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How to Sell Online and Use Ecommerce

Webinar 3

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Webinar 3

How to sell online
and use e-commerce

How to Sell Online and Use Ecommerce

You will be introduced to e-commerce, its trends, advantages and disadvantages, as well as other main aspects about online sales.

The module also includes a hands-on activity that will encourage all participants to apply the learned model to decide whether or not to create an online store.



Objectives



Feel confident to create and operate an online business



Understand the essentials of online marketing



Have a comprehensive knowledge of the advantages, disadvantages, threats and opportunities of online marketing, including typographic security guidelines.



Know the requirements of creating and maintaining an online store



Conteúdo

I. *E-Commerce*

II. *Model 5C*

III. *Where and how to sell online?*

IV. *What do you need to know before establishing the online store*

I *Advantages*

II *Disadvantages*

Other important factors: The TOE model

Additional CRM aspects

Guest – Vera Maia

Definition

E-commerce it is the sale of goods and services online. It implies that customers can complete the purchase process without going to a physical location, using electronic devices such as computers and smartphones.

(Osmonbekov et al., 2002)



Related to the concept of e-Commerce



E-Business

Broad term of E-Commerce, which involves all activities developed online



Digital Economy

General term that encompasses all the activity developed through computer technologies



(Osmonbekov et al., 2002)

The 5 C Model: A More Complete Approach to Defining E-Commerce



Commerce

Market
Universal
connection of
the supply
chain



Collaboration

Network of
relationships
Collaboration



Communication

Interactive
medium
Forum
Connectivity in
context
Distribution
channel



Connection

Development
Platform
Universal
telecommunications
network



Computation

Utilitarian
Computing

(Zwass, 2014)

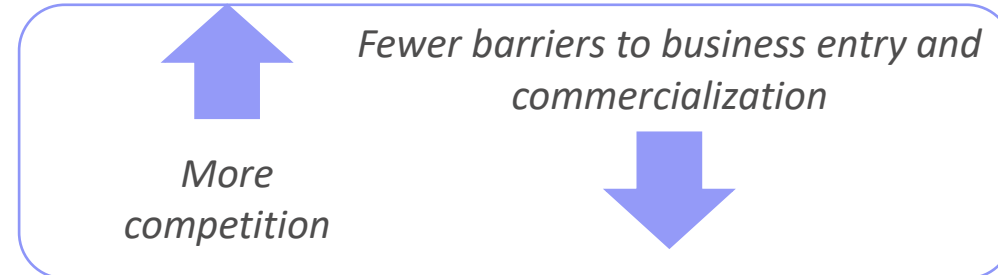
Model 5-C



Commerce

Supply and Demand that create transactions

In electronic marketplaces, the correspondence between buyers and sellers takes place, the terms of the transaction and its facilitation are established. They are characterized by the ability to quickly and effectively gather a large number of buyers and sellers, while facilitating correspondence with large amounts of information.



Differentiation

Consumer location analysis

Brand recognition

Strategic partnerships

Trading on the most suitable electronic market

Price reduction



Model 5-C



Collaboration

Network of relationships
Collaboration

The Web is a vast network of relationships between companies and individuals. Business ecosystems are formed to provide complex support to customers.

These ecosystems can respond to complex and multifaceted needs of a customer or a group of customers in the product lifecycle or be part of the company's business plan.

(Zwass, 2014)

Cooperation



Model 5-C



Communication

Interactive medium
Forum
Connectivity in context
Distribution channel

The Web is an unprecedented means of communication, both in terms of scale and cost.

The near-universal global access to this medium gives it the power to challenge traditional media. Anyone can be the content creator.
(Zwass, 2014)

Consequences of communication in E-Commerce

Multiplicity of multimedia products



Lower costs - access is often free



Privacy and security



Marketing and personalization tool



Market niches



Model 5-C



Connection

Development Platform Universal telecommunications network



Computation

Utility computing

The connection, linked to computing, is the basis of the 5-C model, providing the commonalities of universal connectivity and the sharing of computing resources. (Zwass, 2014)

Compute effects

Take advantage of existing software and applications

Communication systems

Easy access to networks

Flexibility of production and consumption

Use of Data





**WHAT ARE THE CHALLENGES OF DIGITAL
COMMERCE FOR THE PRESENT AND THE
FUTURE?**

THREATS OR OPPORTUNITIES?

