



International  
Labour  
Organization



# Digitize your business

☞ **Digital strategies for micro, small,  
and medium enterprises**

Steps to improve your business  
through digital transformation

**Entrepreneurs' manual**



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Steps to improve your business  
through digital transformation

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# Table of Contents

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<b>Authors and acknowledgements</b>	<b>7</b>
<b>Introduction</b>	<b>9</b>
What is digitalization?	12
A gradual process	12
Benefits of digitalization	14
Assess the digital maturity of your business	15
<b>Module 1. Building an online presence</b>	<b>19</b>
<b>1.1</b> What is an online presence?	20
<b>1.2</b> Communicating via messaging applications	32
<b>1.3</b> Using a website or landing page	36
Summary of Module 1	60
<b>Module 2. Selling products and services online (Commercializing Online)</b>	<b>63</b>
<b>2.1</b> Selling through social media (network) platforms	63
<b>2.2</b> Selling through online marketplaces and ordering and delivery platforms	66
<b>2.3</b> Selling through self-hosted website stores	70
<b>2.4</b> How does online commerce compare to the conventional sales model?	75
Summary of Module 2	78
<b>Module 3. Digitalization of (Adapting) business processes</b>	<b>81</b>
<b>3.1</b> Receiving orders and collecting Payments	82
<b>3.2</b> Shipping and delivering	90
<b>3.3</b> Accounting and finance	94
<b>3.4</b> Stock control and supply management	94
<b>3.5</b> Digital ethics, trust, and security	95
Summary of Module 3	98
<b>Conclusion (Stages of the digital transformation maturity and final considerations)</b>	<b>99</b>

# Authors and acknowledgements

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This Digitalize your business training manual is based on the Digitalise Your Business guide (ILO, 2022) The content of that guide has been adapted, contextualised and compiled into this manual in a joint effort by Yairo Ngobi, Olivier Kalisa and Fatima Sirelkhatim. Special acknowledgement to Elisa Mandelli, and Luisa Iachan for the great effort devoted towards developing the original version. The manual has been developed within the framework of the ILO Project “Boosting Decent Jobs and Enhancing Skills for Youth in Rwanda”. The Manual has been customised to address entrepreneurs’ digital needs in Rwanda.

## About the Start and Improve Your Business Programme

The Start and Improve Your Business (SIYB) programme is a management-training programme developed by the International Labour Organization (ILO) with a focus on starting and improving small businesses as a strategy for creating more and better employment for women and men, particularly in emerging economies. With an estimated outreach to more than one hundred countries, it is one of the world's largest programmes in this field.

The programme comprises four inter-related packages: Generate Your Business Idea (GYB), Start Your Business (SYB), Improve Your Business (IYB) and Expand Your Business (EYB).

The ILO implements the programme using a three-tier structure comprising Master Trainers, Trainers and the end beneficiaries – potential and existing entrepreneurs. The Master Trainers licensed by the ILO are responsible for developing the capacity of the Trainers to effectively conduct SIYB training. Thereafter, the Trainers train entrepreneurs in SIYB packages. The ILO plays a critical role in identifying and disseminating best practices, conducting training workshops, monitoring activities, performing quality control and providing technical advice on the implementation of the SIYB programme.

## About Digitalize your Business

The Digitalize your business manual discusses the basic requirements for and main steps involved in getting any existing or future business online. After an introductory chapter explaining some key concepts, the guide is divided into three modules, which describe the main steps a business needs to take to establish an online presence, sell its products or services via the internet and adapt its processes to digital needs. More specifically:

- ⌚ Module 1 examines the main ways of establishing a digital presence. It reviews the fundamental elements necessary for a business to become visible online, including setting up social media accounts and creating a landing page or website. It then offers an overview of digital marketing and online branding.
- ⌚ Module 2 contains guidelines for understanding when and how to sell goods and services online. It describes three main e-commerce strategies: selling via social media platforms; establishing a virtual store in an e-commerce marketplace; and adding e-commerce functionality to a company's own website.
- ⌚ Module 3 defines some adaptations that businesses need to make to their operations when entering the digital space. It describes how to deal with online orders and payments; discusses the shipping and delivery of physical goods ordered online; and outlines new challenges relating to ethics, security and trust.
- ⌚ The manual concludes with a summary of the main stages of digital transformation maturity, as well as some final considerations.

# ☞ Introduction

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## 1. What is this manual about?

Digital technologies are changing how people live, how businesses operate and how both interact. The COVID-19 pandemic and related restrictions accelerated the development of the digital economy and demonstrated the importance of digital tools for businesses to improve their resilience and efficiency, reach new markets and grow sustainably.

*Digitalize your Business* (DYB) is one of the manuals in the Start and Improve Your Business (SIYB) family of training products and has been designed to help business owners, entrepreneurs and micro, small, and medium enterprises (MSMEs) to use digital tools and digital solutions to improve and grow their businesses.

## 2. Who should read this manual?

DYB is useful for business owners and entrepreneurs already operating a micro, small or medium-sized business (MSME) who wish to avail of the opportunities offered by digital technologies to improve the ways in which their business operates and reaches customers. Readers are expected to have a minimum level of computer literacy and knowledge of the basic concepts of internet use. While mobile phones are the devices most commonly used to access the internet and perform digital transactions, a computer is recommended for navigating the contents of the guide.

## 3. What are the objectives of this manual?

When you have completed this manual, you should know how to:

- ☞ stay connected to your clients by virtual means;
- ☞ use digital technologies for faster communication and timely promotions;
- ☞ reach a wider range of clients;
- ☞ sell online to increase sales;
- ☞ increase the resilience of your business and keep it going during force majeure events, like the COVID-19 pandemic and its consequent restrictive measures;
- ☞ adapt strategic business processes and operations using digital tools.

## 4. What will you learn?

After navigating this manual, you will be able to:

- ☞ assess the current level of digitalization of your business;
- ☞ understand key concepts associated with selling products and services online;
- ☞ select the most suitable instruments to advertise and sell your products and services online;
- ☞ adapt your business processes to digital reality, including in relation to collecting payment, delivering products.
- ☞ guarantee client privacy and combat fraud.

## 5. How does this manual link to the SIYB programme?

The SIYB programme consists of a set of four interrelated management training packages aimed at entrepreneurs at different levels of business maturity:

- The Generate Your Business Idea (GYB) package helps potential entrepreneurs to assess their entrepreneurial characteristics and come up with a practical and viable business idea. For entrepreneurs at this level, the DYB can help in additional business idea generation methods revolving around digital ecosystem then shaping your idea to the digital world.
- The Start Your Business (SYB) package takes budding entrepreneurs through the process of developing a business plan and evaluating its viability. For entrepreneurs preparing a business plan, DYB can be useful in terms of designing strategies for product or service promotion, sales, and so on.
- The Improve Your Business (IYB) package consists of a set of modules to help existing entrepreneurs to improve various aspects of their business, such as marketing, accounting or planning. The Improve Your Business (IYB) package consists of a set of modules to help already existing entrepreneurs improve various aspects of their business, such as marketing, accounting, or planning. DYB is useful to help existing businesses expand their market opportunities and improve business efficiency through Digitalization. All modules of IYB can benefit from a combined training with DYB. Although not all entrepreneurs will need to deploy a full digital transformation of their business, DYB will help understand the opportunities offered by digital tools and decide how to move in the Digitalization pathway.
- The Expand Your Business (EYB) package is for growth-oriented entrepreneurs and helps them to produce a strategy to expand their business. The elements in DYB relating to growing a business and enhancing the visibility of its products and services are informative for expanding into new markets.

This DYB training manual is intended to provide practical guidance on the digitalization of business processes and operations, including the use of e-commerce to sell products and services online. While this DYB training manual is complementary to and has synergies with the IYB training manual, it does not cover the business management concepts covered by the SIYB programme. Therefore, for optimal learning outcomes, the DYB manual should therefore be used as a complement to the core SIYB packages.



## 6. How is this manual structured?

This manual explores the basic requirements for and main steps involved in getting any existing or future business online. After a short introduction explaining some key concepts, the content of the manual is divided into three sections:

### Module 1

Examines the main ways of establishing a digital presence. It reviews the fundamental elements necessary for a business to be noticed online, including setting up social media accounts and creating a website. It then offers an overview of digital marketing and online branding.

### Module 2

Contains guidelines for understanding when and how to sell goods and services online. It describes the main strategies for using social media, online marketplaces or self-hosted website stores to market and sell products or services.

### Module 3

Explores some of the internal and external business operations that can benefit from digital solutions. It focuses on online orders and payments, while also analysing emerging challenges related to ethics, security and trust.

The following icons are used throughout the manual to facilitate navigation:

**Examples:**  
real life illustrations of ideas, tools and instruments.

**Tips:**  
small snippets of information to help readers put certain concepts into practice.

**Activities:**  
exercises that help applying theoretical concepts in a business environment.



**Tools:**  
instruments that can be used in real life to resolve a challenge.

**Quizzes:**  
questions that test the reader's knowledge.

**Action Plans:**  
templates used to implement things that readers have learnt in the guide.



## What is digitalization?

Digitalization is the process whereby a business uses digital technologies, such as the internet, software programmes and apps, as well as devices like mobile phones, laptops, tablets and others, to improve the way it operates and to expand its market channels. Essentially, it is the process whereby a business converts some of its analogue and physical tools to a digital form.

Digitalizing your business brings many benefits that can lead to increased sales and turnover, together with higher efficiency and lower costs. Digital technologies can transform many aspects of your internal operations, leading to better (business) data sharing, improved record keeping and accountability and, eventually, more objective data-based decision-making. In addition, digital solutions allow you to reach and interact with customers remotely, sell your products and services online, and provide more and easier access to business development services, such as business finance.

## A gradual process

It is important to understand that digitalizing your business is a gradual process that should be well thought out and planned to make it more relevant to the needs of your business and the opportunities that may arise. It does not always make sense for your business to go through all steps of digitalization or to use all the digital tools and channels available. You also need to bear in mind that digitalization can be costly, in terms of both resources and time. As such, it is important to select only those digital channels and tools that truly add value to your business. If your business is taking its first steps into the digital world, it will likely be sufficient to digitalize only some aspects of your business – for instance, creating an online presence on social media and conducting basic digital marketing activities – rather than aspiring to develop a cutting-edge website and online shop, and fully digital business operations.

### **Case study** Kirezi's digitalization journey

Kirezi runs a tailoring and jewelry shop in Huye center. She relies on traditional methods for managing customer orders, measurements, and payments, which are mostly done manually with pen and paper. Kirezi depends on word-of-mouth and referrals to create awareness about her business. Customers primarily visit the tailoring shop in person to place orders and provide measurements. Kirezi faces challenges in keeping track of orders, communicating with customers, and expanding her customer base beyond her immediate vicinity. Kirezi attended a training on digitalizing the business and she learnt on how to improve her business operation through the digitalization process. She implemented the following process to improve her business operation. She started to keep simple records using excel on her mobile phone to manage customer orders, daily sales, expenses and other business-related costs.

She adopted a digital appointment booking system, allowing customers to schedule appointments for fittings online or through messaging apps like WhatsApp. She started using social media platforms like Instagram and Facebook, Kirezi shares photos of her latest designs, offers promotions, and engages with customers through comments and direct messages.

Kirezi partners with a local boda boda operators to offer pickup and delivery services, providing convenience to customers who may not be able to visit the shop in person. As a result of the above developments; below changes were experienced in Kirezi's business.

Kirezi tailoring and jewelry shop experiences increased efficiency in appointment scheduling, order management, and customer communication, leading to improved customer satisfaction.

Online presence and digital marketing efforts attract new customers and increase visibility for the tailoring shop, expanding its reach beyond the local neighborhood such as Nyanza, Muhanga and Kigali.

The shop gains a competitive edge by offering digital services such as online booking and delivery, distinguishing Kirezi's Tailoring Shop from competitors who rely solely on traditional methods.

Kirezi builds stronger relationships with customers through digital channels, fostering loyalty and encouraging repeat business.

With streamlined operations and enhanced customer engagement, Kirezi's Tailoring Shop establishes itself as a modern and customer-friendly and focused business in the local tailoring industry.

## Exercise

1. How were Kirezi's Tailoring Shop's business operations initially conducted?

.....  
.....  
.....

2. What specific changes did Kirezi's Tailoring Shop implement during its journey from analog to digital operations?

.....  
.....  
.....

3. Kirezi's Tailoring Shop went from using pen and paper to offering online ordering, delivery, and digital records. This made things easier for their customers.

.....  
.....  
.....



The table below illustrates examples of different levels of digitalization (from non-digital through digitally advanced to fully digital) in some of the most common business operations (accounting, sales, and so on)



**Table 1:** Gradual process of business digitalization

	<b>Non-digital business activity</b>	<b>First steps towards digitalization</b>	<b>More advanced digital processes</b>	<b>Fully digitalized business</b>	<b>EXAMPLES</b>
<b>Accounting</b>	Using paper-based ledgers	Keeping records in Microsoft Excel	Using an online accounting and bookkeeping service (e.g., Intuit)	Using cloud-based risk management tools based on accounts receivable data linked to the government portal to facilitate payments due to the government using an online transaction system	
<b>Sales</b>	Running a physical store	Creating a website as a virtual extension of a physical store or setting up an online store via an online marketplace or digital platform	Integrating physical (store-based) and online (website-based) sales channels into customer relationship management (CRM) software to manage clients	Combining sales and marketing analytics to devise unique product offers for customers and to inform the promotional plan	
<b>Marketing</b>	Advertising in a local newspaper	Advertising on a local classified-ads website	Integrating online and offline advertising channels on an ad management platform	Adjusting advertising budgets based on regional market analytics, with improved targeting, in order to meet sales targets for each product within a set time frame	
<b>Inventory management</b>	Physically counting items on shelves in a store every week	Keeping Excel-based records of warehouse items in store	Using inventory management software to maintain warehouse stocks	Designing and using an enterprise resource planning (ERP) system to maintain adequate stocks for just-in-time (J-I-T) production, as well as better planning for procurement, to avoid under-supply or over-stocking	
<b>Production</b>	Relying on subtractive manufacturing to make products	Using computer-aided design (CAD) to create a 3D model of an object (this can be done in AutoCAD <sup>1</sup> by a designer or by scanning an object with a 3D scanner)	Using an AutoCAD blueprint to produce products via 3D printing <sup>2</sup> and save materials (additive manufacturing)	Sending CADs across the world to enable local production on demand (instant and customized production on a global scale) – facilitating the export of products with minimal logistical fees and faster delivery	

- 1 AutoCAD is a computer-aided design programme used for 2-D and 3-D design and drafting.
- 2 3D printing is an additive manufacturing technology, in the sense that it builds products by adding rather than subtracting material, thus avoiding wastage.

## ⊕ Benefits of digitalization

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For businesses today, converting part of their activities to digital format is more crucial than ever. The importance of digitalization was highlighted during the COVID-19 pandemic, when lockdown measures led to a significant increase in online sales and, for example, food ordering via mobile applications.

The pandemic also fostered the emergence of virtual kitchens. These innovative businesses operate without physical dining spaces and, instead, promote their culinary offerings through digital platforms, via which they accept online orders for delivery or collection. This novel approach has allowed for the growth and diversification of the food sector, providing customers with convenient access to a wide range of food options.

Beyond the opportunities offered by digital solutions during the COVID-19 pandemic, there are several other long-term benefits that businesses can gain from digitalization. These include the following:

1. **Improved efficiency:** the digitalization of some business processes enables businesses to perform better, faster and more efficiently. For owners of micro and small businesses, it is important to keep track of business functions and transactions. This can be difficult to do manually while the business is growing, but by using digital tools, owners can monitor their processes more effectively and efficiently, and obtain more accurate information to help them make better-informed decisions to expand their business.
2. **Better response to rising customer expectations:** customers increasingly prefer to buy goods and services online rather than spending time travelling to physical stores or offices.
3. **Increased sales thanks to wider product range and ease of payment:** offering goods or services on an e-commerce website – with high traffic – can help to increase sales. In addition, it provides an instant overview of the goods and services purchased –that is visible to other online customers, thus helping to generate more sales.
4. **More agile response to customers' needs:** Digital channels enable businesses to react immediately to customers' requests, leading to higher rates of customer satisfaction compared with competitors that do not offer such services. The faster and more responsive a business is to customer inquiries, comments and complaints, the better the customer experience.
5. **Enhanced quality:** this refers to every element of the business affecting customers' satisfaction and perception of the brand, including marketing, sales, order fulfilment, delivery, and communication. An example of quality enhancement via digital tools could be a restaurant owner who decides to improve the skills of waiters in response to bad reviews left by customers on platforms like TripAdvisor or Google Reviews.
6. **Greater scalability and visibility:** unlike physical resources – for example, office space, stores, or land – it is a lot easier to create extra digital resources, such as a social media account, additional pages for a website and more storage space. Scalability and visibility in the digital world are not achieved completely free of charge, but they are cheaper and require less effort and fewer resources.
7. **Better capacity to make decisions based on data:** using electronic tools, businesses are better able to store and analyse data, draw conclusions, make forecasts and follow trends, all of which drive informed tactical and strategic business decisions. Having digital copies of important documents and keeping digital records ensures that vital documents don't get lost and can be easily retrieved, which makes any kind of compliance process much easier.

8. **Greater understanding of customers:** with digital technologies, it is possible to collect fine-grained data about customers' online purchasing behaviour. These days, even small businesses can afford a customer relationship management system, which is key for storing any customer-related data. It can help with analyses and provide insights based on the history of business relations (contracts, agreements, important emails, and others) with each customer. Using customers' profiles and information from their order history or past interactions with them, sales staff can offer personalized discounts and other incentives to purchase.

## Assess the digital maturity of your business

### Exercise

You can determine the level of digital maturity of your business by indicating in the "Yes" and "No" columns in the table below whether or not it engages in the activities described.

Your business...	Yes	No
Provides basic contact information (e.g., an email or physical address, phone number) online (e.g., on Google My Business, Facebook, the business's own website, a marketplace)		
Uses free messaging applications to communicate with customers and promote products and services (e.g., WhatsApp, Messenger, Telegram)		
Uses free business social media profiles to promote products and services (e.g., Facebook, Instagram)		
Uses paid-for messaging applications to communicate with customers and promote products and services (e.g., WhatsApp Business)		
Uses paid-for ads or digital marketing tools to promote products and services (e.g., Google AdWords, Facebook Ads)		
Uses social media platforms or messaging applications to sell products and services (e.g., WhatsApp, Instagram, Facebook, YouTube)		
Uses a marketplace to list and sell products and services (e.g., Amazon, Noon, Otlab, Uber Eats)		
Uses a website to list or sell products and services		
Uses search engine optimization (SEO) techniques to optimize its website's visibility		
Offers digital payment solutions when selling products and services online (e.g. xPay, Vodafone Cash, Apple Pay, PayPal)		
Clearly communicates shipping times and costs on the website or marketplace		
Uses any means of delivering products and services (own fleet, postal service, third parties, delivery applications, etc.)		
Uses applications for accounting and costing system.		
Uses a customer relationships management (CRM) system to manage relationships with customers and track their purchases		
The number of 'Yes' answers:	# of Yes answers	# of No answers

**Total number of "Yes" answers:**

0–5: your business is at the beginning of the digital transformation journey.

5–10: your business is at an intermediate stage of the digital transformation journey.

11–14: your business is expert at adopting digital technologies and e-commerce strategies.



As business owner, you have many digital options to consider. The key question is: do you want your business to go fully digital or should you focus on digitalizing only those specific aspects and operations that would bring an added value to you? The next section discusses the basic elements necessary for establishing an online presence, including the creation of social media profiles and a website and explains key strategies of digital marketing and online branding.

### Summary

- ↳ MSMEs can adopt a variety of digital business tools and services that will help them to improve and reach more clients.
- ↳ As entrepreneurs, you will learn about practical ways in which a business can take advantage of digital technologies.
- ↳ Visibility these days is about more than just having a physical store or outlet. Now, via the internet, you can become more visible and reach more new customers.
- ↳ Digitalizing does not always require a “big budget”. There are free tools available to support digital transformation, and entrepreneurs can upgrade to paid alternatives based on their needs.

## Exercise



ACTIVITIES



QUIZZES

**Digitalization is a gradual process; you need to identify which aspects of the digital world will bring the most added value to your business.**

**1. Which answer is correct? Your business needs a digital presence:**

1. During economic or social crisis (like the COVID-19 pandemic)
2. If it has a physical store
3. If it does not have a physical store
4. To increase sales
5. All of the above

**2. Which social media platform(s) do you currently use? Please mark the relevant answers with a checkmark (✓).**

Social Media Platform <sup>3</sup>	View regularly		Have a personal account	Have a professional account
	Yes	No		
Facebook				
Instagram				
LinkedIn				
Youtube				
Twitter				
TikTok				
Other				

3 If you do not have a personal account yet, it is time to create one. By doing so, you can and start interacting with your fellow entrepreneurs participating in this workshop to share advice and compare content.

# Module 1



# Building an online presence

**Module 1** will help you to understand what to highlight about your business online and how, and stresses the importance of keeping your online information updated and accurate to create the best customer experience.

Establishing an online presence means becoming visible on the internet and in the digital world. This presence can be established by having a website, a landing page, an account on one or more social media platforms, joining a marketplace or an ordering and delivery platform, and so on.

This module considers some starting conditions and strategies for any existing or future business about to embark on the digital journey by building an online presence. While most strategies apply generally to micro, small and medium-sized businesses, in practice the larger the business, the greater the range of digital strategies it can – and needs to – adopt.

Module 1 is organized as follows:

- ◊ The first section provides information on why it is important to stay visible on social media platforms, and how to make sure you do.
- ◊ The second section provides advice on how to use messaging applications to communicate with customers.
- ◊ The third section offers instructions on how to create a website for your business.
- ◊ The fourth and final section focuses on how to use your online presence strategically for digital marketing and online branding.

## 1.1 What is an online presence?

Look at the following two scenarios:

Mutoni, I am selling Aliya that prepare at home. People in the neighbourhood know, by word of mouth, that I prepare good food but some days, I receive only a couple of orders and others, I don't have any orders at all! I can't sustain my business like this...

Uwera, I had the same problem. But then I learned how to set up and manage a Facebook account for my business. It features my WhatsApp number and a list of the type of food I prepare, with pictures and prices. I advertise my account in a Facebook group and now I receive orders via WhatsApp from people outside.



### Exercise

4. Why is Mutoni not receiving enough orders to sustain her business?

#### ACTIVITIES



2. How is Uwera using Facebook to promote her products and get more customers?

I need to find a good supplier for phone chargers for our shop. I have checked on Facebook and I have found three of them from our area. Do you know any of them?



I don't know any of them personally. But we can look at the reviews from the customers and call one with the best reviews and ask for a quote.

### 3. Why is it important for olive oil suppliers to have a Facebook profile?

---

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### 4. List examples of an “online presence” a business may have.

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### 5. What are the potential benefits to a business of having an online presence in terms of customers, marketing and sales?

Customers	Marketing	Sales



### 1.1.1 Staying visible on social media platforms

Online platforms provide interfaces for users (firms or individuals) to interact via the internet. Facebook is an online platform, as are Wikipedia and Amazon. Social media are popular online networking platforms. They include Facebook, Instagram, Snapchat, WhatsApp, LinkedIn, WeChat and TikTok.

