The Payfast Guide to Going Online

payfast
by network

Contents

Introduction

Having an online presence for your business has never been more important than now.

It's no longer feasible to ignore the power of ecommerce in our current landscape. The COVID-19 pandemic led to a **massive shift in shoppers choosing to shop online over conventional brick and mortar stores because it's convenient, easy and safe.** Even now during the post-pandemic landscape, consumers enjoy shopping online for the same reasons, so it's essential to have an online presence to meet their expecations.

We've put together this Payfast Guide to Going Online to help aspiring entrepreneurs like you turn your hobby into a business and succeed online. If you have a physical store and want to get online, or have a great ecommerce idea that you want to make happen, there's no better time than now to take action and get started selling online.

In this guide we've outlined the steps you should take, offer advice from some of our trusted partners and merchants, and even recommend some easily accessible tools and resources. Our Guide will help you start and run your business from the comfort of your own home – or wherever you decide to set up office.

CHAPTER 01

Developing Your Business Plan

01

Before moving your business online it's important to do extensive research to ensure you aren't caught off guard and **have a good understanding of the costs involved in running and maintaining an online store.**

Your research should include:

- Ecommerce basics of how to price your products
- What shipping options to use
- What ecommerce platform is best suited for your business

Then of course there's also a few other important aspects of running a business, such as:

- How you'll finance your online store
- How you'll market your online store
- What technology and equipment you'll require

Q Research Tooltips

There are an abundance of free educational resources available online that has valuable information about getting started and running a business. Some of our favourites include:

The National Small Business Chamber (NSBC) Africa - an organisation dedicated to helping SMEs grow, learn and network. For more information, visit nsbc.africa and their news site: **thesmallbusinesssite.co.za**

Heavy Chef - an educational platform for entrepreneurs that offers events, workshops, podcasts, books, videos and more. Find out more here: **heavychef.com**

Future Females - a platform where female entrepreneurs can connect, inspire and collaborate with each other, and access the resources they need to succeed. Find out more here: **join.futurefemales.co**

Business.co.za - a business network built to connect businesses with opportunities, partnerships, service providers and educational resources to help them start, run and grow their businesses. Find out more here: **business.co.za**

Ecommerce.co.za - a platform that provides news on the latest trends, innovations and best practice. Find out more here: **ecommerce.co.za**

The Insaka eCommerce Academy - a community where you can learn how to start and grow your online store. Find out more here: **insaka.co.za**

🔗 **The Payfast blog also has an abundance of useful posts that can help in your research –visit the Payfast blog: payfast.io/blog**

1 Know your business goals

Starting your own business without a plan is like going on a road trip without a map. **Your business plan should be thoroughly crafted before you begin building your business, otherwise you risk failure.**

It's important to do your research to know what you need to get your business up and running, what your unique selling point (USP) will be, what your goals are and how best to go about achieving them. Your business plan should be your holy grail for organising and running your business.

Tooltip

Questions to ask yourself when developing your business plan:

1. What is the vision of my business?

2. Who is my target market?

3. What is my sales and marketing strategy?

4. What are my short term and long term goals?

5. How much money do I have to invest?

6. What will be the breakeven point?

7. What is my expected burn rate and runway?

8. How will I scale?

9. How will I measure success?

10. What is my exit strategy?

Tooltip: Burn rate and runway

Investors will be interested in a startup's burn rate which is effectively how much cash the business is spending each month to cover operating expenses without generating its own income. Once you know your burn rate, you can calculate the startup's runway, which is the amount of time the business has before it runs out of cash.

For example: If you have R50,000 in startup capital and you are spending R10,000 a month on your operating expenses (hosting fees, marketing, rent, etc.) then you have a burn rate of R10,000 and a runway of 5 months.

You can download a free **burn rate template here**

There is no right or wrong way when it comes to creating a business plan, and when you put it together it may be anything from a few pages to over 100 pages. What matters is that you understand what steps you need to take to successfully launch and run your online business so that you can adequately plan for and deal with any setbacks.

Tooltip: Carry out a SWOT analysis

It can be beneficial to do an evaluation of your business through a SWOT analysis to highlight your strengths and weaknesses. You can do this by answering the following questions:

S What are your business's **strengths?**
W What are your business's **weaknesses?**
O What **opportunities** are there for your business?
T What are the **threats** to your business?

Compile a list of your answers and implement a strategy to address the challenges and areas of improvements you identified.

Tooltip: Register your trademarks

During the planning stage look into trademarking the intellectual property of your ecommerce business to prevent another company from replicating your company name, logo or even product. It's highly recommended to consult a legal professional to find out exactly what your trademarking rights are for your new business.

There are a number of great online solutions that can help you register a trademark online, like **Govchain.**

Govchain

Trademark registration steps:

Complete online application	Make payment	Govchain submits and process trademark with the CPIC	You get your trademark registration via email

🔗 **Find out more about Govchain by reading their case study here**

2 Know your product(s)

When developing the idea for your new business you should have **decided on the product (or service)** that you want to sell online.

During your business planning phase find out absolutely everything about your products, from who is manufacturing or supplying it, whether there will be import duties and if you can handle the demand for it. Also find out whether you need any licenses or permits to obtain and sell them. When you have these facts locked down you'll be able to more effectively establish important things like branding, pricing, shipping and marketing.

CLM Home's top 3 protips to consider when sourcing products for your online store

COVID-19 has bred a lot of new businesses and ideas in South Africa, creating self-starter opportunities and propelled existing companies into the world of ecommerce. Your ecommerce store needs to stand out from the rest. When looking to source products for your online store, keep in mind the following three factors:

1. Quality

It's important to remember that your online store is dealing with real people, so your product should solve real problems and add real value to your consumer's life in order to make it worth their money, time and support. Strive to manage your customer's expectations and offer a product that enhances or contributes in a positive way.

2. Convenience

Staying true to the nature of online shopping, your product has to be convenient to your consumer. From the checkout process to the delivery, assembly/set up and use. Consider lead times, pre-orders, how long delivery will take and how user-friendly it is to use the product - who really reads the instruction manual that thoroughly, anymore? After-sales care and support also play a role in how much your consumer will love and support your product and brand!

3. Innovation

With so many online stores that seem to be popping up overnight, you need to be ahead of the game. By having new and innovative products, you have something that sets you apart from the rest, and you can use that as your USP.

To find out more about CLM Home, read their **case study** and visit **clmhome.co.za**

3 Know your competitors

The best way to learn about what does and doesn't work is to **look at what your competitors (both local and international) are doing** on their online store. Pay special attention to:

- Their website layout
- How user friendly it is to navigate
- The image quality of their products
- The different product categories and subcategories
- How they advertise their products
- And of course pricing

4 Know your customers

It's important to have a good understanding of who your intended customer base is so that you can cater to their online shopping needs and adequately market to them and turn them into loyal customers.

Create an ideal customer profile by putting together a document that includes the following information:

- Demographics, specifically their location, age and gender
- Psychographics, that is what their interests, goals and lifestyles are
- Digital habits, such as if they are more likely to shop online with their mobile phone or desktop, and what times they are most active

Use all of this information to shape your ad targeting, your imagery and website copywriting - everything you need to market your ecommerce store online. It's best practice to have one core audience, with perhaps a few smaller audiences that you focus on less regularly.

We'll talk about how best to reach and market to your customers in **Chapter 5**.

5 Work out pricing

Pricing is one of the most important things that will determine the success of your online business. You must take into account the manufacturing or purchasing and import costs so that you sell your products for a fair price while making a profit. Seeing how much your competitors are selling their products for is a good indication of what customers are willing to pay.

It's good practice to trial and error until you find a price that works for you; if your prices are too high then your customers will go to your competitor who has cheaper products, and if your prices are too cheap then there's a good chance your customers will be distrustful of the quality of your products.