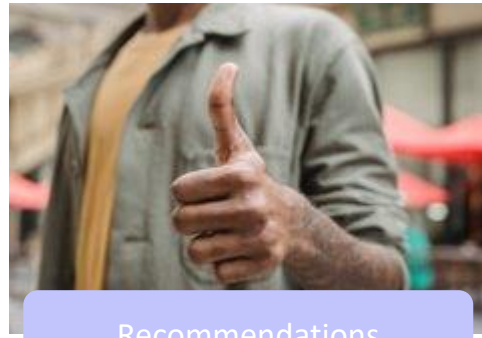
What is e-Commerce?

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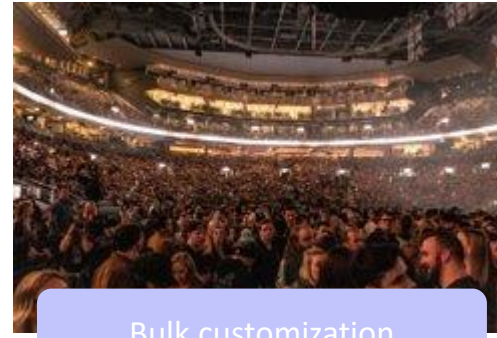
Paradigms for the present and the future



Digital Market – Market Creation



Recommendations



Bulk customization



Social networks and virtual communities



Business models as a competitive strategy



Monetized search



Co-authoring



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What can be sold online

Tangible products

Companies that have identified a market opportunity and offer their own products or services. Example: an architect offering a face-to-face consulting service through my website
Companies that resell products from other brands/organizations. Example: a cultural tourism promoter selling tickets for various tourist activities in the region

Digital products/ services

Online coaching and consulting
Online training courses
Download of digital products. Example: e-books, music, etc.
Expertise and platforms. Example: access to online platforms

Current e-commerce trends



Ecommerce Europe, baseado no EUROSTAT; NATIONAL E-COMMERCE ASSOCIATIONS; PARTNERS; STATISTA; UNITED NATIONS; CMI Analysis (2021)

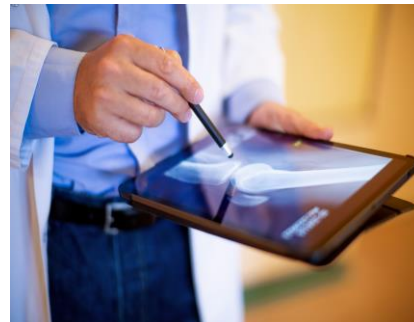
The number of E-Shoppers, i.e. consumers who buy goods and services online, has been increasing in the last 5 years.

This growth was more pronounced from 2019 to 2020 due to the Covid-19 pandemic.

Following this trend, GDP (the share of GDP made up of e-commerce) has also been experiencing positive growth.

Where to sell online

External platform	Site	Multichannel Selling
<i>Businesses don't need to create an online store of their own, but they can use another platform.</i>	<i>An external platform may not make sense for some companies due to the level of competition or the costs and constraints it may pose.</i>	<i>Use of external platforms and own website.</i>



(Business Gateway, 2018)

Where to sell online



If an External Platform is chosen, consider:

- *Platform Requirements*
- *Rates*
- *Platform limitations*
- *Storage size*
- *Location of the accommodation*



If you choose your own company website, make sure that:

- *A person has been appointed to handle e-commerce activities;*
- *Ensures the domain name of the website;*
- *There is a stock management software integrated with the sales platform;*
- *Optimizes a web analytics account to track user behavior.*

(Business Gateway, 2018)

What do you need to know before embarking on e-Commerce?

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Advantages



Scope

- Attract and sell your services and goods to more customers



Flexibility

- Sell 24 hours a day, 7 days a week



Access to data

- Easy to track consumer behavior



Customer expectations

- Customers expect businesses to offer the option to purchase goods and services online.



Savings

- Financial investment required less than a physical space.



Inventory control

- Easier to track product sales.

