General Disclaimer

This presentation is intended for general education and/or information purposes only and does not replace specific, independent professional advice.

This presentation is based on our current interpretations of the law, which may change after further SBA, IRS, or other guidance is issued. The information in this presentation may not constitute the most up-to-date information available. We continue to monitor the COVID-19 stimulus regulations, SBA guidelines, and IRS implications, and will be sending out other forms of communication as the situation unfolds.

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Slide 4: Tax & Legal Questions Disclaimer

- SBDC is prohibited from giving TAX or LEGAL advice.
- Any tax-related questions, accounting questions and specific questions about your individual company situation can only be answered with credible authority by your Accountant or Attorney.

Slide 7:

E-Commerce vs E-Business

- E-Commerce:
  - Online shopping
  - Online ticket booking
  - Online banking
  - Online hotel booking
  - Social Networking

- E-Business:
  - Includes E-Commerce
  - Internal Business Processes
  - Accounting, Production, etc
  - (Website, CRM, ERP, etc.)
  - Intranet

4 Types:

2 Types:
- Virtual, Brick plus Online
**Slide 8:**

Six Basic Requirements:

1. **Website** (existing, new or e-commerce standalone)
2. **Shopping Cart**
3. **SSL Certificate** (Secure Socket Layer) – Financial Data Encryption
4. **Payment Gateway** – Services that have the authority to pull money from Credit or Debit Card
5. **Merchant Account** – (included or not needed in major Platforms)
6. **Business Bank Account** – linked to Merchant Account or Payment Gateway

**Slide 9:**

Three Options:

1. Add E-Commerce to existing or new websites such as:
   - WooCommerce (for Wordpress sites)
   - WIX (new)
   - SquareSpace (new)
   - Custom Integration (existing – using contract Professional services)
2. Use a Hosted E-Commerce platform such as:
   - Shopify
   - BigCommerce
3. Sell via a third party retail integrator (Amazon, Ebay, etc)

**Slide 10: Decision Flow Chart**

[Diagram showing decision flow]
Slide 11:
Retail Integrator Sites:
   - Amazon.com
   - Bonanza
   - eBay
   - eBid
Art:
   - ArtPal (Etsy for artists)
   - Etsy
Electronics:
   - BuyMyTronics
   - eCycle Best
   - Exchangemyphone

https://www.thebalancesmb.com/best-online-places-to-sell-stuff-4140754

Slide 12:
PayPal – Adding a PayPal button to your website is very easy.
PayPal covers Shopping Cart, SSL Certificate, Payment Gateway and Merchant Account.

   paypal-how-to-set-up-an-e-commerce-site-using-paypal

   PRO - It is easy.
   CON – You do not get billing information about Customers
   - Funds are not automatically transferred to Business Account

   COST: 3.75% + $0.30 per transaction

Slice 13:
SQUARE:
- Online payment solution syncs with the most eCommerce platforms. Use your current website to accept debit and credit card payments online with Square.

   square-ecommerce-online-store

   PRO – Can create a E-Commerce website
   - Direct deposit to Business Account
   CON – You do not get billing information about Customers
   COST: CC Swipe Transactions 2.6% + $0.10 per transaction
   Manual key in your customer’s card details or use a card on file, the fee is 3.5% + 15¢.
   
   Square Online Store, Square Online Checkout, eCommerce API, or pays an invoice online, the fee is 2.9% + 30¢.
Slide 14:

Quick Books OnLine:

- will deposit paid invoice into your bank account
- can turn off credit card option
- only allow bank transfers option this avoids Credit Card charges on large invoice amounts.

**COST:** $10/mo + $0.50 per Transaction

https://quickbooks.intuit.com/global/pricing/

Slide 15:

Ten E-Commerce Platforms Evaluated:

https://www.ecommerceceo.com/ecommerce-platforms/#Startups

Shopify, BigCommerce, WooCommerce & WIX:

**WooCommerce vs Shopify**

**BigCommerce vs Shopify**

**WIX vs Shopify**

Slice 16

<table>
<thead>
<tr>
<th>Store Type (Size/Features)</th>
<th>WooCommerce</th>
<th>Shopify</th>
<th>BigCommerce</th>
<th>Wix</th>
<th>SquareSpace</th>
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</thead>
<tbody>
<tr>
<td>StoreType (Size/Features)</td>
<td>General/Advanced</td>
<td>Small/Advanced</td>
<td>Large/Advanced</td>
<td>Small/Simple</td>
<td>Small/Simple</td>
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<tr>
<td>Pricing</td>
<td>Free + Hosting/Apps</td>
<td>$29 - $299+</td>
<td>$29 - $299+</td>
<td>$20 - $35</td>
<td>$26 - $40</td>
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<tr>
<td>Pricing Based On</td>
<td>Add-Ons</td>
<td>Accounts</td>
<td>Features &amp; Sales</td>
<td>Support + Storage</td>
<td>Features</td>
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<td>Payment Gateways</td>
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<td>70+</td>
<td>None</td>
<td>3+</td>
</tr>
<tr>
<td>Additional Transaction Fees</td>
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<td>0 - 2%</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Value</td>
<td>4.0</td>
<td>4.0</td>
<td>4.5</td>
<td>3.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Features</td>
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<td>3.8</td>
<td>3.9</td>
<td>2.8</td>
<td>3.1</td>
</tr>
<tr>
<td>Performance</td>
<td>3.1</td>
<td>3.9</td>
<td>4.5</td>
<td>3.9</td>
<td>3.5</td>
</tr>
<tr>
<td>Ease of Use</td>
<td>3.3</td>
<td>4.8</td>
<td>4.5</td>
<td>2.6</td>
<td>3.1</td>
</tr>
<tr>
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<td>4.0</td>
<td>3.8</td>
<td>4.7</td>
<td>4.3</td>
</tr>
<tr>
<td>Integrations</td>
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<td>4.5</td>
<td>4.5</td>
<td>2.0</td>
<td>2.3</td>
</tr>
</tbody>
</table>
Slide 17: Pricing and Payment Providers

https://www.shopify.com/pricing
Shopify Payment Providers

https://www.bigcommerce.com/essentials/pricing/
Bigcommerce Payment Providers

https://woocommerce.com/posts/woocommerce-pricing/
WooCommerce Payment Providers

WIX Payment Providers

Slide 18: Tutorials

guide-to-ecommerce-how-to-sell-online

E-Commerce Tutorial

Slide 19 – 24

Shopify, BigCommerce & WooCommerce examples

Slide 25:

Sample Wix E-Commerce Site
https://sales9416.wixsite.com/classical-music-lps

Slide 26:

Congratulations your Business in now On-Line

Ask yourself these Questions:

1. How do I drive traffic to my E-Commerce Site?
2. What makes my offerings different from the Competition ?
3. How do I Evaluate the Cost/Benefit of my Site?
Slide 27:
The Challenge of Marketing in the Online World:
Low Barriers to Entry, Many Market Participants
- There are at least 200 million active websites in the Online World.
- Twenty-four million of them are e-commerce sites.
- Only 600,000 of these sell more than $1000 per year.
- Amazon’s sales are 54% of the total.

Slide 28:
The Challenge of Marketing in the Online World:
All Are Equally Accessible to over 3 Billion People
- If all 200 million live websites were represented as buildings inside the city limits of Albuquerque (assuming one half the space is used for other than buildings, then each would be a cube on 11.4 square feet of ground.
- There are about 42,000 businesses of all types in the real Albuquerque, not all of which occupy a building.

Slide 29
The Challenge of Marketing in the Online World:
Relentless Focus on Customers
- The tasks facing an Albuquerque business in the online world is to differentiate itself from the other 24 million – or, more importantly, the 600,000 that are of a size to generate a living wage income.
- The good news is that not everyone in the world has to locate, like and trust your online business in order for that business to be profitable.
- But you must be knowledgeable about your target market and relentless in your quest to find out what works – messages and communication channels – and you must be able to communicate the value that your online business offers customers.
Slide 30: Step 1 - Study your Competitors
How do they brand themselves?
Who are their target customers?
What are their online promotions?
What are their key website features?
What can you learn from these companies?
How can you stand out?

Slide 31: Step 2 - Assess and Adjust Operations
Transactional website
Digital marketing
Logistics
Channel management
Change management
Digital mindset
Agility and open-mindedness

Slide 32: Step 3 - Know Your Customer

Slide 33: Step 4 - Create Your Value Vocabulary
- Define the benefits of your product or service, not in your words, but in your customers’ words. (Ask them for testimonials)

- Do Keyword analysis to understand what search terms relate to your product or service

- Call upon your passion to create keyword-rich content for blogposts and website content

- Create a social media community around your values and the benefits of your product or service. Focus on relationships, not sales.

- Pay attention to the frequency with which your target audience wants to hear from you.
Slide 34: Step 5 - Match Channels to Demographics

- Age
- Gender
- Marital status
- Children/No children
- Urban/Suburban/Town/Country
- Lifestyle
- Hobbies
- Etc.