Tooltip: Understand Prospect Theory when pricing your product

Prospect Theory describes how people react to perceived losses or gains when offered two or more options, which can have a big influence on their decision to purchase.

Group the pains

Studies have shown that when shoppers were presented with a price and no added shipping cost (e.g. a total payable of R500) versus the same total price but the shipping cost disaggregated (e.g. a total payable of R450 + 50 shipping = R500) that more people checked out with the first pricing option.

Segregate the gains

Similarly research indicates that perceived gains are more effective when they are segregated. For example, a single discount of 40% off (R100 - 40% = R60) didn't perform as well as when the offer was segregated across two discounts (R100 - 25% - 20% = R60).

6 Manage your finance and operations

Being able to successfully manage your finances can make or break your business. When drafting your business plan you should have gaged what finances you have at your disposal and if you require a business loan or investment to get off the ground. To the best of your ability, predict what your monthly revenue and overheads will be to form a realistic budget.

> I think the biggest obstacle for most entrepreneurs or small business is access to capital, especially during growth phases. One of our values has always been to grow the business organically, so basically sowing business earnings right back into the business.

PRO TIP - PRO TIP - PRO TIP - PRO TIP

**Zikhona Tefu,
Founder of O'live**

To find out more about O'live, read their case study and visit olivehandmadesoaps.co.za

Tooltip: Questions to answer to make sure you're staying on financial track

Create an ideal customer profile by putting together a document that includes the following information:

- What is your estimated income for the first month, quarter and year?
- What will it cost to run your business?
- What sales volume will you need to make a profit?
- How long will it take to break even?
- What are your total financial needs?
- What funding sources are available to you?
- How long will it take you to pay off any business loan you may take out?

While the best way to plan for this is to research to see **what other online businesses are doing and adapting their processes for your own business,** there are some important points to remember:

- Reinvest profits back into your business.
- Pay yourself a salary, you will run yourself into the ground if you invest all of your money into your business without taking any compensation.
- If you need a loan, apply for it. This extra financial boost could be exactly what you need to get off the ground.
- Keep a good business credit score so that you can take out future loans to expand your business when the time comes, such as hiring more staff and purchasing a bigger warehouse.
- Invest in good accounting software as this will help streamline important processes like invoicing to make sure bills are paid on time.
- If or as soon as finances allow it, hire a bookkeeper to make sure your finances are in order.

Tooltip: Managing your finances with Xero accounting software

Xero is a cloud-based accounting software that you can use to effectively manage your everyday business tasks and finances, including paying bills, sending invoices and claiming expenses. Find out more about Xero here: **xero.com/za**

Xero has put together a useful guide on how to **manage your finances and cashflow that can be found here.**
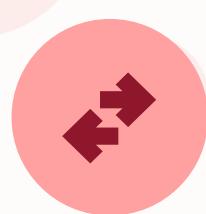
7 Measure success

Before you launch your online business, put a plan in place to measure if your online business is meeting your criteria for success. **Set out realistic milestones and determine how best to measure them with clear targets.**

For example, set a certain revenue percentage of what you want to achieve by a certain date. You can also measure success by reviewing customer feedback, evaluating your employee's performance and monitoring the traffic on your ecommerce website **(more about this point later on in Chapter 5)**.

Managing Logistics

1 Work out shipping

02

Before you can even think about starting to sell online it's important to get to **grips with your supply chain and inventory management.** Do you have capacity to source your products and then store your inventory in your house or office, or will you have to rely on third parties to store and ship your products?

To sort out your logistics you need to do the following:
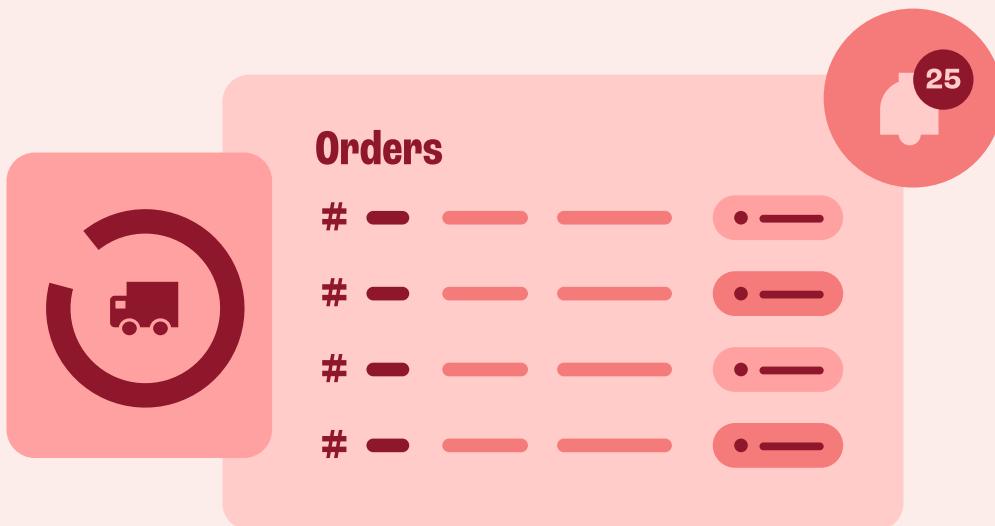
1.   Identify potential suppliers and distributors
2.   Determine their location, ease of accessibility and how cost effective their products and services are
3.   Form relationships with them

Tooltip: Storing and managing inventory

If you're a small startup running your business out of your home or office, or even your physical retail store, you can store your own inventory onsite. This way when you get an order you can package it and send it to your customer. Doing this can save you costs as you won't have to pay third parties for warehouse management.

If you're running a bigger operation, you can outsource your logistics by integrating your shopping cart platform with a third party provider's warehouse system. When your customer places an order then the distribution centre will get a notification and ship the product.
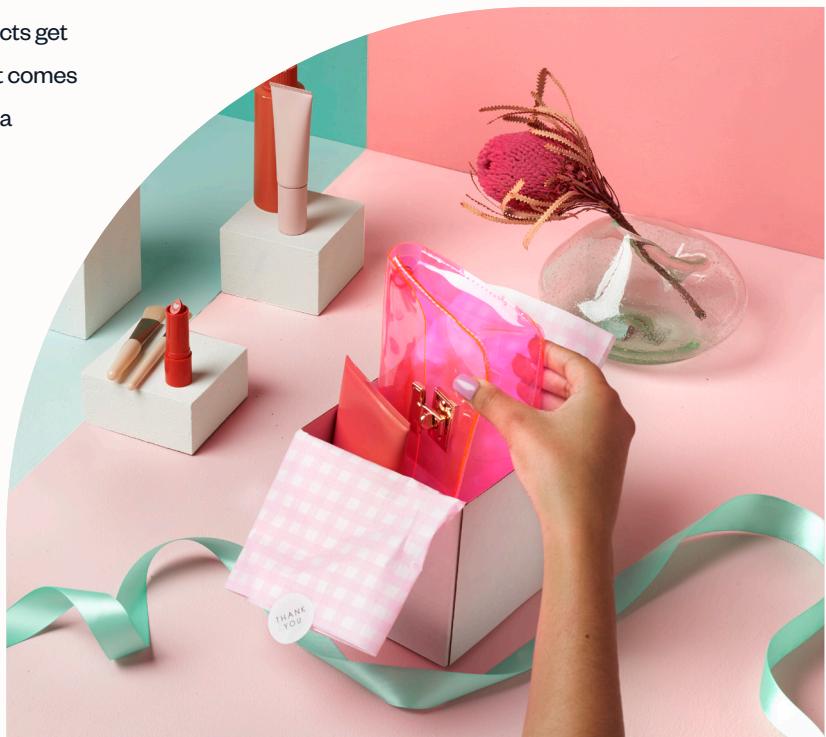
Tooltip: Logistics

- When it comes to logistics, a solution like **Bob Go** (formally uAfrica) can assist in getting quotes from various couriers, generating automated shipping labels, and managing all your products and orders on multiple storefronts and online marketplaces from one central place. For more information, visit **bobgo.co.za**

- If you have large quantities of stock it's recommended to outsource to an organisation like **Parcel Ninja** who can take care of all of your warehousing and fulfilment needs. For more information, visit **parcelninja.com**

1 Work out shipping

When a customer checks out on your online store, your shopping cart platform should trigger your inventory system. **Most ecommerce platforms include integrated solutions** that will manage your inventory, so when an order is successfully placed your inventory will automatically adjust. When you get the notification it's time to ship the product.