Disadvantages



Safety

- Possibility of security breaches regarding customer data



Legislation

- Intensive bureaucracy due to several factors.



Defrauding customer expectations

- can offer a more efficient buying process.
- Shipments and returns, because they already have structures assembled.
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- Shipments and returns, because they already have structures assembled.

(Gomber et al., 2018; Business Gateway, 2018)

Conversion rate



The most important metric for measuring ecommerce success is Conversion Rate.



Number of visitors to online stores who end up engaging in an intended action (downloads, registrations, purchases, etc.)

Conversion rate = (Conversions/Total number of clicks or visits) x 100

Risk reduction

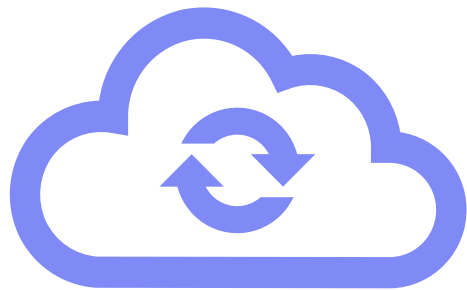
Companies can answer the following questions when creating their online store in order to ensure the aspects mentioned above and minimize the risks:

- *Are the store's terms and conditions accessible and discernible to customers?*
- *Is the privacy of the transaction ensured throughout the purchase process?*
- *Are the payment methods safe and intuitive?*
- *Are there laws or regulations that apply to this particular business?*
- *And is this legislation enforced?*



(Business Australian Government, 2021)
(Gomber et al., 2018; Business Gateway, 2018)

Customer Relationship Management (CRM)



"Improve business relationships to grow your business. A CRM system helps companies stay connected to customers, streamline processes and improve profitability."

(Salesforce, 2021)

(Gomber et al., 2018; Business Gateway, 2018)

(Business Australian Government, 2021)

CRM features

Marketing	Sales	Service
<ul style="list-style-type: none">• <i>Segmentation</i>• <i>Campaign management</i>• <i>Real-time offer management</i>• <i>Lead management</i>	<ul style="list-style-type: none">• <i>Planning</i>• <i>Results Forecast</i>• <i>Performance Management</i>• <i>Prices</i>• <i>Segmentation and geographic analysis</i>	<ul style="list-style-type: none">• <i>Work order management</i>• <i>Complaints</i>• <i>Returns</i>• <i>Guarantees</i>• <i>Resource planning</i>

Additional aspects



The choice of name and domain for the website.



Delivery: it is essential to calculate correctly.



The types of payments accepted.



Promotion: Creating an online store may not be enough to increase sales.

(Business Gateway, 2018)



Technology

It illustrates all the technology related to the business. It contains the perceived benefits and compatibility, referring to how the introduction of e-commerce goes for or against the organisational culture, values and technological infrastructure in place. (Huy & Filiatrault, 2006)



Organization

It illustrates all the technology related to the business. It contains the perceived benefits and compatibility, referring to how the introduction of e-commerce goes for or against the organisational culture, values and technological infrastructure in place.

(Rahayu & Day, 2015)



