

## **Checkout Time**

### **Best Practices for Evaluating e-Commerce Shopping Carts**

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When you are ready to get down to business and start building your e-commerce website, one of the biggest and most important considerations is which online shopping cart solution to use. No doubt, today's Internet buyers expect to interact with a seamless shopping interface that quickly and efficiently manages the entire customer experience—from viewing products to cart consolidation to payment—so you need to *be sure* to put in research time on the frontend to determine the correct application for your product and/or service and your tech skillset.

"If you want to operate an attractive, modern, online storefront on which people can shop day or night, you really are better off using full-featured shopping cart software instead of trying to glue all the e-commerce parts together on your own," advised Fahmida Y. Rashid in the "The Best eCommerce Software," a *PCmag.com* article published in May 2015.<sup>1</sup> "Running a cart streamlines the relationship between buyers and sellers by handling multiple payment methods, collecting tax, and calculating shipping costs. A straightforward shopping experience means buyers get the product faster, too, and a happy customer is just good business."

### **But Where to Begin?**

There are many different considerations when selecting the right e-commerce shopping cart for your business, and a good first step according to experts is to narrow down the playing field by making a list of "must-have" features. Eliminate those carts that don't fit the bill and develop a short list of prospects. Then dig deeper into a comparative analysis that includes:

#### ***Transaction Fees/Cost***

While most carts offer tiered pricing based on transactions or bandwidth, you also need to consider all the transaction fees that are associated with each cart to get a total picture of costs. For example, both the shopping cart application (such as Shopify) and the payment gateway (such as PayPal) may charge a transaction fee, which can add a significant hike to the final cost of a product sold online.

#### ***Important Features***

Some carts are more appropriate for physical products, while others are better designed for booking services or digital products/downloads. Moreover, if you are migrating from an existing e-commerce platform, you need a cart that has tools to manage that process.<sup>1</sup> Other features to evaluate can include Search Engine Optimization (SEO) capability, analytics, SSL Certificate (Secure Sockets Layer, a global standard security technology that enables encrypted communication between a web browser and a web server), email marketing and/or social media integration, a product database, the ability to duplicate an item and modify it for similar products, customer support programs (email, chat, forums and/or phone), drag-and-drop editing, returns and refund processing, the ability to offer discounts, a blog, multiple templates, etc. It can be overwhelming but, luckily, there are many comparative reviews online at sites including Merchant Maverick and *PCmag.com*, and they can help you to determine a list of relevant features for your business needs.<sup>1,2</sup>

### ***Frontend and Backend Ease of Use***

If setting up your store is a hair-pulling experience, chances are you will not be successful. Whichever e-commerce cart platform you chose, you must be comfortable with and capable of uploading product information and photos and customizing the interface through templates or other options offered with the system. Luckily, many of the most popular hosted shopping carts, such as Shopify, Volusion, PinnacleCart and X-Cart, offer free trials so you can determine if your tech skills will be sufficient to get the ball rolling. On the other end of the spectrum, robust self-hosted carts (meaning a cart runs on your own server, such as Magento) are not designed for beginners or small companies, so make sure you have the proper programming skills and/or support if you plan to go this route. In between are self-hosted carts like WooCommerce, a WordPress Plug-in, which might be more appropriate for a small startup business with programming resources.

On the frontend, you also want to ensure that customers can easily navigate your store and have a positive experience while searching through your products. Review template mockups/demos on provider's websites and visit stores created with different carts to determine which ones are user friendly and provide the look and options that will best showcase your products and/or services and meld with your core customers' average level of tech savvy.

### **Finding the Right Cart: The BhakTee Life**

For our case study, The BhakTee Life, we need a shopping cart that works well for basic (not high-fashion) apparel. The BhakTee Life is a purveyor of high-quality tee shirts with two lines, one that features spiritual sayings and artwork and another with humorous designs. The initial list of "must-haves" for this e-commerce site include:

- Product database that will allow for search categories (men's, women's, shirt style, spiritual line, humor line, etc.)
- Blog
- Secure payment capability
- SEO capability
- Phone support
- Ease of use on backend for building product database and setting up/posting to blog; users are not coders and one has very limited computer skills
- Sophisticated look and "feel" that are on par with big companies selling online
- Hosted cart to ensure security; it was determined a Wordpress-compatible self-hosted cart might be too difficult to install and maintain and Wordpress has had many hacking issues in recent years, which might pose data security issues.
- Affordable fees: tee shirts are a cost-competitive category, but the production cost of this line is high because a local, small-volume supply chain is used in Southwest Florida.
- Social media integration (The BhakTee Life will be promoting on facebook and email and using the platform to announce new tee shirt designs)

After researching online and reading reviews and "Top 10" lists of different shopping cart platforms, three were selected for an in-depth comparison: **Shopify**, **Squarespace**, and **Etsy**. Shopify made the list because over the past two to three years it consistently has ranked at the top of reviews as either No. 1

or 2, and the cart is effective for small businesses. Squarespace was selected because one of the users has experience with the platform and finds it easy to use. Esty was evaluated because it offers integration into a full marketplace of sellers who offer handcrafted items and the ability to leverage the power of the marketplace to market and sell. The BhakTee Life's products would qualify for an Etsy store, according to research. Below is a chart comparison of "must-have" features.

<b>Must-Have Features for The BhakTee Life</b>	<b>Shopify Basic</b>	<b>Squarespace Commerce</b>	<b>Etsy</b>
Product Database	X	X	
Blog	X	X	
Phone Support	X	X	
Professional Aesthetics	X	X	
Hosted Service	X	X	X
Built-in SEO Capabilities	X	X	
Security/Encryption	X	X	X
Social Media Integration	X	X	
Price	\$29 per month	\$26 per month	.20 cents per listing (4 months)
Low Service Fees	2.9 % + .30 cents processing fee and no bandwidth fees	2.9 % + .30 cents processing fee and no bandwidth fees	3.5% transaction fee and 3% + .25 cents processing fee

## **SHOPIFY:**

### Pros

- More than 100 templates.
- Outstanding online security.
- Many tools and features; consistently noted that users can create a beautiful and professional looking web store quickly.
- Large [App Store with more than 1,500 different Apps](#) (free and paid). The tools include accounting, customer service, inventory management, marketing, reporting, shipping, social media, fulfillment, etc.<sup>7</sup>
- Can sell both physical and digital products.
- No setup fees and no contracts. Upgrade to another plan as needed. No bandwidth fees.
- 24/7 Phone and email support.
- No transaction fees using Shopify payments (processing fee is 2.9% plus .30 cents per transaction).
- Two staff accounts offered but can upgrade later.
- Shopify Lite for \$9 per month can allow buttons on Squarespace and to sell via social media.
- For SEO, Shopify creates 100 percent crawlable, clean code. The platform allows custom title tags, and meta descriptions (even on collections), in addition to other essentials like Google Search Console, sitemaps and the prevention of duplicate content.<sup>6</sup>

- Free Chimpified App to integrate to Mailchimp.
- Google Merchant integration through plugin.

#### **Cons**

- Need to upgrade to Shopify Plus to sell across social media. However, this upgrade allows you to sell on other channels, too (Amazon, eBay).
- Company has no experience with platform.
- Shopify, like other hosted platforms, is consistently more expensive month-to-month than a self-hosted store. However, self-hosted stores, such as WordPress with WooCommerce, tend to have expensive development needs.<sup>6</sup>
- Shopify has a slightly steeper learning curve than other hosted shopping carts.<sup>6</sup>
- The initial setup process can be challenging.
- Shopify also uses its own coding language called “Liquid,” which makes it necessary to use this language to modify templates.