For shipping, it's important to choose a trusted shipping company so that the products get delivered in a timely manner. When it comes to covering shipping costs there are a number of options you can look into, such as including the shipping costs in the products pricing to offer free shipping, having a fixed shipping cost for all products, adjusting it for the number of items purchased or offering free shipping when the total reaches a certain amount, such as R500 or more.

Tooltip: Logistics

There are a number of courier companies you can look into that deliver nationally as well in specific regions.

Some popular choices are:

- **The Courier Guy**
- **MDS Collivery**
- **Dawn Wing**
- **Fast Way Couriers**
- **Sendr**

When the product has been picked up by the courier it's best practice to notify your customer and to provide a tracking number in the confirmation email so they can keep track of their package.

3 protips for working out pricing and shipping

Always look at the volumetric weight versus the actual weight when you are in the process of calculating your pricing and shipping rates. Depending on your product, these two weights can differ exponentially and can affect what you will end up paying when shipping your orders out. Knowing the greater of these two weights (and thus what the couriers will end up charging you on) can help you more accurately calculate your pricing and shipping rates.

1 Always look at the **volumetric weight** versus the **actual weight**

kg

Take returns and replacements into consideration. Some products have a higher return rate than others - like clothing and shoes - and others may have a high replacement rate - like glass or other fragile products. Remember to take these costs into consideration when calculating your pricing, as these costs can accumulate quickly and start affecting your bottom line.

Some products have a higher return rate than others

2

Finally, monitor, monitor, monitor. After a few months of operating, you will be able to see if you are covering costs or not. If necessary, change your shipping rates. You may win some, you may lose some, but you must be sure that your business is running at a profit.

3   **Be sure that your business is running at a profit**

Revenue R 8,990

Building your ecommerce store

03

For many online business owners, this is the most fun and exciting part - **customising your online store and seeing it come to life.** The main points you need to consider are outlined below.

1 Register your domain

As part of the research phase, you should have chosen the name of your online store and made sure that it's **domain name is still available.**

Tooltip: Business registration and web hosting

- Open an account with a hosting company such as **1-grid** or **Xneelo.com** that provides affordable yearly rates. An added bonus would be to choose a web hosting company that has servers in different regions as this will enable faster loading times.

- Choose a custom domain ideally ending in co.za to show buyers that they are buying local.

- Keep your URL as short and as easy to spell as possible to avoid confusion and misspelling.

- Buy misspelt domains and other keyword rich domain names you can think of to prevent competition or even brand hijacking.

1-grid

1-grid is a great service that you can use to register your company in under 30 minutes. You can also use 1-grid to create your website as well as for web and email hosting.

🔗 For more information about 1-grid, read their **case study** and visit **1-grid.com**

2 Choose your shopping cart platform

There are a wide variety of online shopping cart platforms to choose from that offer different tools and functionalities depending on your business needs.

Each of the platforms offer different packages, ranging from monthly to yearly subscriptions, some also offer freemium plans or at least free trials. What's important is to find the platform that works best for you.

Tooltip: Shopping cart platforms

Some of the most popular shopping cart platforms you could look into for your online store are:

Shopify

One of the easiest to use ecommerce solutions starting from $19 per month

WooCommerce

A popular free ecommerce plugin for WordPress websites

PrestaShop

A ready-made open source ecommerce solution

Adobe Commerce (formally Magento)

A feature-rich ecommerce platform trusted by large organisations

Ecwid

A solution that can turn your existing website into an online store

It's worth taking a look at the 80+ integrations listed on Payfast's website for more ideas, as well as the following Payfast blog posts where we compare different functionalities and features:

Shopify or WooCommerce, which platform is right for you?

Sell almost anywhere online with Ecwid and Payfast

Is Magento the right ecommerce platform for your business?

While platforms like Shopify offer an all-in-one ecommerce solution, other platforms offer the ability to add ecommerce functionality, like WooCommerce or Ecwid, to an existing website. You can even forgo pre-built carts and build a custom ecommerce website that's integrated with the Payfast API. You'll need to have the right development skills for this route.

> **It's very important to choose a very reliable platform that will make it easy for your customers to successfully purchase products from your ecommerce store, as online shopping already comes with its own uncertainties for shoppers. It's best to make the process as uncomplicated and effective as possible.**
>
> **Andile Dlamini,
> Founder of BROKE**

🔗 To find out more about BROKE, read their **case study** and visit **sobroke.online**

3 Set up your website

Whichever ecommerce platform you choose, they should have easy to follow guidelines on how to effectively set up your online store. **This involves choosing a template and colour schemes, creating and uploading your logo and creating different webpages.**

Remember to design your online store with your customers in mind to ensure it's easy to navigate, especially on a mobile phone. Also make sure that your about us page, contact information, privacy policy, terms and conditions and return policy are easy to find.

Widgets ⌄

Site Title & Tagline ⌄

Background ⌃

Your Store

★★★★☆

4 Add products

Once you've chosen your platform and designed it to represent your brand, then it's time to add your products. **We can't stress the importance of having high quality, professional photos of your products that are consistent in style and size to give shoppers a realistic idea of what they are buying.**

Add a detailed, unique description of what each product is, colour and size options (if applicable) and how it can benefit the shopper. The more information you provide will help with your search engine optimisation (SEO) ranking and also encourage shoppers to buy the product. You can find out more about how to add good SEO content to your website in **Chapter 5**.

> " **Brace yourself – it's not as easy as it looks. Place high value on the customer experience on your online store. i.e. make it easy for your customers to pay you, make it easy for customers to add items to the shopping cart, make it easy for customers to navigate your store, just make it easy. The world is filled with noise, therefore you don't want to complicate your store, otherwise your customer is going to get lost in the noise. Just make it easy for your customer.** "

**Lethu Tshabangu,
Co-founder of
Ukhamba Beerworx**

🔗 To find out more about Ukhamba Beerworx, read their **case study** and visit **ukhamba.africa**

5 Secure your website

It's vital to have a secure website to ensure the safety of your details and those of your customers. **Shoppers won't convert to buyers unless they trust that their personal details are secure when they checkout on your online store.**

Google will also penalise your website if it doesn't have SSL certificates installed. If you don't, then your website will display a 'Not Secure' notice informing shoppers not to enter sensitive information as it could be intercepted. Make sure to talk to your web designer or hosting company to check that you have an SSL certificate installed.

✓ Security audit checklist

Questions to ask yourself when developing your business plan:

☐ Are your plugins and shopping cart software up-to-date?

☐ Is your SSL certificate current and working?

☐ Is your online store PCI-DSS compliant?

☐ Are you backing up your online store often enough, i.e. at least once a week?

☐ Are you using strong passwords (Passphrase) for admin accounts, hosting dashboards, content management system (CMS), database and File Transfer Protocol (FTP) access?

☐ Are you scanning your website regularly for malware?

☐ Are you encrypting communication between your store and your customers and suppliers?

☐ Have you removed inactive plugins?