These media foster engagement and connections, provide entertainment and, ultimately, enable goods and services to be promoted, bought and sold. When they emerged in the early to mid-2000s, they added a social dimension to the internet. People now understood that interaction can and should happen online as well as in real life, and businesses were quick to embrace this idea.

#### Box 1: Facebook in figures

Facebook was launched in February 2004. By December of that year, it had one million monthly users. In January 2023, the number of monthly active Facebook users around the world stood at 2.963 billion, while the number of daily active users was 2.000 billion.

Can you guess how many people are using Facebook in your country today?

#### Box 2: Story of Jumia in Africa

Jumia is a leading e-commerce platform in Africa, offering a wide range of products and services to customers in over a dozen countries. It was founded in 2012 and has since grown to become one of the most successful online marketplaces in Africa.

Over the years, Jumia has used social media platforms like Facebook, Instagram and WhatsApp to effectively reach and engage with a wide audience across various emerging markets. The Jumia marketing team leveraged the power of advertising, engaging content, and influencer collaboration to raise awareness about their business and attract new customers. Strategic use of social media marketing not only fuelled the growth of Jumia but also contributed to the overall growth of the e-commerce industry in Africa. Jumia played a significant role in changing consumer behaviour by introducing the concept of online shopping and building trust in online transactions. Today, Jumia is recognized as a leading e-commerce player in Africa, operating in multiple countries and offering a wide range of products. Their success story demonstrates how social media marketing can be a game-changer for small businesses in emerging markets, enabling them to reach untapped audiences, overcome logistical barriers, and drive remarkable growth in a relatively short period.

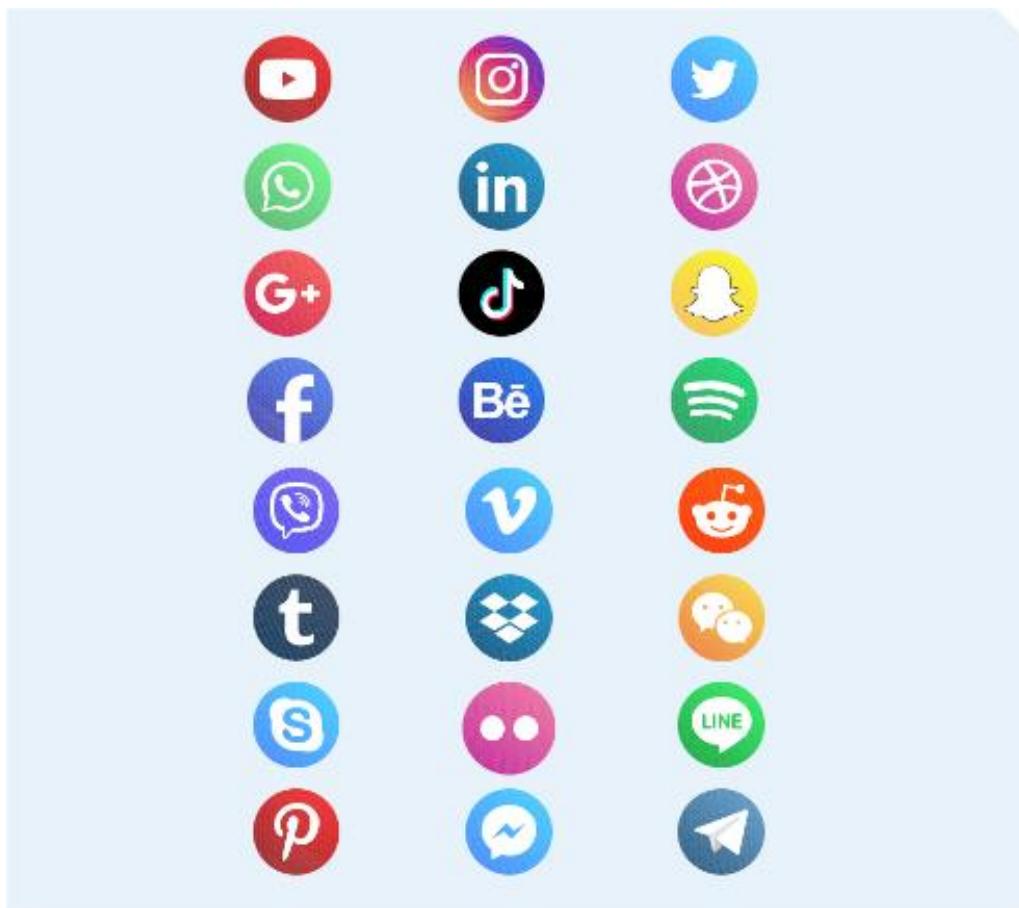
Akande, I. (2023, June 17). *Giants of e-commerce in Africa*

Social media platforms offer businesses the possibility of improving their digital presence and connecting and interacting directly with customers. Having a digital presence has become a necessity, and social media plays an increasingly important role by:

- ↪ connecting businesses and individuals;
- ↪ helping businesses to better target customers through social media marketing;
- ↪ acting as the “shop window” of the businesses;
- ↪ promoting brand awareness;
- ↪ increasing the visibility of businesses;
- ↪ helping businesses to build relationships with customers.

There are various types of social media platforms (see Figure 1) with different features and functionality.

**Figure 1.** Social media platforms



## Exercise

What would you say is the purpose of each social media platform?

Social media platform	Do you view it regularly?		Do you have a business account there?	What is its objective, in your opinion?
	Yes	No		
Facebook				
Instagram				
LinkedIn				
Youtube				
Twitter				
TikTok				
Other				

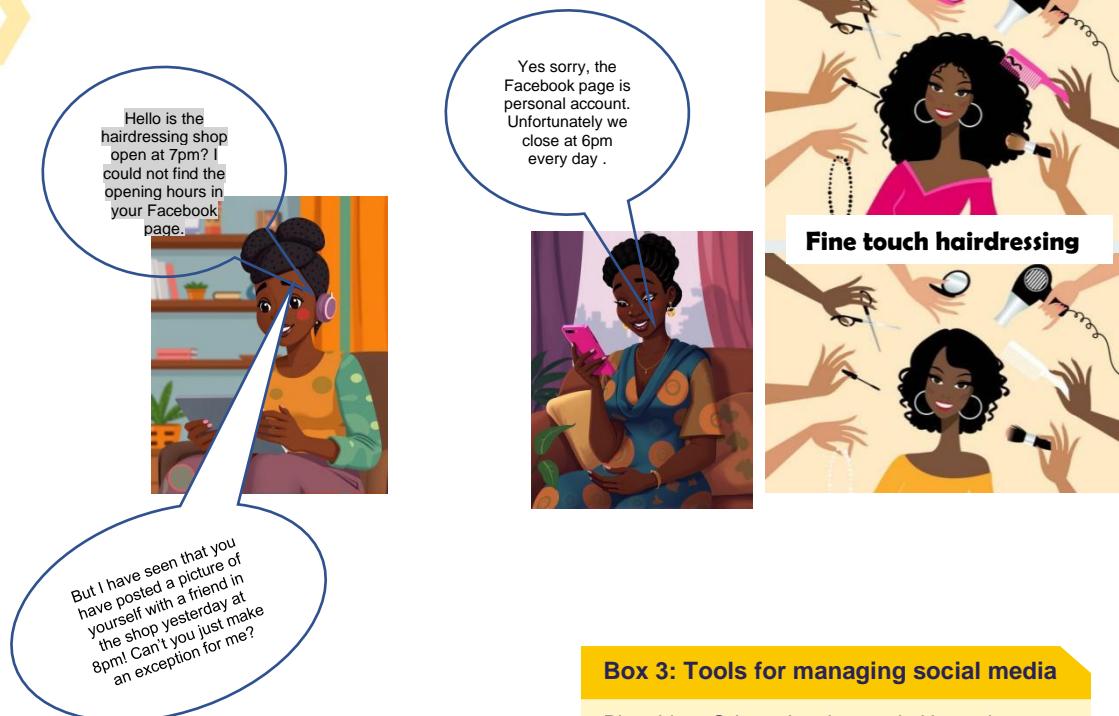
### ACTIVITIES





## EXAMPLES

Please note that, in this manual, references to social media “accounts”, “pages” or “profiles” are to business and professional profiles and accounts, not personal ones! Take a look at the situation below:



## TIPS



This situation illustrates the importance of having separate social media accounts for business and personal matters. Doing so:

- ↳ helps you to maintain a professional image. You can share content that is relevant to your business and industry – without worrying about it getting mixed up with personal posts – and ensure that it reaches the appropriate audience.
- ↳ allows you to target the audience that you want to reach for each one of your accounts. For example, your business account can focus on your existing and potential customers, while your personal account can be for your friends and family.
- ↳ keeps your personal life separated from your business life, which can help you maintain better privacy and security. For example, you can choose to keep your personal account private, while allowing anyone to follow your business account. This can help you avoid sharing personal information with strangers or competitors.

Essentially, social media is an accessible instrument for promoting a brand and expanding the reach of a company. Current and potential clients can access different types of content on various social media platforms, each serving a variety of purposes. Some of the most prominent types of social media platform<sup>4</sup> and how they can be best used by businesses are described below.

4 <https://www.webfx.com/blog/social-media/types-of-social-media/>

### Box 3: Tools for managing social media

Planable, Odoo, Iconic, and Hootsuite are software tools or services that enable businesses to plan, manage and conduct their social media activities. They provide features and functionalities to streamline social media content creation, scheduling, posting, analytics and overall social media management.

**Table 2:** Types of social media platforms and their uses for businesses

	<b>Uses for businesses</b>
<b>Social networks</b>  (e.g., Facebook, Twitter, LinkedIn and WhatsApp for Business)	Using social networks for business is about building and expanding relationships with customers, connecting and staying in touch with people, promoting brand awareness, showcasing a catalogue of products and services, communicating about marketing promotions and seasonal deals, and so on. Recently, customer support tools such as widgets, chatbots and interactive tools <sup>5</sup> have become more popular.  <b>Best for:</b> <i>promotion, sales lead generation, launching new products, customer feedback and measurement, customer care and handling creation of a brand identity for your business.</i>
<b>Media-sharing networks</b>  (e.g., YouTube, Tik Tok, Vimeo, Instagram and Pinterest)	These networks are predominantly for sharing visual media, such as videos and photos and are tools for advertising, marketing and promoting a brand.  <b>Best for:</b> <i>reaching targeted customers in a cost-effective way and creating a hype around a product through descriptive videos, which can help generate new customers and better understanding of your product(s) and business in general.</i>
<b>Social blogging networks</b>  (e.g., WordPress, LiveJournal and Medium)	Social blogging helps in sharing information about a business, building trust and engaging customers. Unlike media-sharing networks, social blogging is much more labour-intensive and time-consuming, requiring regular posting of messages, texts and articles to retain the attention of the audience.  <b>Best for:</b> <i>creating posts for consumers to share with others across social media, educating customers, providing tips or how-tos, creating more connections with the company's brand and raising awareness about your business among not just customers but also potential investors and stakeholders.</i>
<b>Discussion networks</b>  (e.g., Reddit, Quora)	These networks are good for gaining insights into events and trends, learning and sharing best practices and doing market research. They are not ideal for business promotion, but can still help in diversifying the business's offerings or strengthening its social media foundation.  <b>Best for:</b> <i>getting insights into market trends, customers' aspirations and competitors.</i>
<b>Review networks</b>  (e.g., Yelp, Glassdoor, Tripadvisor, Google Maps reviews)	These are specialized networks used to monitor the quality of products and services. Reviews are left by customers who wish to have problems addressed, or who declare their (dis)satisfaction about a product or service. Positive reviews may enhance a brand's reputation. They work mainly as a marketing vehicle, in that users may base their purchasing decision partly on other users' experiences.  <b>Best for:</b> <i>obtaining useful information from customers' product reviews and feedback, which you can monitor closely to adjust and improve your offering, as necessary.</i>

## Exercise

1. Have you ever used any of these social media platforms for your business? If so, how?

.....

2. Did this use of social media prove successful for your business? Why? What challenges did you experience?

.....

.....



**ACTIVITIES**

<sup>5</sup> These are features on social media platforms like quizzes, surveys or polls, which make posts more interactive and encourage users to like, comment, share, or click through and generate automated responses.

Below, we explore some of the most used social media platforms, examining their main features and comparing their advantages (pros) and disadvantages (cons).<sup>6</sup>

**Table 3:** Comparison of the most used social media platforms

Type	Pros	Cons
 <b>Facebook</b> <b>Globally: 3 billion users</b>	<ul style="list-style-type: none"> <li>- Allows you to turn your client base into a community. You can create a Facebook page for your business and post appealing behind-the-scenes images of your company. You can also inform your followers of new deals on your products and services.</li> <li>- Easy to create an account and a Business page.</li> </ul>	<ul style="list-style-type: none"> <li>- Platform demands interaction with followers, so you need to allocate time or have a team in place to engage with potential clients</li> <li>- Facebook is becoming less popular in some regions and among some demographic groups (e.g., younger consumers don't use it any more).</li> </ul>
 <b>Twitter</b> <b>Globally: 390 million monthly active users</b>	<ul style="list-style-type: none"> <li>- Platform is among the most accessible</li> <li>- Allows you to be concise, informative and engaging in just one tweet. The more people retweet what you've written, the more can you appeal to a broader audience.</li> </ul>	<ul style="list-style-type: none"> <li>- Content length: it limits you to 280 characters per message.</li> <li>- Highly dependent on posting during peak times, as otherwise it is easy for your audience to miss your message.</li> <li>- Requires good knowledge and correct use of relevant hashtags so you reach the relevant customers.</li> </ul>
 <b>Instagram</b> <b>Globally: 1.4 billion monthly active users</b>	<ul style="list-style-type: none"> <li>- Best social media platform for Brand targeting young, "hip" demographic groups.</li> <li>- Short videos and photos containing short texts do very well on the platform.</li> <li>- Instagram also links to your Twitter and Facebook accounts, meaning you can use the same content across multiple networks.</li> <li>- E-commerce features can easily be added (see Module 2).</li> </ul>	<ul style="list-style-type: none"> <li>- Need to have decent photography skills to do well.</li> <li>- Does not allow much space for you to describe your photos outside of photo captions.</li> <li>- Usually requires a lot of time and commitment to create a significant following.</li> </ul>
 <b>LinkedIn</b> <b>Globally: 922 million users</b>	<ul style="list-style-type: none"> <li>- Better suited to B2B content as opposed to B2C posts.</li> <li>- Most influencers and decision-maker in the business world are on LinkedIn, and if you can effectively get your message across to them, your chances of getting a sale and gaining recognition are higher.</li> </ul>	<ul style="list-style-type: none"> <li>- Has fewer users than the other platforms discussed above.</li> <li>- Less interaction on LinkedIn compared with other platforms.</li> </ul>
 <b>YouTube</b> <b>Globally: 2 billion monthly users</b>	<ul style="list-style-type: none"> <li>- Second-largest search engine after Google. Music and comedy do particularly well on this platform.</li> <li>- You can make instructional videos, product reviews and similar kinds of content for your target market.</li> <li>- Videos also show up in Google search results, boosting your visibility</li> <li>- You can also cross-promote content on different social media platforms.</li> </ul>	<ul style="list-style-type: none"> <li>- Your videos need to be high quality, entertaining and informative to gain traction. That means allocating time and a budget to YouTube content creation.</li> </ul>
 <b>TikTok</b> <b>Globally: 1.05 billion monthly active users</b>	<ul style="list-style-type: none"> <li>- It gives you access to and visibility within a creative and young community.</li> <li>- TikTok's format revolves around short and captivating videos, typically ranging from 15 to 60 seconds, ideal for users with limited attention spans or those seeking instant entertainment.</li> <li>- Even relatively new or unknown users have a chance of their content going viral, also thanks to the content generated by other users.</li> </ul>	<ul style="list-style-type: none"> <li>- The audience might be limited to young demographic.</li> <li>- Compared with those of more established social media platforms, TikTok's advertising features are limited.</li> <li>- Risk of cyberbullying and to brand safety, as the user-generated nature of content on TikTok means that businesses run the risk of being associated with inappropriate or controversial content.</li> </ul>

6 <https://www.forbes.com/sites/theyc/2020/07/20/the-best-of-social-media-pros-and-cons-of-each-platform>



## ACTION PLANS

## Exercise

### 1. Which types of social media platform suit your business?

Based on the information above, choose up to three social media platforms that you believe would benefit your business the most. Then justify your selection and provide some information on how you would use them (what you would post, how often and for what purpose?)

Platforms selected	Reason for selecting this platform	How would you use it?
Option 1		- - - -
Option 2		- - - -
Option 3		- - - -

Some of the social media platforms are interconnected, so posting on one of them allows you to post automatically on the others also. This feature is called cross-posting. For instance, Facebook allows users to link their accounts to other platforms such as Instagram and Twitter, meaning that when users post on Facebook, they can choose to automatically share the same content on their other, connected platforms.

Content may also be cross-posted manually by copying and pasting it on several platforms.

### 2. In both cases, always ask yourself: is this content as relevant and attractive for the other platforms or do I need to make some adjustments?

#### Box 4: The use of social Media Platforms

When you are creating the social media accounts for your business, it is important to consider the trends on the use of social media platforms in your country, region or city and as well as among the target group of clients and customers that you are targeting.

Take a moment to think about your own context: is this preference for Facebook and YouTube also true in your city and among the customers that you are trying to reach for your business? Discuss the topic with your peers.



TIPS

As explained in Box 4, it is important to understand the trends in social media usage and the type of content that will catch the eye of the customers that you are trying to reach. For instance, will a video of you baking your new cake creation appeal to your customers? Or would it be more useful to post a picture of the finished cake, together with a short description of the ingredients, cost and instructions for placing an order? Or perhaps combination of the two types of post would strike the right balance?

Social media marketing strategies and tips are explored in detail in Module 2. For now, it is important to understand that you will need to plan and make informed decisions on which social media you will use and how to make them relevant to your business, in ways that are cost- and time-efficient.

Below are some guiding steps and questions to help you devise your social media management strategy:

1. Think about your social media marketing plan:
  - a. What are your business goals and how can social media contribute to achieving them? You might attribute different goals to different platforms.
  - b. Who is your target audience or customer on social media? What are their demographics (age, gender and so on), interests and preferences?
  - c. Which social media platforms are most relevant and effective for reaching your target audience?
  - d. What type of content should you create and share on social media? How can you align it with your business and brand identity and messaging?
  - e. How frequently should you post on social media, and at what times? Is there an optimal posting schedule for your target audience?
  - f. How can you engage with your audience on social media? What strategies can you use to encourage interaction, such as comments, likes and shares?
  - g. How can you monitor and respond to comments, mentions and messages on social media in a timely and effective manner?
  - h. How can you make the most of social media advertising (paid ads)<sup>7</sup> to reach a wider audience and achieve specific campaign objectives?
  - i. How can you measure and analyse the success of your social media efforts?
  - j. How can you adapt and rethink our social media strategy based on the insights and results you gather over time?
2. Think about cross-posting, that is, posting the same content on different platforms, or creating specific posts for each platform. Cross-platform posting is a good idea, but it is not always simply a matter of “copying and pasting”.
3. Be available to chat and reply to messages promptly.
4. Use both paid and organic strategies.
5. Track each platform’s analytics.
6. Schedule your posts.

<sup>7</sup> For more information on paid and organic advertising, see Module 2.



## ACTION PLANS

## Exercise

**Use Template 1 – “Plan and manage your social media presence” – distributed by the trainer, to develop a plan to manage your business presence on social media for a month.**

If you are willing to invest some of your budget in improving the planning and management of your social media presence based on a better understanding of your target customers, you could consider using a subcontractor:

- a. a social media marketing freelancer working locally or virtually (search on freelancers' platforms, such as Upwork, Backyard, and similar);
- b. a small firm offering professional social media marketing services and tools.

A one-off or regular investment in professional digital services may be particularly relevant for more complex tasks (for instance setting up a website) or if you rely heavily on online visibility and online sales.

### 1.1.2 Building a positive brand image online

The brand image of a business refers to the perception, reputation and overall impression that your business projects to people through its logo, products or services, events, advertisements, word-of-mouth reputation, and others. Your online presence and activities on social media and the internet in general are, of course, a crucial part of your brand image as well, so it is important to pay attention to the quality of the material you post online. A good-quality and strong online presence will lead to a positive brand image and vice versa.

Having an online presence is about being visible and accessible to your customers – both actual and potential – via the internet. You can achieve an online presence by having an account on social media, a website or a landing page,<sup>8</sup> which will allow customers looking for products and services like yours to find your business more easily. Staying visible online helps you to reach out to target new customers who would not otherwise be aware of the existence of your business. Moreover, it allows a business to receive and process orders online from remote customers without having to invest in physical premises. Ultimately, establishing an online presence helps increase sales. But is the simple fact of being present online enough in this regard?

---

<sup>8</sup> A landing page is a stand-alone web page created specifically for a marketing or advertising campaign.

event but the quality is Mugisha I have received the edited photos for my graduation event but the quality is nothing like the ones you post on your Instagram page. I want a refund

Muhire, am sorry you feel that way. The pictures I post on my Instagram page are model pictures I download from the internet. Also, the camera I used during the shoot is a hired one as mine had developed a problem I had to take it for repair



## Exercise

1. What mistakes has the Mugisha made on his Instagram?

.....  
.....  
.....

2. What challenges might a business face in ensuring an online presence?

.....  
.....  
.....

Simply having an online presence is not enough: to generate positive impacts for your business, the quality of your online presence is also important.

To achieve a positive brand image, you need to:

- ❖ invest time and, if possible, money in creating and curating high-quality and up-to-date content.  
For instance: high-quality pictures, well-drafted posts, comprehensive descriptions of your products and services, and of your shop, and so on;
- ❖ be consistent with your brand identity and authentic in the content you share on different platforms;
- ❖ maintain a certain level of frequency of your posts to keep your customers engaged and project to them the image that your business is active and always working on new products and services;
  - monitor your social media accounts on different platforms and reply promptly to questions and feedback, both positive and negative. Be careful in your responses, always remain professional and do not share personal information or options that could be controversial; remove any irrelevant content posted by users.

