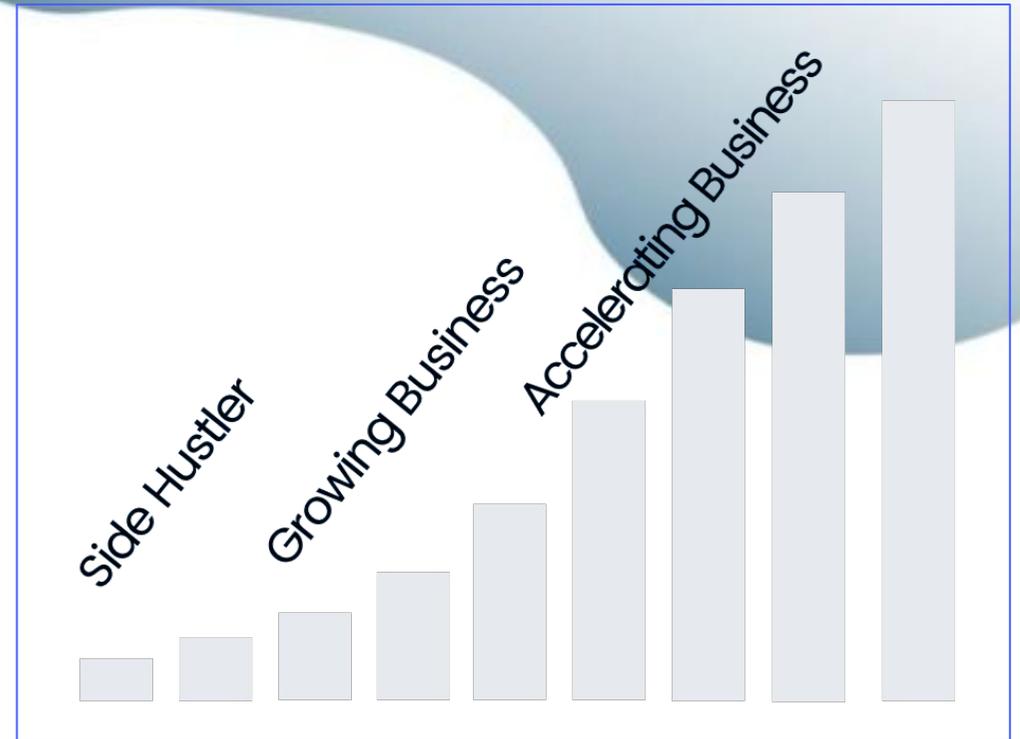


EBOOK

What's Your eCommerce Growth Potential?

Whether you're a side hustler or ready to take your business global, we've covered all the key stages of eCommerce and retail growth.



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OVERVIEW

While prestigious publications like the Harvard Business Review believe there are five stages to business growth, we believe eCommerce has both intensified and simplified the processes of growing a business.

This eBook provides a practical breakdown of the challenges and key considerations of the three stages of eCommerce business success. Each stage includes a checklist so you can track your growth in the eCommerce and retail space. Enjoy!

PART 1

THE SIDE HUSTLE BUSINESS



SIDE HUSTLE



GROWING



ACCELERATING

OBJECTIVE:

Cost Control While Generating Sales

The first stage of growth for an overwhelming number of eCommerce and retail businesses is the cost control phase. In this stage, enthusiastic hobbyists and talented creators with a side-hustle have started to sell their coveted items somewhere online, and they're looking to create something amazing.

But what's their biggest problem?

Controlling sometimes skyrocketing costs *while* trying to acquire and convert new customers. This is a delicate dance that can make or break many new businesses, and it's what separates the nonchalant seller from serial entrepreneurs.



KEY CHALLENGES

Delivering An Amazing Customer Experience On A Shoestring

Budding businesses are faced with one of the most difficult challenges any other size business can face: controlling costs without selling out the customer experience.

Customer loyalty is built and maintained with bells and whistles. It really can be tempting to skimp on the little things that make a huge impact to customers; but this couldn't be more wrong.

Shipping Costs For Low Volume Businesses

Unfortunately, shipping costs aren't always the most economical for businesses at the hobby stage. Sending ad hoc parcels every now and then is not the most cost effective way to ship packages, and sometimes, shipping standard deliveries can even eat into profit generated very early on.

KEY CHALLENGES CONT.