If you aren't tech savvy or don't have the time or resources to monitor your website's security, it's recommended that you hire an online security specialist to assist you

Top 3 website security tips

Update your shopping cart software

We can't stress this one enough. 60% of all data breaches in 2019 were a direct result of unpatched software and could easily have been avoided. If you run a blog or a shopping cart, subscribe to the vendors newsfeeds and update the core engine and all plugins at least once per month.

Enable multi-factor authentication for passwords

68% of black hat hackers say multi-factor authentication (MFA) and encryption are their biggest obstacles. Let's face it, passwords are insecure and often leaked. Those that are complex and unique enough are too difficult, or forgotten. Find a good MFA plugin, most of these are free. Ensure all your Admin accounts have MFA enabled, this will ensure that each admin has their own user account, and that it is adequately secured from human error and weak passwords.

Install a Web Application Firewall

No matter how stable or how much you paid for your shopping cart, vulnerabilities are prevalent. 84% of applications tested by Trustwave had one or more vulnerabilities, which is why it's critical to keep them patched and well updated. For a further security boost, install a Web Application Firewall (WAF) such as WordFence if running WordPress/WooCommerce. Ask your hosting provider if they have any WAF facilities, if they don't, then use one of the cloud WAF's such as Cloudflare's Pro package.

Setting up a payment gateway

04

Before your online store opens for business **you need to integrate a secure payment gateway to receive online payments.**

A payment gateway acts as the link between your website and your customer through which the secure payment data flows through. The term payment gateway is generally used as an overarching term that includes payment solution, payment platform, payment aggregator and payment facilitator.

1 Choosing a payment gateway

While different payment gateways offer different services, generally they should all give you peace of mind that your customer' payments are being processed safely and securely. Depending on the size of your business and what your needs are, there are a variety of options to choose from.

Payment gateway checklist

Here are some important things to look for when choosing a payment gateway:

- ☐ Which payment gateways are available in your country?

- ☐ Are they PCI-DSS Level 1 Compliant, to ensure that all of your customers' credit card payments are done in our secure environment?

- ☐ What are their fees, for example do they have monthly fees and/or a per transaction fee and any hidden fees?

- ☐ What ecommerce platforms do they integrate with or have 3rd party plugins for?

- ☐ What additional services do they offer, and are these free or do they come at an additional cost?

- ☐ Do they offer multiple payment methods?

- ☐ Do they offer local after-sale and customer support?

- ☐ Do they have good review online by merchants and customers?

To receive online card payments, you need to have an internet merchant account with one of South Africa's main banks. If you're a new business it can be a rather cumbersome process to set this up because you'll need to meet a certain criteria to be approved, including providing proof of being active for at least six months and proof of income. You'll also need to complete tedious paperwork.

A benefit of choosing a payment gateway like Payfast is that you can sign up and start receiving payments without the need for a merchant bank account. You will however need a merchant account to use our Paygate Switch solution, which you can find out more about in the table below as well as how it compares to the Payfast aggregation model.

What's the difference between aggregation and switch?

Aggregation	Switch
Custom as well as multiple shopping cart integrations	Customer integrations and non-redirect options available if PCI compliant
Onboarding between 24 to 48 hours dependent on verification ease	Onboarding between 1 to 3 weeks, which remains bank dependent
Net settlement every 48 hours	Real time gross settlement
Alternate payment methods available immediately on a verified account	Alternate payment methods direct with providers
Caters for small to medium enterprises, however scalable solutions are offered for larger enterprises requiring unique integrations. i.e. Split Payments, tokenization	Suited to enterprise and complex business applications - allowing you to process through your own banking relationship
	Virtual Point of Sale

2 Make sure you're PCI Compliant

PCI DSS stands for Payment Card Industry Data Security Standard and is a PASA (Payment Association of South Africa) regulation in South Africa, meaning that any website that accepts credit card payments on their website needs to be compliant.

So as an online store owner you'll be required to work with a PCI Compliant PSP to process cardholder data in a secure environment.

★ Protip: PCI Compliance

Choose a PCI Compliant online payment gateway so that all of the above is taken care of to protect you and your customers information. Payfast is PCI-DSS Level 1 Compliant, so when a buyer makes a payment on your website they will be redirected to our payment page where they will enter their card details within a secure environment. Once payment has been made, your customer will be redirected back to your site. Payfast takes PCI Compliance very seriously and through the redirect payment procedure, you don't have to worry about being compliant because you'll never handle card details directly on your website.

Payfast is a PCI DSS Level 1 Service Provider

💡 Tooltip: Steps to be PCI Compliance

- Continuously monitor firewalls and put in place intrusion detection systems and antivirus software.
- Ensure that security control failures are detected and fixed immediately when they occur.
- Build and maintain a separate and secure CardHolder Data network.
- Ensure centralised and tamper proof logging that is stored for at least five years.
- Go through yearly reviews of hardware and software being used.

3 Integrating a payment gateway

There are several ways websites can integrate into a payment gateway. Some require developers to be involved and are complex, while others work with pre-built shopping carts, that usually just require an ID and other basic information from the gateway, in order to be integrated.

Setting up your Payfast account and integrating it into your online store

Step 1

Sign up for a Payfast account and upload the required identity documents to get verified - this will enable you to receive card payments. It's important to submit your documents as soon as possible to ensure our Risk team can verify them for you before your online store goes live. For more information about the verification process, read this **knowledge base article**.

Step 2

Integrate your Payfast account with your website to receive online payments. For instructions on how to do the integration with your specific ecommerce platform, visit the **Payfast shopping carts webpage** and search for your platform. Here you will find a link to the appropriate knowledge base article with step-by-step instructions.

For a custom integration, visit the comprehensive **Payfast Developer Docs** for instructions on how to quickly integrate Payfast into your custom website.
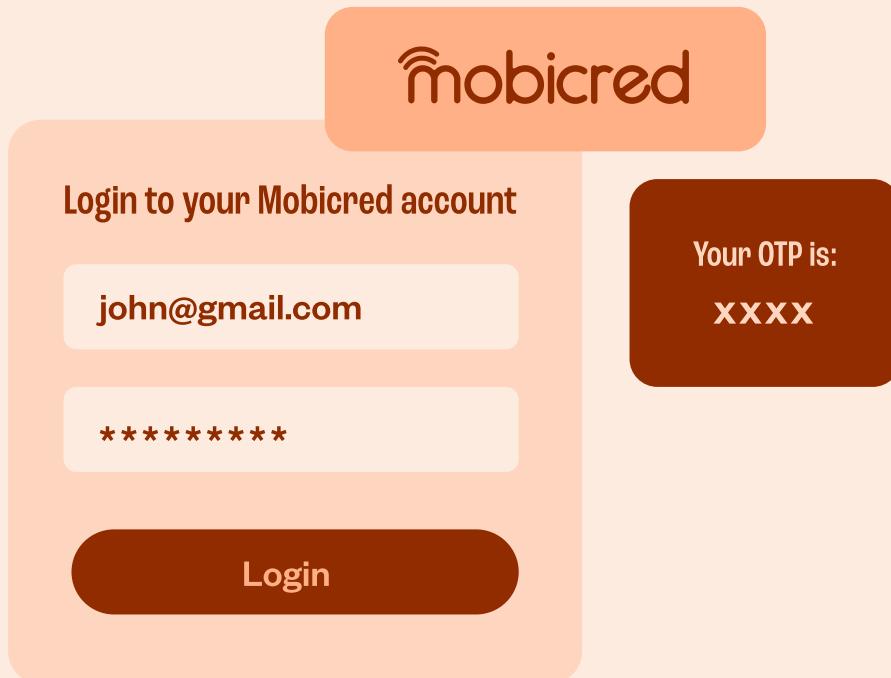
Step 3

Once the Payfast integration is complete, test it to ensure that your customers get redirected from your website to the Payfast payment page.

