

Getting started with the course

Understanding e-commerce and why it matters

Terms, tools, and strategies in e-commerce

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Video: Get to know the basics of e-commerce
4 min
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Reading: Learn more about the basics of e-commerce
20 min
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Ungraded Plugin: Identify: Basic e-commerce terms
10 min
- ▶

Video: Jaylin - The role of an entry-level e-commerce specialist at a big company and a small business
3 min
- 📖

Reading: Essential e-commerce strategies
20 min

Getting started in e-commerce

Review: Introduction to make the sale: build, launch, and manage e-commerce stores

Essential e-commerce strategies

A Morning Brew-Harris Poll found that 50% of people between the ages of 26 and 41— sometimes referred to as *millennials*—do most of their shopping online. Online sales will continue to grow at a fast pace for all age groups. This reading introduces you to essential elements of an e-commerce strategy to gain online customers in a highly competitive market.

E-commerce strategy

An **e-commerce strategy** is a working plan to promote an online store and increase its sales. It's critical that every online business builds and executes an e-commerce strategy. Here is an overview of the methods of discovery that an e-commerce strategy can use. All methods help customers find a business or brand online.

Business profile

You previously learned that a Google Business Profile allows any business to customize how their business information appears on Google Search and Google Maps. Note that Maps can apply to online businesses that also have local stores in select areas. A Business Profile indicates the availability of a business. It enables a business of any size to broadcast at large “I exist and am open for your business!”

Organic social media

According to one survey by Sprout Social, 40% of online customers find new brands from their personal network, while 32% of online customers do so from word of mouth. These are all examples of organic social media. Furthermore, with the popularity of YouTube and the rise of TikTok, a lot of organic social media is going to be from video.

Paid search, display, social media, and shopping ads

Paid search, display, social media, and shopping ads are typically included in an e-commerce strategy because a combination of organic and paid content yields the best results. The benefits of paid ads are that you have direct control over branding, ad copy, landing pages, bidding strategies, and performance. Paid ads drive a significant percentage of revenue for e-commerce businesses. Although some social media users block branded content from their social media feeds, paid social media ads are still a useful part of an e-commerce strategy. From a content perspective, shoppable ads on Facebook and Instagram can be quite effective. Some users engage with them without recognizing that they've clicked on paid ads.

Influencer marketing

A small but growing number of online customers find new brands from the influencers they follow. An estimate puts this number at around 35% of online customers. Influencers can help brands or products reach the right customers with a message that's tailored to the audience's interests. A paid influencer campaign can be part of an e-commerce strategy, but be aware of certain practices that limit the impact of an influencer:

- Some stealth marketing campaigns post content that appears to be word of mouth without disclosing that the content is part of a sponsored advertising campaign. This makes users a little wary of influencers.
- Some customers will buy products an influencer recommends only when an influencer shows evidence of personal use. For example, influencers show photos of empty packaging to demonstrate that they have actually used a product that they recommend.
- Some influencers can have fake followers that are powered by bots (a bot interacts with systems but isn't a human user). A high number of followers doesn't always mean that there is a lot of user engagement happening!

In-store ads

Finally, if a business is hybrid, serving both in-store and online customers, in-store ads that inform customers about the benefits, convenience, and cost-savings of online ordering can be quite effective. A lot of online sales can be generated from existing in-store customers. As incentives, some businesses choose to offer special inventory (hard-to-find sizes or colors) and more deeply discounted clearance inventory to online customers only.

E-commerce innovation

An e-commerce strategy also needs to be innovative to improve business value. Some of these changes could include:

- Improved communication and customer tracking of shipments
- More local fulfillment, sometimes called micro-fulfillment
- Use of fulfillment networks and services
- Use of dropshipping by wholesalers to reduce retailers' inventory
- Curbside returns (the reverse of curbside pickup)
- Diversification of payment methods

Key takeaways

An e-commerce strategy is critical to launch, grow, and maintain an online business. As more people shop online, the quality of goods, price, speed of delivery, and return policies will impact their buying decisions. An e-commerce strategy that incorporates as many discovery methods and innovations as possible will be successful.

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