So Much To Do, So Little Time

Side hustlers are often working full or part time, while trying to get their business off the ground, and one of the biggest challenges in this stage is finding time for everything. If you're in this phase, not only you are curating, manufacturing or developing your product, you're finding your market, most likely are doing all the marketing yourself, making sales and then picking, packing and shipping everything to boot..... oh, and don't forget bookkeeping!

Acquiring New Customers Through Effective Marketing

As a side hustler, understanding where your ideal customer base is can be a real challenge. A lot of the time new business owners with a genuine passion in their products aren't familiar with the marketing landscape. This poses a huge problem when it comes to spending advertising dollars in the right place when you're unsure how to target customers.



KEY DECISIONS:

The Battle Of The Couriers

With so much at stake at the early stage of creating something great, every little choice makes a big impact on success or failure.

Domestic Shipping

Most new business owners ship with Australia Post to start off with.

If you ship under 80 parcels a month, you'll most likely be shipping via your MyPost Business Account. You'll be getting great rates for your parcels, but you'll also most likely be going to the post office to send your parcels.

If you're shipping more than 80 parcels then you'll most likely want to set up an eParcel account. eParcel accounts save new businesses a lot of time by picking up the parcels for you, and you can send manifests digitally instead of printing them.

International Shipping



Having worked with hundreds of growing Australian businesses, we've noticed that international shipping for side hustle businesses is most commonly looked at as a **#shippinggoal**. But nevertheless, there are new businesses on the market that ship internationally due to their demand.

[Petite Cosmetics](#) is a great example of a new business that found themselves shipping all over Asia and Australia to meet the needs of their customers.

To get international shipping right, you'll need to make sure you understand your very specific needs, but the two most common international shipping services are offered by [DHL](#) and [Australia Post](#).



KEY DECISIONS

Low Cost Solutions To Save Time & Money

Looking for entry level systems to ease the burden of manual tasks is sometimes daunting for side hustle businesses. Once again it comes down to the gentle balance between cost and convenience. There are a few common solutions business owners in this growth phase need:

Shopping Carts

Shopping carts are the software tools that facilitate the online purchase of products. They generally supply safe payment gateways for customers, and then pass on that information to the retailer so they can fulfil the order. Still unsure about it? Read this [awesome article from BigCommerce](#) for clarity.



Don't pick the wrong cart!

Unsure which shopping cart is right for you? Before you make your final decision, read our comprehensive guide on the best (and worst) shopping cart features and solutions.

[GET THE GUIDE](#)

eBay

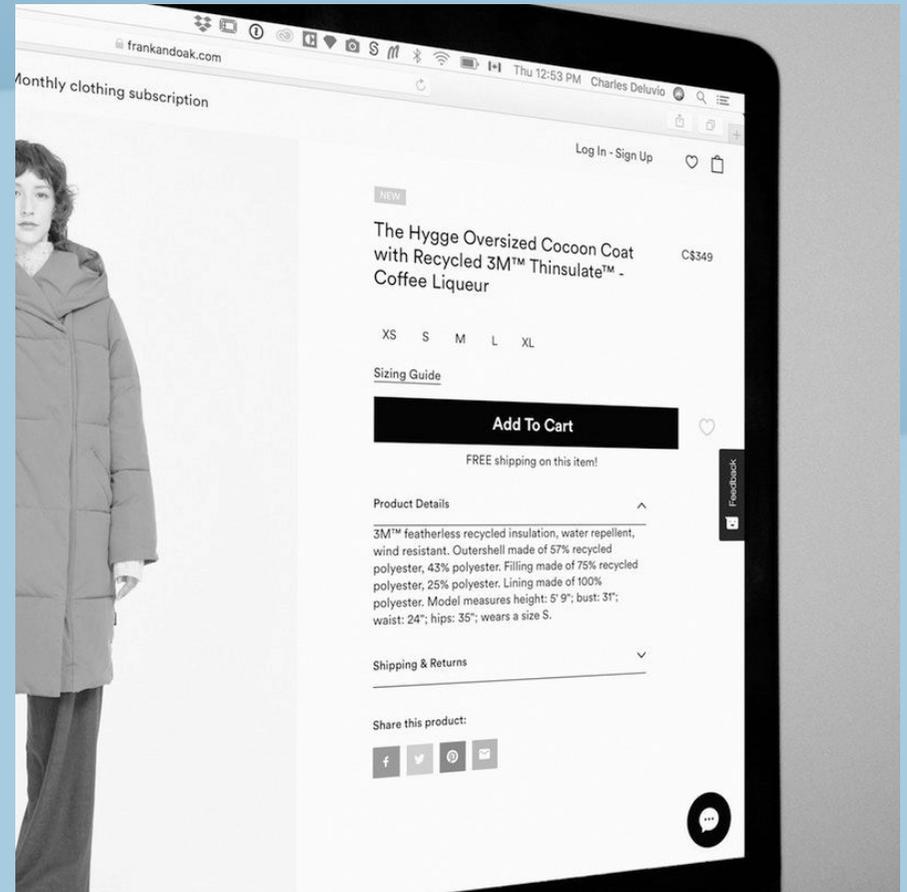
Since [eBay launched in 1995](#), it's accumulated 168 million active buyers, and 6.7 million sellers. It's undoubtedly one of the best marketplaces for side hustlers.