Protip: Activate a variety of payment options

Other than common payment methods like card and Instant EFT, **there are options like Mobicred, South Africa's largest digital credit product for customers purchasing online.** Whilst Mobicred is a regulated product, application to spend can be done in less than 15 minutes. Mobicred assumes full credit and fraud risk; so you are paid in full.

mobicred

Login to your Mobicred account

john@gmail.com

****

Login

Your OTP is:

XXXX

With Mobicred customers have up to R50,000 credit available to spend. At checkout, they simply select Mobicred, enter their username and password which triggers a one-time-pin to their phone. Once the OTP has been entered, the transaction is approved. Customers pay 10% of their outstanding balance per month. This can be paid back faster by the customer should they wish to do so, without incurring any penalties. This makes large purchases easier to manage.

Marketing your online store

Once your online store is up and running it's time to **get your name out there to attract business.**

> **"**
>
> **Once you reach this stage of marketing your online store you should already know your brand inside out. Create a document outlining your brand promise, your brand essence and your tone to make sure your marketing efforts will always be consistent in reflecting your brand, as well as connect with your audience. "**
>
> Leila Davies,
> Payfast's Digital
> Marketing Manager

🔗 Check out our **Digital Marketing for ecommerce blog** for more inspiration.

1 Track and monitor analytics

Constantly monitor page views, user behaviour and conversions on your website by using **tools like Google Analytics, which will give you insights into what you can do to tweak copy, images or navigation to improve the shopper's experience and to attract new visitors.** Social platforms also have their own analytics tools that can help you gather more information on your audience, which will further help you to optimise your content, website and ads.

Not sure what you want to track and measure? Think of your business goals and start from there. If you want to make sales, then tracking sales would be your main goal. If you want to collect leads, then collecting leads will be your goal. If you want to grow your brand's share of voice then impressions, social media engagement and reach would be your goal. If sales or leads are your goal, always be sure to include a level of brand awareness in your strategy so that your brand is continuously being shown to new people, without trying to sell anything to them.
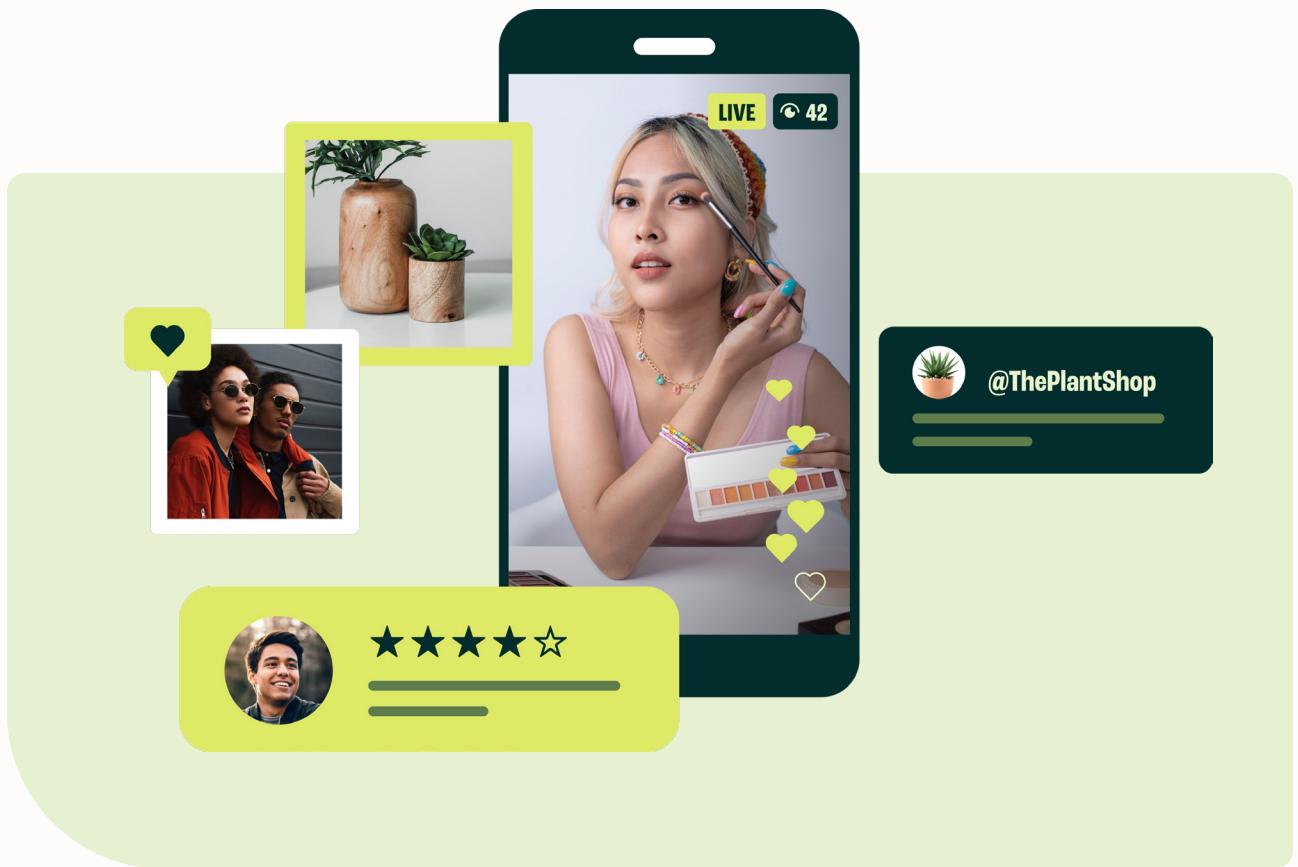
2 Use social media to your advantage

Register business accounts on the relevant social media platforms, such as Facebook, Instagram, Linkedln, Tiktok and Twitter as well as Google so that you can promote your products, engage with your community and get product and service reviews - these go a long way in building trust amongst your intended customer base.

Contacting people who leave good reviews to get a testimonial that you can use in your content plan is also a good way to build trust with your audience. These can then be used in your ads as well, to help build trust with your target market. You can also list your products on marketplaces and engage with potential customers in relevant Facebook and Linkedln groups, forums or Twitter trends.

Paid services are another way to attract traffic to your website such as Google Ads and paid ads on Facebook, Twitter, Linkedln, Instagram, YouTube and Tiktok. Here it's important to make sure you have worked out a budget for yourself that is based on what you can afford, and aligns with your business goals. Sometimes you need to make a small loss on advertising spend to find out what works. Otherwise set up a budget for yourself and stick to it, you can control daily spends and sometimes lifetime spend on the platforms when you set up the ads. Just remember to do your research into who your customer base is so you use the right marketing platform to target the right demographics.

> " • **Optimise your Instagram community by posting consistently, engaging with similar brands and followers, adding shoppable posts, swipe ups and valuable content.**
>
> • **Nurture your Facebook community to build brand loyalty and trust.**
>
> • **Use email marketing to constantly build your customer list that you can use to consistently send out valuable content.** "

Macro Mixes

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🔗 To find out more about Macro Mixes, visit **macromixes.co.za**

3 Create and share the right content

Do research on the social platforms you will be using, **some of them have nuanced useage and all of them work with their own algorithms.**

It's important to have an understanding of what type of content works on your chosen platforms. On social platforms video content or animated GIFs generally works the best followed by static imagery and then links or text. Try to plan your content and ads ahead of time so you know what you'll be doing and when. This will give you time to write the copy and prepare the videos or images.

