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Article 2: Considerations before Starting an e-Commerce Business

Introduction

The world around us changes, constantly! Technology, connectivity and globalisation, to mention a few, have disrupted the way we live and work. And seemingly out of no-where came the Coronavirus (Covid-19), to shake our reality to the core and test our adaptability and resilience. It is not all doom and gloom, through the greatest adversity comes surprising opportunity.

One may claim that such a 'silver bullet' is e-Commerce, it's nothing new, many have ventured there before, and it is a booming online marketplace. The good news is that the public (millions of people) are becoming more and more confident shopping online for goods and services, so this is a window of growing opportunity.

The truth is we don't know how long this current 'interruption' will last and we simply cannot pretend that all will return to 'normal'. In the meantime, you have a business to run, you are the business and you should be looking for innovative ways to progress to the 'new normal'. So, before you start the journey, embrace the possibility that taking your business online might be the best thing you have ever done.

Whether you are in the formal or informal sector, have high or low cashflow, few or many resources, e-Commerce can help you to elevate your business during these challenging times and into the future, long after Covid-19 has been eradicated.

Things to consider

Before you dive right in, it is a good idea to consider a few of these important points to make sure that you are better prepared to embark on this exciting journey:

⇒ Is your current or potential product/service suitable for online selling or do you need to adjust it in any way?

- ⇒ Have you done market research, is there a demand for your product and service?
- ⇒ What is your value proposition i.e. what makes your product or service unique?
- ⇒ Understand your supply chain from 'raw' material to final product to customer, who is involved or needs to be included in this process.
- ⇒ Which platform are you going to use to sell your product/service, are you creating a website (online store), using social media or considering a seller portal such as Takealot, Bidorbuy, Loot or some of the others.
- ⇒ You need to think marketing all the time, have a plan on how to build your brand identity through digital marketing.
- ⇒ Do you have transport to deliver your product/service or do you require transport?
- ⇒ If your product requires storage, do you have the space or would you need to hire premises.
- ⇒ Do you have the required equipment to produce your product/service and if not, is buying, hiring or borrowing the equipment an option?
- ⇒ You will need technology to run your online business such as a computer or cell phone and access to data.
- ⇒ You need to consider the costs involved in your supply chain to ensure the price of your product or service is fair and competitive.
- ⇒ Chances are you will not hit the big numbers overnight, patience and persistence is key.
- ⇒ Have you considered the customer experience, as a good user experience will ensure customers continue to transact with your business. Customers should feel that they are getting a personalized experience/service and that their requirements, interests and challenges are understood by the business. They need to have trust that when a transaction is completed, the service/product will be delivered and that any post implementation support/guarantee is honored.
- ⇒ Have you considered all the legal stuff i.e. tax, accounting, company insurance and keeping your customer's personal information secure and safe.
- ⇒ If you are considering using a seller portal like Takealot, Homechoice, Loot or others, find out what they offer you i.e. storage, transport, marketing etc.
- ⇒ Lastly, reach out to your family, friends and networks. There may be people that can assist with the things you need, like transport, storage space, equipment, doing your businesses' accounting or even technology.

It is not too late to get in, but remember to review your business and strategy regularly, competition will increase, and you need to keep your business or service relevant to customers and true to your business values!

Now that you have taken the first step to consider the e-Commerce route for your business, read the other complimentary articles in this series to find out more about e-Commerce, how easy it is to set up a website, how to sell online, how to put together a beneficial marketing and customer management plan, and many more.

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