eBay is a complete turnkey business solution that is safe and secure, it offers 3 day training for new business owners and it has 24/7 support. Considering it's offering, it's not hard to see why many new businesses begin by selling on eBay.

Shopify

[Shopify launched in 2006](#), and rather than competing directly with eBay for the best global marketplace, it offered side hustlers the opportunity to easily create and run their own digital storefront.

With 500,000 businesses using the platform in 175 countries, its market may not be as big as eBay, but it does offer side hustlers the opportunity to differentiate their brand with a unique site and style.



KEY DECISIONS

Accounting Tools

Accounting tools are in abundance for eCommerce, and although 5-10 years ago they may have been clunky to use and hard on the wallet, these days accounting tools are really user and digital-friendly, and they're more reasonably priced. Here are a few of the common accounting tools side hustlers use:

Quickbooks

Quickbooks is one of the most common accounting software platforms for new businesses as its ease of use and features are made with self-employed retailers in mind. Taking the headache out of bookkeeping, many side hustlers find refuge in Quickbooks with its easy expense tracking, customisable invoices and flexible reports.

Xero

Similar to Quickbooks, Xero is another go-to accounting platform for side hustlers, however, it offers more features including project budgeting and free 24 hour online support.

Shipping Platforms

At this stage, many side hustlers aren't sure whether or not they need a shipping platform, and as such, do a lot of the hard work themselves. Considering that most of the work is done manually, when a shipping platform is introduced, side hustlers normally wonder how they got on without them. Here are the two shipping platforms used by budding entrepreneurs:

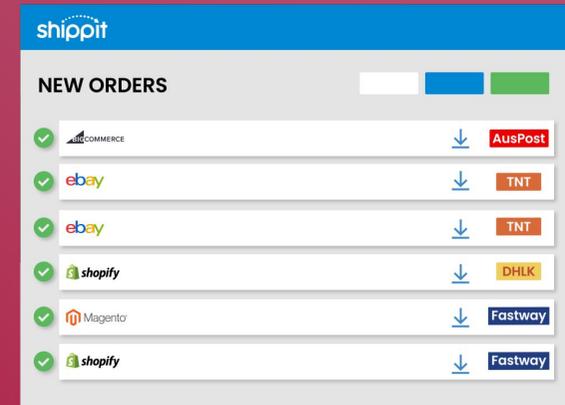
Shippit

We don't mean to float our own boat, but [Shippit is one of the most comprehensive shipping solutions](#) for any stage of business growth. For side hustlers, we hit home where it matters the most. We've got:

- Discounted shipping rates (or you can bring your own)
- Integrations with all the major shopping carts and IMS
- Labelling and booking automation
- Courier quotes in shipping and in the checkout
- Advanced analytics for your delivery costs
- Centralised tracking for you and your customers

Sendle

Sendle was founded in 2014 and mainly functions as an alternative to Australia Post. You can book couriers, track and get discounted rates for deliveries, however, there are no direct integrations with shopping carts with Sendle.



Simplify your ship

Want to find out more about how Shippit can take your side hustle to the next level? Chat with our solutions experts to see how better shipping can make your side hustle an accelerating business..

[BOOK 15 MINUTES](#)

KEY DECISIONS

Accounting Tools

You may be chugging along with your Shopify store in the beginning phases your business, but if you've got a few suppliers sprinkled across your supply chain, it will be difficult managing all the moving parts if you don't have a system to keep track of everything.