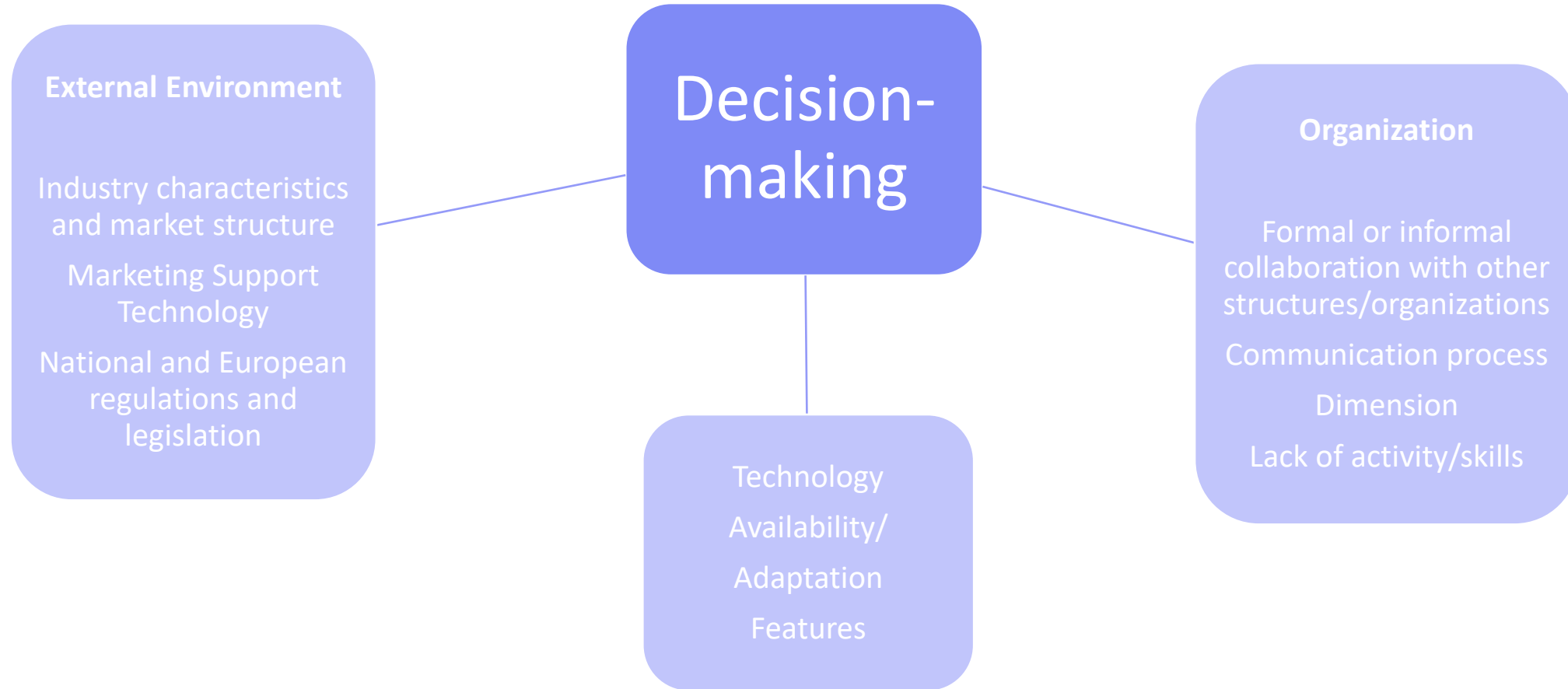
Environment

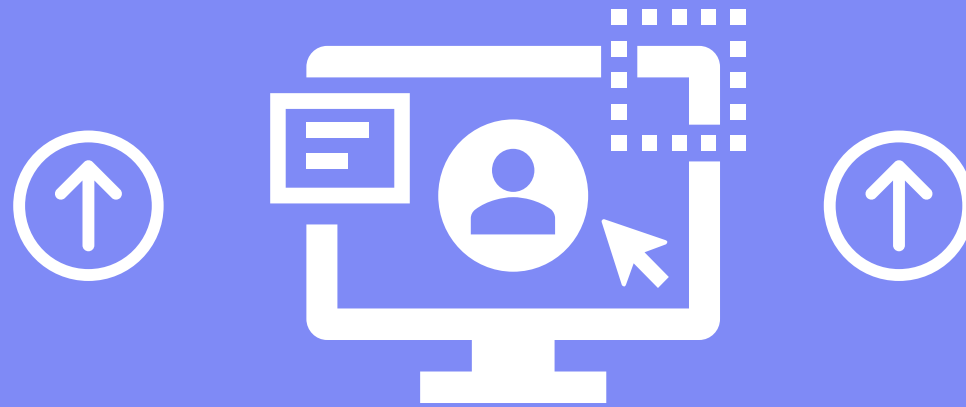
It illustrates the sector in which the company operates and the extent to which it provides a favourable environment for the development of an e-commerce strategy. The elements that are part of the environment are "pressure from customers/suppliers, pressure from competitors and external support that influence the adoption of e-commerce".

(Priambodo et al., 2021, p. 868)

What do you need to know before embarking on e-Commerce?

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Tool

MODEL TOE

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Business Development Training and Support for
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