### EXAMPLES



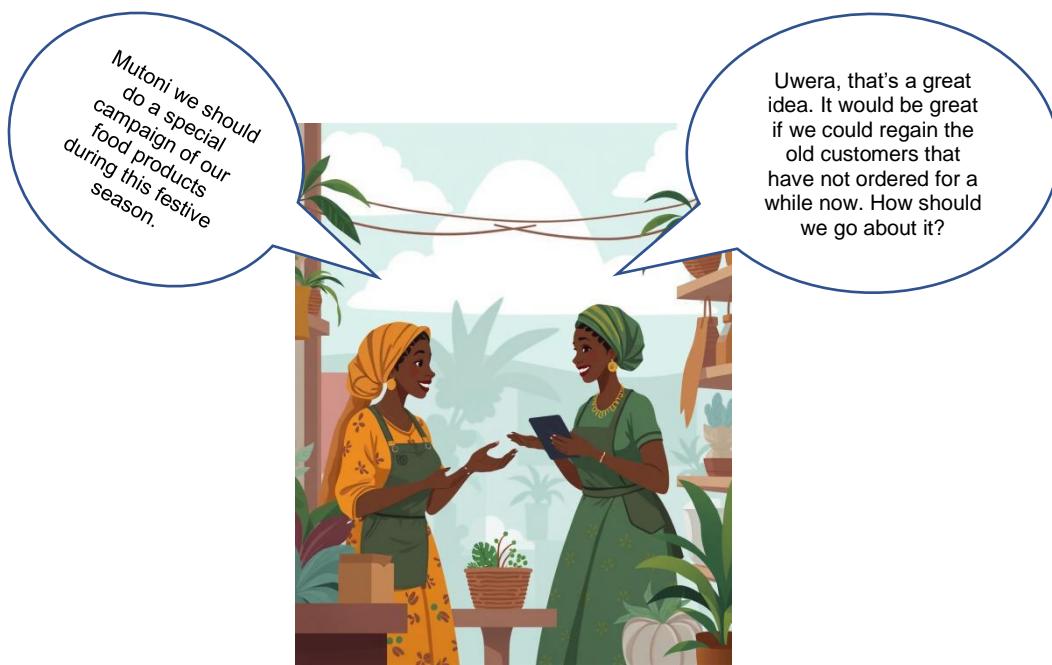
### TIPS



Once you have a presence online, you will be visible to both customers and competitors. It is important to be aware that competitors may take the opportunity to post negative feedback or comments on your online platforms. Maintain professionalism and, if necessary, remove the negative content to safeguard your reputation.

A good way to monitor the content that is published in your business profile is to activate the option in your social media account settings that allows you to check, approve or reject any new content that is published. Be aware, however, that this can create a barrier to immediate engagement with users, as comments will only appear after you have reviewed them. You will therefore need to stay on top of your social media to keep the flow of comments and responses as seamless and immediate as possible.

#### TIPS



## Exercise

1. Help Mutoni and Uwera to plan their festive campaign and regain lost customers! List some of the steps they can take to plan and implement their campaign.

1. ....
2. ....
3. ....
4. ....
5. ....
6. ....

2. Any additional advice you would give to Mutoni and Uwera?



## 1.2 Communicating via messaging applications

### 1.2.1 The importance of written communication

As part of your daily business activities, you might communicate to customers, suppliers, partners and the like via the text-based communication tools illustrated in Table number 4.

Table 4: Text-based communication tools (old and new)

Carrier pigeon	SMS	Telegram	Telex	WhatsApp	Fax	Email

### Exercise

1. Compare the old and new text-based communication tools and discuss the advantages and disadvantages of using each one.

Any communication involves four elements:

1. a sender;
2. a recipient;
3. a message or other information transferred;
4. a communication tool.

When using communication tools, you should take into account the type and amount of information that you want to convey, your target audience, when you wish to communicate and how quickly. Time plays a crucial role in communication – for example, in responding to messages and orders received from customers – and, more generally, in the successful management of some key business operations (receipt of raw materials, for instance). Obviously, the faster information is received, the faster the response.

While it is important to maintain personal, face -to- face exchanges and dialogue with customers and suppliers, written communication is key for business.

2. What do you think are the advantages to a business of communicating in writing with their customers and suppliers?

1. ....
2. ....
3. ....
4. ....



ACTIVITIES

Written communication is key for business because:

- ↳ it allows businesses to convey information and messages clearly and accurately;
- ↳ it serves as a record of important business interactions (sales, agreements, decisions, transactions);
- ↳ it can help to demonstrate the professionalism and legitimacy of the business, when well-written;
- ↳ it allows businesses to convey their brand identity, values and key messages consistently across various channels;
- ↳ it provides a reference point regarding previous communication, instructions and the like, that can be accessed and revisited at any time by you or your staff.

Today, businesses can use a wide range of digital communications tools that have made communication faster, easier and more affordable.

### 1.2.2 Advantages of using messaging applications for business

Messaging applications (or messaging apps) are applications or platforms that allow users to exchange messages and communicate with each other digitally. These apps provide a convenient and instantaneous way for businesses to send text, images, videos, audio files and other types of content in real time.

The figure below shows the logos of some of the most used messaging tools and apps. Do you recognize them? Do you use them for your business? In what way(s)? .

.....  
.....  
.....

Figure 2: Most used messaging applications

App	Publisher	Usage Rank	Change	Store Rank	Change
1 Truecaller: Caller ID & Block	Truecaller	-	=	1	=
2 WhatsApp Messenger	WhatsApp LLC	-	=	2	=
3 Telegram	Telegram FZ-LLC	-	=	3	=
4 Snapchat	Snap Inc	-	=	4	=
5 WhatsApp Business	WhatsApp LLC	-	=	5	=
6 Messenger	Meta Platforms, Inc.	-	=	6	=
7 Getcontact	Getverify LDA	-	=	7	=
8 IMO-International Calls & Chat	imo.im	-	=	8	=
9 CallApp: Caller ID & Block	CallApp Caller ID, Call Recorder &	-	=	9	=

9 <https://www.similarweb.com/apps/top/google/store-rank/eg/communication/top-free/>



## Exercise

Which is the most used messaging application in Rwanda?

.....  
.....

Take a look at the scenario below:



## Exercise

What do you believe has been accomplished in this conversation? What advantages have Iriho and Kamanzi gained from using a messaging app such as WhatsApp?

.....  
.....  
.....

Using messaging applications such as WhatsApp, Facebook, Messenger or Telegram is the most logical interim step when transitioning from being a fully analogue business to one equipped with digital tools and elements. Data shows that 92.8 per cent of the 4.72 billion global users of the internet access the it via mobile devices<sup>10</sup> and most mobile phones or tablets have at least one messaging application installed. Having accounts on one or several of the most widely used messaging apps or platforms is an absolute must for most businesses of any size. They are efficient and immediate channels of communication with customers and can also be used as a cheap and quick way to start selling products and services online (this subject will be covered in more detail in Module 2).

10 <https://datareportal.com/global-digital-overview>.

In particular, messaging applications are efficient for interacting with customers directly – for example:

- ↳ sending information about products and services;
- ↳ sharing promotional campaigns to drive sales;
- ↳ receiving requests and feedback from customers;
- ↳ communicating free of charge and efficiently with both buyers and sellers;
- ↳ sending automated messages (see next section) in order to engage with customers at different stages of the sales journey and, in particular, to answer predictable customer queries regarding the likes of opening hours, location, the updated menu of a restaurant or the company's products and services catalogue.

## Exercise

1. Now think about your own experience: insert an “x” to indicate which of the tools below you use for your personal communication and insert a “✓” to indicate those you use for your business.

GoogleMeet	<input type="checkbox"/>	WhatsApp	<input type="checkbox"/>
Zoom	<input type="checkbox"/>	Messenger	<input type="checkbox"/>
Webinar	<input type="checkbox"/>	Viber	<input type="checkbox"/>
MS Team	<input type="checkbox"/>	Skype	<input type="checkbox"/>
Slack	<input type="checkbox"/>	Facetime	<input type="checkbox"/>
Discord	<input type="checkbox"/>	Chatbot	<input type="checkbox"/>
Other(s)	<input type="checkbox"/>	Other(s)	<input type="checkbox"/>
..... (application's name)		..... (application's name)	
None	<input type="checkbox"/>	None	<input type="checkbox"/>

2. Reflect and discuss with your peers why you prefer to use a particular tool for different tasks or communications. Is this the best option available? If you selected none, reconsider your decision when developing a digitalization action plan for your business.

This exercise may have highlighted that you are using the same messaging apps for both your personal and your professional and business-related communication. Or even the same account. As highlighted in Section 1.1.2, it is important, when you can, to separate personal and business communication to avoid confusion for both you and yourself and also to protect your privacy and maintain a professional image for your business.

It is advisable to create a specific account for your business in these messaging apps. You could create a free “standard” account but also consider that most of the messaging apps illustrated in Figure 2 offer the option of creating either a personal or a business account. Sometimes, business accounts may incur fees, but they also offer special features not available with the free accounts – for instance, access to more detailed analytics and insights into message delivery, open rates, click-through rates and other metrics that are helpful for businesses to track the effectiveness of their customer communication.

Although the free versions may have fewer features, they can still help micro and small businesses run their operations more effectively and efficiently.



### 1.2.3 Automated responses or “chatbots”

Is it possible to have someone available to answer customer queries 24 hours a day, 356 days a year, whom you do not have to train or, more importantly, pay? The answer is yes – by using “chatbots”, also known as automated answering systems. Chatbots are custom-designed software or services that use algorithms to imitate interaction with a human representing business staff (sales, customer service or support staff). This does not mean that all interactions with customers have to be fully digitalized, but chatbots do help to reduce the workload for you and your staff, particularly in terms of answering basic and predictable questions.

Properly designed and trained to respond to typical customer queries, a chatbot can handle a variety of typical actions, such as sending links to product catalogues, keeping up-to-date pricing information and so on). In non-standard situations, chatbots can alert human operators to take over customer interactions that a bot cannot process. Chatbots are either very affordable (cheaper than hiring a trained human), or even free,<sup>11</sup> and many are designed for messaging apps, websites, or both. Chatbots can also be constantly updated according to business needs – for instance, if you plan to launch a new product or service, or a time-limited promotional campaign. It is important to update chatbot’s responses after the campaign ends, however, as otherwise it may negatively affect the engagement level of the customer.



### Exercise

1. Write down the most common questions you receive from your customers, especially new ones. Now, write down possible and appropriate answers to each question.
2. Try out the chatbot in the messaging tool you use. Follow the instructions provided by the trainer.

## 1.3 Using a website or landing page

A website is a collection of web pages that are connected to each other and can be accessed through the internet. These pages can contain different types of information such as text, images, videos and links to other pages. Websites are created for different purposes, such as sharing information, selling products, or providing services to users. When you visit a website, you can view its pages using a web browser such as Google Chrome, Mozilla Firefox or Safari. Each page of a website has its own unique address called a Uniform Resource Locator (URL), which allows browsers to understand what page to bring up. Websites are great for providing detailed information about a business and its products and they are increasingly used for online selling.

<sup>11</sup> See, for example, <https://collect.chat>.

## Exercise

What are the advantages of having a website for a business?

.....  
.....  
.....



QUIZZES

Below are some of the benefits that a website can bring to a business:

- ❖ It is the tool most used to create a digital presence to provide information about the company and what it offers, such as prices, product types, availability, promotions and others.
- ❖ It is a place where a business can promote, market and sell its products or services.
- ❖ It provides plenty of space to share content and detailed information about a business and its products.
- ❖ It is accessible by anyone with an internet connection – users do not need to have a specific account to view it.
- ❖ It is a place where transactions could be processed online (see Module 3).
- ❖ It reflects the brand's identity and can be the focus of the company's marketing efforts.
- ❖ It is a powerful tool to build and reinforce business credibility.
- ❖ It can help to capture new and retain existing customers, as it is the first go-to place for customers searching for products or services supplied by a company.

Setting a website for your business, however, is more complex, expensive, and time-consuming than creating social media pages and profiles. While there are some free online website templates, designing a website usually requires the services of a digital communication freelancer or company.

Local website developers usually require working hours in the range of 150 to 500 hours to develop a website and usually charge per hour. The hourly rate depends on the availability of such experts in the market. In addition, there are the monthly costs of renting a website domain and paying for hosting services (see further information below), which can vary depending on the website's features and range from Ugx 40,000 to Ugx 792,000 per month. Moreover, you need to consider that in most cases you will need to pay the website developer every time you want to change or add pictures, products and information to your website, as you will not be able to modify it yourself!

A cheaper or even free alternative to a full website is the so-called one-pager or landing page.<sup>12</sup> This consists of a single-page website containing all the pertinent information about the company, its products, contact details and the like. Whilst a landing page is more often a marketing tool designed to feature a specific product, or run a marketing campaign, it can also be used to summarize all the relevant information about a small business. Establishing an online presence with a landing page may work well in the short term. However, as your business matures and grows, you should consider transitioning to a multi-page website.

Let us take a look at the differences between a website and a landing page.



TIPS



TIPS

<sup>12</sup> A landing page is also known as a "lead capture page", "static page", "single property page" or "destination page".

**Table 5:** Comparing websites and landing pages

	Website	Landing page
<b>Number of pages</b>	Multiple	Single
<b>Types of pages</b>	All content types are possible: text, multimedia elements, mixed content on each page and functional pages (e.g., contact us and shopping cart)	All content types are positioned on a single page
<b>Structure</b>	Complex structure. Pages interlinked in a structured way. Navigation between pages is common. Navigation and links shown on a sitemap that displays the website structure	No navigation, except between functional blocks via anchors. No sitemap necessary
<b>Site architecture</b>	Cannot be part of a landing page. May contain multiple landing pages	Can be either a standalone page or part of a website
<b>Purpose</b>	It can be designed to perform all company functions, with multiple purposes	It is often focused on a single purpose, like hiring, announcing an event, marketing, launching a product or promoting a campaign

In any case, not every micro business needs or has the means to afford a website or even a landing page. Below is an activity to help entrepreneurs decide whether to build a website, a landing page or neither.

## Exercise

1. Answer the questions below to assess whether it makes sense for your business to have a website or a landing page at this stage.

Question	Answer
What would the purpose of the website or the landing page be (e.g., listing products and services, communicating with clients, reinforcing credibility, selling online)?	
Would having profiles on social networks be enough to fulfil the same functions?	
Who are your target clients? Do they use the internet and access websites? Or are they less familiar with the online world and only use social media?	
What is the estimated cost involved in building a website? Can the business afford it?	
What action or feature would improve the customer's overall experience while navigating your online channels?	



ACTIVITIES

**2. Compare your answers with the recommendations below.**

Questions	Answers
<b>What would the purpose of the website or the landing page be? (e.g., listing products and services, communicating with clients, reinforcing credibility, selling online, etc.)</b>	<p><b>Website:</b> if the business offers multiple product and service lines, the main purposes of the website would be communicating with other business clients (B2B), and selling online.</p> <p><b>Landing page:</b> If the business is selling mainly one product or service, the main purpose is to reinforce credibility, as most business transactions with end customers are still conducted physically (B2C) or the business is already present on a third-party selling platform.</p>
<b>Would having profiles on social networks be enough to fulfil the same functions?</b>	If “yes” then there is no need for a website and a landing page would only be needed if for reaching more or new target clients outside the social networks.
<b>Who are your target clients? Do they use the internet and access websites? Or are they less familiar with the online world and only use social media?</b>	<p><b>Website:</b> if target customers are businesses themselves (B2B) and business transactions are regularly conducted online.</p> <p><b>Landing Page:</b> if target clients are mostly end customers (B2C) that require additional information. Social media only: if most business transactions are conducted physically and target customers mostly use social media. For example, in addition to the information provided on a selling platform, e.g., Uber Eats.</p>
<b>What is the estimated cost involved in building a website? Can the business afford it?</b>	<p><b>Website:</b> a standard, single-language, corporate website can cost between US\$300 and US\$3,000 from reputable web-design houses. Companies considering this option should have a minimum annual turnover of around US\$15,000.</p>
<b>What action or feature would improve the customer's overall experience while navigating your online channels?</b>	<p><b>Website:</b> most business transactions are conducted online and products and services are constantly evolving and changing and benefit from further information and explanations.</p> <p><b>Landing page:</b> the customer experience is streamlined by providing immediate access to basic information about the business and offering the product or service.</p>

### 1.3.1 What is a domain?

Another important aspect to take into account if you are considering creating a website or a landing page is that you will need a domain to host them. A domain is the unique name of an organization's website on the web. Domain names are often used to identify services provided through the internet, such as websites, email services and more.

#### Box 5: Fun facts about domain names

- ↳ Symbolics.com was the first domain ever registered.
- ↳ Until 1995, domain-name registration was free.
- ↳ Google.com was supposed to be Googol.com.
- ↳ VacationRentals.com is the most expensive domain ever sold. It was bought for an astonishing US\$35 million in 2007.
- ↳ All combinations of three-character domains have already been bought.
- ↳ Mike Mann holds the record for registering the most domains in one day, with an incredible 14,962 domains.

A company can register any domain name from those that are still available for registration with a “domain-name registrar”. An online search for this term will produce hundreds of websites that will help you to register a chosen business domain for a fee. If your business aspires to become global, you may want to choose a .com or a .net domain. Alternatively, if it is mainly a national firm, then consider choosing the country’s top-level domain name.

If you are interested in renting a domain name, you can check who is currently hosting it, and where, by searching on Hosting Checker (<https://hostingchecker.com/>).

For landing pages, third-party website software, like WordPress, allows you to have a “subdomain” under its general website domain. This feature, although not entirely free, is much cheaper and less cumbersome than registering a new domain.

When choosing a domain name, consider these key rules:

- ↳ Keep it short.
- ↳ Make it simple.
- ↳ Include relevant keywords.
- ↳ Incorporate your brand name.
- ↳ Reflect your website’s purpose.

When selecting a domain name, avoid:

- ↳ Numbers or dashes;
- ↳ Funny or unconventional spellings;
- ↳ Common misspellings;
- ↳ Brand names or trademarks already in use by other companies.

### 1.3.2 What is a hosting service?

A hosting service can be defined as “providing the computer equipment and software for a website on the internet and making it available for people to see”.<sup>13</sup> For businesses, it is much cheaper to delegate to hosting services the huge costs of a website’s supporting infrastructure

13 <https://dictionary.cambridge.org/us/dictionary/english/hosting>.

and of hiring extra IT specialists. Moreover, the quality these services offer is far higher than the do-it-yourself option. Typically, the user is offered a hosting service when registering the domain name for the first time, as a packaged deal. You can also shop around for alternative hosting services.

A business can host its website on a server with an international company or find a local hosting service. The decision normally depends on the country in which the business is operating, the type of business, as well as a number of other considerations (the cost of internal traffic, local laws and regulatory requirements). Therefore, you will need to do some research and calculate the approximate total cost of ownership (TCO) by using a simple formula, as illustrated in Box 6.

#### **Box 6 : How to calculate website ownership costs**

The Total Cost of Ownership formula is used to calculate the purchase price of the hosting service plus the cost of its operation over time. The TCO of website hosting can be calculated as follows:

Upfront payment + cost of hosting for Y<sub>0</sub> + ... + cost of hosting Y<sub>n</sub> + any other costs affecting your choice – where Y<sub>0</sub>, Y<sub>1</sub>, Y<sub>n</sub> are the years.

## **Exercise**

### **1. Use the information in Box 6 to solve the problem below.**

You have found offers from two internet service providers (ISPs) for hosting your website. The deal from ISP 1 is as follows:

- ↪ Host with us for the first year for free with domain registration.
- ↪ The registration cost is US\$25.
- ↪ The renewal fee is US\$12.99 per year.
- ↪ Thereafter, we will charge you US\$10 per month for hosting for the second year and US\$20 per month for each subsequent year.

Meanwhile, ISP 2 will charge the following:

- ↪ Domain registration costs US\$15 per year, renewable every year.
- ↪ Website hosting costs a flat rate of US\$7 per month.

### **2. Calculate the TCO for three years in each case to determine which option to choose.**

**Answer to the exercise above.**

#### **ISP 1 OFFER calculations:**

$$\begin{aligned} \text{TCO Y1} &= \text{US\$25 for the first year} \\ \text{TCO Y2} &= \text{US\$12.99 + US\$120 = US\$132.99 for the second year} \\ \text{TCO Y3} &= \text{US\$12.99 + US\$240 = US\$252.99 for the third year} \\ \text{TCO} &= \text{US\$25 + US\$132.99 + US\$252.99 = US\$410.98 for three years} \end{aligned}$$

#### **ISP 2 OFFER calculations:**

$$\begin{aligned} \text{TCO Y1} &= \text{US\$15 + \$7*12 = \$99 for the first year} \\ \text{TCO Y2} &= \text{US\$15 + \$7*12 = \$99 for the second year} \\ \text{TCO Y3} &= \text{US\$15 + \$7*12 = \$99 for the third year} \\ \text{TCO} &= \text{US\$99 + US\$99 + US\$99 = \$297 for three years} \end{aligned}$$



### 1.3.3 How to create a website or a landing page

When it comes to developing a website or landing page, owners of small businesses can choose from a range of options that vary in terms of complexity, cost or hosting options depending on the business needs. Once you have decided which option – website or landing page – is the most suitable for your business, you can move on to the developmental stage.

#### 1.3.3.1 Creating a landing page

Landing pages can serve as company websites for start-ups and micro-businesses. Their simple visually appealing design and equally simple structure (a single page) makes landing pages the preferred choice of business owners who need to establish an online presence quickly, with a small budget, and with minimum tech expertise.

Below are seven easy steps to building a free landing page:

1. Find a company or a freelancer that offers a landing-page building service or use one of these free online platforms to build your own: Wix, Weebly, Instapage.
2. Set up a free account on any of these platforms. (You can decide later to pay additional fees to be able to add or avail yourself of more advanced features.)
3. Register a new domain or use your existing domain.
4. Link the domain name to the page you are creating.
5. Choose one of the landing-page templates offered by the platform.
6. Add all the company details, products and services (prices, photos and the like) and contact information to the landing page.
7. Publish the landing page.

One advantage of a landing page compared with a website is that it doesn't need to be updated – unless new product(s) need to be added or old ones removed.

More details and instructions are provided via tutorial videos on the page-building platforms or on YouTube.



#### 1.3.3.2 Using an online website building service

Cloud-based website-building services (also known as SaaS or software-as-a-service) are online platforms that allow users to create, design and host websites using cloud computing technology. These services are often not free but require a subscription. The main benefits of cloud-based website builders are that they are relatively easy to access and use and they allow a user without advanced web-design skills to set up a website without worrying about servers and other infrastructure.

Following a simple wizard and with hundreds of templates to choose from, anyone can build a basic website. Once built, the website can be hosted on the service.



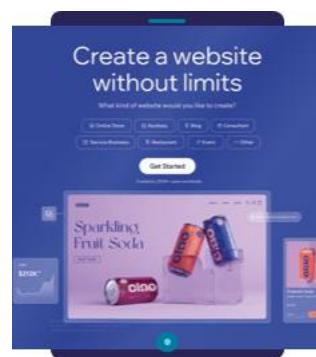
Building a website using a cloud-based service involves the following basic steps:

1. Find a company that offers website-building services, such as Wordpress, GoDaddy, Wix, Weebly, Instapage and others.
  2. Set up an account with your chosen service.
  3. Register a new domain or use your existing domain.
  4. Link the domain name to the page and configure it to work with the page (the Help and FAQ sections of the service will be useful here).
  5. Choose one of the many templates the service offers.
  6. Set up the main pages – for example, the home page, About us, Products, Services, Support, Contact, Legal notice and so on.
  7. Add all the company details, products (prices, photos and the like) and contact information to the relevant pages.
  8. Publish your new website.

### **1.3.3.3 Using professional services to create a bespoke self-hosted website**

Building a bespoke website from scratch and hosting it would require you either to outsource the task to a company or have an employee inside your business who could take care of the whole process and maintain the site once it's up and running. Hiring a full-time employee can be costly; outsourcing to a specialized company can be a more cost-effective and efficient solution.