## **SQUARESPACE**

#### **Pros**

- One of two users has built a website on Squarespace and is semi-proficient with the platform.
- Feature-rich, fully integrated e-commerce/business solution with professional, ecommerce-oriented design templates.<sup>8</sup>
- Easy drag-and-drop page building tools.
- Good control over product variants such as size, color, etc., so customers can pick and choose different variations of products.
- Inventory management is centralized with a “Content Manager” interface, so you can easily manage your inventory across the entire store by stock level, price or title.
- Includes coupon creation and promotions.
- Calculates different shipping options, such as flat rate and FedEx.
- Email confirmations for customers.
- Full, seamless integration with Stripe and PayPal for payments.
- Easy integration with MailChimp; customers can automatically sign up for a newsletter.
- Sales orders can be easily exported in CSV format.
- Full social media integration with the online store. This allows you to easily share store news and product updates.<sup>8</sup>
- Some CSS and HTML can be used to modify templates; no proprietary language.
- SEO and marketing functions are impressive. You can edit page titles, meta descriptions, etc.
- Access to a comprehensive commerce analytics tool to monitor the online store. You can view total sales across the entire store, or filter data by specific products to see how each product is performing. This gives valuable data on which products are doing better, and so you can adjust your marketing strategy accordingly.<sup>8</sup>
- ShipStation and Xero Accounting Integration.
- There is a simple, straightforward pricing structure with two e-commerce tiers. The higher the plan, the more ecommerce features are made available, with fewer limitations.

#### **Cons**

- Squarespace only integrates with Stripe, PayPal and Apple Pay.

- Not as many features/apps as Shopify.
- Themes are beautiful, but might not be totally functional for all products.
- A relative newcomer to the ecommerce space, although the content management system component of the platform is well established and very functional.
- Not as well suited for large stores (may limit growth potential). Squarespace's feature list is for merchants looking to sell only couple products within the United States, who do not need a solution that is totally scalable.<sup>9</sup>
- Custom domains not purchased through Squarespace are difficult to connect.
- Limited number of templates compared to Shopify, and not many of those available are geared to ecommerce.
- Telephoning 24/7 support can sometimes take a while to speak to someone, but the support personnel are very good. They do not outsource support to India.<sup>9</sup>
- Not good for selling outside of the United States.
- No Google Merchant Integration without a third-party solution such as Feedonomics.com.

## **ETSY**

### **Pros**

- A fast and easy way to start selling through an established community. In less than 30 minutes, you can have products listed and selling on the platform.
- Millions of unique visitors come to the site every month. "These are people that generally want to buy and if your store is live, they might just want to buy from you."<sup>11</sup>
- Etsy is a collaborative community, and there is a lot of shared information online to help your store succeed.
- The algorithms on Etsy are designed to help drive business to new stores.
- Product listings on Etsy are .20 cents each and they are active for four months, or until the product sells out.
- You can sell wholesale on Etsy. If you have a wholesale store, there are tools available to help manage the business. There are 20,000 vetted retailers participating.
- Etsy can be integrated with QuickBooks. (Monthly fees apply.)
- The Etsy platform offers feedback and reviews, like Amazon.com.

### **Cons**

- The Etsy marketplace is saturated, which can make it very difficult to establish a brand.
- An Etsy store must be linked to a website, and it detracts from the seamless integration and professionalism of Shopify and Squarespace. It looks more "amateur."
- Piracy is an issue on Etsy. Images and descriptions are often "stolen" from sites and reused by others.<sup>11</sup>
- Etsy offers limited branding opportunities. "Etsy typically allows a store to have their own banner and their listing images. Outside of that, pretty much everything is standardized by the platform and that can create a look some sellers may not necessarily like."<sup>11</sup>
- No SEO capabilities. Also, the Etsy search engine conflicts with Google, which creates a difficult SEO environment.

- Price wars are common. New stores often try to steal business from established stores by offering lower prices and taking a lower margin. It can be very difficult to remain competitive on the Etsy platform.
- Although the .20 cents per listing is appealing, Etsy's 3.5% percent transaction can put a big dent in profits.
- No ability to create a seamless, professional website with an integrated shopping cart.
- Etsy can shut down a store at any time if it believes there has been a violation of its policies.
- No live chat support. Phone support must be "requested." It is not available 24/7 on demand.

### **The Bottom Line**

Etsy was eliminated as a final solution for The BhakTee life. It does not meet all of the company's "must-have" features, and there are many issues with the platform, such as price wars, that detract from the benefits of selling within this established marketplace. The next step will be to do free trials on both Shopify and Squarespace to determine which platform is better. The lure of Shopify is its ability to link in to sell products through amazon.com. Squarespace only offers the ability to link an affiliate seller ID to sell other products already listed on Amazon. The draw of Squarespace is personal knowledge of the platform and how to use it and the fact that CSS and HTML modifications are possible. Both Shopify and Squarespace meet all the "must-have" criteria.

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