Tooltip: AI chatbot
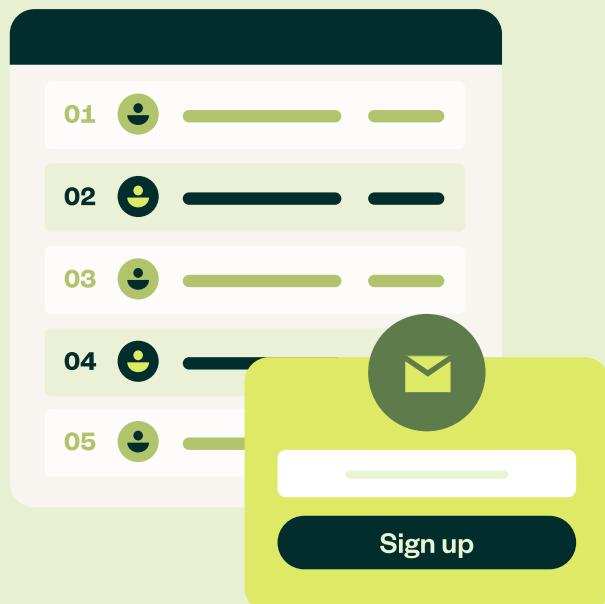
If used correctly, AI platforms like **ChatGPT, Microsoft's Bing ChatGPT** and **Jasper** can be used to drastically lighten your workload when it comes to writing engaging social, blog and even website copy. Just remember to make it your own and to ensure it fits with your brand and tone of voice.

It's important to continuously test different types of content to see what gets the most engagement. With trial, error, time and making sure you're measuring your results, like with Google Analytics, you'll find what works and what doesn't. It's worth remembering that in the digital marketing world, people's interests change frequently, so what may be working well one day won't be the next. Throughout it all, do your best to post consistently while being genuine and true to your brand.

Protip: Compile a database
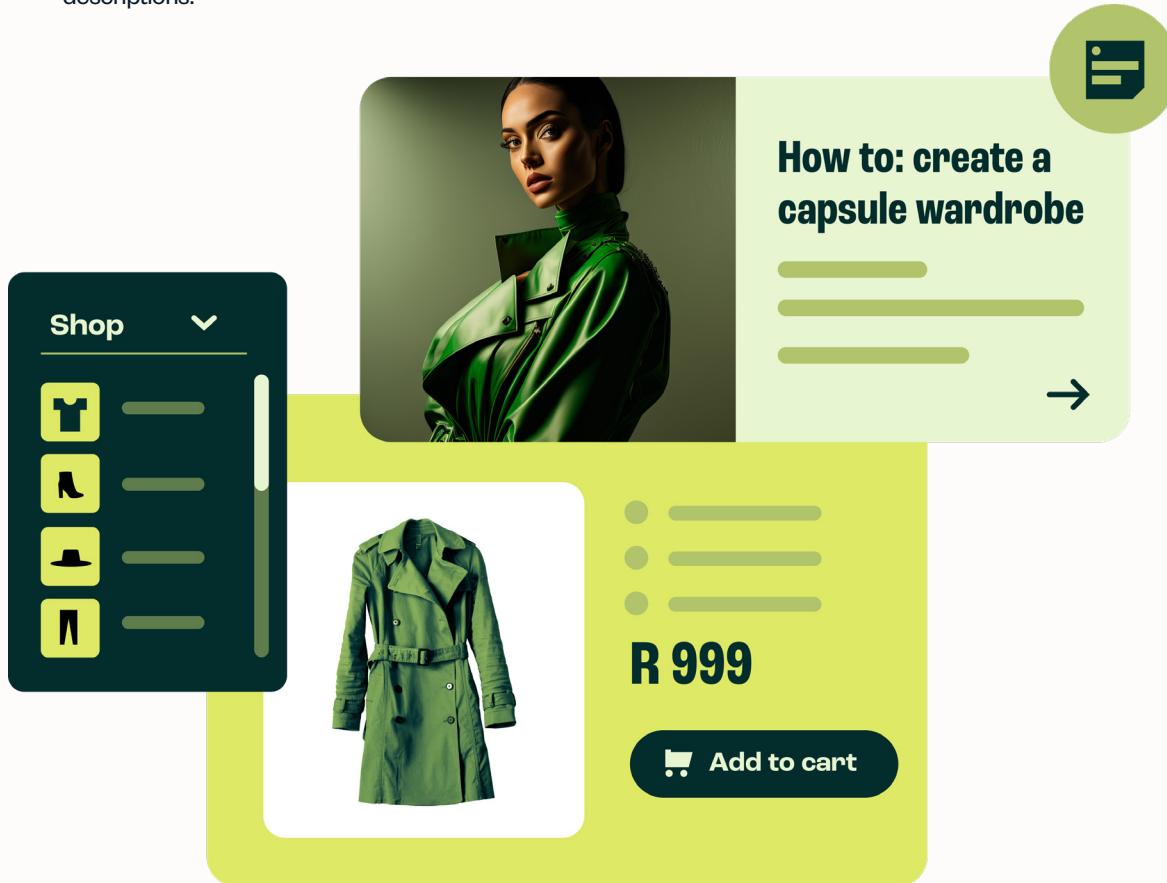
It's extremely beneficial to put together a database of all of your loyal customers (and potential new ones who are willing to sign up to your mailing list) so that you can send out marketing emails to them promoting new products or specials. An easy way to do this is to add a newsletter sign up pop up on your website or to collect email addresses during social competitions. Just make sure you get their consent to be POPIA compliant.

01
02
03
04
05

Sign up

4 Keep SEO top of mind

SEO is an important tool for promoting your website online, so it's important to do research on the core needs of SEO.

The easiest way to start optimising your website is to build it in a user friendly way with intuitive navigation, easy to scan copy (think bullet points, headings and bolding important words) and clear product images and descriptions.

Upload content that is relevant and optimised with keywords that your target customer base would search for online - **try to keep it to approximately 300 words for shorter-form content, and around 1,800 words for longer-form content.**

Having a blog is a great way to stay on top of trends and attract users to your site, as it's easy to include important keywords and phrases that will appear on search engines. You can also post your blog content on your social network pages to get it in front of people.

Remember that you'll need to stick out from your competition - it helps to do some competitor research to see what you're up against, but also to get some inspiration for ideas. Your imagery is a great way to help you stand out - try to make it count. There are free tools out there such as Canva which have templates you can use to build eye-catching imagery to go with your content, social posts and ads.

Tooltip: 3 core elements of good SEO

1. Technical - what to include on your website

Create keyword categories and pages around them such as:

- Homepage
- Topic pages
- Sub-topic pages
- Blog posts that support your categories.
- Site structure – this allows Google to index the site properly and offer important information on user behaviour. This relates to your categories and logical flow.
- URL structure - a person and search engine bot needs to know what is on the page by referencing the URL.
- Schema markup – this is code that is placed on your website to help the search engines return more informative results for users.

2. Relevance (content)

- Do keyword research to understand what people are looking for and what competitors are ranking for.
- Create quality content over quantity.
- Update older content to makes sure it remains relevant, don't just post new content.
- Add relevant words to webpages, especially main pages, so the search engine picks them up to display when people search for certain keywords.
- Create educational content, this type of content ranks high on search engines.
- Understand user behaviour, as it's common practice for buyers to research and learn about what they want to buy by reading online articles.

3. Authority
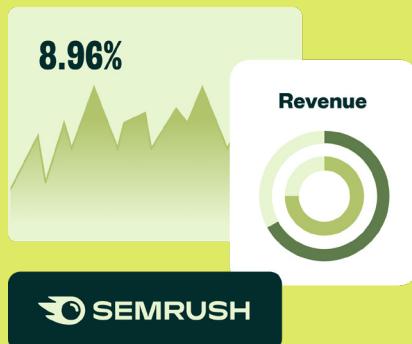
- Follow the EAT rule by demonstrating:
  - » Expertise
  - » Authoritative
  - » Trustworthiness
- Links matter, specifically where they come from and where they point to.
- Forum activity helps to build authority and trust, you can do this by answering relevant questions on social media platforms.