Slide 35-36: Step 5 - Match Channels to Demographics

Slide 37: Step 5 - Make a Marketing Plan

1. Set a goal or goals (no more than 3)
2. Select a channel (no more than 3)
3. Create a content calendar and dedicate time/$$ to its execution
4. Measure results against the goal(s)
5. Pivot as needed
6. Repeat very selectively with an additional channel when goal(s) is met
**Slide 38: Six Effective Ways to Market Online**

1. Pay-per-click marketing
2. Social Media
3. Email Marketing
4. Website
5. Content Marketing
6. Word of Mouth

All of these are capable of ROI measurement, all are scalable and all can be done by the business owner or can be outsourced.

Businesses with enough $$ in the marketing budget can consider traditional marketing channels such as space advertising, TV and radio to drive business to their site.

**Slide 39: 1. Pay-Per-Click Marketing**

- Requires prior detailed key word research
- Set an ROI goal and a budget
- Know your target audience’s online preferences
- Consider Google display ads and Facebook/Instagram ads accordingly

**Slide 40: 2. Social Media**

- Successful businesses have been launched by the owner first creating a social media following.
- Emphasize empathy and building relationships and dialog
- Think about transparency – revealing the behind-the-scenes detail
- Choose the right platform
- Be consistent with the personality of your business
- Consider boosts and paid advertising as budget permits
- Measure ROI against goal

**Slide 41: 3. Email Marketing**

- Still the most effective direct response marketing channel
- Make email as personalized as possible using tags
- Keep emails short and one-topic only, with a call to action
- Don’t neglect the subject and secondary subject lines: they must maximize opens

**Slide 42: 4. Websites**

- Websites should have a single focus or purpose. Use landing pages if additional aspects of the business (e.g. customer service) must be a marketing focus
- Test your UX (user experience), load time. Visitors must “get” your site in <10 sec.
- Use a site audit tool such as SEMrush
- Be very deliberate about keywords in all website text (aim for 15% of word content)
- Use images and videos
- Consider including a blog with content allied to social media posts
- Religiously review analytics
Slide 43: 5. Content Marketing
- Blog posts earn SEO benefits
- Offer value by making your content actionable (tutorials, hints and tips)
- Use video (Have you seen those unpacking videos?)
- Be strategic – use keyword research to drive topic selection
- Share your passion for what you do

Slide 44: 6. Word of Mouth
- Showcase reviews and testimonials on your website and social media
- Encourage (but monitor) comment and discussion
- Consider referral and affiliate programs (“certified” affiliates, if appropriate)
- ASK for and consider rewarding referrals
- Make a membership section of your website with specials and first views, if appropriate

Slide 45: 5 Take-Aways
1. You must have a powerful call to action
2. You must engage visitors immediately
3. You must clearly reinforce your value advantage
4. You must use ancillary media to drive visitors
5. You must pay to compete

Slide 46:
Successful online businesses are not faceless cubes – they are gifts to their customers.
Slide 47: Cybersecurity Concerns for Online Business
Lorie M. Liebrock & Lisa Ackley
New Mexico Cybersecurity Center of Excellence

Slide 48: Top Threats for Online Business in 2020
- Phishing / Social Engineering
- Insecure passwords
- Ransomware
- Insider threats
- Internet of Things (IoT) devices:
  (a system of interrelated computing devices, mechanical and digital machines provided with unique identifiers (UIDs) and the ability to transfer data over a network without requiring human-to-human or human-to-computer interaction)

Slide 49: Best Security Practices for Online Business
Require strong password hygiene and use multifactor authentication
Don’t fall for phishing and social engineering
Use HTTPS
Don’t store sensitive data & back up data offline
Choose a secure platform (good history of security & regular patches)
For example CVEDetails.com shows 294 vulnerabilities for Wordpress
Use website monitoring (built in at a minimum)
Maintain security awareness

Slide 50: E-Commerce Security References
https://www.pcmag.com/news/how-to-secure-your-e-commerce-website-6-basic-steps
https://phoenixnap.com/blog/ecommerce-security-threats
https://www.cloudways.com/blog/ecommerce-security-tips/
https://www.bigcommerce.com/blog/ecommerce-website-security/#what-is-ecommerce-security
https://www.sba.gov/sites/default/files/cybersecurity_transcript.pdf
https://www.sba.gov/content/introduction-cybersecurity
Slide 54: Summary

This webinar covered:

1. The considerations and steps necessary to take the Business Online
2. The Costs of the various Options
3. The Marketing required to drive customers to your E-Commerce Site
4. Cyber Security Considerations
5. Google My Business

Slide 55: Downloadable Resources

Slide 56: Contact Information

SBA:  Website: sba.gov  
      Call: (800) 659 - 2955  
      Email: DisasterCustomerService@sba.gov

SBDC:  Website: www.nmsbdc.org  
       Call: (505) 428 - 1362 or (800) 281-7232  
       Email: info@nmsbdc.org