

Getting Into The Ecommerce Industry? Here's How To Do It Right

The eCommerce market has been on an upward trajectory for years now. Its growth has been witnessed across different countries. In the US, online sales accounted for 21% of all retail sales in 2020. That's approximately \$839 billion worth of sales!

In the UK, sales grew from 11% in 2019 to 19% in 2020, hitting £78.9 billion. Looking at these figures, it's clear that eCommerce businesses are thriving.

However, there is also a good number of eCommerce businesses that fail. Studies show that at least 80% of all online business startups fail! This essentially means that the odds are against you when starting an online business. That doesn't mean that you are destined to fail, though.

In this guide, we will discuss some of the elements that make the estimated 10% of online businesses succeed. This should put you on the right path to starting a lucrative eCommerce store.

Picture 1 of Getting Into The Ecommerce Industry? Here's How To Do It Right

1. Finding A Product

This is perhaps one of, if not the hardest part, of starting an online business.

There are more than 24 million e-commerce stores out there. For your business to stand out, you need to offer something that's missing in the market. Alternatively, you can venture into an existing niche and try to outdo everyone else with better products, customer service, etc. Both options are challenging but not impossible to do.

That being said, experts recommend coming up with a unique idea. These are much easier to scale, and they cost less.

So, ask yourself this, what are some of the brilliant products that you'd want to buy? Items that your friends and family would be interested in? This is a good starting point when looking for product ideas.

You can also find online business ideas on the internet. Go through Pinterest, Etsy, and IG. Identify trendy products and create a list of the items you see potential in.

With your product ideas in place, get ready to start extensive research.

2. Researching The Market

There are two types of research you'll need to do before starting your eCommerce business; product research and competition research.

Product research is all about evaluating the profitability of your product idea. That means analyzing the existing demand and doing the math to determine the revenue your business can generate. Analyze the markup and sustainability of your idea.

This is also the time to be honest with yourself. Don't let your love for a product or service cloud your judgment. If the research shows that an idea is not profitable, look for something else.

After finding a potentially profitable niche, start looking at the competition. Perform a complete analysis of their business model. Check their marketing campaigns and how they interact with customers.

A thorough competitive analysis will help you know what exactly you're up against. It will also show you gaps that you can exploit to differentiate your business and lure customers.

This information should help you create a well-informed plan for your business. And now it's time to set it up.

3. Setting Up Your Online Business

This stage should be considerably easier if you did the first two steps correctly.

You'll need to choose a business name, logo, and domain name. Make sure the logo and names you settle for are easy to brand and market.

Another crucial thing you need to do here is to choose a software or hosting platform.

What makes a good eCommerce software? The best eCommerce platform should be secure, scalable, user-friendly, and easy to market.

Luckily, there are a good number of options to choose from. With options like Shopify, Magento, etc., you should find the perfect platform for your specific needs.

Similarly, many professionals can help you with the setup process. The experts in Magento services and other platforms can help you with developing your store. These professionals provide the technical skills that many business owners lack. However, be careful with who you work with because their input directly impacts your store's performance.

4. Marketing Your Online Business

Picture 2 of Getting Into The Ecommerce Industry? Here's How To Do It Right

With your store set up and launched, start focusing on advertising.

There are plenty of advertising options out there. Some are free, while others require some investment. You can choose either of them depending on how much capital you have. But if you go for paid advertising options, make sure to document all the costs.

Generally speaking, most e-commerce businesses market through social media platforms, blogs, and newsletters.

Pick channels that are relevant to your niche—a place where your clients love to hang out. The ROI should also be reasonable.

It's advisable to reinvest your profits in the first several months.

Hacking into the eCommerce industry is many things but easy. But we hope the above blueprint has covered all the basics you need to know to make the adventure less stressful. All the best.

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