Marketing tooltips

There are a wide variety of free and affordable online marketing tools that you can use to up your marketing game. We've outlined some of our favourite online tools below, many of which have small, free courses available on how best to use them.

SEO and digital marketing tools

- **Google Analytics -** Google's popular web analytics service that lets you track, measure and report on website traffic
- **Semrush** - a tool for SEO, content marketing, competitor research, keyword research, PPC and social media marketing
- **Ubersuggest** - a free SEO tool that generates new keyword ideas
- **Hotjar -** a popular heatmap and behaviour analytical tool that also offers session recordings and surveys
- **Inspectlet -** a freemium tracking tool that offers click and scroll heatmaps similar to Hotjar

8.96%

Revenue

🔥 **SEMRUSH**

Design Tools

- **GIMP -** provides the tools needed for high quality image manipulation
- **Canva** - offers drag-and-drop functionality and professional layouts to design images
- **Affinity** - great for creating concept art, print projects, logos, icons, UI designs, mock-ups and more
- **GoDaddy Studio** - Allows you to create professional content with thousands of customisable templates, fonts, videos and royalty-free images

Social media management platforms

- **Hootsuite** - enables content planning, analytics, social monitoring and management
- **Sprout Social -** generates reports, offers social analytics and schedules messages across different social profiles and platforms

Marketing tooltips (continued)

Social media-specific tools

- **Facebook Audience Insights** - a tool to get to know your customers to better shape your Facebook ad campaigns
- **LinkedIn Insight Tag** - a tool to optimise your LinkedIn campaigns, retarget your website visitor, and learn more about your audiences
- **Twitter analytics** - a tool to measure and boost your impact on Twitter
- **Instagram analytics -** a tool to learn more about your account's followers and performance
- **Youtube analytics** - a tool to measure the success of your YouTube marketing efforts

Free stock image resources:

- **Unsplash**
- **Pexels**
- **Death To Stock Photo**
- **Barn Images**

Mailer tool

- **Mailchimp -** a popular email marketing platform for creating, sending and tracking email campaigns that integrates with ecommerce platforms such as Shopify, Magento and Prestashop. Find out it Mailchimp **integrates with your platform here**.

Once everything is set up you will need to constantly monitor and tweak your images, copy and metadata to make sure your website has a good SEO ranking and good visitor traffic. It's good practice to check exit pages in Google Analytics to see the last page a user accessed before they left your website.

Converting visitors into customers

It can take a while to get customers, so don't lose hope. According to Warrick Kernes, SA's Ecommerce Expert, **on average it can take 800 views before you make your first sale.** While the main tip here would be to persevere and give it your all, there are a few other things you can do to convert website visitors into customers, and to keep your existing customer base loyal.

Macro Mixes protips for selling your products online

macro mixes

- Be honest and authentic. No one expects perfection, apologise when you mess up and celebrate the wins altogether.

- Be very clear on how your product will improve someone's life. Why do they need it, what problem is it solving and HOW can they take action to obtain it?

- Sell the experience not the product. You have to solve a problem and sell the solution. This way you are personalising the experience.

- Have clarity around your messaging, your products and even your company mission and values. Don't force people to waste energy on guess work.

- Research constantly. Always be aware of what's 'trending' and stay ahead of the curve by being honest and authentic.

- Don't forget about existing customers. Yes new customers are important but nurturing the ones you have is equally if not more important.

🔗 **To find out more about Macro Mixes, visit macromixes.co.za**

★ Protip: Run deals and promotions

If it's something you can effectively plan for, run specials and discounts where, for example, customers can get free shipping or pay for two items and get a third for free. These deals are extremely effective in boosting sales, especially if they are shared via social media and in email blasts to your database.

Another great option is to offer product bundles, where if your customer buys a few items together they get a discount.

1 Reduce cart abandonment

Cart abandonment, which is where customers add products to their shopping carts with no intention of completing the purchase, is an unfortunate occurrence that every online store has to deal with.

According to a **study**, the global average rate of **cart abandonment is 75.6%, where the average abandonment rate on mobile phones is 85.65%.**

The main reasons attributed to cart abandonment include:
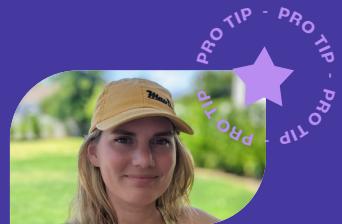
- Only browsing or researching
- Slow loading website
- Bad navigation
- Long process
- Hidden or expensive costs
- No free shipping
- Expensive shipping
- Difficulty with the payment process
- Too few payment options
- Security concerns

2 Be transparent

The best way to avoid some of these issues is to be transparent about your prices, shipping costs and hidden costs from the start. **You could even describe the checkout process next to the product description, for example, "checkout in three easy steps".** It's also a good idea to add wishlist functionality so that visitors to your website can save items for future purchases.

> **Customers are happy to wait for orders if this has been communicated to them at the time of purchase, and you regularly communicate order progress with that customer.**

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**Celeste Le Roux,
Co-founder of Made by Artisans.**

🔗 To find out more about Made by Artisans - Online Store, read their **case study** and visit **madebyartisans.co.za**

If your website, shopping cart or payment gateway is too complicated to navigate, you could do the following to simplify the checkout process:

- Offer a **Buy Now** button instead of a shopping cart for single product purchases.
- Give buyers the option to checkout as guests to expedite the transaction process.
- Make it easy to apply discount vouchers.
- Make online help easy to access, such as a clear contact page, returns policy, live online chats or FAQs.
- Make shipping free above a certain threshold e.g. if someone has an order over R500 the shipping will be free.

3 Offer a variety of payment options

While card and Instant EFT are the most popular online payment methods, your customers may prefer alternative ways to pay for their online purchases. To broaden your reach, by signing up with a payment platform like Payfast you can offer a wide variety of popular payment options, including cards, Instant EFT, Scan to Pay, Zapper, Snapscan, SCode, Store Cards, MoreTyme and Mobicred.

instant EFT   scan to pay

zapper   SnapScan   S CODE

MoreTyme   mobicred

5 Keep your website secure

With Google taking Internet security more seriously than ever, **the padlock icon in your browser may be sufficient to set some potential buyers' minds at ease.** Refer back to the 'Secure your website' section in <u>Chapter 3</u>.

6 Be proactive

Refer to your website's statistics to understand the point at which things went wrong and resulted in cart abandonment. **You can then try to resolve the issue by sending out a customised, personalised email where you offer a solution.**

For example, for those who abandoned their carts because of shipping costs, offer free or reduced shipping. If they got lost in navigation while checking out, send an email with a 'Buy Now' button, bypassing the normal checkout process. If their credit card was declined, let them know of alternative payment options.

Learn from these pain points and improve the usability of your website. Maybe you need to add better and clearer product copy, redesign the layout of your website, make your online store more mobile friendly or reassess your shipping costs.

7 Reduce returns and refunds

The best way to avoid having to refund a customer and deal with returns is to **be transparents and clear in your communication with them.**

Not only is it important to clearly publish your returns policy on your website, but also include detailed product descriptions, including colour, weight and size. Don't forget to add clear photos that correctly represent the product so that customers know exactly what they are paying for.

Here are some other useful tips for reducing returns and refunds:

- Don't sell poor quality products.
- Have good processes in place to ensure you don't send the wrong product by accident.
- Be honest with delivery time frames, if there's a delay clearly communicate this with your customer.
- Manage and track your inventory so you know when it's time to reorder low stock.

★ Protip: Manage your inventory

A great way to foresee inventory needs is to monitor the traffic of your website and to keep track of what you've been sharing on social media. If your marketing campaigns have been successful there could be a spike in demand.