The steps to be followed are:

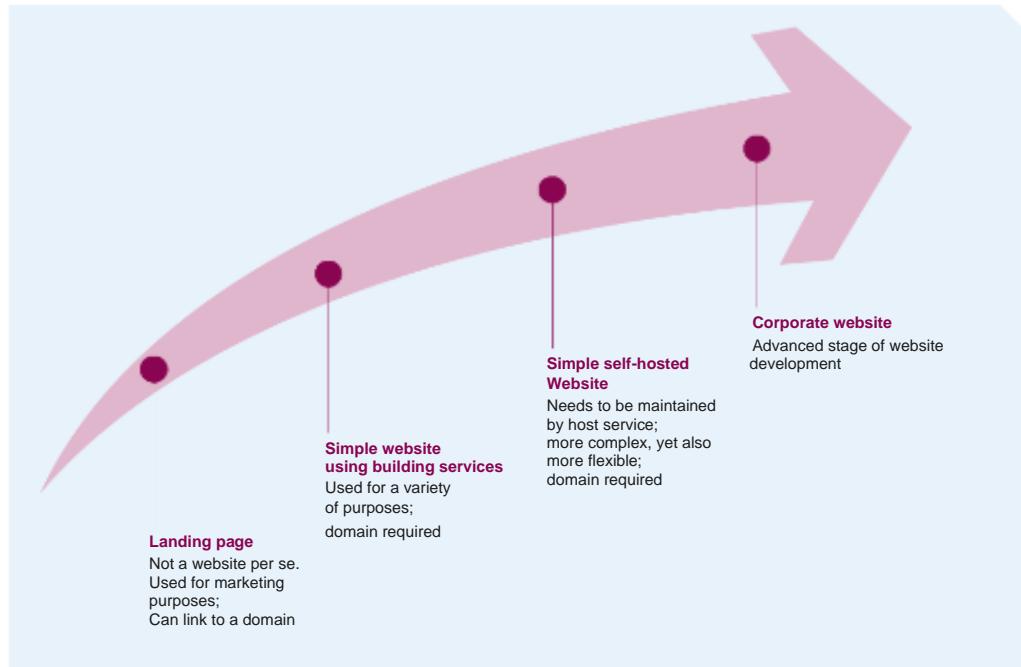


1. Find a web designer or development company.
  2. Explain what your business needs and work with the provider to draft Terms of Reference to describe everything that is required.
  3. Find a hosting company that offers hosting based on the web designer's instructions
  4. Set up an account with the hosting company.
  5. Register a new domain or use your existing domain.
  6. Buy the script or use a freeware script to run the website.
  7. Get the web developers format the website's structure (for example, the home page, About us, Products, Support, Contact us, and so on).
  8. Instruct the developers to build, design and preferably also maintain your website.
  9. Instruct the developers to link the domain name to the page and configure it to work with the website.
  10. Add your company details, products, prices, contact information and the like to the relevant pages.
  11. Publish the new website.

### 1.3.4 How to use your business website strategically

As previously discussed, the digitalization of your business is a gradual process. Similarly, depending on how digitally ready your business is, you might start with a simple Facebook account, before gradually moving towards a landing page, then a simple website followed by a more comprehensive website with commerce functionality and other advanced features.

**Figure 3:** Evolution of a business website



(Source: DYB guide, ILO 2022)

Creating a website is optional, regardless of the size of a business. After all, some of the functions of a website can be performed by social media accounts, such as a Facebook page. Businesses could consider creating a free website, which will have limited functionality but still promotes the business – for example, the free offer from Launchaco<sup>14</sup> or set up a hosted version of a WordPress-powered<sup>15</sup> website. Setting up more complex types of websites, bespoke e-commerce solutions or corporate websites requires individual planning, strategizing and pooling together resources from various entities and is therefore outside the scope of this manual.

Now that you understand the importance to your business of having a digital presence, as well as the different ways of building and maintaining one, the comparative analysis in the table below provides an overview of pros and cons of various digital-presence tools and strategies, and the options that businesses like yours can implement.

<sup>14</sup> An automated app that guides startups through a painless setup process. Launchaco provides sample websites to demonstrate its feasibility for startups that want to use the service to promote a responsive app.

<sup>15</sup> WordPress is a content management system (CMS) containing plugin architecture and a template system that allows you to host and build websites so you can customize any website to suit your business, blog, portfolio, or online store.

**Table 6:** Online channels to use and strategies to adopt

	Strategy used by the business	Pros	Cons
<b>Social media platforms</b>	Focusing on one key social media platform	<ul style="list-style-type: none"> <li>- Ample time to produce quality content Proficiency gains</li> <li>- Focused marketing efforts on the chosen platform</li> </ul>	<ul style="list-style-type: none"> <li>- Limited exposure to prospective clients</li> <li>- Tools limited to those offered by the platform</li> <li>- No synergy from using multiple platforms</li> </ul>
	Signing up for and maintaining all key social media platforms	<ul style="list-style-type: none"> <li>- Maximum platform diversity</li> <li>- Multiple sources of high-quality traffic</li> <li>- Relevant content approved for the brand</li> </ul>	<ul style="list-style-type: none"> <li>- Too expensive to manage properly</li> <li>- Potentially lower-quality results owing to dispersal of efforts</li> </ul>
	Signing up for all key social media platforms and focusing on three of them	<ul style="list-style-type: none"> <li>- Presence on all social media platforms</li> <li>- Focus on the three highest-performing platforms</li> </ul>	<ul style="list-style-type: none"> <li>- Potentially missing out on multiple relevant sources of traffic</li> <li>- Easily missing the shifting trends in social media popularity</li> </ul>
<b>Website</b>	Building a new website	<ul style="list-style-type: none"> <li>- Can be designed to address all business needs</li> <li>- Flexible, can incorporate other tools easily</li> <li>- Under own control or ownership</li> </ul>	<ul style="list-style-type: none"> <li>- Can be expensive</li> <li>- Requires resources and knowledge to maintain</li> <li>- Unpredictable cost of ownership</li> </ul>
	Using a Facebook, LinkedIn, Instagram business page	<ul style="list-style-type: none"> <li>- Free to build and run</li> <li>- Uses platform capabilities to find new leads</li> </ul>	<ul style="list-style-type: none"> <li>- Limited to the functionality provided by the platform</li> <li>- Owned by a service provider to which you are tied</li> <li>- Vulnerable to the platform's changes in terms and conditions</li> </ul>
	Using a landing page	<ul style="list-style-type: none"> <li>- Much cheaper than a multi-page website</li> <li>- Often hosted by service provider</li> <li>- Attractive design, powerful, free functions</li> </ul>	<ul style="list-style-type: none"> <li>- Often tied to the service provider</li> <li>- Limited potential for expansion</li> <li>- Structure is often limited by the platform's capabilities</li> </ul>

Take a look at the scenario below.



## Exercise

Use the knowledge you have acquired so far to assist Uwera and Mutoni in making a decision regarding their online presence. Help them to evaluate whether they should opt for a website, landing page, or social media platform. Please consider:

- ↳ The business needs;
- ↳ Costs (budget and human resources);
- ↳ Feasibility;
- ↳ Added value.

### 1.4.1 Promoting the business with digital marketing and branding

Marketing is to identify customers' needs and to satisfy them better than your competitors in order to make a profit. Use the Marketing Mix that includes the seven "P"s to help you respond to the needs of your customers in a way that will set your business apart from the others:

#### ACTIVITIES



## The 7Ps of Marketing



Imagine you're selling delicious matoke at the Arua market. To attract customers, you wouldn't just leave them in a pile, right? You'd arrange them nicely, maybe add some spices, and call out to people walking by. The 7 Ps of Marketing are like those tools you use to arrange your matoke and get people to buy: Let us break the 7ps down, using our matoke as an example;

**Product:** Matoke, of course! But it's also about understanding what makes it special. Is it extra ripe and sweet? Do you offer different portion sizes or seasonings? digitally now it's your online presence. Maybe it's a website with pictures of your perfectly ripe matoke, or social media posts highlighting its taste.

**Price:** How much will you charge for your delicious matoke? Consider what others are selling for, but also the value you offer (freshness, taste, etc.). This applies if you sell matoke online or offer delivery. Price your matoke competitively, considering online delivery fees if applicable.

**Place:** This is where you sell your matoke - the Arua market! But it's also about how and where people find you online! Think Facebook page, website address, or delivery app listing.

**Promotion:** How will you tell people about your matoke? You could shout out ("Fresh matoke here!"), use colorful signs, or even offer a free taste to entice customers but to attract larger market use social media ads, run contests, or partner with local food bloggers for online reviews.

**People:** This is you and anyone managing your online presence! Respond to comments promptly, be informative about your product, and build a friendly online personality, recall chatbox, messaging apps, time to utilize them

**Physical Evidence:** This is the "sizzle" that goes with the "sell." A clean and inviting stall with well-presented matoke creates a good impression. In the digital world, this is how your online presence looks and feels. High-quality photos, a user-friendly website, and positive online reviews all create trust.

**Process:** This is how smoothly your online ordering (if applicable) or customer service works. A clear and easy ordering process and quick response to inquiries keep customers happy.

By thinking about these 7 Ps, you can create a strong digital presence that attracts customers to your delicious matoke, just like your friendly stall at the Arua market!

By now, you should have managed to build an online presence on one or several social media platforms or via a website or a landing page. It is time, therefore, to move from simply being present online to getting active online! Let's talk about digital marketing.

### 1.4.1 Digital marketing



### Exercise

**What benefits did Kwizera gain by using digital marketing to promote his new products compared with traditional marketing?**

- ☞ Digital marketing is the use of digital channels such as websites, search engines, social media, email newsletters (as used by Kwizera) and mobile apps to promote products or services online. It involves creating and sharing content, ads and messages through these channels to reach and engage with a target audience – your current and future customers. The advantages of digital marketing for small businesses include the following:
- ☞ It is cost-effective as it often relies on free channels (social media, emails, and so on) and paid advertisements that are less expensive than traditional marketing channels, such as print and TV advertising. This makes it easier for small businesses to promote their products or services without breaking the bank. Also, most digital marketing activity (especially in the early stages) can be handled by the business owners themselves.

- ↳ You can use it to target your specific customers. Small businesses can market to specific audiences based on demographics, interests, behaviours and other factors. This means that they can reach the right people with the right message at the right time, increasing their chances of converting prospects into customers.

- ↳ It often provides free tools to track and measure the performance of campaigns and advertisements. This allows businesses to make data-driven decisions to optimize their marketing strategies and improve their return on investment (ROI).
- ↳ It is flexible and agile, as small businesses can quickly adjust and adapt their campaigns based on their needs, market trends, consumer behaviour, available budget and other factors, allowing them to stay ahead of the competition.
- ↳ It gives small businesses the opportunity to compete with larger rivals by building their brand and establishing a strong online presence. But this also has its drawbacks, as you will need to put the right effort into your digital marketing to stand out from the competition.

Digital marketing includes the following tools:

- ↳ digital advertising;
- ↳ content marketing.

#### 1.4.1.1 Digital advertising

Digital advertising focuses on promoting specific products and services offered by your business through paid online channels, such as display ads (see Box 7), search-engine advertising, social media ads, or video ads. The main goal is to drive the users to perform specific actions, such as making a purchase, signing up for a newsletter, or filling out a contact form.

There are dozens of types of digital advertising. Some are losing popularity and becoming obsolete, such as banner ads, while others have been going through a rapid growth phase, such as Tik Tok ads. Chances are that, by the time you have finished this module, the frontrunners will have been replaced by a completely new and wildly popular form of digital advertising.

Below are some important considerations regarding digital advertising formats that help businesses to grow:

- ↳ Think *about* creating campaigns rather than isolated posts – they do make a difference!
- ↳ Collect and use data about consumers' preferences, behaviours and demographics, so you can tailor the ads to be more targeted, relevant and effective in reaching your intended audience.
- ↳ Maximize the number of channels on which you digitally advertise.

The most effective way of taking full advantage of digital advertising is with the help of a digital marketing professional. You can find competitive freelancers on Upwork and Backyard.

If you do not want or cannot afford to use professional services, here are some simple digital advertising activities you can do yourself and that can offer some great results:

- ↳ Set up local paid ads on search engines, so your business appears as the top sponsored link when people search for the products or services you offer.
- ↳ Run paid ads on social media, targeting them specifically to people in your area who might be interested in what you have to offer.
- ✗ Get into email marketing to showcase your products and services and attract more customers. There are several affordable email marketing tools, such as Mailchimp <https://mailchimp.com/> and Brevo <https://www.brevo.com/>.



TIPS



TIPS

- Find and contact relevant influencers (those with a big following and who are respected in your industry) who can help to promote your business. This can be a free, or at least cost-effective, strategy if you approach the right people and offer mutual promotional opportunities.

### 1.4.1.2 Setting up Ads on social media

Paid and scheduled ads are social media posts that you can set up to increase the visibility of a post (paid ad) on a platform and to plan and decide in advance when a particular post should automatically go live on a social media platform.

Setting up and scheduling paid ads on social media involves three phases. The table below outlines the standard steps in the digital marketing planning process. You will note that setting up ads is a fairly standardized process across the different platforms, often only varying in terms of the user interface of each platform.

**Table 7:** The three phases of a digital marketing plan

PHASE 1: Pre-campaign	PHASE 2: Campaign	PHASE 3: Post-campaign
<p><b>Set your campaign's goals:</b> establish the precise objectives of your advertising campaign, such as boosting website traffic, generating leads, or raising brand awareness.</p> <p><b>Select the appropriate platform:</b> choose the social media platform(s) that are most compatible with your campaign's target audience and goals. Facebook, Instagram, Twitter, LinkedIn and Pinterest are all popular choices.</p> <p><b>Open a company business account:</b> if you do not already have one, create a business account on the selected social media platform(s). You will be able to access sophisticated analytics and advertising features once you have your business account set up.</p> <p><b>Decide on a budget:</b> decide how much you are willing to invest in your advertising campaign. Think about things like your marketing budget overall and the potential return on investment.</p> <p><b>Identify your target market:</b> determine the location, interests, behaviours, and demographics of your target market. This will enable you to target your ads and connect with the right audience.</p>	<p><b>Create the visuals, images and posters for your advertisement:</b> using a free online graphic design platform such as Canva, create ads that are visually appealing, interesting and include tantalizing headlines, eye-catching pictures or videos, and obvious calls to action.</p> <p><b>Set up ad targeting:</b> go to the ad manager in your business account on your social media platform of choice and use the platform's targeting options to fill in the specific demographics, interests and behaviours of your audience. This guarantees that the appropriate audience will see your ads.</p> <p><b>Schedule and place your ads:</b> choose the social media platform's news feed, sidebar, or stories as the location for your ads, and specify the schedule for your ads, including the start and end dates and times.</p> <p><b>Determine bids and improve your campaign:</b> when setting up an ad, decide on your bid strategy, such as cost per click (CPC), cost per thousand impressions (CPM), or other possibilities. To boost performance and reach your objectives, regularly monitor and optimize your campaign.</p>	<p><b>Observe and evaluate outcomes:</b> use your chosen social media platform's analytics to monitor the effectiveness of your ads. Track important metrics, such as impressions, clicks, conversions and return on investment of the money spent on paid and scheduled ads. For your advertising campaign to be as effective as possible, modify your strategy in the light of this data.</p>

The information in the table above is important to understanding how to set up ads the right way. By not following these steps, you risk wasting your time and money on social media.



### 1.4.1.3 Online guidance on how to set up paid ads on social media

Click on these links for detailed step-by-step guidance on how to set up paid ads on social media:

1. [Setting up an ad through Ad Manager for Facebook and Instagram](#)
2. [Setting up an ad account on Twitter](#)

Remember, these are just two examples; each social media platform may have its own specific setup process and features.

## 1.4.2 Content marketing

Content marketing focuses on creating and posting valuable, relevant and informative content, such as pictures, videos or blog posts, to attract and engage your target customers. The objective is to create an identity for your brand and enhance its visibility, stimulate demand for your products and services, and ultimately create a loyal community of customers who follow what your business does and engage with you so that you can convert this engagement into purchases and other actions (see digital advertisement).

#### **Box 7: Algorithms in digital marketing**

In digital marketing, an algorithm refers to a set of rules or calculations used by search engines, such as Google, and social media platforms to determine the order in which content is displayed to users. Algorithms analyse various factors, such as user preferences, relevance, engagement and quality, to provide the most relevant and personalized content to each individual. This is why, if you and another participant in the DYB training google the same key words, you w are likely to get different results!

For small businesses, understanding the existence of algorithms is important, because they have a direct impact on online visibility and reaching customers.

First, algorithms affect search engine optimization (SEO), which is to do with optimizing websites with the right keywords and quality content to improve visibility and attract more organic traffic.

Second, algorithms on social media platforms control the content users see in their feeds, so it is important for businesses to create engaging, high-quality content that matches what users like.

Lastly, algorithms help businesses target their ads effectively, reaching the right audience and making their advertising campaigns more successful.

By understanding these aspects, you can improve your online presence and reach your target audience and customers.

Owing to the large volume of information on the web, the chances that a particular company's content is seen by the right people are often slim. These chances increase with the quality, relevance and value of the content. Search engines and algorithms (see Box 8) are designed so that the more people search for the information and interact with the content, the more often it is shown to and seen by others. As such, using good content appropriately can help businesses achieve various aims, such as providing entertainment, conveying a message and offering information about products or the business, thus enabling users to take action and building trust with the audience.

There are two types of digital marketing content:

1. Product content, that is, information related to the products, goods and services a business is offering;
2. Company content, that is, information related to the business itself, for example, business address and phone number.

As explained in Box 8 above, when posting your content you need to consider algorithms, which will determine how visible your content will be in search engines and social media, and how likely it is to reach your target audience.

Here are some tips to increase your chances of making your content visible:

- ❖ **Keywords:** select the best keywords for your business and its products or services. Think about the main words that people usually type in to find products or services like yours online.
- ❖ **Description of the items:** invest in a detailed description of the items offered, using the chosen keywords. Avoid using the standard description of suppliers, since this risks the customer going to the manufacturer's website and not to yours.
- ❖ **Page title and URL:** use the product name in the title and in the page address.
- ❖ **Meta description:** fill in the product description. This is the text that appears in the Google result.
- ❖ **Product description:** highlight the main words in bold (Google understands that what is in bold or highlighted is more relevant).
- ❖ **Clientele:** insert a space for customer opinions and ratings. Good reviews help your business to become more visible and inspire credibility.
- ❖ **Page loading:** optimize your website so that it loads quickly. This helps search engines put the website at the top of searches.



TIPS

## Exercise

Have you ever thought about the type of people that you are trying to reach? Imagine how their Facebook profile would look to better understand their preferences and behaviours.

The registration form is designed to look like a Facebook profile setup. It features a blue header bar with the Facebook logo and a progress bar. Below this is a large blue box containing a user icon and the text "Registration form". The form fields include:  
First name: \_\_\_\_\_ Last name: \_\_\_\_\_  
Date of birth: \_\_\_\_\_ Address: \_\_\_\_\_  
Your preferred use of Facebook: \_\_\_\_\_  
When do you plan to use Facebook?:  morning  evening  night  
Your interests: \_\_\_\_\_



ACTIVITIES

### 1.4.3 Creating good visual content

If a picture is worth a thousand words, then a key goal should be to create good visual content. Taking good quality pictures for digital marketing is important. High-quality images enhance the overall visual appeal of your online presence, attracting attention and engaging potential customers. They help to create a positive impression, establish professionalism and build trust with your audience.

Good pictures showcase your products or services in their best light, highlighting their features and benefits. They also reflect the value and quality you provide, which, in turn, influences purchasing decisions. With the rise of social media and visual platforms, quality pictures can make your business stand out, increasing brand visibility and attracting more customers. The same applies to poor-quality pictures. No matter how good your actual products are in reality, if your pictures are of bad quality, that is, blurred, wonky or badly lit, customers will immediately have a negative impression of your business and products. Ultimately, investing in good photography elevates your digital marketing efforts, leaving a lasting impression and driving business growth.

You can either take the pictures yourself or hire a professional photographer to do so.

Taking the pictures yourself is a good option at the beginning of your journey in digital marketing, when your business only needs a small number of photos – for example, to illustrate your website or to post on Instagram. When taking pictures for digital marketing purposes, consider the tips in the table below:

**Table 8:** How to take high-quality pictures



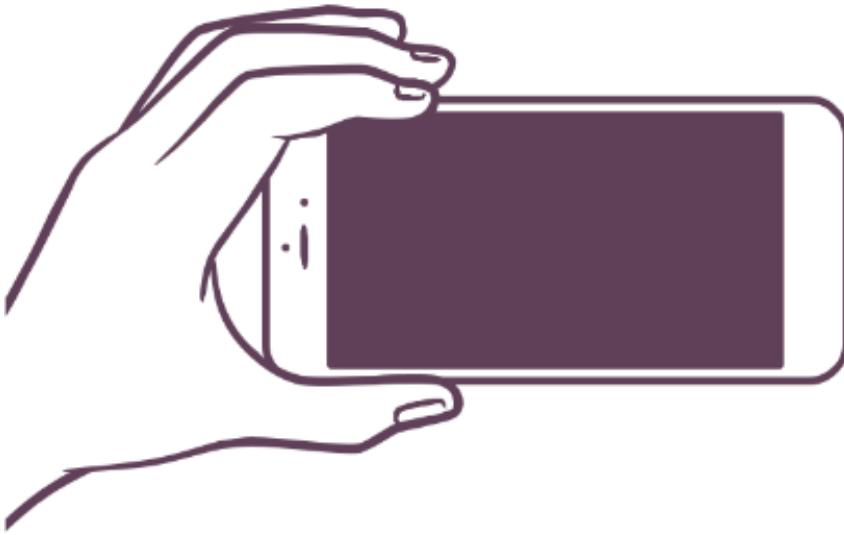
**TIPS**

<b>Keep it simple at the beginning</b>	<p>Start by renting the equipment needed for the photo session. This will save you money up front and, based on this trial, you will be able to decide later on which equipment to buy, after conducting proper research on brands and pricing. Try various brands, lenses, flashes, and the like.</p> <p>Start slowly and gradually determine which equipment and devices are must-have, and which are nice-to-have (such as impulse flashes, expensive lenses). These can be picked up along the journey.</p> <p>Modern-day mobile phones tend to take good photos under proper lighting, so you can start slowly with your mobile phone, focusing on arranging for good lighting.</p> <p>If you must buy a camera, look first for a second-hand camera. They are often available are in good condition and at a much cheaper price than new models.</p>
<b>Be mindful of the backdrop</b>	<p>Remember, the backdrop serves as the canvas for your product photography, so it is important to give it careful consideration. By selecting an appropriate backdrop, you can elevate the overall quality of your pictures and present your products in the best possible light.</p> <p>Choose a clean and neutral backdrop or one that complements your product to create a visually appealing composition that focuses on the item.</p> <p>Eliminate distractions: no irrelevant objects, people, or unsuitable surfaces. A clean and clutter-free backdrop ensures that the focus remains on your products. By removing any unnecessary objects or visual elements, you create a professional and visually appealing composition that directs attention only to your product.</p>
<b>Have good lighting</b>	<p>Never underestimate the importance of lighting. Good lighting will bring out the best in the products, whereas bad lighting can sometimes make the items unsellable.</p> <p>A well-lit subject, preferably with bright white light, is a must. Do not mix artificial lighting and sunlight. Sunlight without rays of light is ideal. Ensure a uniform background that does not distract the viewer.</p> <p>Position the lighting source to the side to add depth to the picture.</p>

<b>Capture multiple angles</b>	Take photos of your products from different angles to showcase their features, textures and dimensions, giving customers a comprehensive view.
	Pay attention to details and highlight the unique selling points and finer details of your products by zooming in and capturing close-up shots to create intrigue and emphasize quality.
<b>Do some basic editing</b>	<p>Use simple editing tools or mobile apps such as InShot to enhance your photos by adjusting brightness, contrast and saturation levels, ensuring they look polished and professional.</p> <p>Editing tools such enable you to crop and resize your images to remove unwanted elements and focus on the key details of your products. This helps in creating visually balanced compositions and ensuring that your products are displayed in the best possible way.</p> <p>With editing tools, such as Canva, you can overlay your logo, add text, or include other branding elements in your product images. This helps in reinforcing your brand identity and creating a consistent visual representation across your marketing materials.</p>
<b>Attract buyers' attention and provide a sense of reality</b>	<p>For hats, accessories and jewellery, using a real person as a model looks best. Ensure that the model wears, holds and uses the item in the way it is intended, so that buyers have a proper understanding of the item's use.</p> <p>Do not add objects to the picture trying to make the object look better or more interesting. Buyers must focus all their attention solely on the subject.</p> <p>Proper reference to the actual sizing of an item is critical. Provide a reference item (a human hand, a matchbox) to help viewers gauge the size. Use a mannequin if needed, but a real person is better.</p>

## Exercise

Take a look at the image below: can you figure out what is wrong with the picture that Ganza is taking of his cake for his bakery website? How would you have done it differently?



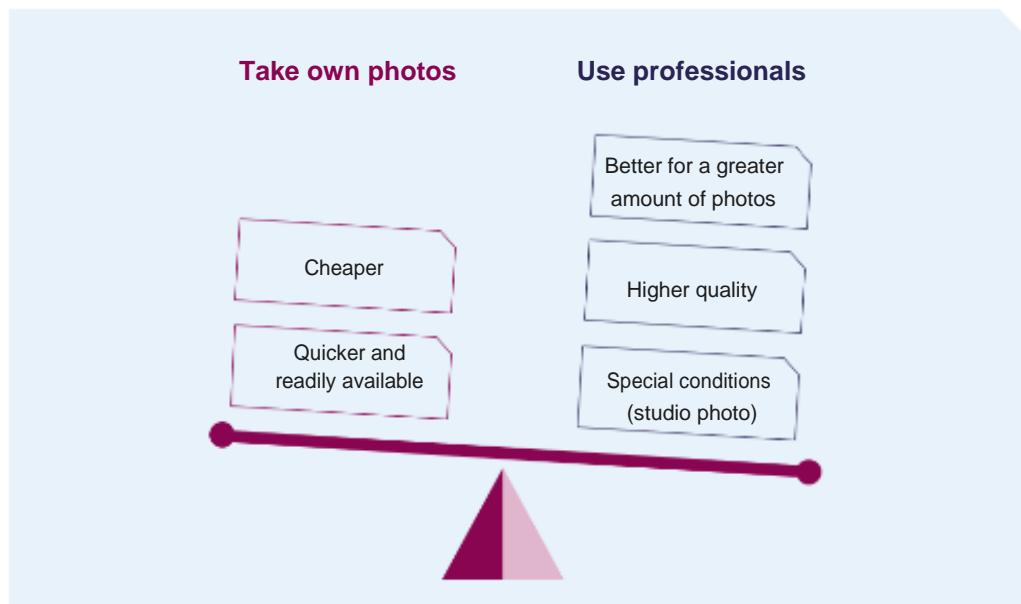
Hiring a professional photographer could be a good idea when it is time to create the first batches of high-quality pictures for your business or for a special campaign. This would ensure that you have attractive, professional images for Instagram, websites and your web store.

It also makes sense if the volume of products you are marketing online increases – as might be the case, for instance, for a textiles business that manufactures hundreds of different models

and sizes of garments per month. The costs associated with taking good stock photos of the entire collection would be best managed by setting up a semi-professional studio and hiring a freelance photographer.

Visit several photo studios in your town and enquire about their rates and the types of services they offer. Partnering and working out a deal with a photo studio may result in multiple benefits – for instance, you could learn the tricks of business photography by observing and asking questions (most photographers are happy to share tips!), and if, afterwards, you feel more confident about taking pictures yourself, they may offer discounted rates on the rental of their studio and equipment.

**Figure 4:** Good and expensive versus cheap and quick dilemma.



(Source: DYB Guide, ILO 2022)

If you chose to hire a professional photographer, discuss with him or her the copyright ownership of the picture that will be taken and whether the photographer wants to be credited in the description or in the form of a watermark<sup>16</sup> on the picture.

To choose the best option, make sure to run a cost-benefit analysis and consider the pros and cons of taking the picture yourself or using a photographer (see Figure 4).

Using online pictures or buying stock photos<sup>17</sup> might not be the best option as it always better to use real pictures of your products and your business. If you do decide to use them, you should specify somewhere that these pictures are illustrative only and make sure to include a picture credit, again using a watermark or in the description.

When purchasing stock photos to use on a website, always check the legal rights attached to the images to be purchased and ensure that you are protected in the event of accusations of misuse by the copyright-owner by properly documenting the purchase, keeping the original receipt and saving the usage rights. Proving ownership over the image is key to avoid getting into a dispute.



#### TIPS

<sup>16</sup> A watermark on a picture is a visible or transparent overlay that typically includes a logo, text, or graphic, used to identify the image's creator or protect it from unauthorized use.

<sup>17</sup> Stock photos are photos taken by professional photographers and uploaded to services that resell the usage rights to businesses for a fraction of the cost. Often, there is a range of prices per image, from US\$1 per image to US\$10,000 per image.

When engaging a professional photographer, it is recommended to develop a photographer's brief. A photographer's brief is a document that outlines the business's specific requirements and expectations when engaging a professional photographer. It is essential to ensure clear communication between you and the photographer and to allow the photographer to understand the objectives of their assignment, your vision for the pictures to be taken and your brand identity.

A photographer's brief includes such information as a description of the business, deliverables, shoot logistics, desired style and budget available. The brief acts as a road map, providing direction and clarity, and enables businesses to collaborate effectively with photographers to produce captivating visuals that support their branding, marketing and storytelling needs.

The brief also includes logistical information, such as the location(s) of the photo shoot, the proposed date(s) and time(s), and the estimated duration of the shoot.

In addition, the brief may include a description of the desired style or tone of the photographs, as well as references that convey the desired aesthetic. It may also include guidelines regarding the items to be photographed, as well as any specific instructions regarding composition, lighting, or poses.

Lastly, the brief typically includes budgetary information, such as the agreed fee, payment terms and any additional expenses for which the client will be responsible.

In summary, a photographer's brief serves as a detailed road map, ensuring that both the business owner and the photographer are on the same page with regard to project expectations, deliverables, logistics and creative direction.

**Figure 5:** Example of a photographer's brief

The screenshot displays a digital template for a 'Photoshoot Brief' on the Milanote platform. The layout is organized into five columns:

- Client:** Features a photo of a person sitting on a chair, details about Life Form Furniture (founded 1872, proudly independent), and contact information for James McFadden, Director (+61 055 76 760, [james@lifeformdesign.com](mailto:james@lifeformdesign.com)).
- The product:** Shows a yellow chair and describes the product as launching a new line of high-end wooden seating designed for comfort and creativity.
- Goals & deliverables:** Lists tasks: 'Produce a beautiful catalogue of photographs to help promote the new range of seating.' 'The photos need to capture:' (The range of colors, The craftsmanship, Unique design details). 'Deliverables:' (10 x product photographs (standalone), 10 x collection photographs). A note indicates a due date is not flexible.
- Target audience:** Describes the target as 'About them: Large companies that have a creative field. They might be public spaces like museums and convention centres, or design or advertising studios.' 'Looking for:' office furniture that will help them create an inspiring place to work. 'Frustrated by:' lifeless uncomfortable furniture. They reject boring, bland aesthetics.
- Reference photos:** Includes a 'Moodboard' section with two images of interior spaces featuring chairs, and a 'Target audience' section with a photo of a woman.

Source: <https://milanote.com/templates/photography/photoshoot-brief>

#### 1.4.4 Digital branding

Digital branding is an important part of digital marketing today. It refers to everything that helps customers to identify a brand online. Digital branding has to do with designing a unique brand identity, or things that people see visually, such as the logo, brand colours and fonts used by the business.

Similarly, a logo can be defined as a visual representation of a business or brand. It is a unique symbol, mark, or graphic element that is designed to identify and distinguish a business from others. A logo typically combines text and visual elements to create a recognizable and memorable image that represents the values, personality and essence of the business. It serves as a visual anchor for the brand, appearing on various marketing materials, products and digital platforms to create a consistent and cohesive brand identity.

All these elements of digital branding can be grouped in a document or a “brand book”, which describes the brand identity of a business. This document describes specific colours, fonts and logos that the brand uses on its website and social media, for consistency. Does every business need a brand book? No. In the beginning, businesses may use generic fonts, approximate colours, stock images and so on. Once the business realizes the need to maintain a pattern of style on its website and social media pages, it needs to consider doing so. Services such as Canva.com can help you to create your first brand book and design a visual identity.

#### **Box 8: Example of using multiple delivery channels to promote a brand: the case of Rwandan sweetness**

Shyaka and Cyusa, two young Rwandan entrepreneurs with big dreams, recently launched a small business called Rwandan Power. Their innovative energy bars, packed with a delicious mix of Rwandan goodies like dried passion fruit and jackfruit, roasted peanuts, and sesame seeds, have become a national sensation. The secret to their success? A multi-channel digital marketing campaign. Instead of following big international trends, Syaka and Cyusa brought on board a team of energetic Rwandan digital marketers led by the tech-savvy Mugwaneza. Mugwaneza, with a deep understanding of Rwandan youth culture, designed a strategy targeting popular Rwandan social media platforms where teenagers and young adults connect online.

Rwandan Sweetness's story goes beyond just social media posts. A dedicated page on a Rwandan blogging platform like Izere Sports keeps the brand fresh with engaging articles packed with keywords about healthy living and achieving your dreams - all laced with the Cyusa's Power message. Daily posts that resonate with the Rwandan audience don't just spread brand awareness, they create a sense of community.

To really get the party started, Mugwaneza orchestrated a viral campaign featuring popular Rwandan social media influencers raving about Rwandan Sweetness in catchy local slang. Think fire emojis and Rwandan flag waving! Using readily available online analytics tools, Mugwaneza tracked the campaign's impact. Brand recognition went through the roof over the past two months. Traffic to their landing page tripled every two weeks initially, then grew by a steady double every month.

To craft the visual identity, Mugwaneza partnered with a talented Rwandan freelance graphic designer named Rugwiro. Rugwiro designed the logo, incorporating vibrant colors that reflect the energy of Rwandan Sweetness, and chose a user-friendly font that complements the logo. To be smart with finances, Mugwaneza negotiated a package deal that included creating a basic brand book.

As the marketing campaign gained serious momentum, a Rwandan development team came on board. The team comprised two Rwandan wizards: Ngabo a UI/UX designer, who spent three weeks on the pre-design phase and six weeks on bringing the design to life, and Ishimwe, a web developer who dedicated three hours daily for five months to building the Rwandan Sweetness website.

## **Exercise**

**Read the story in Box 9. Can you help Rugwiza and shema to ensure that there is a consistent brand image across all the different digital marketing channels? What factors might be relevant to harmonizing their brand identity?**



**ACTIVITIES**



## Action plan for building your digital brand

Now put into practice what you have learned so far to create a digital brand identity for your business.

### STEP 1: Learn how to use online graphic design tool

Set up a free account on Canva (<https://www.canva.com/>). You can also try Looka (<https://looka.com/>) or other graphic design tools. Explore the different functionalities, pre-formatted templates and others to get an idea of what you can use Canva for: creating a logo, flyers, social media posts and the like. At a later stage, you can switch to a paid -for version if you like the service and if you want to make use of some functions and formats that are not free.

### STEP 2: Think about your brand message(s)

Brainstorm to formulate a brand message (an idea, a concept, a product, a symbol).

Write down five elements of a message that would describe your brand and business. For instance, a coffee vendor might use keywords like coffee, bold, tasty, aroma and the like, and then formulate a message along the lines of: "This coffee brand represents the fine aroma and exquisite taste of Colombian coffee".

Message 1 .....

Message 2 .....

Message 3 .....

Message 4 .....

Message 5 .....

### STEP 3: Create a logo and brand images

Take pictures of your business and your products or services that convey these messages. You can either take them yourself or hire a professional, as discussed in Section 1.4.3. In parallel, think of a logo for your business or pay an artist to design one for you.

**Important:** if you opt to pay the artists for their work, keep the receipt (as proof of purchase).

#### Warning

Do not "borrow" images from the internet. It is illegal and may get you in trouble with the owner of the image, resulting in fines and penalties.

- a. Here are the steps to follow to create a logo and other brand images:
- b. Explore Canva.com or similar platforms using key words relevant to your business to check out the trends and get some inspiration.
- c. Use some of the free formats on Canva and modify them so that the logo and material for your business reflect your key brand identity (the messages in step 2, above) and are original! Design between three and five logo concepts. Feel free to hire a professional if you have the available budget.
- d. Come up with a memorable slogan to go with your logo. As with images, do not borrow phrases or other firms' slogans.
- e. Choose colours that represent the brand well or engage a designer to help you with this task. For each colour, determine its hex code – for example, white is #ffffff and black is #000000. To get the hex code for the colour you want to use, search for "how to find a hex code" and follow the steps to get the colour codes of the entire palette of your brand.
- f. Test your proposals (brand, colours and logo) with your friends. Make changes as appropriate and relevant, update your brand design, finalize and generate the final version of your brand book.



#### 1.4.4.1 Digital marketing and branding strategies

Hiring a digital advertising specialist is often recommended as a digital marketing strategy. This kind of professional can deal with the choice of instruments, combine them to generate maximum return on investment and guide the business through the choppy waters of digital marketing.

You can hire a freelancer or a small business to develop effective digital branding. Having a unique, original, meaningful and catchy digital brand may be one of the key drivers of a business's success. In this process, a corporate brand book should be created, containing a colour scheme, logo designs and any slogans. Free services can be used for this, such as Looka or Canva.

Any online marketing efforts will benefit both micro and small businesses. Business owners should experiment with marketing via messaging apps and social networks, in a bid to understand what works for their business and what attracts clients. To this end, getting advice from a digital marketing specialist is usually a good idea.

##### **Assessment: how strong is your business's digital presence?**

We have reached the end of Module 1. It's time to assess and evaluate the strategies your business is implementing to build its digital presence.

**Table 9:** Digital presence - assessment

Instrument category	Name of the instrument used by the business	Importance to the business (1=lowest, 5=highest)	Three key areas of the business in which the instrument is used (e.g., sales, marketing)	Summary of the current strategies	Three possible future Strategies	Describe the journey from current to future use
Social media platforms	..... (social media 1)					
	..... (social media 2)					
	..... (social media 3)					
	..... (social media 4)					
	..... (social media 5)					
Messaging apps/ platforms	..... (App/platform 1)					
	..... (App/platform 2)					
	..... (App/platform 3)					
	..... (App/platform 4)					
	..... (App/platform 5)					
Website	Websites or landing pages: .....					
	Domain 1: .....					
	Domain 2: .....					
Digital marketing	Channel 1 (define) .....					
	Channel 2 (define) .....					
	Channel 3 (define) .....					

# ⊕ **Summary of Module One**

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## **Module 1 addressed the key points for establishing a digital presence, such as:**

- ⊕ using various tools to establish an online presence;
- ⊕ understanding that social media platforms are web-based technologies that facilitate the development, deployment and management of social media accounts;
- ⊕ recognizing that social media platforms allow for diverse types of content, including conversations, information sharing and web content;
- ⊕ understanding the different types of social media platforms, such as social networks, media-sharing networks, social blogging networks, net discussions and review networks;
- ⊕ realizing that creating an online presence can involve multiple approaches, including having a website, a landing page and social media accounts;
- ⊕ acknowledging that online platforms enhance the quality of communication, content and responsiveness while reducing communication costs;
- ⊕ understanding that a social media platform alone can be sufficient for establishing an online presence, without an immediate need to invest in creating a website;
- ⊕ appreciating the importance of creating a positive image while establishing an online presence.

As a business builds its digital presence, it is crucial for it to:

- ⊕ understand the usefulness of social media platforms and websites for:
  - ⊕ promoting the brand;
  - ⊕ communicating with clients;
  - ⊕ selling products and services;
- ⊕ focus efforts on the communication channels that bring in the most clients and engagement;
- ⊕ promote these communication channels through other key marketing channels;
- ⊕ adopt a strategic approach to media platform usage by starting with a small budget for online advertising and monitoring the results.

By considering these points and applying them effectively, businesses can enhance their digital presence and achieve their marketing objectives.



# Module 2



# Selling products and services online

In Module 1 we explored how to create an effective online presence for your business. We are now going to focus on how to make the most of your online presence to actually sell your products and services. Online commerce, or e-commerce – short for electronic commerce – refers to buying and selling products or services over the internet. An e-commerce platform or point of sale is any virtual store that serves as a platform where buyers and sellers meet to exchange goods and services for payment. -commerce involves online transactions, such as online shopping and electronic payments, but – as we will see in the case of social media – e-commerce can also involve a combination of digital and physical transactions. In Module 2, we will explore different platforms where you can sell your products and services online, in particular:

- ↳ social media platforms;
- ↳ online marketplaces;
- ↳ self-hosted website stores.

## 2.1 Selling through social media platforms

Social media platforms are increasingly used for selling goods and services. Businesses can benefit from direct access to their customer bases and from social aspects, like built-in messaging functionality, polls, likes, photos, and sharing functionality. All these factors help to boost customer engagement and promote brand awareness, which increases sales.

On the other hand, the function of social media from a business point of view is to contribute to marketing efforts by adding and showcasing content, attracting new customers and promoting brand awareness.

On the other hand, many businesses also sell goods and services directly through these platforms, even if, technically speaking, social media were not originally designed for the purpose of selling goods and services. Consequently, social media platforms may not offer all the tools and functions for selling goods that are available on websites, in an e-commerce marketplace or on an ordering and delivery platform.



## Exercise

**Take a look at the above scenario and answer the following questions:**

- ❖ What is the advantage to Mutoni and Uwera of having an online Facebook shop?
  - ❖ What challenges might they face in using this online Facebook shop?
  - ❖ How can they solve these challenges?
  - ❖ Do you think online Facebook shops are suitable for all types of products or services? Why?
- .....  
.....  
.....

Although social media platforms were not primarily designed for online sales, these platforms are constantly evolving and updating and incorporating new features such as online shops to stay ahead of the competition. It is important to regularly monitor and familiarize yourself with these new features to determine whether selling through social media could become an option for your business.

To make this decision, you need to consider your business model, needs, client requirements and the availability of enabling services and tools to make the process of using social media to sell goods and services effortless and smooth.

If you do decide to use social media to sell your products, here are some questions you should ask yourself:

#### Box 9: Using social media to sell online – FAQs



##### Q.1 Should I develop a virtual catalogue of my products?

A.1 Absolutely. Social media provides businesses with direct access to customers, and having a catalogue with products and prices would certainly be beneficial. Since most platforms do not offer a dedicated space for businesses to showcase their products, businesses may choose to create an attractive catalogue as a PDF (digital document) or in JPEG or PNG (picture) formats. These could then be added or linked to the business's profile or uploaded to a post.



##### Q.2 Should I post pictures of my products?

A.2 A picture is worth a thousand words, so by all means do post images of your products to your social media accounts. It is important that the pictures are of very good quality and engaging while also providing an accurate representation of the product itself. See Section 1.4.3 for more instructions on how to take pictures for online marketing.



##### Q.3 Should I also set up Terms and Conditions?

A.3 Yes and no. Nobody would prevent you from posting your own terms and conditions, but they may not be implementable or enforceable. They may, however, be useful for specific product and service offerings – for example, if you have a home-based kitchen you might want to specify a time up to which you can accept orders. Technically, however, your account is part of the social media platform, which has its own rules, terms, and conditions. These will take precedence over any terms you may want your users to agree to. Further, if you violate the platform terms and conditions, you may be restricted, banned, blocked or lose your account. Before engaging in any sort of e-commerce, carefully study the platform's terms and conditions.



##### Q.4. Can I accept payments?

A.4. On most of the social media platforms, you cannot accept payments from your customers either on or via the platform. Social network platforms are usually not designed to work as e-commerce spaces and do not have a payment processing service integrated in their system. There are ways to link your social media accounts to external websites, however, where your customers can buy and pay for your products have them delivered. This is not a default function of online platforms, however, and you will need to fulfil certain criteria before you will be able to apply to unlock this function. This situation is slowly changing, with some platforms now introducing ways of accepting payments – for example, Facebook Business – (for more details visit [Get paid for selling with shipping on Marketplace | Facebook Help Center](#)). Please review each platform's terms and conditions to make sure you understand any limitations.

The general rule is that businesses should review each platform thoroughly to determine its suitability as a platform for selling their goods and services.

## 2.2 Selling through online marketplaces and ordering and delivery platforms

Amazon, eBay, Jumia, Noon, EasyShopping, AliBaba.com and AliExpress are some of the well-established e-commerce platforms that have a strong digital presence, high visibility, and robust branding as online shopping destinations. In Kigali digital services are categorized as

1. Platforms for offline work include VUBA: grocery, food, travel, real estate, and miscellaneous; Gurisha: classifieds; Grocewheels: grocery; Carisoco: vehicles; Move by Volkswagen: ride hailing; Yego Rwanda: ride hailing; Kikku: online shopping mall; Dubuy: Miscellaneous imports Digital services for microenterprises; Platforms for digitally delivered work; Rwazi, Upwork, Andela, Kuhinga, Akazi, Umurava
2. Tech-enabled skilling; Nziza for digital construction skills, Rwanda build program for entrepreneurs , Andella

(Source: Jobtech Alliance (Undated) <https://jobtechalliance.com/wp-content/uploads/2023/05/Jobtech-for-Refugees-Research-1.pdf>)

These platforms provide owners of businesses – whether micro, small or large – with the opportunity to promote their products, receive purchase orders, process payments and deliver their products directly to customers – sometimes even across different countries. Many businesses that venture into selling their products and services online start by trading through marketplaces (such as an Amazon webstore). Marketplaces were designed to provide basic e-commerce tools to businesses that lack such capabilities or that:

- ↳ are newcomers in their infancy and want to trade online but do not have their website;
- ↳ operate in an industry where selling is traditionally conducted in or through marketplaces.
- ↳ already sell online through their own website but want to diversify their virtual supply stores to attract more customers.

Typically, online marketplaces and delivery platforms are owned by a service provider. Anyone can come to these markets and “rent” a stall, but the market-owner will still own the stall and can technically kick the “tenant” out for certain reasons.

E-marketplaces and delivery platforms offer several benefits to your business, including:

- ↳ direct access to a customer base from social elements, such as built-in messaging, polls, likes, photos and functionality;
- ↳ accumulated knowledge about customers, allowing you to generate more relevant and personalized content based on their interests, boost customer engagement and foster stronger connections with your target audience;
- ↳ being part of a larger platform (network) means that you will receive more traffic to your business and benefit from media campaigns run by the service provider;
- ↳ enhanced brand awareness, as your products and business are exposed to a wider online community, and potentially more sales, with the opportunity to reach a larger customer base and drive more conversions.

The image below illustrates more of the characteristics and advantages of online marketplaces compared with “traditional” physical stores.

Image

### Exercise

**Can you think of some advantages that a e-marketplace might offer to your own business compared with a physical store?**



**Figure 6:** Comparing E-Marketplace with

Self-hosted website store

Marketplace vs Online Store	
E-marketplace	Self-hosted store
Multiple sellers	One seller
Provides the whole pack of functionality for sellers and buyers interaction	Seller has to take care of store functionality
Provides order processing flow, usually payments, sometimes shipping services	Seller has to take care of everything from order processing to payments and shipping integration
Widely known and has big number of visits	Seller has to attract users to the store, do SEO, arrange promotion campaign etc.
Possesses customer trust in a brand built for years	Has to build customer trust from scratch
Usually offers customer and buyer protection programs	Has its specific policies
Seller may choose business model/membership plan he or she prefers (basic membership plans are mostly free)	Seller has to constantly invest in the store (development, maintenance, SEO etc.)
Sales model options vary (fixed sales, auction, mixed sales etc.)	Sales model is mostly fixed sales
Can be applied to any sphere like social networking	Is applied to sales of products and sometimes services
Seller may use drop shipping, thus having no products in his physical stock	Usually have products in stock somewhere, though also use drop shipping as an option

The Figure 6 illustrates more of the characteristics and advantages of E-marketplaces compared with Self-hosted website.

Online marketplaces often charge fees or commissions for listing products, making sales, or using certain features. It is essential, therefore, to understand these costs and factor them into your pricing strategy. Table 10 below illustrates examples of the subscription fees for e-marketplaces.<sup>18</sup>

**Table 10:** Comparing e-marketplace fees

Marketplace	Subscription needed	Subscription offered	Subscription perks
Amazon	No* *Some products require approval	<b>Individual:</b> \$99 item/sold <b>Professional:</b> \$39.99/mo	<ul style="list-style-type: none"> <li>- Access to in-app ads</li> <li>- Multiple user accounts</li> <li>- Bulk listing</li> <li>- API integration</li> <li>- Customizable shipping fees</li> <li>- Run free shipping promos</li> </ul>
eBay	No	<b>Starter:</b> \$4.95/mo <b>Basic:</b> \$21.95/mo <b>Premium:</b> \$59.95/mo <b>Anchor:</b> \$299.95/mo <b>Enterprise:</b> \$2.999.94/mo	<ul style="list-style-type: none"> <li>- Additional free listings</li> <li>- Lower listing fees</li> <li>- Coupons for shipping supplies</li> <li>- Discounted business services</li> </ul>
Etsy	No	<b>Etsy Plus:</b> \$10/mo	<ul style="list-style-type: none"> <li>- Credits for ads and listings</li> <li>- Customization tools</li> <li>- Discounts on shipping boxes and business cards</li> <li>- Custom domain name discounts</li> </ul>
Walmart	No* *Must complete a "Request to Sell"	None	N/A

18 <https://www.webqility.com/blog/marketplace-fees-amazon-ebay-etsy-walmart>.

  **TIPS**

- ❖ Digitalize your business  
Digital strategies for micro, small, and medium enterprises

If you wish to trade via a marketplace or delivery platform you first need to identify the most relevant marketplace platform for your business depending on the type of product or service you are offering.

Here are some questions to consider when choosing the right marketplace and delivery platforms. Remember: you can choose more than one!

- ❖ What are your business goals and objectives: increasing sales, expanding customer reach or entering new markets? Will this platform help you to fulfil these goals?
- ❖ Who is your target audience? Are they using this platform?
- ❖ What products or services do you offer? Is the marketplace platform adapted to sell these products and services?
- ❖ What is your budget? Evaluate the costs associated with each marketplace and delivery platform, including listing fees, transaction fees and any additional charges, but also the return on investment!
- ❖ What is the platform's reputation and credibility? Look for platforms with a solid track record of trust, reliability and customer support.
- ❖ What are the platform's policies and terms of service? Review the platform's policies regarding seller fees, product listings, customer feedback, returns and dispute resolution. Ensure these align with your business model!
- ❖ What marketing and promotional support does the platform provide? Explore the marketplace's marketing tools, advertising options and promotional campaigns that could help you to increase visibility and drive sales.

Setting up a virtual store is a fairly straightforward process. After reviewing the terms and conditions of trading in this marketplace, you can quickly register and be assigned a virtual store. A typical point-of-sale business profile includes:

1. The business name.
2. Elements of the business identity (logo, storefront images, header, etc.).
3. The business's legal address.
4. The physical address of the business.
5. A virtual address (URL) configured either through:
  - a. A linked business-owned domain (for example, [https://www.example.com/store\\_name/](https://www.example.com/store_name/)).
  - b. A subdomain (for example, [https://www.exampleplatform.com/stores/store\\_name](https://www.exampleplatform.com/stores/store_name)).
6. A business tax ID.
7. Other information and requirements – for example, if you are planning to join food delivery platforms, these usually evidence that your business complies with food quality standards(guidelines on food preparation, ingredients, packaging, presentation and so on).
8. Liability insurance in the event of incidents or accidents during the delivery process.
9. Technology integration (integrating point-of-sale (POS) systems or adding order management software).

**Box 10: Jiji and Kikuu Rwanda**

<p><b>Jiji Rwanda:</b> This platform functions more like a classifieds website, allowing individuals and businesses to buy and sell a wide range of new and used items.</p> <p><b>Kikuu Rwanda:</b> This marketplace focuses on connecting Ugandan artisans and businesses with a global audience. They offer a unique selection of locally-made crafts, fashion items, and homeware</p>	 
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## Exercise

### 1. Create your e-commerce store checklist.

1. Grab a pen and paper or open a blank document on your computer.
2. Imagine that you are setting up an e-commerce store for your business.
3. Write down the following checklist items:
  - ↳ Choose a memorable and relevant name for your online store.
  - ↳ Decide on three to five products and services you wish to sell and ensure they align with your target audience's needs and preferences.
  - ↳ Research and choose a suitable e-commerce platform that fits your budget, technical requirements and customization options (see section above for guidance).
  - ↳ Consider the visual appearance of your store, including colours, logo and overall branding, to create a cohesive and appealing online presence.
  - ↳ Draft short but engaging descriptions for each product or service, highlighting their unique features as well as their price.
  - ↳ Think about the type of image that you will need of each product as well as the type of online promotion that you could do.
  - ↳ Consider which methods you will use to receive and respond to the orders. Don't forget to think about shipments and delivery!

### 2. Use this checklist as a guide to start setting up your e-commerce store, ticking off each item as you make progress.

The homepage of any e-commerce account should:

- ↳ showcase your products by explaining their main features, advantages and specifications, and featuring photos of them from different angles;
- ↳ emphasize the brand identity of the business by associating the display of the store with the business's logo(s) and trademarks;
- ↳ offer product search capabilities, with products searchable by category and sub-category, which reduces the time required to find and select items, and thus leads to faster order placement;
- ↳ contain a link to a store shopping cart, allowing customers to view multiple items, make a decision about selection, browse different categories and then proceed to purchasing and placing an order, before logging out.

If businesses are unsure whether they should trade via a marketplace or build an online store, they should start with a marketplace account, for the following reasons:

1. Reduced or no barriers to entry.
2. Quick and effortless setup of everything required to trade.
3. A marketplace account is either free or inexpensive to set up.
4. Becoming experienced in online trade and copying or replicating elements of a marketplace business model is a great starting point for an eventual online store.

Having gained some insight, resources and time to work on a dedicated e-commerce website, businesses can go ahead and establish their own e-commerce website or continue using the marketplace.



## 2.3 Selling through self-hosted website stores

A self-hosted website store refers to an online store that is built and operated on your own website. This means that visitors to your website can navigate to the "Shop" or "Store" section in the menu and find a range of products available for direct purchase on the site. Of course, it also means that setting up an e-commerce store requires the business to have a website in the first place! Unlike using third-party platforms or marketplaces, having your own online store means that you have complete control over its design, functionality and management. You set up the website, choose the e-commerce software or platform, and handle all aspects of the store, including product listings, payments and customer data. It allows you to create a unique and customized online shopping experience tailored to your brand and your target audience. To understand the difference between a website store and an online marketplace, take a look at the comparative table below:

**Table 11:** Website stores and online marketplaces – a comparison

	Website store	Online marketplace
How does it work?	 <p>An e-commerce website is an online platform where businesses can sell their products or services directly to customers. Typically, an e-commerce website has a catalogue of products or services, and customers can browse and purchase items online. When a customer makes a purchase, the payment is processed securely through the website, and the business typically ships the product directly to the customer.</p>	 <p>An online marketplace is a platform where multiple businesses can sell their products or services in one place. Customers can browse and purchase items from various businesses on the same website and/or application. The e-marketplace acts as a mediator between businesses and customers by providing a platform where market transactions take place.</p>
Who owns it?	A business that offers e-commerce functionality on its website owns the webstore (the business owns the codes, pays for the hosting, etc.).	On online marketplaces, the webstore is owned by the platform (e.g., Amazon owns the platform and lets businesses use it in exchange for a percentage of their sales, a monthly payment, or other financial rewards).
Who fulfils the orders?	The business fulfils orders (and ships the goods itself).	Often, the platform does so on behalf of the seller (e.g., Amazon ships goods from its warehouse to end customers).
How are payments managed?	Directly, on the business website, that is, the business receives the payment directly.	Via an intermediary: the platform gets paid, then it settles with the business

## Comparison between options

	Quick Setup	Diverse functions	Control & ownership	Unique design
Self-hosted website	X	✓	✓	✓
Self-hosted landing page	✓	X	✓	✓
Web service landing page	✓	X	X	X
Marketplace store	✓	X	X	X
Web service website	✓	✓	X	X

Setting up a self-hosted website store is a relatively complicated task for which you might want to hire a professional web designer. You could also set up the store using e-commerce platforms such as Shopify, WooCommerce, Magento, or others.

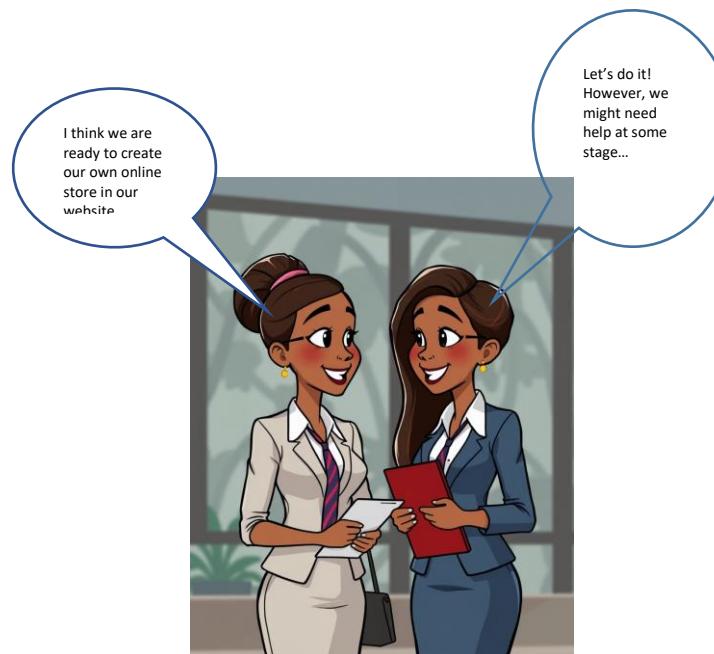
Either way, when setting up your online store, you should consider including the following elements:

1. **A product or service catalogue.** Creating a comprehensive product or service catalogue requires categorizing items based on size, colour, shape, make, model, type, brand, country of manufacture, and more. A clear and user-friendly catalogue system facilitates customer navigation, improves product search and increases the likelihood of purchases.
2. **Photos.** In modern virtual stores, there is typically an interface where the owner can upload images of their products (taken from the front, back, top, , close-ups and so on) and provide captions for each photo ( including ones tailored for visually impaired shoppers, search engines, and so on).
3. **Item titles, short descriptions.** A short, specific title should be added to each item. The exact title is an important marketing and SEO tool; therefore, all titles should ideally be phrased in a certain way. This seemingly simple task of product naming has gradually evolved into a mix of art, science and marketing psychology. Today, hiring an SEO<sup>19</sup> expert is practically the only way to ensure proper visibility of your website.
4. **Long description of each product and service.** An accurate description should be added to each item. As well as (optional) marketing or sales messages the description must contain any mandatory information (such as legal disclaimers and warnings as required by applicable legislation).
5. **Stock number (SKU).**<sup>20</sup> Businesses need to know where a particular product is in their storage facility and how to find it. An SKU can be as simple as a combination of letters and numbers, such as "BL001", where BL=black, 001=the first box on the left shelf. SKUs could be a long string of characters assigned to each item by an inventory management system. Modern-day inventory management systems employ various sophisticated tools such as barcodes, QR codes, e-tags, or other systems to track individual items' inventory positions. These codes are predominantly for the convenience of the business.

<sup>19</sup> See Search Engine Optimization

<sup>20</sup> SKU – a Stock Keeping Unit (SKU) number is an alphanumeric code that describes an item's unique characteristics according to the company's internal inventory system that helps store similar items in warehouses for easy retrieval.

6. **Rules of selling.** These rules may include product rebates, bundles, volume-based discounts, price reductions, coupons, and the like and may apply to either all products and services or only certain categories. These parameters add a new layer of flexibility and help automate and facilitate trade. It is important that the “rules of selling” can be changed for a time-limited campaign for more orders to be received. It is equally important to announce when the campaign starts and when it ends – to avoid bad reviews from an angry customer.
7. **A shopping cart.** A shopping cart is an automated script that helps shoppers to place an order, pay for it and choose how they want it delivered. The process is generally as follows:
  - a. The customer selects the type and number of products they require.
  - b. If applicable, they add a coupon code (to avail themselves of a promotion, for example).
  - c. The customer enters their details (billing and shipping addressed).
  - d. They then select from various delivery options (adding shipping and handling costs).
  - e. Any applicable taxes are calculated.
  - f. The customer chooses a payment option.
  - g. An invoice is generated based on the above information.
  - h. The payment is processed.
  - i. The order is sent for fulfilment.



## Exercise

Mutoni and Uwera are seeking assistance in establishing an online shop on their newly launched website. Can you provide guidance and support to help them navigate the necessary processes? Please also advise them on the type of assistance or support they may require.

### 2.3.1 Sales funnel diagram

The task of every business's sales department is to find and engage customers (individuals and other businesses) and, ultimately, sell products or services to them. A very simple sales funnel concept describes the passage of these individuals and businesses from being prospects, or potential customers, to leads and then customers.

1. Prospects are people or businesses who may become customers of the business.
2. Leads are prospects that become interested in the business's products or services.
3. Finally, leads become customers when they buy something from the business.

**Figure 6:** Sales funnel diagram



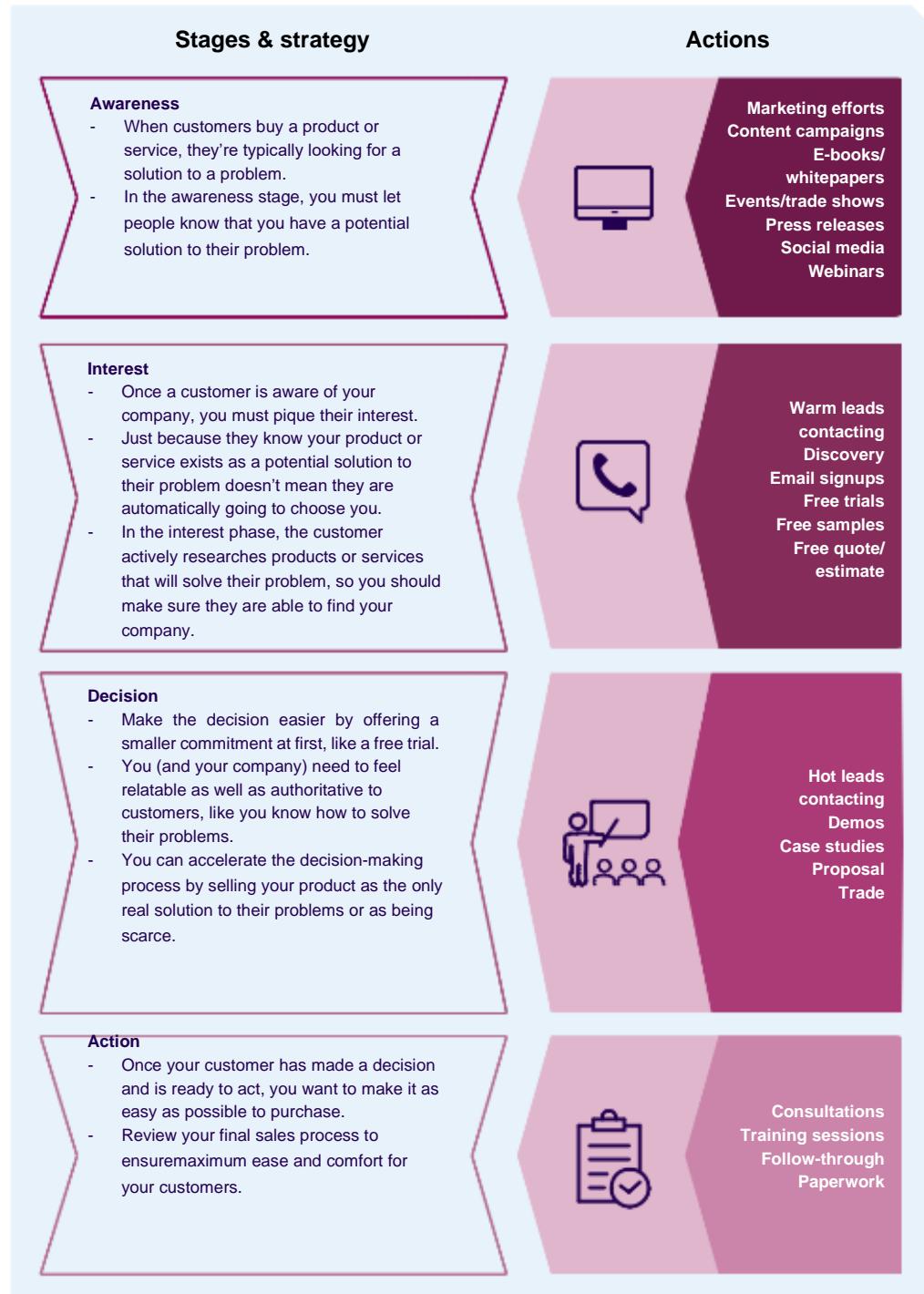
Source: *Digitalize your business* (guide), ILO, 2022.

The following figure describes the stages of the customer journey, strategies businesses may use to advance prospects down the sales funnel and actions they can take to facilitate the customer journey.

## Exercise

Discuss with the trainer and your group how these steps would look like for commercializing your products online?

Figure 7: Explaining the sales funnel – stages, strategies, actions



Source: *Digitalize your business* (guide), ILO, 2022.

## 2.4 How does online commerce compare to the conventional sales model?

Before the internet and e-commerce marketplaces existed, customers who wanted to buy a specific product –say a pair of tennis shoes – would have had to leave their homes and go to the nearest shopping mall. Here, they would need to find a shoe store, then hope that it sold tennis shoes in the right size and at a price that they could afford. If not, the customer would need to leave and find another store, and another, until they found the right shoes at an affordable price. This whole process of finding the right store selling the right product could sometimes take an entire day or even longer.

Today, with the internet and the rise of e-commerce, if a customer wants to buy a pair of tennis shoes, they can go online and either use search engines (such as Bing, Google, Baidu, Yandex) or online catalogues and directories (like DMOZ, Yelp) or go directly on to an e-commerce platform (such as Amazon, Jumia) to look for their tennis shoes from the comfort of their homes. The customer can even narrow down their search and look for a specific model of tennis shoe, enter the size they require and a price range that suits them. The virtual search engine then scans through thousands of shops and checks the availability of exactly that kind of tennis shoe, allowing the customer to compare prices and reviews from previous buyers. Then, once they have found the right offering, they can pay for the tennis shoes online and get them delivered direct to their home.

Therefore, one of the biggest differences between conventional shopping in the real world and online shopping is that the search for a product – and not the shop that sells it – drives the customer's decision to purchase. In fact, often with such online business transactions (particularly via e-commerce platforms), customers do not even know the name of the shops that they are buying from.

For small vendors planning to sell their products online, this might seem a little scary at first, but it also offers a major opportunity: if you have a good product at a competitive price many customers with an actual intention to purchase will find you online.

Setting up a virtual storefront is one strategy to connect with such prospects and, hopefully, convert them into customers. Businesses that want to have a digital presence require the digital equivalent of product shelves and display cases.

But there are also other online channels that allow businesses to display their products on digital shelves to online customers, such as:

- (a) messaging accounts:
  - a. a link to the product page or guide in the business profile area;
  - b. a chatbot configured to provide information about various business offerings;
- (b) social media accounts (such as Facebook, LinkedIn, Pinterest, Instagram):
  - a. a link to the product page in the profile area;
  - b. a dedicated page(s) with the products and services listed and detailed; c. an uploaded guide (Pinterest or Instagram);
- (c) e-commerce marketplaces (such as eBay, Amazon):
  - a. a virtual storefront –often, this can be customized to include brand colours, logos, slogans and other elements of the brand style;
  - b. a dedicated page on the platform displaying the products or services, with product links, images, and descriptions;
- (d) through a business website:
  - a. a built-in product catalogue with a shopping cart.

## 2.4.1 E-commerce business models

When starting to develop e-commerce for your company, please consider your overall business model: to whom are you selling? Consumers (B2C), which is the most common target group, or to other businesses that might use your products or services (B2B)? Take a look at all the possible e-commerce models below and find the right one for you.

**Table 12:** Different e-commerce models

Type	Description	How to work	Example
<b>B2C</b>	The company markets its products or services directly to end users.	Direct selling to end-users; advertising-based model.	Facebook
<b>B2B</b>	The company markets its <i>products</i> or services directly to other businesses.	Vertically oriented businesses sell to customers within a specific industry. With a horizontal approach, you are selling to customers across a myriad of industries.	Alibaba.com
<b>B2G</b>	The company markets its products and services directly to a government agency. This agency could be a local, county, state, or national agency.	The companies typically bid on projects when governments announce Requests for Proposals (RFPs).	IBM, SAP, Alibaba Group
<b>B2B2C</b>	The company sells products to another company, which then sells them on to consumers.	A company could partner with another company to promote its products and services, giving the partner a commission for each sale.	Amazon, eBay, Alibaba Group
<b>C2B</b>	Individuals sell goods and services directly to companies. This is most common in the case of websites that allow individuals (contractors or freelancers) to share work or services in which they are skilled.	The businesses will put in a request or a bid for that person's time and will pay the person through that platform	<a href="http://www.upwork.com">http://www.upwork.com</a>
<b>C2C</b>	Consumers sell goods or services directly to other consumers. This is most often made possible by third-party websites	Smaller businesses, or even hobbyists, sell their products at prices they set themselves, without having to maintain their own online storefront.	Craigslist, eBay, Autotrader

## Exercise

Now that we have explored the different platforms you can use to sell your products or services online, do you have an idea of which one your business should focus on? Considering the specifics of your business in terms of target clients, resources, competition and type of product or service offered, list the pros and cons of using each online sales channel.

	Social Media	Online Marketplace	Self-hosted Website store
Pros	..... ..... ..... ..... ..... .....	..... ..... ..... ..... .....	..... ..... ..... ..... .....
Cons	..... ..... ..... ..... ..... .....	..... ..... ..... ..... .....	..... ..... ..... ..... .....

As mentioned throughout this training manual, the digitalization of your business is a gradual process that should be well-thought-out and planned to make it more relevant for your business needs and the opportunities available. Consider the resources you will need, in terms of money and time, to set up and manage the selling of your products and services online. What can you invest and what would bring real added value to your business today?

Depending on your goals and the budget and time you have to allocate to digital efforts, it may be beneficial to begin with social media and gradually expand to include a presence in online marketplaces. Eventually, you can consider establishing a website and an online store. This gradual approach allows for strategic progression and scalability.



## ⊕ Summary of Module 2

- 
- ⊕ Selling online is a way of promoting and marketing your business's products and services online to a wider audience.
  - ⊕ The three main channels via which you can sell your products and services online, are: social media platforms, online marketplaces and self-hosted website stores.
  - ⊕ Social media platforms are increasingly being used for selling goods and services. Businesses doing so benefit from direct access to their customer bases , as well as social aspects, like built-in messaging, polls, likes, photos and sharing functionality, but there are limitations regarding payments and other purchasing functions.
  - ⊕ Marketplace platforms provide the opportunity to promote products, receive purchase orders, process payments and deliver products to customers in different countries.
  - ⊕ A self-hosted website store is an online store that is built and operated on your own website.
  - ⊕ There are different types of e-commerce models that target specific customers, such as B2B, B2C, B2G, C2C, and so on.
  - ⊕ Learning how to use SEO is key to the success factor of your sales strategy.

### Exercise



Start thinking about and setting your sales goals for the coming year and draw up a plan for both online selling and offline marketing.



# Module 3



# Digitalization of business processes

In Modules 1 and 2, we explored how digital solutions and digital platforms can help you increase your sales and expand your customer base by creating an online presence and by using e-commerce platforms to sell your products and services. Digital technologies, however, also have huge potential to revolutionize various aspects of business operations, regardless of a company's size, location, or the nature of its products and services.

I always keep a written record of the products I sell in a notebook, but I can't find it! I have also lost some of the receipts for the stock I bought from the supplier...



## Exercise

**Consider Rwema's situation. Can you think of some digital solutions that could help him better manage stock in his grocery store?**

Some digital technologies can enhance the speed, accuracy, efficiency and effectiveness of business processes. "Going digital" doesn't always require expensive high-tech solutions. For instance, maintaining digital records of stock, accounting, and financials enables easy access to, and review and sharing of, important documents. Furthermore, getting in touch with your customers is now easier than ever thanks to instant messaging and social media platforms. The scope for improving business processes through technology is vast and will continue to expand with future innovations.



A good way of categorizing business processes is to distinguish between those that occur internally within a business and those that happen externally when businesses interact with third parties, such as suppliers, regulators and – most importantly – customers. The following table lists processes that can be digitalized – many of which have already been mentioned in this manual.

**Table 13:** Common internal and external business processes

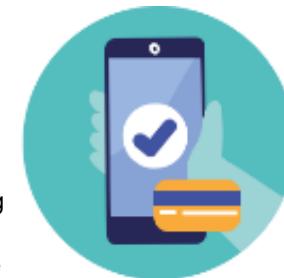
Internal business processes	External business processes
<ul style="list-style-type: none"><li>- Accounting and finance</li><li>- Communication and coordination among employees and employers</li><li>- Stock control, inventory and enterprise resource planning</li><li>- Recruiting employees</li></ul>	<ul style="list-style-type: none"><li>- Ordering (supplies) online and making payments</li><li>- Receiving orders and collecting payments</li><li>- Customer service and collection of feedback</li><li>- Digital marketing and online advertising</li><li>- Regulatory and legal compliance</li></ul>

We will now explore some of the benefits of adapting digital technologies for business management in these areas in particular:

- ↳ payments;
- ↳ shipping and delivery;
- ↳ accounting and finance;
- ↳ stock control and supply management;
- ↳ digital ethics, trust and security.

Customer service and marketing have already been covered in Modules 1 and 2.

## 3.1 Payments



One of the most critical elements of selling online is payment processing and collection. As such, digitalizing your payments methods is essential to fully benefit from e-commerce platforms, especially online marketplaces and self-hosted website shops. In the case of social media, as mentioned in Module 2, it is important to note that most of these networks lack the necessary features for processing online payments, meaning you would need to rely on more traditional payment methods, such as physical payments or external payment platforms, to facilitate transactions.

Any e-commerce transaction involves at least these essential actors:

- ↳ a buyer;
- ↳ a seller;
- ↳ a payment processor.

When a customer (the buyer) orders online from your business (the seller), you need to have the tools to be able to accept and handle their payment (a payment processing facility). There are two overarching payment models: payment in advance or payment on delivery. Within those two models, there are several payment options. We will now look at some of them in more detail.

### 3.1.1 Payment in advance

If you require your customers to pay for their order in advance, that is, before the order is shipped and delivered, to be able to accept their payments you will need to use an online payment processing facility – also known as an online payment services provider or online payment gateway.

Thanks to the growth of e-commerce, there are now multiple payment tools and service providers available, as well as considerable infrastructure for enabling businesses to receive, process, transfer and review the authenticity of payments. Some of the payment processors in Rwanda

- ⊕ MTN mobile money

- ⊕ AIRTEL money

- ⊕ PAYPAL

- ⊕ GPO group

- ⊕ Paygate

- ⊕ DPO group

#### **Box 11: What is a digital wallet and how can it be used for digital payments?**

Digital wallets, also known as e-wallets or mobile wallets, allow customers to store their payment information on their mobile devices and make payments using their smartphones. To use a digital wallet for digital payments, users typically need to set up an account with a digital-wallet provider or install a mobile wallet application, such as Apple Pay, Google Pay or Samsung Pay.

Once the account is created, users can link their credit cards, debit cards, or bank accounts to the digital wallet. Then, whenever they want to make a payment, they can do so easily by scanning a QR code, tapping a contactless payment terminal, or entering their credentials online. The vendor will then immediately receive the payment into their mobile wallet. This makes the payment process more seamless and minimizes the risk of fraud for both the business and its customers.

When you use such a service to process the payments made to your business, you can offer your customers the option to pay via any or all of the following methods:

- ⊕ Credit card

- ⊕ Debit card

- ⊕ Prepaid card

- ⊕ Digital wallet (see Box 12)

### Exercise

**Have you ever paid for something online using any of these payment processors? Have you ever used any of them for your business? If so, why did you use them? If not, why not?**

The table outlines what you need to consider when selecting an online payment processing facility, service provider or gateway.



**ACTIVITIES**

**Table 14:** How to choose the best online payment processor for your business

	Advice
<b>Does the payment service provider operate in your country?</b>	This is a critical question to answer as whatever provider you sign up with must agree to work in your country. Otherwise, your business may not be able to withdraw money from the payment gateway because of legislation or sanctions preventing this. Review the payment gateway website and consult its sales staff.
<b>In what form can a business withdraw money from its account?</b>	Some of the payment gateways allow you to withdraw funds in the form of cheques. It can be extremely difficult and expensive to cash these outside of the payment gateway's home country. Ensure that a wire transfer (SWIFT) is available as an option. Withdrawing funds in a foreign currency may or may not be allowed by the domestic financial regulator, so check with the payment gateway operator in which currency it allows withdrawals.
<b>What is the fee structure of the payment gateway?</b>	Some of the payment gateways are offering the withdrawal of funds in the form of checks. Checks are often extremely hard and expensive to cash outside of the payment gateway's home country. Ensure that a wire transfer (SWIFT) is available as an option. Withdrawal of funds in foreign currency may or may not be allowed by the domestic financial regulator, so check for the currency in the payment gateway operator allows withdrawals.
<b>What help does the payment gateway provide in the event of fraud, refunds, or chargebacks? Are there any penalties to the business for chargebacks?</b>	A chargeback is a forced refund in response to a customer's instructions to their bank. This may occur in the event of a disagreement between the customer and the seller following a legitimate complaint by the former that was not resolved promptly by the latter (for instance, a complaint about fraud). Payment gateways tend to side with buyers in cases of unresolved customer disputes. In this regard, the business would face penalties. The process of dispute review must be transparent and fair. An offer of manual or automatic fraud review or protection by a payment processor is a huge plus, and the lack thereof should be a warning sign of caution to any new business. (See Section 3.1.4 for more information on dealing with fraud.)
<b>What are the pay-out frequencies, and delays, if any?</b>	Often, to cover themselves in case of potential refunds or chargebacks, payment gateways freeze a certain percentage of the money from your sales and release it after a certain period (for example, after three or six months). This delay could create problems with your cashflow, so understanding the payout frequency is critical to avoid these.
<b>Is the payment gateway integrated into the marketplace or platforms you use to sell online?</b>	Often, shopping-cart developers integrate as many payment gateways as possible, so it should not be an issue. If in doubt, consult the payment gateway support.

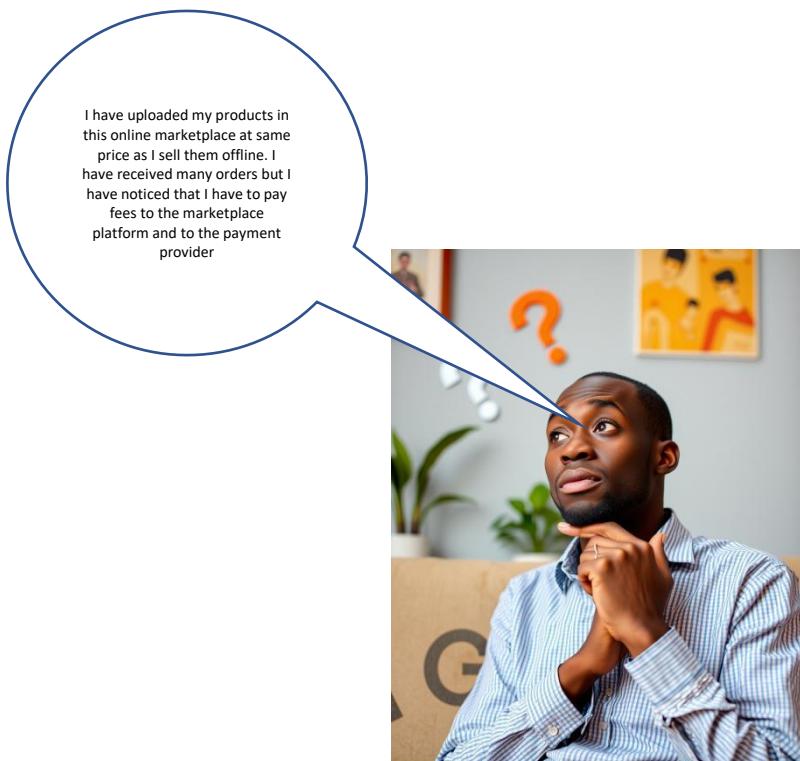
In order to use the services of the payment gateway, it is important to understand the necessary steps and documentation required to link it to your business's bank account. Take a look at the steps below to enrol with a payment services provider:

1. Most payment service providers require a website to host a shopping cart at a permanent web address, so your website (or landing page) will need to be up and running.
2. Add properly crafted relevant content to the following sections: About us; Legal; Terms and conditions; Privacy policy.
3. When setting up business accounts, be prepared for a due diligence check and to provide business registration paperwork and banking information, when requested.
4. If not pre-installed, work with the service provider support team on integrating the shopping cart into the code of your website.
5. Having configured the integration of the shopping cart with the payment gateway, establish the base currency in which you will collect payments. Most shopping carts work with multiple currencies, with the base currency being the default currency of the country.

6. Currency exchange is automatic.
7. Set up bank account by taking the wire transfer instructions from the bank. The payment service provider will be sending money earned to the bank account of the business.
8. Set up tax information for reporting purposes. The payment service provider is required to inform its tax authorities about the direction of wire transfers to prove the legitimacy of the transfers.
9. Perform the miscellaneous configurations and complete the setup.

### 3.1.1.1 Payment processing fees and pricing

Take a look at the scenario below:



## Exercise

**What mistake did Tuyisenge make in this situation, and how can he avoid doing so next time?**

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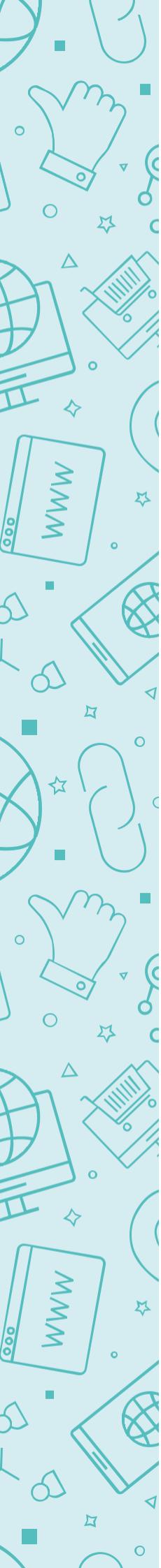
.....

.....

**ACTIVITIES**

Tuyisenge's experience highlights the importance of taking into consideration the additional costs of selling online, including marketplace fees, payment processor fees and other costs. In most cases, selling your products or services online at the same price as you sell them offline might not be the right strategy.

For marketplace fees, please refer to Table 10 in Section 2.2. With regards to payment fees, these can vary depending on the provider and the specific payment method used. Common types of fees include transaction fees, which are a percentage of the transaction amount, and



fixed fees per transaction. It is important for sellers to consider these fees when choosing a payment service provider and factor them into their pricing and overall business costs.

### 3.1.2 Payments on delivery

Some entrepreneurs face more challenges than others in accessing formal financial services and opening bank accounts. If your business is currently ineligible for a bank account you may explore alternative – offline – options for taking payments from customers, such as Cash on Delivery (COD). You could also check whether you can get a digital wallet (see Box 12 in Section 3.2.1). The COD method of payment is commonly used in e-commerce where customers have the option to pay for their purchases in cash upon delivery. Here's how it typically works:

1. During the checkout process, customers choose the COD option as their preferred payment method (or you indicate that this is the ONLY payment method available).
2. The order is confirmed, and the products are prepared for delivery.
3. The delivery person, upon reaching the customer's location, presents the ordered items.
4. The customer inspects the products and pays the total amount in cash to the delivery person.
5. The delivery person provides a receipt or proof of payment to the customer.
6. The transaction is complete, and the customer receives their order.

COD is convenient for customers who may not have access to digital payment methods or who prefer to pay in cash. It also allows businesses to reach a wider customer base by accommodating those who are hesitant about making online payments. If you are using this method, however, you need to establish and communicate clear policies regarding returns, cancellations and any additional charges associated with COD to ensure a smooth transaction process.

Look at the example below:



## Exercise

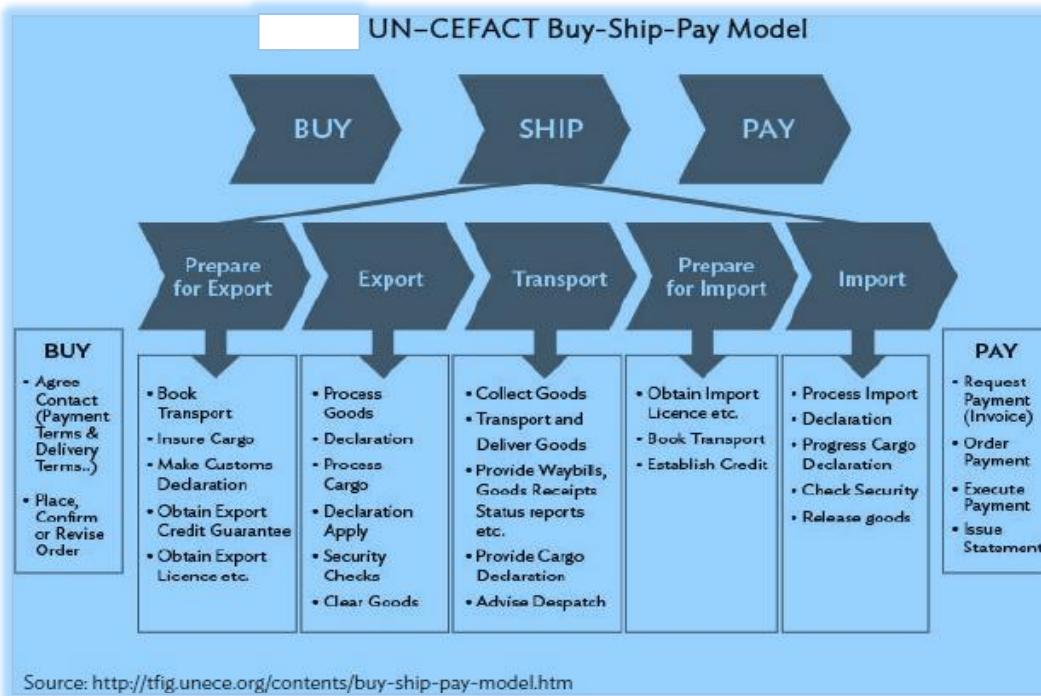
What mistake did Mwiza make in this situation, and how can she avoid doing so next time?

.....  
.....  
.....

### 3.1.3 The Buy-Ship-Pay model

In online trading, collecting payments and delivering orders are both essential. Trust plays a big role here, so, to ensure trust between buyers and sellers, many businesses use a Buy > Ship > Pay model. This option lies somewhere between payment in advance and payment on delivery, in that payment and delivery happen more or less at the same time.

**Figure 8:** Flow of goods and money in e-commerce



Source: <http://tfig.unece.org/contents/buy-ship-pay-model.htm>

88

To explain the Buy-Ship-Pay model as displayed in the above photo, Let's use Jumia, a popular African online marketplace, as an example.

1. **Buy:** E-commerce journey starts with browsing Jumia's vast selection of products. Find that perfect item, say a new pair of shirt, Add them to your virtual shopping cart and proceed to checkout. Here, Jumia offers multiple payment options for your convenience. You can pay securely upfront using your debit or credit card, or opt for mobile money payment solution. If you prefer to see the product before handing over cash, you can choose the cash on delivery option. Jumia will simply collect the payment upon delivery. At this point you will choose your payment option, delivery address (nearest Jumia physical store) – shipping address.

**Confirmation:** Once you've chosen your payment method and placed your order, Jumia will send you a confirmation email or SMS. This confirmation will contain important details like your order number, a list of the purchased items, the total amount, your chosen shipping address, and the estimated delivery date. Review this confirmation carefully to ensure everything is accurate. You can also use this information to track your order progress later.

2. **Ship:** Once your order is confirmed and payment is processed (if you chose the option of upfront payment), the fulfillment process kicks in. Jumia or the seller on their platform package your shirt. They then partner with a reliable courier service to ensure secure and swift delivery to your chosen address. Jumia keeps you updated throughout this stage, often providing tracking information so you can follow your sneakers' journey.
3. **Pay:** If you opted for cash on delivery, the final step is the payment itself. Upon receiving your long-awaited shirt from the delivery person, you'll pay the exact amount as displayed on the Jumia app or website. The delivery person will then collect this payment on behalf of Jumia, finalizing the transaction.

In this buy-ship-pay model, Jumia handles the logistics of getting your purchase to you, while offering flexible payment options that cater to your preferences.

This means that goods or services are exchanged for money in a simultaneous flow. This is especially important if you are commercializing your products outside your country. In this model, sellers must trust the buyer (after certain compliance and fraud prevention measures), ship its products via a trusted logistics service provider (post office, commercial fulfilment centres, etc.) and collect the money from the payment provider.

### 3.1.4 Security and prevention of abuse

How do banks, payment providers and e-commerce platforms ensure that there is no abuse by the seller or by the buyer? Take a look at the table below:

**Table 15:** Measures taken by payment providers against sellers and buyers in the event of abuse

Against the seller	Against the buyer
<ol style="list-style-type: none"><li>1. Insurance deposit to offset unexpected refunds for goods not delivered.</li><li>2. Chargebacks – forced refunds from the business's linked account.</li><li>3. Refunds – a semi-voluntary return of the disputed amount.</li></ol>	<ol style="list-style-type: none"><li>1. In disputes, siding with sellers upon presentation of evidence of delivery (signed delivery receipts, etc.)</li><li>2. Charging the amount owed from the card held on record for the buyer to compensate the seller.</li><li>3. Blacklisting the buyer and suspending their account.</li></ol>

By default, sellers are not as protected against fraud as buyers are. This is part of the reason consumer fraud is becoming more prevalent as all-too-savvy consumers exploit legal and technical loopholes and human weaknesses for illicit gains.

To counter this, setting up and running an internal fraud prevention system is a reasonable process that may cost extra money, and effort, and mean more training, but it always pays. Every business has an obligation to keep itself safe and crime-free and to keep other law-abiding customers safe and protected by having reasonable measures in place to project the image of a safe company to do business with.

Below are some tips to help sellers to develop a robust process of reviewing and approving genuine orders.

#### Fraud prevention tips

1. Design proper terms and conditions for the sales document:
  - a. Post links to the terms and conditions, ensure your Privacy Policy is visible on the shopping cart and that there is a link to it in the footer on every website page.
  - b. Make the customer accept the terms before proceeding to pay for their order.
  - c. Record the fact of the customer's agreement (record the client's IP address, email address, and time of the transaction). In disputes, a reliable terms and conditions acceptance record will preclude a substantial portion of customers from escalating the situation.
2. Design and firmly stick to a two-step order review process.
3. Use common sense to evaluate suspicious orders.
4. Use digital tools (digital maps, buyer review websites) to verify orders.
5. Do not hesitate to request additional information to keep both you and the buyer safe from fraud.
6. Establish what percentage of fraudulent cases your business can accept or write off (especially when selling small inexpensive items). Chasing after every petty criminal may turn out to be expensive.
7. Balance your suspicions against the value of the orders. Do not act as an over-zealous watchdog.
8. Treat customers with the respect they fully deserve. People are not automatically crooks.
9. Give customers a chance to explain the irregularities in their orders. Most of the time, these irregularities are justified. For others, cancelling an order and refunding the money is always a viable alternative.
10. Periodically review and update the processes.
11. Work with the payment gateways, and use their tips and any training and resources available to prevent fraud.
12. Treat sales staff (and ANY staff in general) with respect. After all, sales staff are bringing money to the business, so upsetting them can lead to money being taken away from your business.
13. Talk to professionals, attend webinars, and get help from the local small-business associations, if available.

## 3.2 Shipping and delivering

Once an order has been placed, either the marketplace platform or the seller itself performs the following actions:



- |   |  |
|---|--|
| <p> 1 Reserves the item purchased by marking it as purchased in the system.</p> <p> 2 Generates an invoice to confirm the order, prompting the buyer to pay for it.</p> <p> 3 The seller processes (packs, supplies documents, and so on) the order and prepares it for shipping.</p> <p> 4 The seller ships the order and marks it as shipped.</p> | <p> 5 The order is shipped through a logistics service provider or a post office.</p> <p> 6 The order arrives at the destination and the logistics provider or post office marks it as delivered.</p> <p> 7 The seller considers the order fulfilled.</p> |
|---|--|

### 3.2.1 Packaging, handling and shipping

It is essential for businesses to ensure they handle products for shipping correctly. For example, for large items, such as a sofa, handling it may require you to hire additional workers to wrap, pack and load the crate onto a truck for shipping. This will cost you money – either to keep these workers on the payroll or to hire them on a temporary basis. Depending on the cost structure, this expense may be part of the total item cost or charged. If a business charges for handling, these charges should be added on the invoice and the customer must be notified of them before completing their purchase. Where possible, these fees should be included and described in your handling policy, to avoid potential disputes.

Handling is also an important aspect of delivering fragile or perishable products, such as prepared meals. You should carefully consider and plan ahead how you want your products to be packed, handled by the delivery service and delivered to your customer. The condition of a product when it reaches the customers, via delivery or taken from a shelf in a supermarket, is a critical element in the success of that product.

Take a look at the scenario below:



### Exercise

**What can the Kalisa change in the preparations, packaging and delivery of its products to avoid losing this customer?**

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Here are some guiding questions to help you decide on the best packaging, handing and delivery strategy for your products. Many of these questions relate to food products but most are relevant for any product that needs packaging and shipping:

1. What is the nature of your products? Are they fragile, perishable, or sensitive to environmental conditions? This will determine the type of packaging required for safe transportation. You might discover that not all your products are suitable for delivery!
2. How is your product supposed to be consumed? Cold? Hot? Does the customer need to do any final preparations, like mixing ingredients or heating the meal in the packaging or in a separate container?
3. What are your customer's expectations regarding packaging? Are they looking for eco-friendly packaging (see Box 13), luxurious or festive presentation (for instance for a wedding), or functional and practical packaging?
4. What is the shipping distance and destination? Consider the transit time, logistics and potential challenges of delivering products to different locations.
5. Who is handling the shipping? Are you or your own staff delivering or are you outsourcing it to a third-party logistics provider? Assess the pros and cons of each option, considering cost, reliability and scalability. If you rely on a delivery service, you may need to provide instructions and recommendations on how to better handle your product.
6. What is your budget for packaging materials? Consider the cost of different packaging options and find a balance between quality and affordability. Remember that choosing cheap but low-quality packaging might significantly affect the quality of your product and, therefore, the customer's experience.
7. Are there any legal or regulatory restrictions on the packaging or handling of your specific products? Ensure compliance with any applicable laws or regulations relating to packaging and shipping.



## Exercise

**Based on the guiding questions above, develop a plan to test or improve the packaging and delivery of some of your most purchased products.**

### Box 12: Why not adopt eco-friendly packaging?

Using eco-friendly packaging can offer several advantages to small businesses.

First, it demonstrates a commitment to sustainability and environmental responsibility, which can enhance the brand image and attract environmentally conscious customers. Eco-friendly packaging materials, such as recycled or biodegradable options, can also help to reduce the carbon footprint of your business and minimize waste.

Second, eco-friendly packaging is a growing trend in the food sector, among others, so adopting it is a way of maintaining your competitive advantage.

Finally, sustainable packaging choices can help your business to reduce production costs, as some eco-friendly materials are more affordable and efficient to produce locally compared with imported plastic material and similar. Moreover, you may discover that financial incentives and dedicated loans exist for small businesses to help them be more sustainable and greener. Find out more by asking your trainer!

### 3.2.1.1 Managing returns and exchanges

If a customer has a problem with their order, or if they change their mind about a purchase, they will probably get in touch with the e-commerce support service asking for a refund or an exchange.

The following apply in most countries:

- ↳ Customers are protected by distance-selling regulations.
  - ↳ These often guarantee their right to return items purchased online.
  - ↳ Some exceptions exist and local regulations need to be checked in any country in which the business operates.
  - ↳ Once the buyer informs the seller there is a problem with the purchase, the seller has only a couple of business days to resolve it.
  - ↳ If an item went missing and never arrived, the seller needs to either provide additional tracking details, or offer a refund.
  - ↳ If the buyer received their item but it is faulty, damaged, or does not match the listing description the seller needs to cover the return shipping costs and work with the customer to resolve their issue.
  - ↳ If the buyer simply changed their mind and if there is no local regulation assuring their right to return the item and get a refund, how the seller responds (and who pays for return shipping) will depend on the business's return policy.

## 3.3 Accounting and finance

As you know by now, accounting and finance are critical for any business to grow. Keeping track of your finances is important not only to make informed decisions and operate within your financial means but also because financial record-keeping is required for legal compliance and when approaching financial institutions. Digital solutions and technology can help you greatly here.

For example, traditional bookkeeping methods are being replaced by digital spreadsheets, such as Microsoft Excel and Google Sheets. These tools help businesses to record and organize their financial data, perform calculations and generate basic financial reports. By using these tools, you can better manage financial information, you will make fewer errors and you will not lose important financial documents. Then there are (online) accounting and bookkeeping services and software, such as Inuit QuickBooks, which can help you with even more aspects of managing financial transactions. These tools can often also automate tasks such as generating invoices, payroll management, expense tracking and bank reconciliations, and can instantly provide you with detailed financial reports. At the most advanced stage, there are cloud-based risk management tools based on the business's accounts and interconnected governmental portals to facilitate payments due to the government using online transaction systems.

Figure 10: Example of an online accounting and bookkeeping service - QuickBooks Online



Source: <https://quickbooks.intuit.com/accounting/>

## 3.4 Stock control and supply management



Digital tools can really help you with tedious tasks like stocktaking and inventory. Instead of physically counting items on shelves in your store every week, you can start keeping Excel-based records of the warehouse items in store. Later, you can move on to using a basic inventory management system to maintain warehouse stocks. These solutions help you to track stock levels, monitor inventory movements and calculate basic inventory metrics,

like when to reorder stock and general turnover of your inputs, products and sales. More advanced businesses use enterprise resource planning (ERP) systems to maintain adequate stocks for Just-In-Time (J-I-T) production and accurately plan their procurement and ordering to avoid under-supply during the high season and overstocking in the low season.

### Case study

Ngabo, a music enthusiast running "NileTunes" in Musanze, Northern Province, Rwanda, faced growing pains with his manual inventory system of CDs, records, and accessories. Weekly stock checks wasted time, data was inaccurate leading to missed sales, and unpredictable demand caused understocking or overstocking. A surprise concert by a popular artist highlighted the problem when inaccurate data resulted in overselling and frustrated customers. Determined to improve, Ngabo implemented a mobile inventory management app. Barcode scanning eliminated manual errors, real-time updates ensured accurate data, low-stock alerts prevented stockouts, and sales reports provided valuable insights. This digital solution led to a surge in efficiency, happier customers, increased sales, and improved cash flow. Looking ahead, Ngabo plans to integrate the app with a supplier portal for automated ordering and faster restocking, solidifying NileTunes' position as the music hub of the northern province.

### Exercise

**Can you relate to Ngabo's inventory struggles (time & accuracy)? Have you faced similar issues?**

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**Beyond efficiency, what other advantages might digital inventory tools offer similar businesses?**

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**Think about your business. Are you facing stock control challenges like Ngabo?**

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**How could it address your issues and improve operations? Which features are most appealing?**

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Figure 11: Example of an inventory spreadsheet in MS Excel

S No.	Date	Product ID	Product Name	Product Category	Unit Price	Units Sold	Total Value
1	13-01-2019	Prd001	Detergents	Toiletries	10	106	1,060
2	16-02-2019	Prd002	Tooth Paste	Toiletries	25	51	1,275
3	16-01-2019	Prd003	Sun Flower Oil	Kitchen Items	85	10	850
4	21-01-2019	Prd004	Broom	Home Care	125	28	3,500
5	12-01-2019	Prd005	Bucket	Home Care	500	9	4,500
6	01-01-2019	Prd006	Vaccum Cleaner	Home Care	4,500	4	18,000
7	30-01-2019	Prd007	Knife	Kitchen Items	60	83	4,980
8	24-02-2019	Prd008	Body Soap	Toiletries	40	45	1,800
9	02-01-2019	Prd009	Wheat Powder	Kitchen Items	80	13	1,040
10	01-01-2019	Prd010	Rice	Kitchen Items	50	3	150
11	03-01-2019	Prd001	Detergents	Toiletries	10	140	1,400
12	24-01-2019	Prd002	Tooth Paste	Toiletries	25	243	6,075
13	25-02-2019	Prd003	Sun Flower Oil	Kitchen Items	85	11	935
14	13-01-2019	Prd004	Broom	Home Care	125	19	2,375
15	11-01-2019	Prd005	Bucket	Home Care	500	9	4,500
16	17-02-2019	Prd006	Vaccum Cleaner	Home Care	4,500	2	9,000
17	26-01-2019	Prd007	Knife	Kitchen Items	60	48	2,880
18	02-01-2019	Prd008	Body Soap	Toiletries	40	49	1,960
19	29-01-2019	Prd009	Wheat Powder	Kitchen Items	80	10	800

Source: <https://www.wallstreetmojo.com/inventory-template-in-excel/>

## 3.5 Digital ethics, trust, and security

A website that sells products or services is built on trust. When buying online, buyers disclose their physical (shipping) addresses and other personal information. They share, through a trusted payment provider, their financial details and allow their money to change hands once a product is shipped. With no physical contact between buyers and sellers and without a physical exchange of money for products or services, the issue of trust and strengthening the brand's credibility becomes hugely important.



### 3.5.1 Publish reliable information about products and services

As mentioned throughout this manual, content that you upload online must be trustworthy and reliable. This is key to helping customers to build trust in your business. Go back to Sections x and x for a reminder of the importance of this and adhere to the following principles:

- ↳ Be accurate: The information you upload must disclose valid and verifiable details – it cannot be false or designed to deliberately confuse customers; be specific about the usage of the measuring units.
- ↳ Be relevant: a product description should be about the product in question –accompanying it with high-quality photos will prompt customers to make purchasing decisions faster and more confidently.
- ↳ Be informative: you should provide enough details for the buyer to build a full picture of the product. Do not hide information and answer customer questions comprehensively and in a transparent manner.
- ↳ Be honest: any mandatory information (regarding, for example, health hazards, child-related warnings, or other information prescribed by law in a specific jurisdiction) should be provided in full.

In addition to providing trustworthy information and honest representations of your products, you, as the seller, are required to assure buyers that they are dealing with a reputable business – one that will not disappear with their money.

One way of providing such assurance to buyers is through payment service providers (see Section 3.1.1). To sign up with a payment service provider, the provider will require you to display a certain amount of valid information on your company website. This information includes your legal address, various legal documents (user agreement, privacy policy, terms and conditions and the like) and other mandatory disclosure information. The exact requirements will differ depending on the jurisdiction of both the business and the payment service provider.

### 3.5.2 Formulate terms and conditions and other policies

When working with people, mistakes and disagreements inevitably occur from time to time. Some are honest mistakes, and some result from deliberate or inadvertent abuse of the expectations, rights and privileges of the other party. Either the buyer or the seller can be a victim. To minimize the occurrence of mistakes and abuse, clear and fair rules for using the business's online storefront should be developed and made available to all visitors.

Developing and updating terms and conditions, as well as policies regarding returns, shipping and handling, requires a lot of research into consumer protection legislation, constant review of business practices, regular adding of new restrictions to protect the business or removal of excessive rules to enhance its competitiveness.

You could do all of this yourself, but it's all too easy to overlook things and make errors that could lead to a breach of consumer rights, laws and regulations, and result in possible legal action against your business.

This job is therefore best performed by legal professionals, who would develop a customized set of rules and policies to protect your business. For micro and small businesses, however, the cost of legal advice may be prohibitive. In this situation, there are hundreds of business law websites offering standard templates that owners could customize to the specifics of their business. Bear in mind, however, that there is still a risk that this approach might leave your business vulnerable to abuse and exploitation by unscrupulous customers. Finding the right

balance is always tricky and is best achieved through trial and error and asking for qualified help and assistance.

## Exercise

**What might the return policies for each of the following be?**

1. Food
2. Ready-made garments
3. Textiles
4. Explain your reasoning in each case

As we approach the conclusion of Module 3, it is time for you to create your own plan for digitalizing some internal and external business operations. As previously noted, there is no need to digitalize all the business operations mentioned above. You will need to consider such factors as budget constraints, the specific requirements of your business and the impact digitalization will have on each area. By strategically selecting the aspects that can benefit the most from digital solutions, you can optimize your business resources, accelerate processes and improve efficiency without having to undertake a full-scale digital transformation. This tailored approach allows your business to make the most of digital tools where they will have the greatest effect. Which area(s) of your business could be improved using digital technologies.

Ready to do business online?		
	If yes, what have you done to get to this stage?	If not, what steps can you take and by when?
Sign up with payment gateways or processors.		
Research and understand shipping options, costs and restrictions.		
Have an Excel-based record of the warehouse items in stock.		
Have structured handling, shipping, and stock management systems in place.		
Have all financial records and accounting in digital form.		
Have an (online) accounting and bookkeeping service that can generate financial reports.		
Know about local laws and regulations protecting clients (e.g., in terms of refund and exchange policies).		
Published online (in social media or any e-commerce platform) accurate information about products and services.		

## ⊕ **Summary of Module 3**

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- ⊕ Digitalizing the business is not limited to a single feature.
- ⊕ To be able to do business online, multiple functions need to be digitally adapted: purchase-order placing, inventory management, payment processing, handling and shipping, shipment tracking and deliveries.
- ⊕ Not all businesses are ready to do business online. It is important to assess readiness before getting too deeply involved and being unable to handle the orders received.
- ⊕ A business's eligibility to trade online is subject to the rules and regulations in the country in which it is based, and it is important to abide by all such rules accordingly.
- ⊕ If you sell your products or services online, you will need to offer customers a range of payment and delivery options, to enhance their shopping experience.
- ⊕ Terms and conditions are very important and should be carefully developed. You can consult other business's terms and conditions for guidance, but you will need to customize them to the specifics of your business.

# Conclusion

## Stages of digital transformation maturity

This manual has reviewed many avenues and possibilities for entrepreneurs to digitalize business tools and processes and, in doing so, transform the way they run their business. While the exact route any business chooses may vary, the general stages that businesses go through are summarized below.

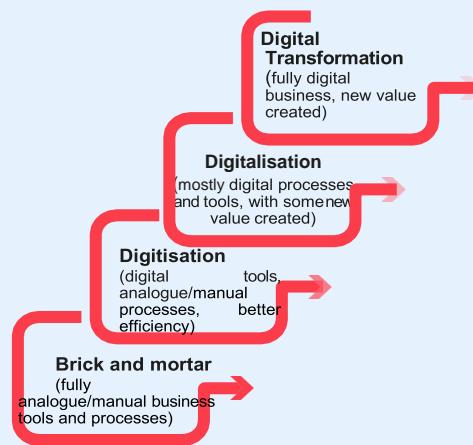
Imagine a company going from manual system to tech-savvy:

**Brick and Mortar:** This is a store with no computers, just shelves and salespeople. They take your order by hand and write it down.

**Digitization:** The store gets a cash register! Now they can take orders and track inventory electronically.

**Simpler Digitalization:** The store starts a website to show products, but you still have to go to the store to buy.

**Digital Transformation:** The store is completely online! You order from their website and get it delivered to your home.



**Figure 21.1** Stages of the digital transformation

Annex I offers further insights into what you can anticipate at each stage of your digitalization journey. Annex II contains a form that will help you to develop a digitalization plan for your business.

## **ANNEX I. Stages and tips for your digitalization journey**

### **Initial stage: follow examples through trial and error**

At the initial stage, a business does not have a vision of where it wants to grow, how to achieve goals and what is needed to do so.

No specific understanding of the tools is needed at this stage, because goals have not yet been formulated. Not yet knowing what to ask, businesses experiment with various platforms and tools to find what works for them. It is a process of trial and error whereby, with no direction or plan for digitalization, they are copying the ideas or following the examples of their more experienced colleagues or competitors. They are, as yet, unsure about the right combination of tools, platforms or directions of development for them.

Tools they could consider using include:

- ✧ registering business domains and setting up a customer-facing business email account (often on free services);
- ✧ signing up with messaging platforms and apps;
- ✧ actively using third-party-managed online services in marketing, communications, sales, and the like;
- ✧ experimenting with social media by signing up with all the major social media platforms and services;
- ✧ using free website builders and similar tools (for example, WordPress and GoDaddy) to build landing pages;
- ✧ experimenting with digital branding;
- ✧ advertising sporadically and delving into digital marketing through social media;
- ✧ using third-party web stores, marketplaces and others.

### **Intermediate stage: refine**

At this stage, the business is more digitally mature and, therefore, one step closer to the digital transformation stage. They have developed and tested strategies, are focusing on tools that work, analysing the returns and assessing the best options. They now know what works and what does not, and which tools help them to grow customer engagement and sell more products. The chain of decision-making has grown longer, meaning the capacity to adapt new tools has decreased. Businesses are no longer risking experiments because of their potential adverse effect on sales.

Refinements they could make include:

- ✧ upgrading tools and configurations after analysing every digital instrument to identify how best to use it as part of their digital strategy;
- ✧ perfecting the existing tools for different, specific, purposes;
- ✧ increasing the size and complexity of every tool, transforming them into complex instruments, advanced configurations, and so on.

## **Advanced stage: set an example and expand**

By now, businesses are digitally mature and fully transformed, with digital components incorporated into all areas of the business. In fact, digital thinking has become both the driver and the foundation of innovation. They have perfected their systems and are expanding into new geographical markets, industries and directions. Digitally transformed businesses become trendsetters, sharing and disseminating case studies and best practices throughout their industries. At the same time, their unique efficiency, enables them to expand into both complementary and new services and markets, generating new opportunities.

These businesses have now switched to long-term strategies and large projects. The chain of decision-making, just like the chain of command, is very long. It is also conservative, as are all the organizational policies. Hence, all changes take longer to be implemented. For instance, switching service providers becomes a long-term project. Flexibility is no longer the name of the game: only tried-and-tested practices remain, with the result that there is less innovation.

The tools they are using include:

- ⌚ fully customized solutions for most services previously provided by third parties (website building, accounting, graphic and visual design, and the like). Sometimes, these solutions are even sold to others (such as Amazon's Web Services, which transformed from an in-house tool into a commercial offering, turning Amazon into one of the world's top hosting providers);
- ⌚ corporate portals rather than websites, with the customer-facing elements being a small part of the internal corporate system servicing internal business needs;
- ⌚ One hundred per cent company-owned hosting, built on internal servers (regional, divisional, and so on);
- ⌚ combined sales and marketing support and fulfilment services to ensure smooth and seamless customer engagement;
- ⌚ the full range of social media marketing often contracted out to global digital marketing service providers, together with rigorous control of all the business's official social media accounts on the major social media services;
- ⌚ digital marketing as the dominant form, with analogue marketing tools used to support digital campaigns.



## Exercise

In the introduction to this manual, you were asked to assess the digital maturity of your business. Now that you have completed this training, we would like you to do the assessment again. Indicate in the “Yes” and “No” columns in the table below whether or not your business now engages in the activities described.

Your business...	Yes	No
Provides basic contact information (e.g., an email or physical address, phone number) online (e.g., on Google My Business, Facebook, the business's own website, a marketplace)		
Uses free messaging applications to communicate with and promote products and services (e.g., WhatsApp, Messenger, Telegram)		
Uses free business social media profiles to promote products and services (e.g., Facebook, Instagram)		
Uses paid-for messaging applications to communicate with customers and promote products and services (e.g., WhatsApp Business)		
Uses paid-for digital marketing tools to promote products and services (e.g., Google AdWords)		
Uses social media platforms or messenger applications to sell products and services (e.g., WhatsApp, Instagram, Facebook, YouTube)		
Uses a marketplace to list and sell products and services (e.g., Amazon, eBay, Uber Eats).		
Uses its own website to list and sell products and services.		
Uses search engine optimization (SEO) techniques to optimize its website's visibility.		
Offers digital payment solutions when selling products and services online (e.g., Apple Pay, PayPal).		
Clearly communicates shipping times and costs on the website or marketplace.		
Uses any means of delivering products and services (own fleet, postal service, third parties, delivery applications, etc.).		
Uses applications for accounting and a costing system		
Uses a customer relationship management (CRM) system to manage relationships with customers and track their purchases		

**Total number of “Yes” answers:**

0-5: your business is at the beginning of the digital transformation journey.

5-10: your business is at an intermediate stage of the digital transformation journey.

10-14: your business is expert at adopting digital technologies and e-commerce strategies.

## ANNEX II: action plan

Develop a digitalization plan for your business by identifying the key area(s) to start with.

Areas	Required action	Resources		To be Done		Due By
		Budget	Human	Internally	Externally	
Area 1	1. .... 2. .... 3. .... 4. .... 5. ....					
Area 2	1. .... 2. .... 3. .... 4. .... 5. ....					
Area 3	1. .... 2. .... 3. .... 4. .... 5. ....					
Area 4	1. .... 2. .... 3. .... 4. .... 5. ....					

**Tentative dates for follow-up meetings:**

1. Two to four weeks after the end date of the workshop.
2. Six to eight weeks after the end date of the workshop.
3. Ten to twelve weeks after the end date of the workshop.

<b>Month</b>	<b>Week #</b>	<b>Sun.</b>	<b>Mon.</b>	<b>Tue.</b>	<b>Wed.</b>	<b>Thu.</b>	<b>Fri.</b>	<b>Sat.</b>
1	1	1	2	3	4	5	6	7
	2	8	9	10	11	12	13	14
	3	15	16	17	18	19	20	21
	4	22	23	24	25	26	27	28
2	5	29	30	1	2	3	4	5
	6	6	7	8	9	10	11	12
	7	13	14	15	16	17	18	19
	8	20	21	22	23	24	25	26
3	9	27	28	29	30	31	1	2
	10	3	4	5	6	7	8	9
	11	10	11	12	13	14	15	16
	12	17	18	19	20	21	22	23

## Useful business terms

WORD	THE WORD MEANS	MORE ON PAGE
Advertising	Giving information to your customers to make them more interested in buying your goods and services.	53–56
Digital marketing	Using the internet to communicate about your business.	61–62
Direct distribution	Selling your product directly to end customers and users.	43–44
Display	The way you arrange your goods in a store.	57–58
Distribution	The different ways of getting your product to your customers. The methods of distribution are direct distribution, retail distribution, wholesale distribution and online distribution (see below).	43–49
Market research	Getting information about your customers and competitors.	10–12
Marketing	Identifying customers' needs and satisfying them better than your competitors do, to make a profit.	03–05
Online distribution	Displaying your product online, together with a delivery service. Online distribution is often cheaper and more flexible than other distribution methods (see "Distribution", above).	48
People	The fifth "P" of marketing. People are all those individuals involved in the production, distribution and consumption of your product or service. They include customers, suppliers, staff and partners.	65–77
Physical evidence	The seventh "P" of marketing. Physical evidence refers to the tangibles of your product and company.	85–88
Place	The third "P" of marketing. Place refers to the location of your business and to how you get your product from there to where your customers are located (see "Distribution", above).	41–50

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