where I started my own online store called Action Cameras, which later rebranded to Action Gear. I started that business with my total savings of R8700, and I grew it to over R20 million a year.

In May 2018, I exited the business to start the Insaka eCommerce academy where I have dedicated my time to using my experience and my expertise to help other South Africans to set up their own online stores. What I'd like to do is say thank you to you, for downloading this e-book, to help me achieve my goal, to teach more people about setting up their own online store.

The purpose of this e-book is to guide you through a thought process of how you would approach setting up your own online store. From the beginning we will start out by finding the right product to sell online as that is really step one.

Then, we will go to the next step where we look at which is the right content management system (website platform) for you to build your online site.

Next we will cover the logistics on how to manage your stock and your courier deliveries. We will then proceed to getting your site live and look at what we can do to get your first couple sales in. From there we will focus on how to build your sales and ultimately grow your online business.

That's really the process I want to take you through in this ebook. So, if you've been thinking about starting an online store then I'm glad that you are here. I'm glad that you're going to learn the basics of setting up an online store and you can start your own eCommerce journey, right now. So, let's get started.

CHAPTER 1: HOW TO FIND A WINNING PRODUCT TO SELL

Welcome to the 1st step in setting up an online store, which is all about finding a winning product to sell on your website.

We're going to get started on this topic by looking at how to find products to sell online followed by what is it that makes a product a *winning* product, and if people are going to buy your product. Then we will look at some trending products that are current, and we'll finish up by looking at drop shipping and whether it works in South Africa.

So, let's get straight into it by finding out how to find products to sell online.

The first place that you want to be looking at is to take a **look at what you're passionate** about. What are your hobbies? What is it that, kind of, gets your blood flowing, because if you can find a product within that sector, it's going to be so much easier to build a company, build a brand, and to interact with the customers when this is something you are excited about. So, this is by far the number one on my list, if you can find a product that you can sell that relates to your passion, then you're on the right track.

Next up is to take a **look at trend publication sites**. Some sites you can keep an eye on include; Trend Hunter, Google Trends, and Jungle Scout. You can just subscribe to their email and they'll tell you what's kicking off. But you can also be proactive and go to sites that you find to be interesting overseas and look on their sites and watch out for new products that they're announcing and launching. Then you can see what's doing well overseas and potentially you can be the first to bring it into South Africa. I did that with GoPro, I was the first person to be selling GoPro cameras in South Africa, and we did well off the back of that. So, you can do something similar.

Another little tip that you can use is to go to **Amazon's best seller sections**. Amazon has this very nice algorithm that actually calls up their best sellers in real time, and you can filter that page by different categories, so you can look, just at electronics, or baby equipment, baby toys etc. You can find something that you're looking for that interests you and then you can start some local research in South Africa to see if anybody is selling it here. If you can find something that's a bestseller on Amazon, and nobody is selling it here, then you might have just found yourself a winner!

You should also be keeping an eye on your **competitor's websites**. Go and subscribe to their newsletters and watch out for new products that they're

launching. Also keep an eye out for the amount of noise they're making about a particular product. Is it on their homepage? Is it in their newsletters? Is it being pushed on their social media? All of those things tell you that this is potentially a big product and you should get onboard.

Last tip in this section is to **ask your current or potential customers**. Go and ask them what is it they're looking for. They can often tell you about products that they want, that they're excited about or new products that they've read about coming out next month. This is a great source of information to finding new products.

Once we find a product, how do we know if it's a winning product?

If you can find a product that is a **repeat purchase**, rather than a once-off cost or once-off-purchase, then that does several things; it reduces your cost of acquisition and it increases your lifetime average value of your customer. These customers don't just come to you once and purchase and leave, they come again, and again, and again. And this is a great business model, so if you can find something that's a repeat purchase product then you're on a winning track.

A **small item is good for eCommerce**, because it's cheaper to ship and easier to store. Obviously, a smaller item is preferable than a big bulky box, which is going to cost you a lot and is going to be difficult to store.

An item, or product with **low sales support and low returns** is far better than the alternative. It saves you cost, time and money as you will require a support team of people ready to answer phones and help customers if you have the opposite.

If you can find a product that has **no local regulations** and restrictions, then that is preferable. There are so many products these days that are regulated; toys need NRCS approval, all electronics with wireless communications require ICASA certification, and any medication related products require MCC certification. So if you can find something that has no local regulation requirements then that is preferable. If your product requires ICASA certification this will cost you approximately R4500 per application and it can take anywhere from 3 weeks up to 6 months to get your certificate to sell the product in South Africa. These requirements will slow you down and cost you money.

Next up, always look for products with **high margins**. If you're looking at selling products with anything less than 25% margin you are just making your life

difficult, and it is going to be quite challenging for your company to see a profit at the end of the month. Of course, if you are selling thousands of items at low margin then you can make it up, but for most start up entrepreneurs you want to be selling high margin items, because you're not going to be selling thousands to begin with.

Be very aware of your **import duties**, because the product you're importing could have a 0% duty or it could have a 45% duty. If it is a 45% import duty and you don't know until SARS sends you an invoice when your stock is at customs, that could ruin your entire business model. So please research this in advance.

Now of course this checklist is not a be-all-and-end-all list. Your product does not need to tick every box to be a *winning* product. This is more just a guideline, so you want to keep these points in mind when you're considering a product to import or start selling online.

How to research if people are going to buy the product that you are now wanting to sell?

There is a really cool tool called, ***Google Keyword Planner***. The way you get into this is if you have a Gmail account you register a Google AdWords account. You can do this for free without actually having run any AdWords campaigns. Once you're in there, on the top of the screen there is a tool section, in the tools there's a keyword planner. This is a fantastic tool which can tell you how many people in South Africa are actually searching for a product, a brand or a type of product. Obviously, the more people that are searching for a product, the bigger the demand will be, so you can go ahead and find out before you start importing and before you start selling something. Go and see how many people in South Africa are looking to buy this product.

You should **ask your family and friends**. Ask on social media because they can point something out to you that you have missed. Maybe they'll tell you that this is an absolute winner and you're on the right track and everybody's going to want to buy it or, they could give you a reality check. Asking on social media is something you should not be afraid of because somebody could potentially, (one of your school friends that you have not seen for 10 years) have found an alternative product that could ruin your whole business plan, or that person could perhaps work in a big corporate company and that person can say "yes, my company will take 10 000 pieces, thank you very much". So, don't be afraid to put it out there and see what happens.

Next thing you can do, is go and find your product on Amazon and scroll down on that page to **read the customer reviews**. If it has a lot of negative reviews, then go and read those reviews to see if there is a massive product fault that you weren't aware of that all the customers in America are shouting about and "they want returns" and "this product should not be sold anywhere in the world" or if it is all positive results.

For any product, hobby or industry there's always going to be a Facebook group and there is always going to be forums. Go and find these Facebook groups and forums, get involved, contribute, have a conversation and figure out what people are talking about, what their pain points are and how you can solve this by selling your product. A word of caution is don't be that person that joins a group and start selling straight away, because they'll kick you out and people will see straight through that. Just go in there to garnish information, read their comments, read other conversations within the group and you will get some golden nuggets to know whether people are going to buy that product that you're thinking of.

Let's take a look at some trending products that are trending the world right now:

- Active wear
- Maternity fashion dresses
- Watches
- Backpacks
- Portable LED lamps
- Flame lamps
- Night masks and
- Makeup brushes.

These eight groups of products are not made up, they are pulled from Shopify. These are the best sellers of the year. These products are already moving internationally so these could be an opportunity for you to explore for the South African market. You can look at this list, or you can look at other lists to see if you can find something that's going crazy overseas that's not catered for in the South African market.

Finally, for this section, does drop shipping work in South Africa?

First up, what is drop shipping? If you're not aware, drop shipping is a process where you don't actually buy inventory. You arrange with the supplier that you will promote and list their products on your website and then when somebody buys off your site the supplier then ships directly to the customer. It is a great

business model because you don't have to invest any money in inventory and it is "easy" to run this kind of business.

In America they have systems and processes and automations setup to make this a seamless process, but in South Africa we don't have that. We don't have any infrastructure around this. There are a lot of suppliers that think drop shipping is evil and they just don't want to deal with it. The few suppliers that are happy to deal with drop shippers give margins as low as 5-10% which makes it very challenging.

The only option to set this up in South Africa is to do it manually so you need to go ahead and make good connections, build a relationship with a supplier and ask him/her if you can drop ship their products. You have to have a relationship in place. Do this and you can list their products on your site, get some sales and then arrange that they either ship it or you send a courier to them and you direct ship to the customer. So the answer is that drop shipping in South Africa can work, it is just not as seamless as it is overseas.

Once you have found a winning product to sell online you need to consider what content management system you should use to build your website which will be covered in the next chapter

CHAPTER 2 : HOW TO CHOOSE THE RIGHT WEBSITE PLATFORM

In this chapter we will be looking at which CMS platform you should use to build your website on.

What we are going to be looking at is which platforms are available, which you should consider, the pros and cons of each and which is ultimately right for you.

Let's get into it by firstly answering the question; What is a CMS? CMS stands for content management system and is really the skeleton that you would build the website on. The platform you choose will give you the skeleton that you add the content, the pictures, descriptions, your blog posts, your pages, your navigation titles and everything else. This is what they call the backend of your website. Then the front-end of your website is what the users and consumers see as you browse around the internet. Just about every website will have a backend, that is what is referred to as the CMS, the Content Management System.

Which CMS options should you consider?

When we are considering which one to look at we firstly look at what options there are? There are a lot of options out there such as PrestaShop, WooCommerce, VirtueMart, Volusion, Shopify, Wix, Squarespace, Bigcommerce, OpenCart, Magento to name a few. To make things easier, I am going to help narrow it down to, in my opinion, the best options for a South African based online store.

What we want to look at firstly is does the CMS allow you to sell in South Africa Rands (ZAR)? That is critical. South African customers buying from a South African shop do not want to pay USD. So, the site has to allow you to sell in Rands.

Then we want to look at, what technical support is available and lastly, we want to look at what integrations are set up into local IT apps, payment getaways and services. There is a lot of eCommerce software available in South Africa which we will mention later on in this ebook. The software helps you to make your life so much easier. The software is designed to connect into certain CMS's so we want to choose a platform that works with these service providers.

Let me help you out to narrow it down to the ones that actually work in South Africa. If you're thinking about CMS for a South African website we should only be looking at WooCommerce, Shopify or Magento. These are some of the world's best platforms and the ones that allow you sell in Rands, they have local support (I will get into with WooCommerce support just now) and they integrate with many of the different service providers and the software available in South Africa.

Let's take a look at the pros and cons of each one of these three.

First up is **Magento**. Magento is really the absolute beast among these three, it is the biggest, the most customisable, and it's the one a lot of corporates are using. The positive side is that it is very customisable, and it'll do about anything you want it to. It is definitely suited for large corporations and you'll generally see the companies that use Magento are the ones with very deep pockets and generally need things done exactly the way they want it to work. They have a brand guideline for the corporation and nothing can step outside of that. Magento is very customisable where other platforms would be limited. Other platforms will do what a lot of small entrepreneurs and small businesses need, but if you need something that is 100% customisable to what you want it to do, then Magento is the way to go.

The downside is that it is very difficult to customise, so you need a developer and these guys don't come cheap. Building and running a Magento site is very expensive, I know from experience because one of my previous sites ran on Magento and it cost me R600 000 to do so. I wouldn't choose to do so again because it was very cumbersome, and it just wasn't an amazing experience. Another downside is that to make changes to the backend such as to change inventory and to add blog posts, it is very old school and poor in terms of the user experience. The website also has a slow performance and if you want to upgrade to the more expensive one, then it improves the performance, but I don't agree that that should even be a factor, because one of the ranking factors of how your site is going to rank on google is the speed, and Magento is notoriously slow. But, if you are in a situation, where you need your site to be 100% customisable and to do what you want it to do, then this is the way to go.

Next up is **WooCommerce**. WooCommerce rides on the back of WordPress. WordPress and WooCommerce are essentially married to one another. You cannot have WooCommerce without WordPress. They go hand-in-hand. When you're looking at the positive side, you can set up a WordPress site and install

WooCommerce for free which is really great if you are starting out on a shoestring budget. It is an Open Source platform, so nobody owns it, nobody controls it, it is just owned by everyone. That is what Open Source is all about and it is a positive because without anybody owning it or controlling it the fees are never going to go up, nobody is ever going to take your site away from you. There are thousands of themes and plugins to choose from. A theme is like the structure of your site, and how your site is setup. You can just go in and choose one that you like and then likewise with plugins. Plugins give extra functionality to your site, and there are many options for you to choose from. If you are looking for developers there are an endless amount of skilled developers available, willing to do some work for you in terms of your WooCommerce website.

However, on the downside, there is a big learning curve required. It will take you some time to understand how to operate the system. Many entrepreneurs struggle with the backend and the admin panel of how to add or edit the site. The learning curve takes a long time to get you setup. There are also security risks with WordPress as it is easy to hack and then there is no support available. So earlier in my criteria for which website platform you should choose, I said we should look for platforms with support available, and now I'm saying WooCommerce has no support. It is true, they have no support, there is no phone number, no email, no chat, there is nobody you can phone with WordPress or WooCommerce because the company doesn't exist, it is just an Open Source system. The way you are going to get your support is on forums. Forums are places where people post their problems, challenges or issues and then people come and comment to say, "well this is how I think you can solve it" and that becomes a support desk for you. Sometimes you need to troll through many forums to find someone else who had or is having the same challenge and then find the answer or possible solution. This for me, is a big downside, because I like to have somebody I can phone, or chat to or send an email to, to ask how to solve the problem that I am having.

Next up, let's take a look at **Shopify**. In terms of the pros, it is super easy to learn because the user interface is really easy to work on. This shortens your learning curve and you can get your site live quickly. Shopify is very easy to work on and offers many themes and apps to choose from. You choose the template of your site and extend the functionality by just going into the Shopify app store and downloading apps. There's many free apps, also paid for apps, and you can easily find the functionality that you're looking for. Lastly Shopify offer, in my opinion, the best support out of all the CMS platforms.

On the downside, you have no control of the checkout process, so if this is something that is a problem for you, then you shouldn't be looking at Shopify, because they control the checkout completely and they won't let you change it. Their argument is that they invest millions of dollars into the exact right layout of a checkout, so they don't want you messing that up. I get their argument, but I would still like to have a bit of editing ability. It isn't Open Source, so the people who are more WordPress pro, will argue that Shopify is owned by a corporation, a Canadian company, and they could increase the pricing next year and you would be tied into that, so that is a negative side of working with a non-Open Source system. And then there are fees, the fees of Shopify can start with a $29 per month package and then they also take 2% of your sales as their fees. The next level up is you pay $70 per month and they take 1% of your fees. These are the transactional fees that you must consider with Shopify.

In terms of which one is right for you, I am not going to try and answer that for you, because this is a question that you need to answer for yourself. Take the pros and cons, figure out which one it is. If you are a start-up entrepreneur, I'd help you narrow it down between Shopify and WooCommerce, and then I would say your decision should be based on how quickly you want to go live, or how tight your budget is. Because if you want to save money and go live at absolutely no cost, then WordPress with WooCommerce is the way to go, but understand that it will take you a lot longer to get your website live. If you go with Shopify, you do have the monthly fees, but you can go live within a few days, because it is very easy to setup your site and go live. That is really the thought process that you need to go through, make the decision for yourself and choose which is the right CMS platform for you.

Once you have chosen your CMS platform to build your site on you also need to consider how you will manage your stock and deliveries to your customers which will be covered in the next chapter.

CHAPTER 3 : HOW TO MANAGE YOUR STOCK & DELIVERIES

In this chapter we will be looking at 'How you can deliver your online sales fast and cheap.'

We will be looking at which couriers to use in South Africa and how to deliver to both local and rural areas at affordable costs. We will also consider whether you should offer free delivery to your customers and whether you should outsource warehousing to save money.

Which couriers should you consider using in South Africa?

There are many courier companies available in South Africa but in my experience I have found the following companies to be the best in terms of offering great value for money and good customer service:

- The Courier Guy
- MDS Collivery
- Dawn Wing
- Fast Way
- SendR - this is a new one, it is basically like Uber for your parcels. You open the app on your compatible smartphone, book a driver and you will be able to track the motorbike. The motorbike will pick up your parcel and take it straight to your customer, for only R99. This is a win for urgent parcels.

If you are considering an alternative courier company reach out to other business owners to get their recommendations. Depending on your location in South Africa you may find some couriers are better than others in your area which brings us to the next question on how to deliver to major cities or rural areas in South Africa at affordable costs.

How do we deliver to major cities at affordable costs?

If you want to get delivery costs to city centres for cheaper, I would recommend Fast Way. Fast Way gives the cheapest rate, although their system is dated. You buy a packet of stickers, and the sticker becomes the waybill that you stick on each parcel. This is a manual process but it is the cheapest option. Fast Way do local deliveries from R30.

If you want to ship bulky items, then I would recommend 1st Freight. You can ship a fridge from Johannesburg to Cape Town for R200. I am not sure how they do this, but they are very good at what they do.

If you are looking at reducing your shipping cost, build a relationship with your chosen courier partner, and negotiate with them. Once you have some trading history with them, every 6 months call your sales representative to have a chat around reducing your pricing.

Another tip I have to lower your shipping costs is to use a courier aggregator service. These are companies that gather a bunch of companies' small parcels, and then deal with the courier on your behalf. Because they are aggregating a whole stack load of parcels they negotiate a better rate and they then pass that on to you. Companies that do this include:

- uAfrica
- Rush
- Parcel Ninja

How do we get the best prices on rural deliveries?

Instead of major city deliveries such as Johannesburg, Durban and Cape Town, we are now looking at deliveries to rural towns and farms. Again, Fast Way comes in as the cheapest option. You can send an A5 flyer to anywhere in the country for R45, whether the customer lives in a rural area of the Eastern Cape or on a farm in Tzaneen.

A fairly new service option is Pargo. They have 1500 collection points in and around South Africa, at various places, including some Post Offices, Clicks or Caltex gas stations. You can send your parcel to a collection point that suits your customer. A lot of people who live in rural areas, prefer this option.

In a similar fashion, you can do a manual version of Pargo, where you speak to the customer, and ask for instance if they know the local butchery in town, and you deliver the package to the butcher. The customer will then collect it from the butcher next time they are in town.

The next question to answer is whether you should offer free delivery to customers regardless of whether they are in major cities or rural areas?

Do we need to offer free delivery to customers?

In South Africa the answer is YES for orders over R500. There is a sort of industry standard expectation for customers to receive free delivery for all orders over R500. However, you need to understand what your average cost of

delivery is, so you can assess whether or not your margins will allow you to offer free delivery on orders over R500. Once you understand what your average cost of deliveries is and what your margins are, then you will be able to know if it is feasible to deliver for free or not. If you are only making R50 on a R500 sale then you cannot offer free delivery, but if you are making R250 then you can certainly do so. Make sure to crunch your numbers to know your delivery averages, because it could range from R30 to thousands of Rands.

To help reduce your logistics costs you may want to consider outsourcing your warehouse.

Can you save money by outsourcing your warehouse?

So what is an outsourced warehouse? You have the option to keep your stock in your house or your office and then as the orders come in, you pick, pack and dispatch to your customers. If you use an outsourced warehouse, what will happen is that when you place an order with your supplier, the supplier will then deliver to an outsourced warehouse, where they will receive the parcel, they will check that everything is in order, they will pack onto their shelves, and barcode it if necessary, and they will keep it on their shelves. You can then also integrate your warehouse into your website. As you get customer orders clicking on your website those orders are automatically generated in the warehouse system. The outsourced warehouse will pick, pack and dispatch your parcel to the customer. You will also get automatic tracking process. A seamless process.

The pros for this is that it is super simple. You will save on rent, insurance costs, complexity cost such as receiving stock, checking stock, putting your stock on shelves, having barcoding systems and doing monthly stocktakes. You will have less shrinkage costs, so when something gets lost in the warehouse it is for their cost. You also have the flexibility to increase or decrease your inventory. If you are moving into the festive season, you may need more stock than normal. If you are doing this in-house you might need to rent an additional stockroom; however, if you are using an outsourced warehouse this is their problem. The delivery from you to the customer is ultimately what leaves a good or bad customer experience and using an outsourced warehouse company can go a long way to ensure happy customers as they specialise in on time delivery service.

The cons are that there are some additional costs you need to consider. Omni-channel means stock in various places, so if you are selling from your premises and selling from a warehouse, you have stock in two different

locations. This can result in you having to buy more stock, so you are investing more cash flow into inventory. You also have more admin to deal with in terms of stocktakes. Outsourced warehousing also does not allow for customer collections. Depending on the product you are selling, you may have customers wanting to collect directly from you as they may want to open up the box and chat about the product or get it setup with you, in which case an outsourced warehouse will not be the best option.

So to answer the question, can you save money by outsourcing your warehouse? You will have to run your numbers to see if it is a viable option. The increased costs will be the picking fees, packing cost, monthly account fees and warehousing costs. Where you can save money is the fact you will not need dedicated picking and packing staff, no additional rental space, insurance costs, stocktake downtime and cost of complexity. You will also have reduced courier fees due to the outsourced warehouse having lower courier fees because of the number of parcels they dispatch per day.

Now that you have decided on what courier companies to use to deliver your product to your customers and whether you will outsource your warehousing or not, it is time to move onto the next step on how to get your first sale on your website.

CHAPTER 4 : HOW TO GET YOUR FIRST SALES

Let's take a quick second to recap what we have already covered so far in this ebook together. We have firstly found a winning product to sell in South Africa. We then decided what was the right content management system for you to build your website on. We then ticked the box of how to manage your deliveries and stock. Now let's move to the most important step to building a successful online store, which is all about getting your first sale.

To do this, we need to get traffic on your site. According to some international statistics it takes about 267 sessions on your site before you get your first sale and about 1733 to get 10 sales. This means we need to make it easy for people to find your site.

How do you get traffic to your site?

To get people to your site, I have a few shortcuts to share with you to help fast track this process.

Firstly, you need to **maximise personal social reach**. Get people that know you to go to your site. Get the site on social media, send it on a WhatsApp broadcast group, speak to anybody and everybody that will listen about your site. You want to get these people on your site to support you. Also look to promote your website on relevant groups and forums.

Something else you can do, which works very well is to **offer discount coupons to friends to test** demand and test your own processes. You want people in your own social circle to be your first customers, because if something goes wrong, such as a slow process because it is your first time to using a courier, your friends and family will be more understanding.

With your first couple of dispatches there may be errors. Offering discounts to friends and family motivates them to purchase from you and for you to gain some feedback from them. Because you gave them a discount, you can phone them up and ask them about the courier and services but also to find out feedback on your product. Their feedback will tell you if the product is good or bad, or they have a question you can answer on the website. All the information you can garnish off people you know and trust will improve decision making and sales in the future. This is a great stress test method before you get real customers that don't know you.

Another thing you can consider doing at launch of your website is to **add discounts to your products on your site** to drive initial sales. You want to make money, but you want to make initial sales and get the ball rolling. Don't forget that once somebody buys from you once, and they have a great customer experience they will buy from you again and most likely recommend to their friends. I suggest this in the very early days, to get the ball rolling, but not for too long.

The first sale you receive from an unknown customer is a glorifying moment. This is when you know the hard work you have put into setting up your online store has all been worthwhile but how do you continue to grow your sales from your first customer onwards. We will look at this further in our next chapter: How to grow your sales online.

CHAPTER 5: HOW TO GROW YOUR ONLINE SALES

Growing your sales is a key part to ensure your online store is successful. This is a very big topic, so to keep it simple we will focus on the easy-for-you-to-do principles and teach you what you need to know. I'll break it down by looking at how you can increase your website traffic, the conversion rate and the average order value. Then I'll wrap up by talking about how you can use marketplaces to drive up your sales.

How do you increase your website traffic?

Traffic to your website is actually not what you want, it is *high quality traffic* that you need. So, how do you bring quality traffic to your site? It comes down to two strategies; the tortoise and the hare. The tortoise being slow and the hare being fast. The slow tortoise is SEO (Search Engine Optimisation); the content you create today for long-term traffic. We want to create SEO focused content in a way that we will have quality traffic for months and years to come. The hare is fast, with paid for advertising, where you pay today, and you get traffic today, but if you turn off that budget then the traffic disappears. So you need to do this in combination, especially when your site is new. You want to allocate some budget into getting some traffic to your site to get some initial sales. At the same time, you want to build your tortoise strategy or SEO strategy to build your long term traffic.

Some of the most popular paid-for options and where I get most of my results from include Google AdWords, Facebook and Instagram Ads. Other options include affiliates, paid PR, Influencers and competitions or giveaways.

When we look at SEO you want to be creating content through blogs, podcasts, videos, ebooks, social media and on page optimisation. If done correctly this will elevate the status of your website on Google which means more traffic.

SEO can be wrapped up in two concepts; one being relevance and the other being authority. The relevance of the content you are creating is what tells Google that your blog, article, video or ebook is the most relevant result for what a user is searching for on Google and Google will then show your content to that user. Relevance of your topic needs to be clearly stated through your keywords and the right content structure of your page.

The authority is of equal importance. The authority of your website, brand or domain is how many people are linking back to you. You can build your site's authority through free PR, email marketing and backlinking - this is where

other brands and websites link into your site. Your site's authority will be increased as higher authority websites link to it.

Ultimately you want to focus on relevant content and increase the authority of your website. If you can do those things well your website will rank on page one of the Google results and you will get a lot of free traffic.

How to increase your conversion rate?

Your conversion rate is measured by how many people who visited your site converted to paying customers. If you can fine tune and tweak each section of your site to incrementally improve the conversion rate then you will see the benefit into perpetuity.

Some common mistakes people make:

- Website owners don't think like the customer so the menu structure is not set up in a way that is logical for the customer or content on the site doesn't answer the questions the customer would have when they are looking at the product.
- When I go to the checkout on other sites there are a lot of pop ups or distractions. You want to make the checkout process as seamless as possible. You also want to answer potential questions before they get to the checkout process. Common customer queries at this stage are about shipping fees and delivery times.
- When looking at your product page 'Add to Cart' button use the squint test to see if the button really jumps out at the customer.
- Also, if your site is not responsive to work smoothly on a smartphone then your conversion will fall significantly.

Your user experience on your website is critical. It needs to be well thought through. It needs to be intuitive, you need to have thought like a customer. The copywriting needs to be on point and each page needs to answer all the questions the customer might have about that product. You need to have high resolution images, the text need to flow, it needs the right SEO built into it. These things will increase your conversion rate.

To build customer trust in your site you need to address your customer needs so make your returns policy, terms and condition and privacy policy clearly visible in the footer of the site.

You need to make sure your abandoned cart emails are sent so when someone adds something to their check out but they don't complete the order then they should receive an email prompting them to come back and complete the purchase.

Then the last simple thing is don't forget about retargeting. this is when you visit a site and go away from the site, the image follows you around on Facebook, gumtree, news24 or on websites. You can do this as well and it is a wonderful tool to increase your conversion rate.

How to increase your average order value?

If you can increase the average of your order's value on a daily basis, or monthly or continuously your sales will grow exponentially. You can use up-sells and cross-sales, bundle deals, buy X and get Y, promote free shipping level and offer a loyalty program.

How can marketplaces help grow your sales?

A marketplace is a where you as a small vendor or as a SME can go and list their products on someone else's website and sell to that websites customers. The most known one is Bid or Buy but not everyone knows that Takealot.com also offers a marketplace where you can list your products and sell to the Takealot.com customers.

The positives of leveraging marketplaces is that you can get more sales and bigger brand exposure. You can clear out slow moving or old stock and you can use their warehouses to store your stock.

The negatives of marketplaces can include the costs involved and having your stock in multiple locations. Often the warehouse will encourage you to place your product in their warehouses, while this does increase your sales because of quicker delivery times to customers you may also end up investing in more inventory if you're holding stock in various locations.

Another downside is lack of real time information syncing. Currently there hasn't been a way to integrate your website into the Takealot seller platform. Ideally when your website runs out of stock the marketplace should update your products to show as out of stock and the same should happen for price

changes. Without a sync available this needs to be updated manually each time but watch the space as there is new software coming soon.

Which marketplaces are there? The common ones are, Takealot.com, Bid or Buy, Makro, Zasttra, Hello Pretty, Price Check, Zando, Faithful to Nature, Runway sale, The Kid Zone, and many more.

While you can leverage these big databases to drive up your sales just make sure that you're aware of all the fees involved to make sure that it is still a profitable exercise for you.

CONCLUSION

Ultimately the only way that you can go about setting up an online business is by taking action. The steps given in this ebook are more than enough to get you started and I sincerely hope that you do take positive steps towards starting, launching and growing your own online business.

If you've enjoyed the value offered in this book please share this PDF with any of your friends and family who you feel may get value from it too. It might just change their lives!

SO, WHAT'S NEXT?

If you want to get access to much more information and guidance on starting a successful online store then visit the Insaka eCommerce Academy website and browse our range of free resources.

- www.insaka.co.za/free-ecommerce-resources

Be sure to join the largest eCommerce Community in South Africa. Apply to join our private facebook group by searching facebook for "Insaka eCommerce Community" or by clicking the link below.

- www.facebook.com/groups/insaka.ecommerce.community

Let's keep the conversation going within the group. Please share your biggest takeaway from this book inside the group.

Chat to you on the inside.