There are different systems that help you manage inventory, including:

- Inventory management (inventory alerts and barcodes)
- Manufacturing inventory management (materials tracking and automatic reordering)
- Warehouse inventory management (order picking support, multiple location support)

Now, depending on the kind of side hustler you are, you may not need an inventory system right away. But if you're planning on world-domination and exponential growth, it's good to start thinking about it now.

TradeGecko

TradeGecko provides full inventory support from supplier to customer. For busy side-hustlers, TradeGecko provides great support early on and is scalable as you grow.

Shopventory

Shopventory is the inventory management system built with side hustlers in mind. They integrate with all the major shopping carts and payment gateways, while also making it easy to do basically any business management task

CHECKLIST

- _____
- _____
- _____

So we've covered all the key decisions you need to consider as a side hustler from what shopping cart you should be using, to whether or not you need inventory management.

Are you ready to move onto Phase 2? If so, you'll be able to mark-off everything on the list:

- Start saving time fulfilling orders to better cope with demand
- You're ready for lowest price shipping rates
- You need systems and processes to improve shipping, accounting, stock management
- You need more than one courier, and possibly even international services
- You're outgrowing your current inventory management process

Are you ready for the next phase? >>

PART 2

THE GROWING BUSINESS



SIDE HUSTLE



GROWING



ACCELERATING

OBJECTIVE:

Standardisation & Process Improvement

In this growth phase, side hustlers are beginning to realise they've got a good thing going and they'll need better processes to make things work.

This is what we refer to in Shippit HQ as **The Growing Business.**

Challenges

Time

In this stage of retail and eCommerce, it's no longer possible to take daily trips down to the post office to ship your packages, not only because you'll physically have too many, but you'll be lacking one of the most critical resources; time.



KEY DECISIONS

This stage is focused solely on establishing processes that can scale with you. This is the phase where you want to decide on the technology stack that will unleash your inner growth demon. We've divided this section into software and hardware considerations:

Technology

Software </>

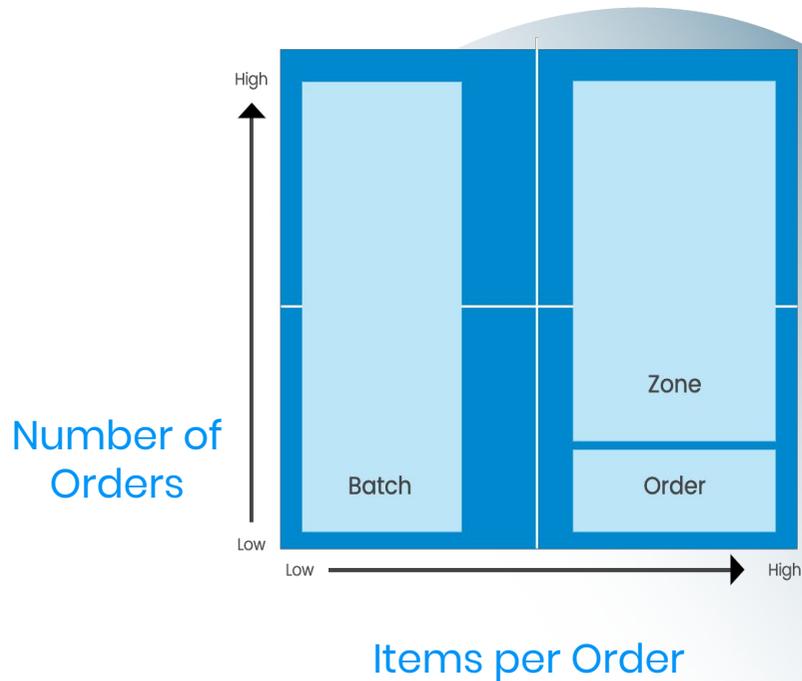
Order Fulfilment Automation

Your key challenges in this phase are time and picking and packing, that means you'll want to look into order fulfilment automation in this phase if you haven't done so already.

Shipping Platforms & Warehouse Management

In this phase you'll be growing orders while also expanding your reach across different sales channels. That means it's going to become increasingly difficult to map inventory to different sales channels, while also keeping track of which stock items you have in different locations. In this phase you'll want to integrate warehouse management with a shipping platform to make sure you don't lose sales to those dreaded "out of stock" alerts.

Picking Based Off Order Flow



Remember:

It doesn't need to be complicated. Even grouping your most popular items in the most easy to access area will do wonders for saving time.

Hardware

Picking Stations / Racking

Once of the golden rules of picking when it comes to this phase is to think about picking in terms of batches, rather than orders. Depending on the number of SKUs you stock, it's really time consuming to pick and pack each item in each order individually.

Warehouse / DC / Office Set Up

Configuring your warehouse ties into how you want to set up your racks and pallets, but rather than just focusing on the most popular items, you'll want to make sure that your whole facility is set up to reduce operator travel times. You'll need to consider:

- The physical layout and unique characteristics of your warehouse
- The dimensions and capabilities of all storage areas and racks
- The characteristics of your stock
- How best to maximise storage capacity
- How best to maximise productivity

KEY DECISIONS:

Packaging

There are two considerations you need to make when it comes to packaging:

1. **Are you using the right sizes for your products?**
2. **Is it taking too long to jam items into satchels that are too small?**

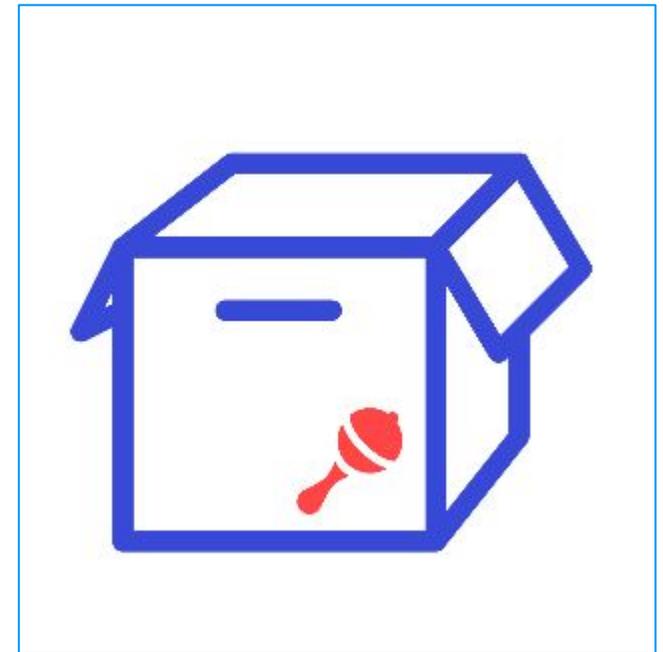
Need shipping supplies?

Shippit also has a range of recommended printers.



[VIEW OUR RANGE](#)

The biggest packaging mistake in retail:



CHECKLIST

- _____
- _____
- _____

So we've covered all the key decisions you need to consider as you grow from the packaging decisions you need to make to order fulfilment automation.

Are you ready to move onto Phase 3? If so, you'll be able to mark everything off the list:

- You're saving more time with better fulfilment automation processes**
- Your shipping solution is connected to a warehouse management system**
- You've got a standardised and kickass pick and pack process**
- Your warehouse is configured for optimal capacity and productivity**
- You're making all the right packaging decisions for your orders.**

Are you ready for the next phase? >>

PART 3

THE ACCELERATING BUSINESS



SIDE HUSTLE



GROWING



ACCELERATING

OBJECTIVE:

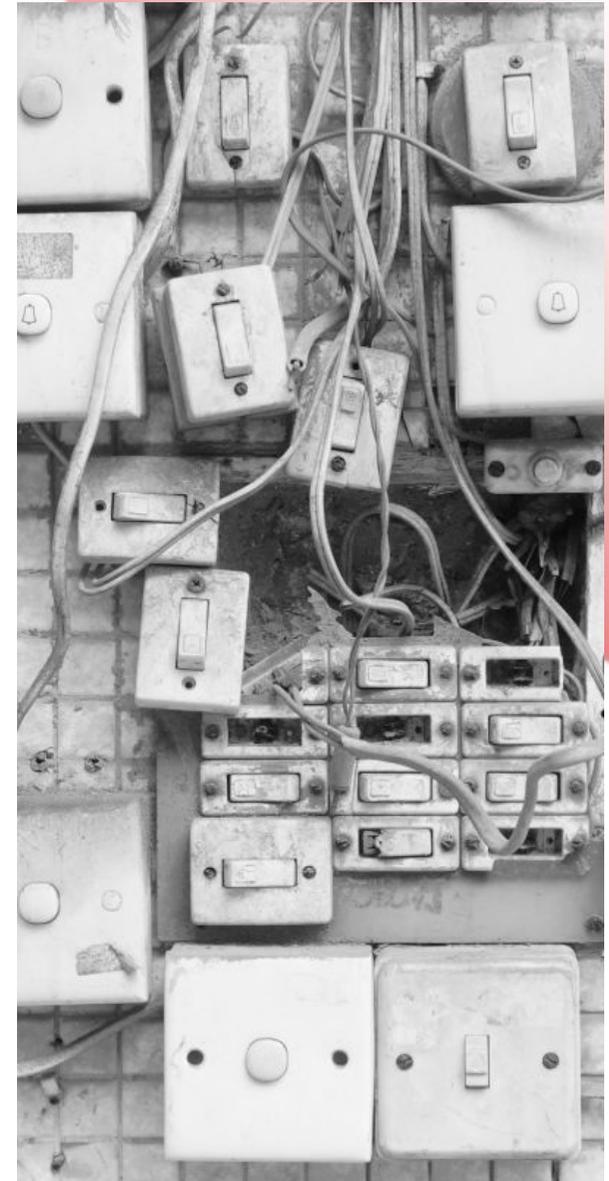
Process Improvement & Cost Reduction

Now that you've settled on all your systems and processes, it's time to implement continuous improvement so you can start saving money. This is the stage where volume can be used in your favour, and more options you have means more profitable. In this stage, you want to turn your accelerating business into a profit generating machine. No waste. No fuss.

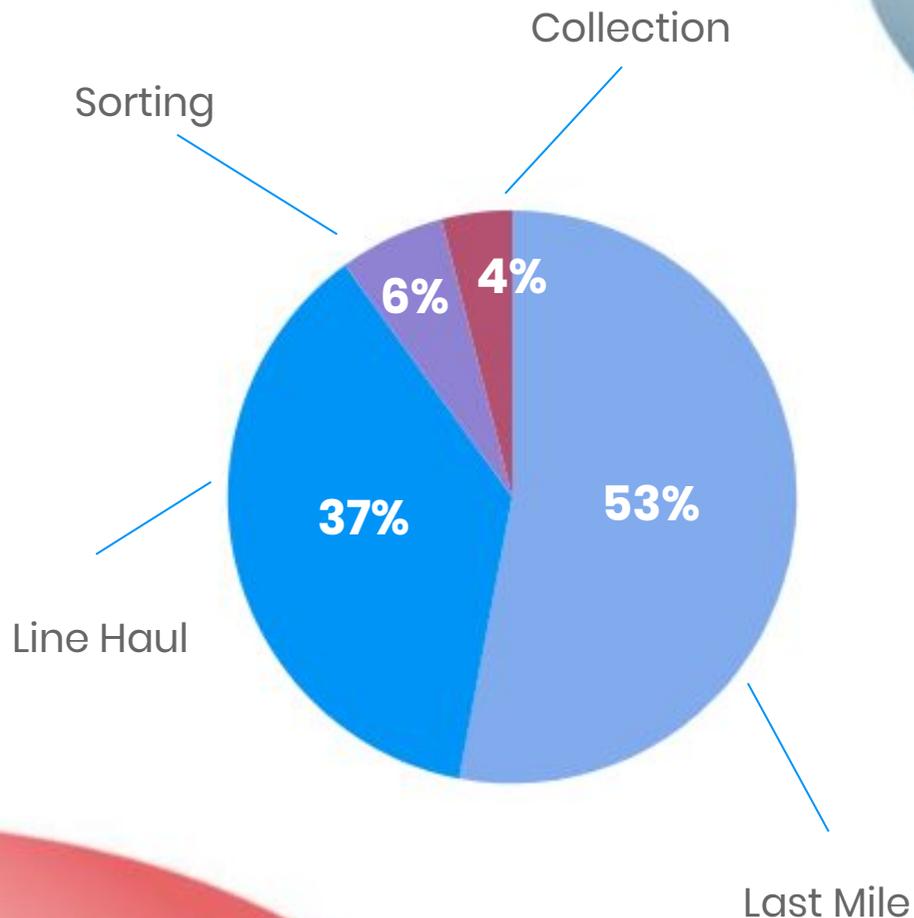
Challenges

Increasing Complexity

This is the phase of multi-store, multi-warehouse, multi-carrier, multi-user, and you bet, complexity in this phase is high if you haven't done the groundwork in the Growing Phase. And this leads us to the next challenge:



Breakdown of costs associated with shipping:



Inventory Management And Optimisation

In this phase you'll have a lot of inventory in a lot of different places. This means you'll have inventory items in one location, and no stock in another. If customers want to buy from you, they'll most likely only have access to their nearest location or through the sales channel they shop on.

Shipping Volume Driving Up Costs

Selling from multiple locations and multiple channels drives a higher volume of sales. However, this phase of business growth normally utilises a free or flat rate shipping strategy which is not friendly on the shipping cost pocket.

KEY DECISIONS

Outsourcing Logistics

Third-party logistics is the outsourcing of all or parts of your supply chain and logistics operations to another company. It has a very broad meaning in business but for these purposes we're referring only to engaging an external business to manage your shipments.

Before you decide on switching to a 3PL, you'll need to make sure they're reputable and will give your customers the same, if not better, customer experience. **Do they have a good track record? What hours do they operate? Do they have capacity to meet your delivery service agreements?**

You'll also have to consider how many shipments you'll actually be providing them on a quarterly, monthly and weekly basis, and if their locations correlate with your high-volume areas.



Definition:

3PL

Third party logistics (3PL) is the outsourcing of some or all of your supply chain. In retail and eCommerce, this often means the provider takes care of warehousing and fulfilment.

Delivery Options

At this stage of business, you'll be able to start using your shipping options as a driver of higher value sales. Promoting free shipping on your homepage, or even something like free express shipping for orders over \$X are ways to extend your value offering to a wide range of customer needs. And the good news? It also brings your overall shipping costs down to diversify your shipping options in the graph on the right.

New Markets

This is the opportunity for you to expand your product assortment to new markets and new countries. New markets mean more revenue, but it also means more complexity with how you manage day to day processes like returned items, fulfilment and inventory management. Your growth phase solutions may not be enough to keep up with this so you'll be looking to integrate your business intelligence systems to reduce complexity.

Turning net negative shipping costs into net neutral:



Unsure how to make this work? Read our case study on it [here >>](#)

CHECKLIST

- _____
- _____
- _____

Are you ready to become an enterprise sized retailer? If so, you'll be able to mark everything off the list:

- You've either outsourced to a 3PL or you've connected all your inventory dots**
- Your shipping from multiple locations seamlessly, without errors**
- You're offering your customers multiple delivery options and reducing shipping costs with volume**
- You're ready to branch out to new markets**

What's next? >>



Shipping Made Simple

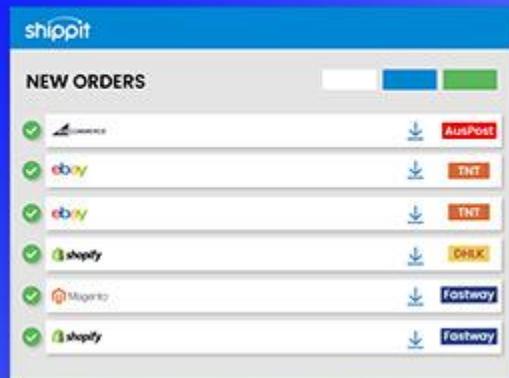
We hope you found our guide on the challenges and key decisions of each stage of business growth useful.

Need help getting your ship together?

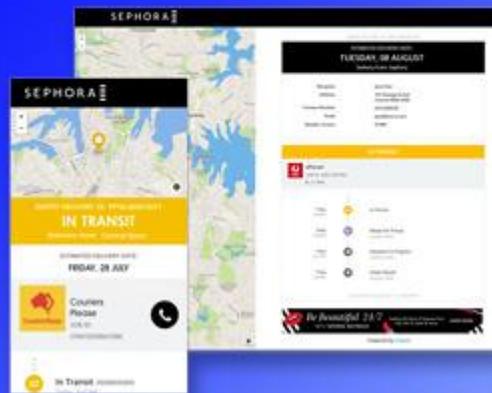
Get in touch with our friendly team to see how we can reduce your shipping costs and improve customer retention.

LET'S TALK SHIPPING

PACK & SHIP



TRACK & NOTIFY



REPORTING