It's also important to pre-empt seasonal trends and holidays that could lead to more consumer demand, and of course stock up before you run any promotions.

> As an online store, building trust is very important. As convenient and popular as online shopping may be, your consumer needs to trust you in order to click that 'proceed to payment' button. An amazing product paired with a trustworthy brand and great after-sales care and support is a winning formula.

- CLM Home
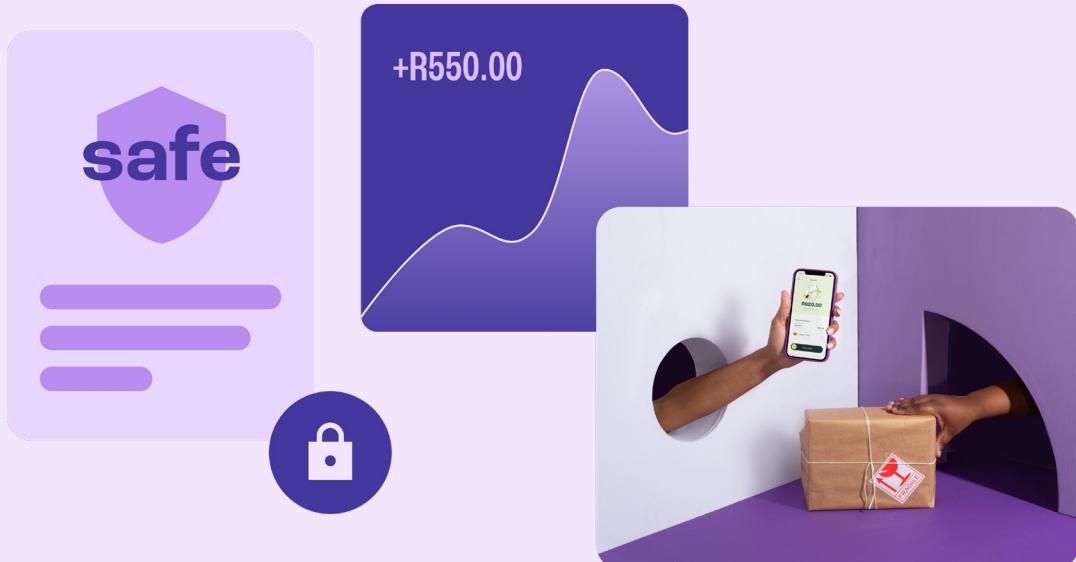
🔗 To find out more about CLM Home, read their **case study** and visit **clmhome.co.za**

★ Protip: Build customer loyalty

While it's important to convert website visitors into customers, it's just as important – if not more so, to make sure they return. While we've already highlighted a few important things you can do to retain customers, here are a few other suggestions:

- Be honest and authentic. No one expects perfection, apologise when you mess up and celebrate the wins altogether.

- Be very clear on how your product will improve someone's life. Why do they need it, what problem is it solving and HOW can they take action to obtain it?

- Sell the experience not the product. You have to solve a problem and sell the solution. This way you are personalising the experience.

- Have clarity around your messaging, your products and even your company mission and values. Don't force people to waste energy on guess work.

- Research constantly. Always be aware of what's 'trending' and stay ahead of the curve by being honest and authentic.

- Don't forget about existing customers. Yes new customers are important but nurturing the ones you have is equally if not more important.

Capitalising on shopper trends like Black Friday

1   Advertise your Black Friday deals

2   Update your website

3   Provide excellent customer service

Over the last couple of years Black Friday and Cyber Monday have grown in popularity to become the biggest event in the retail calendar. Even before lockdown, Black Friday was experiencing immense growth online, with my big online vendors running deals up to a week or more ahead of the big day.

Here are some useful tips that you can follow to make the most out of Black Friday

Practical questions to consider ahead of Black Friday

1. Should I hire temporary staff around the busy period to pack boxes?

2. How good is my inventory tracking? What happens when things sell out?

3. Do I have enough boxes and packaging material?

4. Do I have established lines of communication with my suppliers? With my courier company?

5. Should I get a "backup" courier relationship?

1 Advertise your Black Friday deals

The best way to generate excitement amongst your customer base is to **advertise your Black Friday specials a few weeks before the big day.** This can be done on your social media pages via organic and paid posts and in email blasts sent out to your database. You can create hype around your Black Friday specials right up to the big event and even during the busy weekend.

Protip: Easy Advance business funding

If you're a registered Payfast merchant and have built up existing sales volumes with Payfast, you'll be able to access pre-approved **business funding. Our Easy Advance feature is a partnership with Retail Capital** that offers unrestricted business funding that can be used for getting up and running, executing a marketing plan or sourcing extra stock for Black Friday.

If you qualify you'll see a real-time, personalised notification on your Payfast Dashboard when you log in to your Payfast account stating how much you qualify for. If you take up the offer you will be taken through a simple sign up process and the funds will be transferred into your bank account that's linked to your Payfast account within 24 hours.

🔗 Find out more about Easy Advance here: **payfast.io/features/easy-advance**

" **Easy Advance helped me to keep my staff and now I'm entering summer with a full stock…. It's actually the easiest business funding ever. If you are a business and you're not taking this opportunity, you are losing out.** "

Harryson Juma Odari, founder of Cape Masai Leather

PRO TIP · PRO TIP · PRO TIP · PRO TIP ·

2 Update your website to make sure it's ready for Black Friday

There are a number of important things you should do to make sure your website is equipped to deal with the increased visitor traffic over the Black Friday weekend.

Test your site to make sure all is in order

Ask your web developer to test your website to make sure all your plugins are updated and everything is working correctly. The last thing you need to happen during Black Friday is for your website to crash. Also make sure that all the pages display correctly, the checkout process runs smoothly and all redirects are processed efficiently without any delays.

Update your stock

It's extremely important to ensure you have enough stock to process incoming orders over the Black Friday weekend. Make sure your website's product listing is up to date with what's available, and if certain products have limited stock clearly state that. This will avoid any confusion, delays in shipment or the need to action refunds to your customers. Also make sure all your delivery options are available and ready to go to ensure a smooth process after the payment has been received.

Clearly display your contact information and Ts&Cs

Make all of your available contact details easily visible on your website, as during the Black Friday period you may experience an influx of buyers querying updates on their online orders. It's also worth updating your Terms and Conditions related to Back Friday, such as delivery time frames.

During this busy time, consider hiring additional support staff to manage orders and inventory related queries during this period.

3 Provide excellent customer service

Throughout the Black Friday period (and forever after) provide top-notch customer support, including keeping your customers up to date on their delivery status, returns and refunds. This will go a long way in creating happy customers who are more likely to return and promote your store amongst their social networks.

Keep in mind that doing promotions shouldn't mean that you lose money needlessly; it's a tool for ultimately growing your business in the long term. You should aim to try and break-even if you can when considering all costs. Ideally, you should still make a profit over this period, but you can consider it a market building opportunity too (which comes at a short-term cost sometimes).

Was R5999 - Now R4399

Black Friday **SALE**

Conclusion

Launching and running an online store requires a lot of hard work, dedication and patience. The fact that you've taken the time to do your research and download this guide is already a great indication that you are on your way to success. We hope you've found the content in this guide useful and we look forward to seeing your business grow.

About Payfast

Payfast is a payments processing service that enables South African businesses to receive payments from local and international buyers. We offer a turnkey online payment processing solution that lets merchants accept multiple payment methods through a single integration.

Founded in 2007, Payfast has seen consistently strong year on year growth and currently provides payment services to over 80,000 merchants in South Africa. In 2019, Payfast became part of the DPO Group, spurring the growth of the largest African payment service provider. In 2021, DPO Group was acquired by Network International, a globally renowned enabler of digital commerce across the Middle East and Africa.

Visit **payfast.io** and follow us: