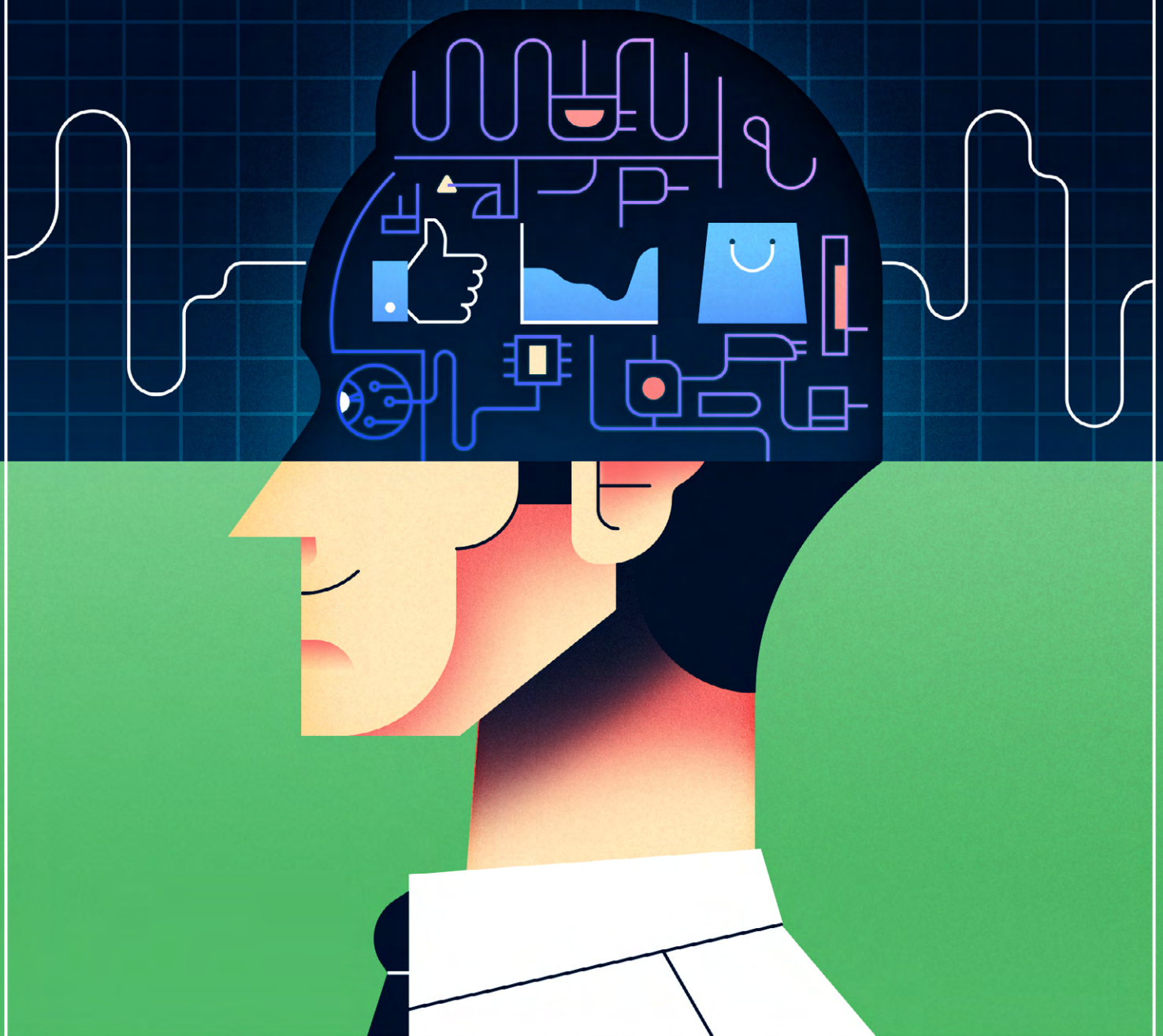


# The Ecommerce Mindset



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# Introduction

Lisa Paul Heydet, owner of [ZizzyBee Bags](#), has always preferred the path of slow and steady growth. She likes to create “grassroots” campaigns, taking advantage of free tactics and tools wherever possible.

After relaunching her brand in 2017, she was looking to take the next steps.

In July, she hired a marketing firm to help grow her brand, get some press coverage, and most importantly, get her products into retail stores. The firm’s \$2,000/month retainer was a hefty sum, but Lisa’s margins were good. She hoped their connections and the results would cover the expense.

Without gathering input from her consultant or lawyer, Lisa agreed to hire the firm.

“The problems began in early August,” she told us. “Right after agreeing to our deal.”



The first account executive assigned to her account left the company. It took the replacement a couple weeks to catch up, but then, she too left the company at the end of the same month.

At this point, Lisa was frustrated.

She was paying her monthly dues, but there was little work to show for it. By late August, she hadn't heard from the firm at all until *she* reached out to them.

It's now September, and Lisa learns that the firm's director took over her account... right before taking a 2-week holiday. By October, Lisa was out \$8,000 and had only received a small handful of press features, all of which she could have gotten on her own.

Lisa isn't new to ecommerce. She's been selling for years. She's a savvy entrepreneur who doesn't keep burning her money on a bad investment.

Once she realized she had gotten a raw deal, she took the necessary steps to terminate her relationship with the marketing firm.

But there was another problem:

Lisa had never signed a contract with the firm. She assumed this meant she could break away at any time. But she would learn later that the firm signed a digital contract on her behalf, one she'd never even seen. According to the contract, the firm was entitled to 5% of any purchase orders over the next year.

Fortunately, her lawyer helped her get out of the contract without paying the residual, but she walked away from the experience feeling discouraged, annoyed, and out a bunch of money.

"The press features only created a trickle of traffic to my online store," she said. "And I didn't reap *any* benefit from their retail contacts."

In the end, Lisa admits her biggest mistake was violating her own plan. “I had my own rules. I wanted manageable growth, but I was seduced by the marketing firm’s promises. I should have taken a minute to consult my mentors before pulling the trigger on such a large commitment.”

Like a lot of ecommerce entrepreneurs, Lisa paid a premium to learn a hard lesson.

At the end of 2017, her sales weren’t much better than any other year. Sure, her knowledge is greater, and she has more wisdom to pass on to aspiring or beginning entrepreneurs. But that doesn’t take away the sting of a year and thousands of dollars lost.

We asked Lisa to boil down what she learned in 2017. Here’s what she said:

**“There are a lot of resources available now. Information is so easy to find. Take advantage wherever you can, but recognize your weaknesses and make sure you understand what you’re getting yourself into. You can set up your store alone, but you can’t build a brand by yourself. Create a network of smart, helpful people to lean on when you have questions and doubts. Test new ideas and campaigns before diving in with all your money. And most importantly, take a step back every so often and appreciate what you’ve built.”**



# Stand on the Shoulders of Giants

Like Lisa said, there's a lot of information available to you.

You don't have to repeat the mistakes (and suffer the same consequences) of past ecommerce entrepreneurs. Instead, you can use their lessons to leap over obstacles and challenges before you ever see them.

**Albert Einstein once said, "The only source of knowledge is experience." He was right, but it doesn't have to be *your* experience. You can leverage knowledge from other people's lessons. You can stand on the shoulders of giants.**

That's not to say your journey will be easy. After all, you've probably decided to build an ecommerce store because it's a simple model that doesn't require a big investment. But that doesn't mean your journey won't involve challenges.

You're probably starting to feel that way already. What at first *seemed* like a simple idea has grown more complex. You're learning about SEO, email automation, customer service, and hundreds of strategies, tactics, and tools you need to know. It seems like every time you learn something new, there's *another* new thing to learn.

Does it ever end?

So you're anxious. You're wondering if you can do this. And you're nervous your new endeavour will siphon your money, your sanity, and your soul. You might be asking yourself questions like...

- “Do I have all the right skills?”
- “Do I have to build a brand?”
- “Do I need a business plan? What does *that* look like?”
- “How do I calm down an angry customer?”
- “How do I drive traffic to my website?”

...and a million others.

Fortunately, you can relax. Your fears are commonplace. All online entrepreneurs have doubts. And that's where this guide comes in.

# What's In This Guide

In the following sections, we'll run through the most common mistakes new ecommerce store owners make. We want to help you avoid the biggest ecommerce pitfalls, whether you've already built your store or you're just getting started.

You'll read some candid stories about failures, comebacks, and lessons learned. We'll give you a brutally honest look into real entrepreneurial setbacks, as well as how to recover from them.

**Our goal is to make you aware of the obstacles you could face as you embark on your journey. We'll give you some strategies to advance to the next stages, but we can't tell you everything.**

We'll talk about some *big* concepts that just won't fit in a single resource. So use each section of this guide as a launchpad to ask more questions, grasp new knowledge, and further your own personal development.

Most importantly, we urge you to read each section with a sense of optimism. Positivity and a yearning for something greater in life are what drive entrepreneurs.

Do not let go of these feelings.

Yes, you will read about the challenges, struggles, and problems related to building your store, marketing your brand, and serving customers. But don't let them solidify your fears.

Instead, use the following lessons as tools to arm yourself against the rigors of your ecommerce journey.



1

# **Overnight Success is a Myth**

First, let's get one thing straight.

If you expect to be a millionaire tomorrow, you're in the wrong business. Ecommerce has enormous potential if you're willing to put in the work—but it won't propel you to fortune and fame in one day.

That's probably frustrating to hear, because it's contrary to what *a lot* of people say. There's no shortage of Instagram personalities and hustlers who claim they've hit the jackpot with this *one simple trick*.

**But the truth is, overnight success is a myth. It's a lie sold by gurus and coaches who want you to buy their secret plan for massive growth without doing any of the work.**

It's a narrative spun by successful entrepreneurs who want you to overvalue their achievements.

"Look how talented I am," they say. "I achieved all of this *overnight*."

It's a dangerous myth.

It prevents you from appreciating [what it actually takes to build a profitable business](#). It's *really* easy to look at someone successful and curse their luck or dismiss their success by saying, "They were in the right place at the right time," then sit back and wait for an opportunity to fall into your lap.

The worst part is, it *feels* like overnight success is everywhere. There's never a shortage of people posing on a beach or the hood of a sports car with claims of having achieved massive success in a weekend.

After a while, you begin to wonder:

**“If they can accomplish all that so fast, what’s my problem?”**

The inevitable conclusion of this sort of self-doubt is this: “I don’t have whatever they have. I’d better give up now.” Suddenly, you’ve given up on your project before you’ve put in any real effort at all, all because the rewards didn’t appear on Day 2.

## Everyone Loves an Overnight Success Story

We live in a world of instant gratification. We demand information and entertainment immediately. We want our products delivered *today*. We even check Facebook on our phones at stoplights.

**We love the idea of sudden success because it skips the hard part: The work.**

Quick success is all the dream and none of the labor. It’s a signal you’re unique, that there’s something special about you that’s *more capable or deserving* of success compared to others.



It doesn't help when we're constantly being bombarded with images and stories of supposed meteoric overnight successes. No one writes about the slow and agonizing grind most entrepreneurs have to push through every day.

You never read stories about the hours someone spent editing product photos. No one talks about the morning slog of getting through their inbox. Or about the hours they spent learning how Facebook ads work, just to create one that actually gets a click.

There's just no drama in any of that.

Moreover, you need to take these so-called success stories with a grain of salt.

Leadership and entrepreneur coach Luis E. Romero [puts it perfectly](#):

**“Videos and pictures of people working out, looking beautiful, and driving fancy cars are not evidence of success. Always remember it costs less than \$500 to look like a million bucks.”**

Further, we often confuse overnight success with *early* success.

We see a young person achieve something great and assume it happened instantly. *How else* could a 25-year-old make a million dollars if not overnight?

So, it's not weird that you *want* overnight success. Who wouldn't?

There's just one problem.

# Overnight Success Just Doesn't Exist

Obviously, success is real.

And of course, it's entirely possible for an ecommerce store to experience periods of sudden growth. In fact, many store owners can point to a time when "things really picked up."

In contrast, the concept of overnight success is disingenuous.

It just doesn't exist.

That said, it's not unusual for an entrepreneurial journey to *seem* like an overnight success. From the outside, a person might be saying, "Wow! That business exploded overnight."

In reality, a dedicated entrepreneur has toiled for months or even years to get to the point where someone would notice.

**This is best explained with a metaphor.  
An ecommerce business is a lot like bamboo.**

After all, bamboo grows astonishingly fast.

[Some species can sprout 60 feet in just 5 weeks.](#) Bamboo forests seemingly replenish themselves overnight.

But just like overnight success, this too is an illusion.

You see, bamboo roots grow steadily for 3 to 5 years before they ever push a cane aboveground. Under the soil, the bamboo develops a complex root system strong enough to support rapid growth. Once the roots are in place, it shifts its resources to growing the cane.

Growing an ecommerce store happens the same way.

**There's a period of growth *under the surface* other people just can't see. Suddenly, one day (maybe months or years after you open your shop), others will point to your store and declare, "Look at that overnight success!"**

And the myth persists.

But unlike bamboo, it won't take 5 years for your store to see action above the surface.

You should see sales trickle in a short time after launching. Tools like [Oberlo](#) and [Shopify](#) reduce the time it takes to start making sales. Combine them with paid ads and partnerships, and you're well on your way to achieving success.

But that period of *under-the-surface* growth is critical for your entrepreneurial journey. It's a test of your determination, tenacity, and courage.

## Three Years of “Overnight Success”

[Jessica Geier](#) is a certified health coach and one of the founders of [Raw Generation](#). She started the company in 2012 with her dad. She makes it convenient to drink raw, unpasteurized juice made from fresh ingredients, so busy people can benefit from its nutritious properties as well.



Anyway, in May 2013, Jessica earned \$8,000. Two months later, she closed July with \$96,000 in sales.

Quite the overnight success, right?

Well, not really...

Like most online store owners, Jessica struggled in the beginning. Six months after launching, she hadn't made any money. Her juice products appealed only to a small target audience, and she hadn't quite figured out how to reach them.

But instead of pushing something that wasn't working, Jessica made some changes.

She reevaluated her product, modified her formula, rebranded her company, and targeted a slightly different market. Juice cleanses were becoming popular, so she followed the trend and marketed her products as weight-loss tools.

Instead of relying on social media, Jessica chose to focus on a single marketing channel.

In the past, she had achieved small successes with deal sites like Groupon, Lifebooker, Living Social, and Gilt. This type of marketing appealed to her because she would only pay for guaranteed sales.

So she committed herself to putting her products on as many deal sites as possible.

After 2 weeks, sales started to roll in. She decided deal sites would be an ongoing component of her [marketing strategy](#), but she would continue to experiment with other channels and promote heavily to her customer base.

Her success *seems* like it happened overnight, only because she spent a year searching for a product, customer, and marketing strategy that works. Once she cracked the code, the market realized her value, and sales poured in.

Jessica's story is not unique.

**She built a business the same way countless entrepreneurs do every single day: By focusing on what's important, being committed to change (the product included), testing new ideas, and using failure as an opportunity to learn.**

# The Truth About Success

No miracle shake can actually cut inches off your waist. There's no sleep rhythm that will add hours to your day. And there's no "hack" that will flood your store with orders and turn you into an overnight success.

The only way to achieve success is to work hard and [learn from your failures](#). If you're constantly seduced by shortcuts and gimmicks, you'll trap yourself in a cycle of frustration and failure (but not the good, *learning* kind of failure).

Building *anything* takes time.

In most cases, the changes are incremental—even invisible. But one day, those little changes will amount to something greater, and everyone will point to you and say, "Look at that overnight success!"

Even if it were possible, no one should achieve success overnight.

Why?

**Because instant success means you didn't earn it. It means you're not ready for it. It means you'd probably screw things up the *next* day, costing yourself a lot of money or damage to your brand.**

Here's an example:

You wake up the day after your grand opening to 10,000 orders. But your excitement wanes when you realize you've set your pricing rules improperly and undercharged for most of your products.



Now you have to eat the difference in pricing for those orders or refund everyone's money.

Neither option is pleasant.

This is a hard lesson to learn, but in this case, it's *far* more painful than it needed to be. If you learned about your pricing rules when you only had a few orders on the table, you could have learned the lesson and resolved the issue quickly, without suffering a headache.

In this case, the overnight "success" exacerbated the problem.

The truth about success is that there is no shortcut. It *must* be earned.

**Success comes when you decide to stop living passively. It comes when you abandon the "everything will work out" mentality. It comes when you stop watching Netflix and start creating your own opportunities.**

Success is a consequence of hard work and learning. Once you've got all the right tools in your kit and combine them with a dedicated work ethic, success becomes inevitable.

So ask yourself:

- Do you have the determination to toil on your site and brand long before making a single sale?
- Can you muster the courage to send emails to a small list, or create content for a Facebook page only friends have (reluctantly) liked?
- Will you wake up an hour earlier or give up your lunch to work on building your dream?
- Can you push through when you're frustrated or feeling beat down?
- Do you have faith in your process, your tools, and yourself?

If you answered “yes” to these questions, you can earn success.

**But remember: It won't happen overnight.**

Face your venture with courage, humility, and patience. As long as you push your business, you'll continue to fail, because failure is a part of growth.

But over time, the sting of failure will numb, and you'll finally find yourself seeking failure for the learning opportunity that follows.

*That's* how you earn success.



**2**

**In the Beginning,  
No One Cares  
About Your Brand**

In Chapter 1, we talked about how there's no such thing as an overnight success. Sometimes it *seems* like a business achieved greatness overnight, but that's just an illusion. This isn't to say explosive growth isn't possible. Just unlikely.

Why?

Because nobody cares about your brand—yet.

Sorry, but it's true.

In the beginning, the only person who cares about [your brand](#) is *you*.

Your mom says she cares, but she doesn't *really* care about the brand.

She cares about your happiness and success. She'd be content if happiness for you meant a lifetime of quiet evenings watching Netflix.

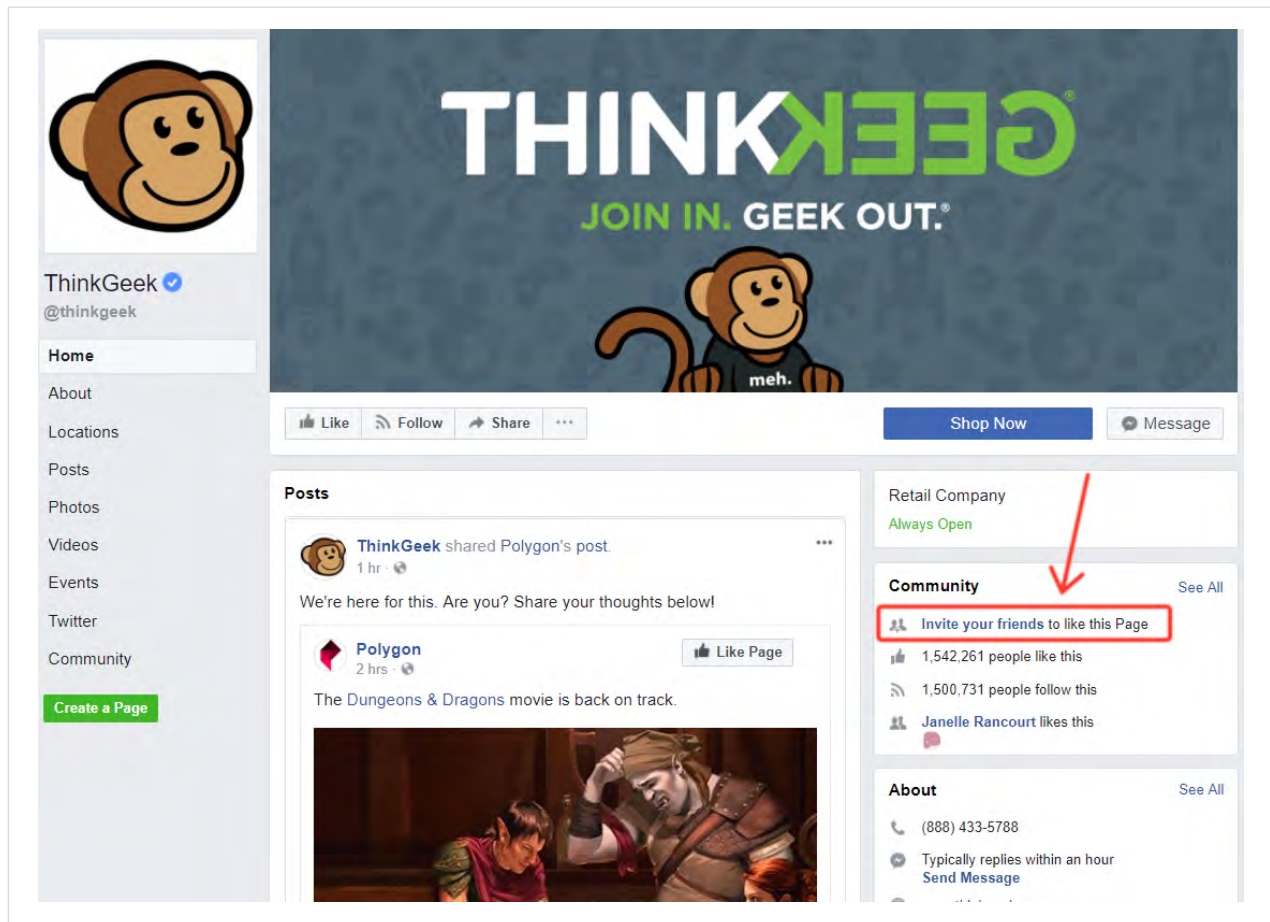
The same goes for your spouse or partner. They like that the brand makes you happy or gives you freedom or provides financial security for your family, but there are other, “more secure” ways to get those benefits.

## **The only person who cares about the actual brand is you.**

You can see this for yourself with a quick test:

After opening your ecommerce store, create a Facebook page. (You'll probably create a couple other social media profiles as well, but [every business needs a Facebook page](#).)

Once you've loaded your page with a profile photo, a cover photo, and a few posts, invite your Facebook friends to like it using the “Invite your friends to like this page” link. Facebook will send a message to your friends recommending the page.



Next, create a standard post (bonus points if you include an image, such as your cover photo) from your personal account, telling your friends you've started a new venture and you'd like their social media support.

But don't be discouraged by the small number of people who will like your Facebook page (even people who once told you, "I would definitely buy from you!").

It's not because they don't support you.

**It's because people don't care about brands *nearly* as much as business owners want them to.**

# Brands = Means to an End

In 2017, [Havas Group published their Meaningful Brands study](#).

They discovered that most people wouldn't care if 74% of the brands they use every day simply vanished. The same respondents claim only 27% of the brands they use daily improve their lives and wellbeing.



These statistics aren't talking about the brands you interact with once in your life or even once a year. They're referring to brands you buy from every day.

So why are people so indifferent to the businesses they interact with daily?

[According to marketing consultant Jeff Slater](#), we don't build meaningful connections with most brands because we see them as tools; a means to an end.

**“There is a common misperception by the marketing community that assumes that a consumer cares about a brand. Nothing could be further from the truth. Consumers care about satisfying needs and solving problems. Brands are purely emblematic, vehicles or tools towards something bigger. Consumers love the experience they have through a brand – but it isn't the brand itself that matters. More often than not, it is about being part of community.”**



Jeff makes a great point at the end that we can't ignore.

Brands become *meaningful* to us when they're encased in a community of other enthusiasts.

We can see that in the Havas Group study too.

When asked to name the most meaningful brands, respondents indicated some of the largest business in the world, each with avid communities of fans and evangelists, like Google, Samsung, Wikipedia, Disney, and BMW.

**So if people don't see brands as having any intrinsic value, but only care about *what they can get*, they certainly won't care about yours until you provide value first (or at least, clearly demonstrate what they'll get after the purchase).**

Admittedly, this is tough to overcome.

On top of that, the products we use cement themselves in our brain as *better* simply because we use them.

# Humans are Creatures of Habit

Entrepreneur gurus will tell you that if you want people to buy your products, you have to [provide more value than your competitors](#). At face value, this seems reasonable.

If you make a better product, people will buy it, right?

Unfortunately, it's not *nearly* that simple.

You see, humans don't make entirely logical decisions. We might deliberately compare the qualities of big purchases or products in a category we've never purchased before, but our brains [don't make conscious choices](#) as much as we'd like to think they do.

**In fact, our [brains love automaticity](#)—the ability to respond automatically to stimuli as the result of a pattern or habit—more than making deliberate, conscious decisions.**

Whenever the brain is missing information, it fills the gap with whatever seems reasonable based on our experiences. This *seems* dangerous, but it's not. We do it consciously every day. For instance, if you don't like the smell and taste of lemon, you probably won't buy a lemon-scented floor cleaner, even if you don't know *exactly* what the product smells like.

Moreover, *what* our brains use to fill these information gaps isn't as important as *how quickly* and *how easily* our brain can complete the process. Called [processing fluency](#), this explains why some decisions come quickly from our gut, or why some things “just feel right.”

Processing fluency develops through repeated experiences. Do the same thing enough times, and your brain will recognize it as important. Objects, locations, people, and even products can become so ingrained in our minds that alternatives make us feel uncomfortable.

**This is all a fancy way of saying people like the things they like.**

If they grow up wearing Levi jeans, chances are they'll continue to purchase Levi jeans, even if other brands are superior or more accessible.

Our preference for automaticity is a part of [social proof](#) too.

Before we buy a product, we like to know that others have purchased it, as well as their experience with it. This simplifies our decision-making process. "Well, *that* guy liked it," we think to ourselves. "*Someone* thinks it's good."

Think of it like a sliding scale.

Every time you purchase a product, it becomes more likely you'll repurchase that product in the future, widening the gap between competing products.

This isn't to say consumers *never* make conscious choices.

We aren't robots who *only* make programmed decisions. Sometimes, there's a compelling reason (like a new technology or feature, a new price point, or a change in social dynamics) to try something new, one that overrides our habits. But make no mistake: The deck is stacked in favor of *familiar products*.

Which means no one cares about your brand, especially in the beginning.

You aren't just working to convince people your brand has value. You're fighting a pattern in their brain that resists new things.

# How to Make People Care About Your Brand

Fortunately, you can exploit the psychological phenomenon of automaticity to grow your brand.

[Flipkart](#), a massive Indian retailer, recognized that stores like their own, which bring together millions of products, struggle to build customer loyalty. Shoppers don't mind checking Amazon or another one of the countless shopping hubs for a better deal.

So to keep business coming back, they [built an interesting, habit-forming shopping experience](#).

Initially, Flipkart recommended additional purchases to customers. But these recommendations were based on past purchases. Someone who bought a juicer would be offered an electric kettle because both items fell under the "Small kitchen appliances" category.

But there's little intent here.

Just because someone drinks juice doesn't mean they drink tea.

**Today, Flipkart recommends products built around *themes* that relate to the user. If the website/app tags you as someone who likes outdoor sporting, it regularly offers you sporting equipment, even if today's purchase isn't related.**

As shoppers interact with Flipkart, the store learns their preferences and only shows them what they're most likely to buy.

This approach has increased sales, which has boosted loyalty, as customers built a habit of purchasing Flipkart products over time.

Read more about **keyword intent** in this excellent article by Alexa.

Flipkart's solution is probably a bit tech-heavy for you, but you can still make people care about your brand by designing habit-forming experiences.

After repeated interactions, and with a little help from the "[mere-exposure effect](#)," you'll eventually narrow the gap between your brand and competing brands.

The web is an incredible business tool, because you can interact with your customers from anywhere around the world, at any time. As an entrepreneur, you can focus on relationship-building with your prospects and customers, instead of packing orders and standing in line at the shipping counter.

What types of interactions should you encourage?

Here are a few habit-forming ways you can drive people to interact with your brand:

- Get them to view, like, comment, and share your social media posts.
- Get them to open your emails and click on your links.
- Show them targeted and retargeted ads (even if they don't click).
- Convince them to make a small purchase (a “[tripwire](#)”) before you ask for the big sale.
- Get them to make as many additional purchases as possible in a short period of time.
- Build a support forum or community of some kind and offer free help.
- Partner with a non-competing business or charity.

If you have a specific idea about building habits that make people care about your brand, check out the [Shopify App Store](#) for an app that fits your needs.



**3**

**Your Mindset  
Affects Everything**

***“Whether you think you can or think you can’t—you’re right.”***

**Henry Ford**

We’ve all woken up in the morning in a bad mood.

Maybe you slept on the wrong side and your neck is sore, or you woke up late and didn’t have time to make coffee. Or you might be stressed about a personal event or a work project.

Like most people, you probably let your bad mood affect the rest of your day. Maybe you snap at a coworker, blow off a deadline, or struggle to focus on your work.

This influencing cloud is a mindset, and it affects *everything*.

Not all mindsets are negative though. And they aren’t all short-lasting like a bad mood.

Stanford Mind & Body Lab [defines a mindset](#) as “a mental frame or lens that selectively organizes and encodes information, thereby orienting an individual toward a unique way of understanding an experience and guiding one toward corresponding actions and responses.”

In other words, think of your mindset as a filter placed over your brain that modifies your inputs and outputs.

The filter affects how you live, what you value, what you learn, and the choices you make.

According to Gary Klein (psychologist, senior scientist, and author of [Working Minds: A Practitioner’s Guide to Cognitive Task Analysis](#)), mindsets serve several cognitive functions:



**“Mindsets aren’t just any beliefs. They are beliefs that orient our reactions and tendencies. [...] They let us frame situations: they direct our attention to the most important cues, so that we’re not overwhelmed with information. They suggest sensible goals so that we know what we should be trying to achieve. They prime us with reasonable courses of action so that we don’t have to puzzle out what to do. When our mindsets become habitual, they define who we are, and who we can become.”**

Mindsets even affect [how long you live](#). (Spoiler: Positive people live 7.5 years longer, on average.)

Stanford University psychologist Dr. Carol Dweck (and author of [Mindset: The New Psychology Of Success](#)) studied the attitudes of her students regarding failure. “For 20 years, my research has shown that the view you adopt for yourself profoundly affects the way you lead your life.”

She discovered that when students believe they can get smarter, they put in extra time and effort, leading to higher achievements.

She calls this “the growth mindset.”

Students who believed their abilities were predetermined didn’t apply themselves as diligently as the others. (Dr. Dweck calls this “the fixed mindset.”)

Simply put, your attitude affects your achievements. If you obsess over the problems in your life, you’re bound to struggle with stress and defeatism.

But if you focus on what’s good about the world and yourself, you’ll feel strong and empowered.

# Changing Your Mindset

Fortunately, mindsets aren't fixed.

**You can learn and unlearn them. You can choose to live and think differently. It's not easy to make the change, but the benefits are undeniable.**

Ecommerce store owner Thomas Despin [noticed his outcomes change depending on his team's mindset](#). When his team behaved with a “poor mindset” (worrying about tomorrow's problems, creating more obstacles than you really have, and expecting defeat), their results suffered.

But when they behaved with a “rich mindset” (starting right away, focusing on what's essential, and *selling* as soon as possible), business boomed.

In the last chapter, we spoke about how our brains like to respond automatically based on our experiences. If you've been living with a particular mindset for a while, it becomes automatic.

*Everything* is filtered through that lens.

This explains why some people apply a particular attitude to everything they say, do, and believe. You probably know someone who's positive about everything, or someone who always acts defeated before they even try.

That someone might be you.

A lot of entrepreneurs struggle with a poor mindset. The defeat they feel all the time manifests in their work.

Truth is, this type of entrepreneur rarely sees success. They generally flail around in the “[wantrepreneur](#)” category.

So if you struggle with a poor mindset, you’ll be happy to know you can change it the same way you developed it.

Changing your mind is a simple process, but it isn’t easy.

**Since a mindset is a lens that influences everything, the only way to change it is to force a new lens into place as often as you can. Eventually, you’ll create a new habit in your brain of the new mindset. (Remember, our minds love habits.)**

Take these steps to reboot your mindset.

## **STEP 1: Acknowledge Your Mindset**

Honestly ask yourself if there are any thought patterns that influence your behavior.

Do you feel like a failure? Are you unmotivated or lazy? Do you prefer the “easy road”? Do you fear the criticism or displeasure of others? Do you struggle to focus or take action? What habits do you struggle to break that influence your thinking, productivity, and so on?

Because removing yourself from your own mindset can be tough, you might have to ask someone else for their honest opinion.

Find someone you trust who can speak to you candidly about this, and ask, “Hey, do I have any negative mindsets preventing me from living up to my potential?”

## STEP 2: Resist Your Negative Mindset

Whenever you feel your negative mindset influencing your thoughts or behaviors, counter it with a positive mindset.

For instance, say you approach a challenge and your negative mindset makes you think, “You could never learn something so complex.”

To change your mindset, dismiss the original thought with a response like, “I know a lot of complex things. I bet I could learn this with some study and practice.”

Don’t trap this conversation in your head though.

Talk to yourself aloud, because doing so [helps build memories](#). Better yet, talk aloud with other supportive people who can validate your positivity and lend a hand. This is one good reason to be a part of an entrepreneur group or mastermind.

## STEP 3: Follow the Positive Mindset

Next, simply do whatever the positive mindset recommends. Learn the new concept, take the risk, close the Netflix tab, keep working when you want to stop, or do whatever it takes to push through and work on your project.

At first, this might feel uncomfortable (even stressful). You’re fighting against gut intuition, after all.

You might find it helpful to start small. If you can’t bring yourself to write unique product descriptions for 200 products, force yourself to write one, and consider it a victory.

Over time, it’ll become easier to heed your new mindset.

## STEP 4: Get Comfortable with Failure

We talk about failure throughout this book.

**Failure is a big part of growing a business, but you can't let it derail you. Failure is an opportunity to learn and better yourself.**

As you change your mindset, you'll fail often. You'll catch yourself slipping into your old, fixed mindset, preventing you from working and growing.

But successful people don't use failure as an opportunity to give up.

When they fail, they reflect, seek feedback, and make adjustments. Failure is only a problem if you let it become a new mindset.

Let yourself fail, but use it as an opportunity to learn.

# Qualities of a Mindset Wired for Success

Now that you know how to change your mindset, let's talk about some positive qualities of a successful mindset, which will positively impact your ecommerce venture. If you don't see the world through lenses like these, use the discussed steps above to adjust your mindset.

## 1. Positivity

**Successful entrepreneurs think positively.**

They don't fall prey to pessimism and negative thoughts. They know that even if they don't have the [skills necessary to run an ecommerce venture successfully](#), they're smart enough (and willing) to learn.

Successful business owners don't engage pessimists.

Unless your store is already a massive success, people (even close friends and family) will criticize and try to devalue your hard work. They'll tear you down to feel better about themselves because they don't have the talent or willpower to start a business.

Don't bother with these people.

Most importantly, positive thinkers don't see obstacles as dead ends. Yes, Facebook targeting is tough to understand—at first. Sure, customer complaints can wear you down. But these are just obstacles to overcome, *not* cataclysmic events that halt all progress.

## 2. Forward Thinking

Successful ecommerce entrepreneurs think about *growth* and *progress* every day. They don't get bogged down by unnecessary details or meaningless problems. They understand the importance of [weighing opportunity costs](#).

They don't worry if their images are misaligned by a few pixels. They don't agonize over their corporate hierarchy before they need to hire an employee. They don't obsess over the color of a button.

**Successful entrepreneurs prioritize the options that lead to actual growth, and they delegate or discard the rest.**

Every day they ask themselves, "How does this serve my goals?"

## 3. Personal Acceptance

**Successful people know and accept themselves. They're clear about who they are, where they come from, and what they want out of their business and their life.**

They understand their own strengths and weaknesses. They don't feel the need to master everything. They aren't afraid to ask for help (even if it costs money) to get the job done right.



## 4. Realism

Keep in mind, mindsets aren't delusions.

They aren't tools to trick yourself into believing lies. In other words, the most important mindset you'll find in successful ecommerce entrepreneurs is realism.

Ecommerce isn't a get-rich-quick scheme.

It's certainly profitable, but it's not an overnight path to wealth and fame.

But building your website and loading it with products is the easy part.

**Marketing your store, building your brand, and serving your customers require attention, dedication, and hard work.**

Many entrepreneurs dive into ecommerce with the "If you build it, they will come" mentality. This couldn't be further from the truth.

**Remember:**

No one cares about your brand, especially in the beginning. You need a realistic understanding that your project will take work (and a lot of it).

## 5. Focus

Successful entrepreneurs prioritize their store above all other projects. They aren't distracted by new projects or the next Internet gimmick opportunity of the week. They aim their sights on a single goal (a successful store), and invest all of their effort into achieving it.

**Most importantly, successful store owners *finish* what they start. They aren't satisfied with an incomplete job. They know if they don't follow through and meet their goal, then they've wasted a lot of time and energy.**

## 6. Action

Successful store owners don't sit around waiting for the "perfect opportunity."

They don't need the perfect domain name or Twitter handle. They don't need the perfect product or a flawless marketing plan to get started. They don't expect people or events to accommodate them.

The best store owners know their store and process will never be perfect, but they don't let this stop them.

**Instead, they start *right away* and make due with what they have. You can always improve it later.**



4

**It All Starts with  
a Plan**

If the idea of creating a plan makes you cringe, I don't blame you.

No one dreams of writing reports, filling out spreadsheets, and documenting their work.

You want to sell products, right?

There's a strange misconception that only "real" or "big" businesses require a plan. But you shouldn't undersell yourself: Your business might be small or new, but it's still serious, and it deserves careful thought.

**Your plan is your foundation. It's something solid you can turn to whenever you're frustrated or unsure about what to do next. It's a way to get all your thoughts, hopes, and ideas out of your own head, so you can examine them objectively.**

# A Word of Caution

**It's absolutely crucial to avoid falling into the trap of “[analysis paralysis](#).” Analysis paralysis is when you overthink a decision until you're overwhelmed by your choices and paralyzed into inaction.**

According to American psychologist [Herbert Simon](#), some people try to “maximize” their decisions, instead of settling for an available solution, so they keep seeking out a better alternative. They want the *perfect* solution to their problem, so they're willing to overlook adequate solutions that are right under their nose.

Analysis paralysis usually happens when...

- You're overwhelmed by too many options.
- Something (maybe you) overcomplicates a simple problem.
- You feel like you desperately need to pick the right choice, so you're compelled to engage in far too much research, polling, or experimenting.
- You're so afraid of picking the “wrong” choice, you can never bring yourself to take action.

Many early entrepreneurs struggle with analysis paralysis.

They investigate an idea or opportunity for weeks or months without ever taking a step. They worry about losing money (even when the investment is meager), wasting their spare time and then giving up, or (and this is probably the most common reason) getting something wrong in the beginning and having to start over, or keep pushing on with a handicap.

For example, many new ecommerce owners obsess over their business' name.

They want the perfect name with an available URL and social media profiles. They want it to be meaningful, trendy, and witty (but not cliché!). Oh, and it *must* be short *and* easy to remember.

You might [come up with a name that fits these criteria](#), but it's not essential, and it shouldn't hold you back for more than a couple hours.

Few people actually care about your business name, as long as it's something they can pronounce. You can always change it later if you absolutely have to.

**The lesson:** It's better to make a mistake and fix it later than to never take the first step at all.

So, while it's important to create a business plan, don't use it as an excuse to sit on your hands and never take action.

**Your plan doesn't have to be perfect. It doesn't have to plot the entire life of your business for the next 50 years.**

It just has to exist as a guide to return to whenever you lose your way.

# Components of a Business Plan

Before we jump into the individual components of your plan, let's go over a few points.

First, your plan is *For Your Eyes Only* right now.

Use it to plot your vision and keep yourself on track. It doesn't have to be a formal document. A Google Doc with bullet points will do. For now, your goal is to put your thoughts, ideas, and knowledge on paper.

Second, you may have noticed we've skipped several components of a [traditional business plan](#).

A business plan usually has sections like "Executive Summary" and "Financial Projections." Sure, this type of information has value, but not right away (unless you're seeking outside funding), so you can set it aside for now.

Third, your plan is a *living document*.

In other words, it's not set in stone forever. It should *absolutely* change over time (specifically, whenever you learn something new or change directions).

**Remember:** Smart entrepreneurs adapt!

Finally, you can use this plan as a starting point once your business starts growing.



**If you ever need to hire people, take on investors, or build deeper relationships with your suppliers, the plan can be something useful to show them because it shows you're serious and committed.**

So let's dive right in.

Open a document and jot some notes down for each section listed below.

Don't go overboard. You don't need flowing paragraphs of legalese or pages full of intricate details. Just get your thoughts out of your head.

## **1. Business Description**

This seems simple enough, but it's important because it'll help keep you focused.

Briefly explain your business concept (what you do and how you do it).

Yours might look something like this: "I sell products to my customers using Shopify and Oberlo."

## 2. Mission Statement and Value Proposition

This section gives a high-level overview of your business, your plans, your values, and what sets you apart from your competition. The goal is to determine your [value proposition](#): The one thing that makes your customers fall in love with your brand.

Answer the following questions:

1. Why are you in business? What do you hope to accomplish?
2. Who are your customers? Why?
3. What does your company value?
4. What benefits do you offer your customers?
5. What do you want to be known for?
6. What are you good at?
7. How are you different from your competitors?
8. Do you have any advantages over them?

### 3. Goals

Many entrepreneurs make the mistake of diving headfirst into tactics. But you shouldn't take a single step until you set a few goals, because your goals will indicate the most suitable tactics you can use.

[Your goals should be SMART:](#)

**SPECIFIC:** They should be clear and targeted.

**MEASURABLE:** They should be easy to track (ideally with a number).

**ACHIEVABLE:** They should be possible (not outlandish or unrealistic).

**RELEVANT:** They should relate to your broader business objectives.

**TIMELY:** They should have clear deadlines.

Here's an example of a poorly made goal:

**“I want to be the premier streetwear brand.”**

This goal isn't specific, measurable, or timely. It *may* be relevant and achievable, but the goal doesn't give us enough information to determine whether it actually is.

Compare that to this well-thought-out goal:

**“I want to sell 100 pairs of shoes in the next 6 months.”**

This goal is excellent because it's highly specific, measurable, includes a time factor, it's not impossible to achieve, and it obviously relates to the business.

## 4. Target Customers

In this section, compile everything you know about your [ideal customers](#).

Include the following for each type of customer:

1. **Name** (with a stock photo. It helps!)
2. **Basic demographics**
  - a. Age
  - b. Gender
  - c. Job title/industry
  - d. Geographic location
  - e. Income
  - f. Family makeup
  - g. Education
  - h. Purchasing power
  - i. Any other useful data points
3. **A brief description of who they are**
4. **Mindset**
  - a. What are the customer's goals?
  - b. What are their problems and pain points?
  - c. What solutions do they expect from your products?
5. **Customer journey:** Describe your customers in each phase of their buying journey.
  - a. Awareness stage  
(when they recognize their own need for your product)
  - b. Consideration stage  
(when they start searching for products like yours)
  - c. Decision stage (when they compare different products)

6. What type of lifestyle do they lead?
7. Do they use any special terms or lingo?
8. What types of entertainment do they consume?
9. Include any other useful information.

This information will help you create copy and images that appeal to your customers and speak to them in their language.

**Remember:**

Customers who feel like you know them well are more likely to buy.

**This is arguably the *most important part* of your plan.  
Do NOT neglect this step.**

In fact, you should return to this part of your plan regularly (at least once a week). Update it with new information about your customers, and log their preferences and habits. Over time, this information will become indispensable.

## 5. Products

Briefly describe the products you'll sell on your site as well as the *criteria* you used to choose them. This will help you select additional products in the future.

For instance, you might say, "We sell trendy street shoes with urban influences in the \$100-to-\$200 range."

**Think about your products from your customer's perspective.**

Why do they hold value? Why would someone buy them? Why would someone buy *your* products, and not your competitors'? Record your answers to these questions.

## 6. Operational Plan

This section describes the day-to-day operations of your business.

As a store owner, most of your daily work will revolve around marketing—but other tasks will still demand your attention on a daily basis.

For example, you should plan to...

- Check your orders twice a day to either fulfill them manually, or quickly verify that no errors occurred with the auto-fulfillment process.
- Check daily sales numbers and review automated reports.
- Respond to customer complaints and questions.
- Check your finances to make sure money is flowing in both directions (in from customers and out to your supplier).

Further, just because there aren't any hard deadlines for your marketing work doesn't mean you should leave it unscheduled.

## 7. Competitive Analysis

In this section, [you'll learn how to spy on your competitors](#) to identify what they do that works for them and how you can compete.

Start by identifying your main competitors. Google around a bit using keywords your target customers would use to find similar stores.

Examine the following for each competitor:

- Their value proposition (What makes them unique?)
- The market and the customers they serve (How do they overlap with yours?)
- Their product attributes (How do they differ from yours?)
- Their pricing strategy (How does it compare to yours?)
- How they promote and distribute their product
- Their return and refund policies, terms and conditions, etc.
- Their shipping policy and related terms
- Their mailing list (How do they gather subscribers?)
- Their special deals, coupons, sales strategy, etc.
- How might your customers compare your competitors' products to your own?
- Finally, list any strengths, weaknesses, as well as opportunities and threats ([SWOT analysis](#)) worth considering.



**For a more granular look at your competitors, check out this post: [8 Tools to Research Your Competition](#).**

Undoubtedly, you'll learn of more competitors throughout the course of your business. Each time you become aware of one, add them to your analysis.

## 8. Promotions

In this section, jot down ideas about how you plan to promote your store. This component will change more than any other section of your plan, so don't worry about getting it perfect just yet. Start by defining the channels you intend to use.

You might promote your store using...

- Content marketing and SEO (blogging)
- Social media
- Paid advertising (Google and Facebook ads)
- Affiliate marketing
- Email marketing
- Direct mail or print
- Cross-promotions and partnerships
- Other methods

Next, add details. If you intend to build cross-promotional partnerships, list some brands you plan to approach. If you plan to generate blog content, outline a few pieces of content you want to create. Make a special note of any techniques similar brands have had success with.

## 9. Retention

One of the most important parts of running an ecommerce business (or any business, really) is retaining the customers you acquire.

According to the Harvard Business Review, acquiring a customer can be [5 to 25 times more expensive](#) than retaining one.

Moreover, Bain & Company indicates that increasing your customer retention rate can [increase profits from 25% to 95%](#).

These aren't numbers you can just ignore. It's imperative you have a strategy in place to prompt repeat sales.

**Email marketing is a fantastic way to stay in touch with old customers. Social media is useful too if you can dedicate yourself to creating quality social media content that engages people after they've purchased.**

## A Final Word of Caution

As you can see, your plan includes a ton of useful information to guide your business. You can turn to it whenever you feel lost.

Can you dive into ecommerce without a plan?

Sure.

Lots of entrepreneurs do just that—but it's a mistake.

**If you lack a plan, you lack direction. Even if you don't know where you want your business to take you, your plan (at the very least) serves as a repository of information you gather over time, and it's a record of the solutions you've created to specific problems.**

As discussed, however, don't spend too much time on your plan.

You don't want your planning phase to derail your momentum.



**5**

# **The Serious Entrepreneur Has an Exit Strategy**

You've opened your store and filled it with products. Your marketing machine is churning along, and sales are trickling in. Your ecommerce journey is finally underway.

Now's the perfect time to think about your exit strategy.

**An [ecommerce exit strategy](#) can mean many things, but it's basically a way to separate yourself from your business. In most cases, this means selling most or all of your business. It could mean hiring someone (or a team) to run your business in your absence. Or it might involve a unique arrangement that works for you.**

Why should an ecommerce entrepreneur have an exit strategy?

That's a more complex question because it depends on your store, your industry, potential business buyers, your customers, and your circumstances and lifestyle.

Even if you don't have any immediate plans to leave your business, here are some reasons you might want to consider stepping away:

- Medical issues that make it impossible to work
- Family issues that distract you from work or force you to seek employment
- Unexpected offers for the business from entrepreneurs or companies who want to expand their market share through acquisitions
- You reach a point where you want to retire.
- An economic shift in the area you sell products to or the area you buy products in affects your business (for better or worse).
- A technological development affects your business (for better or worse).
- You become tired of the ecommerce lifestyle and want to move onto other things.

What would you do if you got sick tomorrow and couldn't summon the strength to reply to your emails? How would you respond to a sudden offer for your business from someone you've just met?

**You may have to make hard decisions about your role in your business at a moment's notice. That's why it's critical to outline an exit strategy, so you know the exact steps to take if you have to get out.**

# Planning Your Exit

It seems silly to already start thinking about how you'll get out of your business when you've just begun to build it. If you like the idea of being a business owner, you might not think you need an exit plan at all.

That's actually how many entrepreneurs think.

[According to a study by BMO Wealth Management](#), 65% of small business owners lack an exit plan.

**The goal of your exit strategy is to put all the pieces in place, so the business can operate without your presence.**

"If anybody is considering selling their businesses, there are a number of things you need to think about and hopefully you've thought about it in advance," [says Dale Traxler](#), an ecommerce entrepreneur who's built and sold four online stores. "We actually had the thought of an exit strategy many years ago when we started the business."

Selling a business isn't as simple as posting an ad on Craigslist. Even selling on a broker website like [Empire Flippers](#), [BizBuySell](#), or [Flippa](#) takes time and careful planning.

Plus, as your store grows bigger and more complex, even those platforms won't get you the best deal.

You may have to [hire a broker](#) to manage the sale. (Brokers take a cut of the sale, but they're worth the price because they handle all the details and try to get you the best deal possible.)

In many ways, selling a business is similar to selling anything else.

Before you put it on the market, you want to spruce it up so it's attractive to potential buyers. Unlike most things you sell, however, you can't spruce up your business over a weekend. It may take months or years to position your business for a sale.

If you expect to put someone else in charge so you can cash checks forever (steady passive income is a great plan), you need a process in place for the manager (or team) to take over the day-to-day operations and run it smoothly, without having to bother you.

**So, to exit your business without losing it, you must take the necessary steps *today* to make your business attractive to buyers, and make it easy for managers to run it down the road.**

Here's how.



## STEP 1: Identify Deal Breakers

Certain problems make your business entirely unsellable. Your job is to identify and compensate for these deal breakers as best you can, so would-be buyers aren't turned off instantly.

According to business broker Mark Daoust, [deal breakers fall into four main categories](#):

- 1. Growth Potential:** A declining business isn't unsellable *unless* the decline is rapid, sudden, long-lasting, or irreversible.
- 2. Transferability:** If you're the only person who can run your business (maybe you possess a unique skill or license that isn't easily transferable), new owners can't take over smoothly.
- 3. Verifiability:** Buyers need *a lot* of documentation and evidence of your business' financial health. If your record keeping is messy, incomplete, or mingled with your personal finances, they won't feel comfortable with the sale.
- 4. Risk:** Risks are any factors that can force a change in your business, like laws and regulations or reliance on a single vendor. Buyers don't want to get themselves into a precarious situation.

If any of these deal breakers apply to you, take the necessary steps to fix them right away.

## STEP 2: Optimize Your Store

**Once you've fixed your deal breakers, find ways to optimize your business to make it as valuable as possible to potential buyers (and as streamlined as possible for managers).**

For example, you might...

**a) [Set up Google Analytics](#) so you can track your web metrics.**

More data means more information to glean insights and identify problems, find ways to optimize your store, and make buyers comfortable with the sale. (You'll need Google Analytics for marketing.)

**b) [Write standard operating procedures.](#)**

Buyers want [well-documented procedures](#) they can repeat without requiring your oversight.

“Even if you have zero employees, having SOPs in place makes your business more attractive because it has a ready-made training guide for the new owner,” [says Gregory Elfrink of Empire Flippers](#).

To write SOPs, simply document the things you do on a regular basis as you do them (like product selection, advertising, [keyword research](#), promotions, and day-to-day operations). Write step-by-step instructions for someone who has no idea what to do. Include screenshots, gifs, or videos wherever necessary. Make sure to document any critical information like account login credentials.

### c) Track customer service hours.

Buyers want to know how much time your business requires, so it's important to track your customer service hours. Use a time-tracking tool like [Toggl](#) or [Time Doctor](#) to keep accurate records. If you spend a lot of time talking to customers, consider [hiring a part-time customer service representative](#). Even though this increases your costs, buyers will love it.

### d) Resolve SEO issues.

As an online business, your [SERP position](#) is *critical*. Before you exit a business, it's important to resolve any issues preventing Google from ranking your website. You should clean up duplicate content, disavow spammy links, use best practices for on-page SEO, create logical navigation, and redirect broken URLs.

**SEO is a massive topic. As a web business owner, you absolutely need a strong understanding of the entire discipline. Check out this excellent guide by [Kissmetrics](#).**

### e) Negotiate deals with your supplier.

If you're using [Oberlo to sell products](#) and you find yourself relying heavily on a single supplier, contact the supplier and ask if you can [arrange a deal](#). (For instance, ask if they have special pricing for high-volume sellers.)

These are just several ideas to help you optimize your ecommerce business. You can find countless others by looking for problems that can be solved at scale (e.g., setting up [email automation](#) or writing processes).

Always keep in mind, buyers want a high return on their investment. Anything you can do to improve their ROI will raise the perceived value of your business.

## STEP 3: Prioritize Your Optimization Efforts

**You can't do everything at once, so start with business optimization efforts that will add the most value to your business. For each optimization idea, consider the costs, how quickly you can implement it, and how much value it could add to your business.**

For example, writing a set of [guidelines to handle customer complaints](#) and [organizing your finances](#) are cheap and quick tasks that would add a ton of value to future owners and managers, so they should be top priorities.

But changing all your product photo backgrounds from white to gray is a long, arduous task (free, but time = money), one that wouldn't add much value, so it should be a low priority.

## STEP 4: Implement Your Optimization Ideas

Once you've prioritized your optimization ideas, start with your most important idea, and work your way through them. You won't get them done right away, but with a little [smart project management](#), you can push through your list and make your business attractive to buyers (and easy to run for managers).

## STEP 5: Determine Your Store's Value

Your final step is to determine your store's value. Its value is what the market is willing to pay for a business like yours. Admittedly, there's no perfect formula to determine a store's value. It's based on a number of factors, such as...

- **Net cash flow:** This is the most important metric. It indicates the amount of money in your account every month after you pay for products, tools (like Shopify and Oberlo), and your marketing expenses (like Facebook ads). Essentially, this is your profit.
- **Social media presence:** Naturally, social media is a big part of ecommerce. Lively social media profiles (with many followers and high levels of engagement) can raise the value of your business, especially if you can show how to turn those fans into customers.
- **Revenue:** Buyers want to know the total amount of cash you bring in, your average order value for new as well as existing customers, and trends that affect buying patterns (like seasonality or other market trends).
- **Search metrics:** Buyers pay more for stores with a healthier SERP visibility. They want to see you ranking for keywords with high commercial intent. They also like to see advanced, scalable pay-per-click campaigns.
- **Infrastructure:** The organization of your store is important. Buyers want to see you on a stable platform that's easy to use, but still leaves you in control of the store. They also want well-integrated tools that seamlessly solve all the business' problems.

- **Your store:** A well-made store (in terms of design and user experience) can add considerable value to a sale. Buyers want sites with strong merchandising, personalization, and clear navigation. Your site should function well on tablets and phones. Buyers are not willing to pay a lot of money for a store requiring a complete overhaul or platform change.
- **Traffic and sources:** A lot of traffic is important, but buyers want to see your traffic convert well (What good are users who don't buy?), is economical (free traffic being best), and from diverse channels. (You don't want to rely on a single channel, because a change could tank your store.)
- **Owner dependency:** The most valuable businesses are those that don't require constant oversight from the owner. Make your business self-sufficient, and its value will soar.

So how much is your store worth?

Generally, your store's value is a multiple of your net cash flow. The multiple is determined by the other factors listed above. If a store can generate consistent traffic, and has a solid infrastructure as well as a healthy social media presence, buyers might give it a multiple of five. So, if your store's net cash flow is \$50,000, the store would be worth \$250,000.

Obviously, this isn't an exact science.

At the end of the day, your store is only worth what someone is willing to pay for it. You can argue all day long that your store is worth a million bucks, but if no one wants to pay more than \$500,000, that's its value.

**Empire Flippers has a unique valuation tool to help you determine your business' worth. The company uses it to price all of the businesses on its marketplace. It's so accurate that 90% of websites sell within 10% of their listing price. [Check it out here.](#)**

## Get Out When Things Are Good

Your exit strategy isn't necessarily an escape plan.

Don't look at it as a lifeboat that will rescue you when your sales tank or you walk into a public relations blunder.

**In fact, the best time to sell your business is when things are going great. That's when your brand and your store are worth the most (and when buyers are willing to pay the most).**

It also helps to sell when you have the time and energy to focus on the sale. You want to be available for your broker and potential buyers to make sure everything goes smoothly.

The most successful exit strategies are planned years in advance.

They include an ongoing plan to maximize profits, customer experience, day-to-day process, and overall valuation. Even if you decide to run your ecommerce store for the rest of your life, your exit strategy will help you build a better business.





6

**Resourcefulness is  
More Important Than  
Resources**



**“I don’t have enough time.”**

**“I’m not young enough to start.”**

**“I don’t have enough money for that.”**

**“I’m not smart enough to do that.”**

**“I don’t have the right connections.”**

We use excuses like these all the time when we underperform or fail to achieve our goals. It’s easy to blame a resource for our failures, like a lack of time, intelligence, confidence, or focus.

The biggest resource entrepreneurs claim to lack is money.

[According to Gallup](#), 84% of potential entrepreneurs never start a business because they like the security of a steady income. Moreover, 68% say they don’t have enough personal savings to start.

How many business ideas or opportunities have you passed over because you didn’t have the money to get started? How many have you abandoned because they would’ve required you to take on piles of debt or wait years to turn a profit?

Money is without a doubt a legitimate concern (which is probably why you find the low-cost investment of ecommerce so attractive), but it’s just a resource—not a dead end.

In a perfect world, you’d have all the resources you need to run a killer store. There would be plenty of time in the day, spare cash to burn, access to every software tool you could possibly dream of, and all the smarts/confidence/drive/whatever to launch yourself into success.

But you don’t have all the resources you need.

You'll probably *never* have all the resources you need. You have to *make* your own resources.

That's call resourcefulness, and it's *the single most important* entrepreneurial skill you can possess.

Jeff Bezos, founder of Amazon (and the king of ecommerce if there ever was one), [credits resourcefulness](#) as the key trait that turned his dream into a reality.

"As a lot of entrepreneurs know, the whole point of moving things forward is you run into problems, you run into failures, things don't work," says Bezos. "You have to back up and try again. Each one of those times you have a setback and you back up and try again, you're using resourcefulness, you're using self-reliance. **You're trying to invent your way out of a box.**"

**Resourcefulness is your ability to find answers to your questions and overcome challenges. It's the one skill that begets all other skills; the talent that ignites all other talents. If you only develop one piece of your entrepreneurial toolkit, it should be resourcefulness.**

As you build and manage your ecommerce store, you'll deal with a million challenges. You'll face obstacles every day. You'll find yourself standing before problems you never imagined an ecommerce store owner would have to deal with.

And yet, time after time, new entrepreneurs abandon or delay their ecommerce dreams because they lack a resource that *seems* critical to their success.

When they hit a wall, they assume it's only *some* unobtainable resource that can help get them through.

[Steve Chou](#) and his wife built a six-figure ecommerce store in a single year. Now he teaches other entrepreneurs how to run their own stores. He says what defines a successful entrepreneur from a failing entrepreneur is [how they respond when things don't go as planned](#). “Failing entrepreneurs feel helpless, make excuses and play the victim card.”

The true skill of an entrepreneur is not what you know. It's not your network of well-connected people, your past experience, or even your common sense.

The true skill of an entrepreneur is your resourcefulness: Your ability to solve problems.

**It's how you methodically knock down walls until the path before you is clear. It's how you use whatever you have at your means to make your own tools and overcome your obstacles.**

Mark Watney, the protagonist of [The Martian](#), says something interesting at the end of the novel (after returning to Earth) that all entrepreneurs should remember:

“You solve one problem and you solve the next one, and then the next. And if you solve enough problems, you get to come home.”

Now, obviously the character alludes to his survival on a hostile planet and his journey home, but the sentiment is important: Getting what you want is all about solving problems, until there aren't any problems left to solve.

Fortunately, your problems are more terrestrial than Mark Watney's. You can solve any ecommerce entrepreneurial challenge from the comfort of your own sofa with your laptop.

# How to Become a More Resourceful Entrepreneur

**Although resourcefulness is always essential, it's of particular importance at the beginning of your ecommerce journey.**

You don't have the finances to outsource your web design, digital marketing, paid advertising, social media, PR, email marketing, and so on. You have to wear all the hats.

But this doesn't mean you should stop being resourceful once your business becomes successful. It's a skill that's *always* useful.

"Resourcefulness is not a means of coping with deprivation," [says business coach John Baldoni](#). "It can be a virtue that opens the door to greater accomplishment."

Take [Bill McBean's story](#), for instance.

In the 90's, Bill had the chance to buy another business, one that would make him the biggest player in his market—except he didn't have the cash on hand. So, instead of borrowing or turning away from the deal, he renegotiated his banking fees to free enough cash to buy the other company. His resourcefulness grew his company without incurring any debt.

Resourcefulness is an important skill, but it's a skill just like any other.

In other words, if yours is missing or anemic, you can develop it. Let's talk about some of the ways you can become a more resourceful ecommerce entrepreneur.

## 1. Accept That You Don't Know Everything

It's tough to hear, but you don't know everything.

If you find something confusing or difficult, it's not because the world has conspired against you or because you've been treated unfairly. It's just because you haven't learned it yet. Before you can find the solution to a problem, you must first acknowledge your ignorance.

**Ignorance, however, is not a flaw. We're all ignorant about many things. Ignorance is an *opportunity* to make yourself stronger, faster, and smarter.**

## 2. Lean on Other People

Being resourceful doesn't mean you have to work alone.

**Find solutions to problems any way you can, even if it means consulting others. This is especially important if you hire an assistant or a freelancer. If you're paying them, you may as well use them as much as possible.**

Don't be afraid to speak up when you have a problem. Tell everyone you meet, even if you don't think they could help. Don't complain about your "bad luck" or "misfortune," but let them know you're struggling with something and you'd like their input. You never know where a good idea can come from and where they might lead you.

Sometimes, finding a solution means spending money. For instance, if you need special Terms & Conditions copy, you should [speak with an ecommerce attorney](#). But if you're struggling with a unique tax situation, you need to speak to an accountant. And if you need to learn a skill, you can always buy and complete an [online ecommerce course](#).

### 3. Join Communities of Other Store Owners

Many ecommerce entrepreneurs deal with the same problems you're facing. Solving a problem is often as simple as reaching out to someone who's been there before. Join a few or all of the communities listed here. Engage with other ecommerce entrepreneurs regularly (before you ask for help) to build a rapport.

- [Ecommerce Fuel Forum](#)
- [The Shopify Ecommerce University Forum](#)
- [Digital Point Ecommerce Forum](#)
- [Shopify Entrepreneurs](#)
- [The Reddit Ecommerce Section](#)
- [Ask.Oberlo](#)

## 4. Optimize What You Have

In the 80's, an American TV show called [MacGyver](#) featured a superbly resourceful secret agent who could create bombs and other devices out of common household items like string, duct tape, and a tile cleaner. He dodged precarious situations and saved the day using only the stuff at his disposal and his resourcefulness.

**As an ecommerce store owner, you have to be your own MacGyver. When there's a challenge in front of you, ask yourself, "What tools do I already have that I can use to solve my problem?"**

## 5. Solve Today's Problem, Not Tomorrow's

In an earlier section, we spoke about solving the problem in front of you, instead of worrying about the state of your business down the road. You'll find your problems are smaller than they seem when you trim them down to the essential few.

Don't build solutions for a million-dollar business. You're not there yet. And you won't be there for years to come.

**Instead, focus on building solutions that solve the problems you're already dealing with.**

For instance, you don't need a top-of-the-line email marketing tool today because you hope to have 100K subscribers tomorrow. That's expensive and complex.

For now, run with some free tools to get your system running right away. (You can worry about your 100K subscribers when you have them.)

## Turn Resourcefulness Into a Mindset

As mentioned earlier, don't reserve resourcefulness for the early days of your ecommerce journey or for when money's tight. The most successful people in the world use their resourcefulness on a daily basis, even when they have thousands of employees to do the work for them and billions of dollars to spend. Make resourcefulness (especially relying on your own resources) a part of your daily mindset, so you're always doing more with less.





7

**What Makes You  
Unique?**

As an ecommerce store owner, you're not just competing with other store owners.

You're competing with the *entire* ecommerce industry. [According to PipeCandy](#), a data-based analytics company for ecommerce stores, about 1.3 million ecommerce companies are currently operational in the United States and Canada.

Talk about competition.

Plus, the ease of [opening an ecommerce store](#) means other people can do it too. Unless you have an exclusive arrangement with your supplier (which is unlikely), other stores can sell the exact same products. In fact, some eager entrepreneur can open a facsimile of your store and steal your sales.

On top of that, you're fighting an uphill battle against the biggest ecommerce competitor of all: Amazon. (We discussed this behemoth and its CEO in the last chapter.)

So why should someone choose your store over all the others? What value do you bring that they just can't get anywhere else? Why would they trust you when they could they simply search Amazon and make their purchase with Amazon's easy checkout process?

Countless ecommerce entrepreneurs get ahead of themselves and build a store that looks just like every other store on the web. They use a default theme (which is just inexcusable, considering [how many Shopify themes are available](#)), stock it with generic products, and forget to add any personality or spice to their brand.

**Most importantly, they forget to design an *experience* that separates them from their competitors.**

This isn't to say your web design should be dramatic or unfamiliar.

Instead, you should create a complete customer experience that makes your users feel like they're visiting a store that's worth their time and money, *not* some random shop they happened to come across.

**Bottom line:**

If you want to be successful, you *must* stand out from the competition.

So ask yourself: What makes you unique?

# Every Store Needs a Unique Selling Proposition

To separate yourself from the crowd, you need a [unique selling proposition](#) (USP).

A USP is a factor (or a set of factors) that sets you apart from everyone else. It's the quality (or qualities) that convince a customer to stop their online search and buy from you.

At one point, free shipping was a USP for many stores. But free shipping has become so commonplace, online shoppers have come to expect it. It's good to mention "free shipping" on your site somewhere, but it's no longer *the* factor converting shoppers.

**If you don't offer free shipping, find a way to provide it. According to a survey by Shippo, 63% of buyers would choose a store that offers free shipping over one that doesn't, and 34% would only buy if shipping were free. Moreover, in a Walker Sands Communication survey, 88% of buyers said that free shipping impacted their purchase decision, making it the *most powerful incentive* you can offer.**

You can make your USP be almost anything, like if there's a special way you handle customer service, your website design, or your uncanny ability to curate great products.

You can always find an awesome USP. You just have to be creative and willing to work hard at developing yours.

[Kate Lapicka found her USP](#) by selling products you can't find in many other places. Her store sells merchandise and memorabilia related to popular anime series.

The screenshot shows a website for anime merchandise. On the left is a sidebar menu with categories: Naruto Collections, Best Sellers, New Arrivals, Other Anime, Costumes, Hayao Miyazaki, Luggage & Bags, Jewelry, Men Clothing, Phone Cases, and Women Clothing. The main banner features a large collage of anime characters with the text 'Find high quality anime related items and become a true otaku!' and buttons for 'Shop Now' and 'View Video'. To the right of the banner are two smaller promotional images. Below the banner is a red banner announcing a 'SUPER SALE UP TO 80% OFF ALL ITEMS! LIMITED TIME OFFER' with a countdown timer showing 03 days, 12 hours, 44 minutes, and 12 seconds. Below this are four service icons: '700+ Clients Love Us!', 'Shipping to 185 Countries', '100% Safe Payment', and '2000+ Successful Deliveries'. The 'TOP SELLING PRODUCTS' section displays various items like rings, hoodies, and backpacks with their original and discounted prices and star ratings. The 'BEST DEALS' section shows more items like a fidget spinner, headphones, and a necklace, also with discounts and ratings.

Many Japanese companies that produce anime don't officially sell merchandise, so Kate doesn't compete with the creators. When someone wants a T-shirt or a bracelet in the style of their favorite anime, they have to go to Kate or other "small-time" sellers.

That's because there is no "official" store.

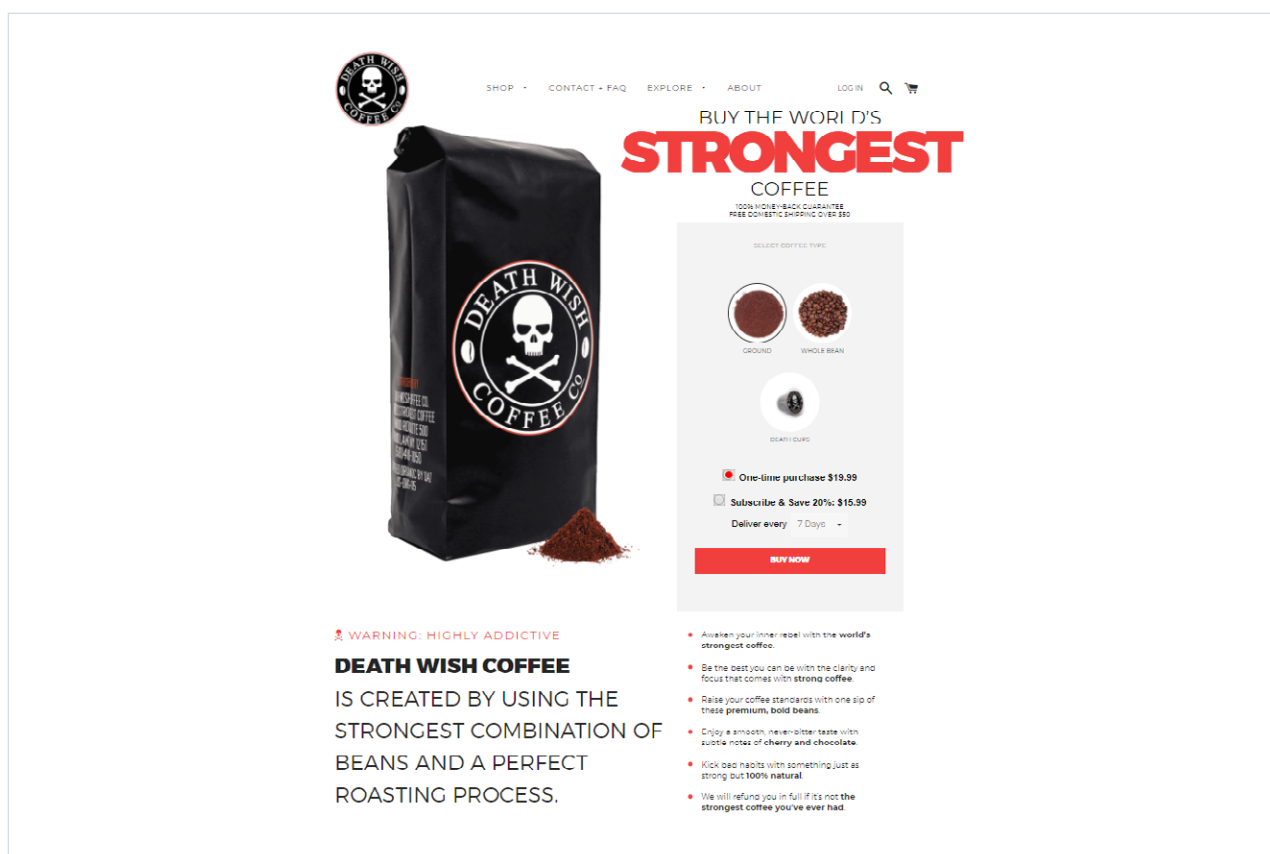


By recognizing the gap in the market, Kate positioned herself to sell to a devoted fan base that desires her merchandise, and there aren't many other places they can get these items from. In fact, her USP helps her generate \$32,000 a month in sales.

You only have [7 seconds to make an impression](#) on your visitors, so a USP should be immediately apparent once the site loads. Place your USP above the fold, so your visitors don't have to scroll to see it.

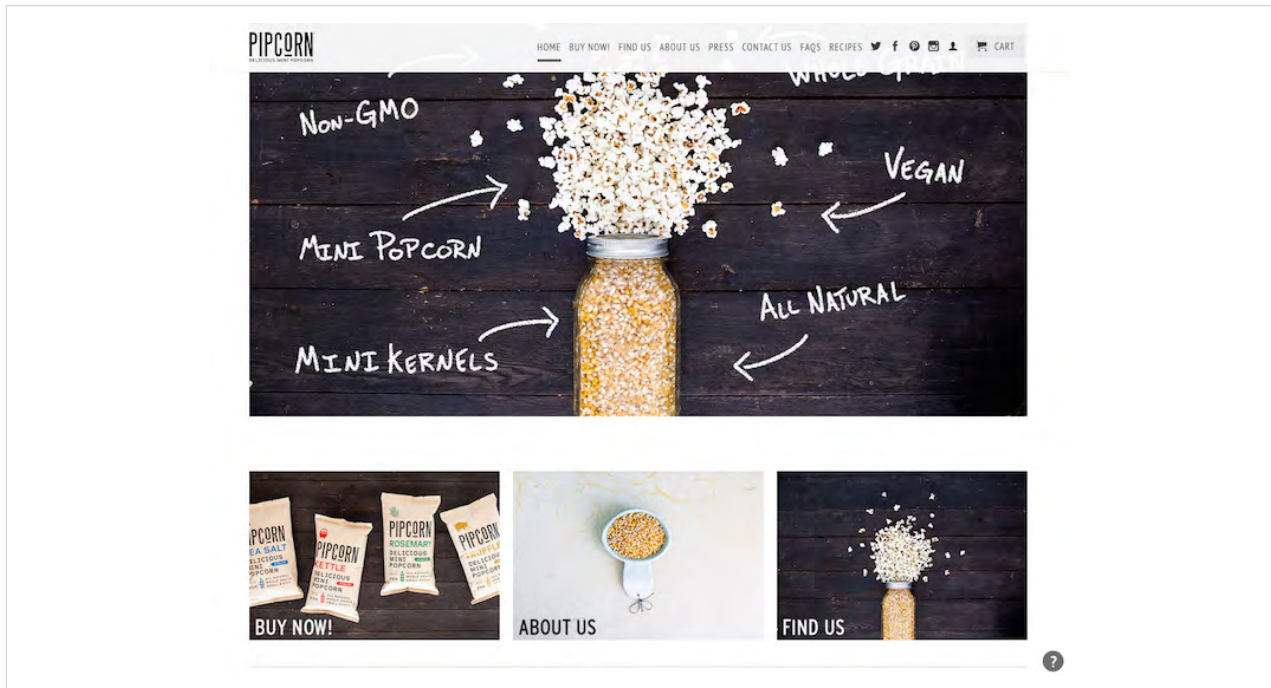
Don't expect them to guess why you're worth their money. (They won't.)

There's no denying [Death Wish Coffee's](#) USP. It's the world's STRONGEST coffee.

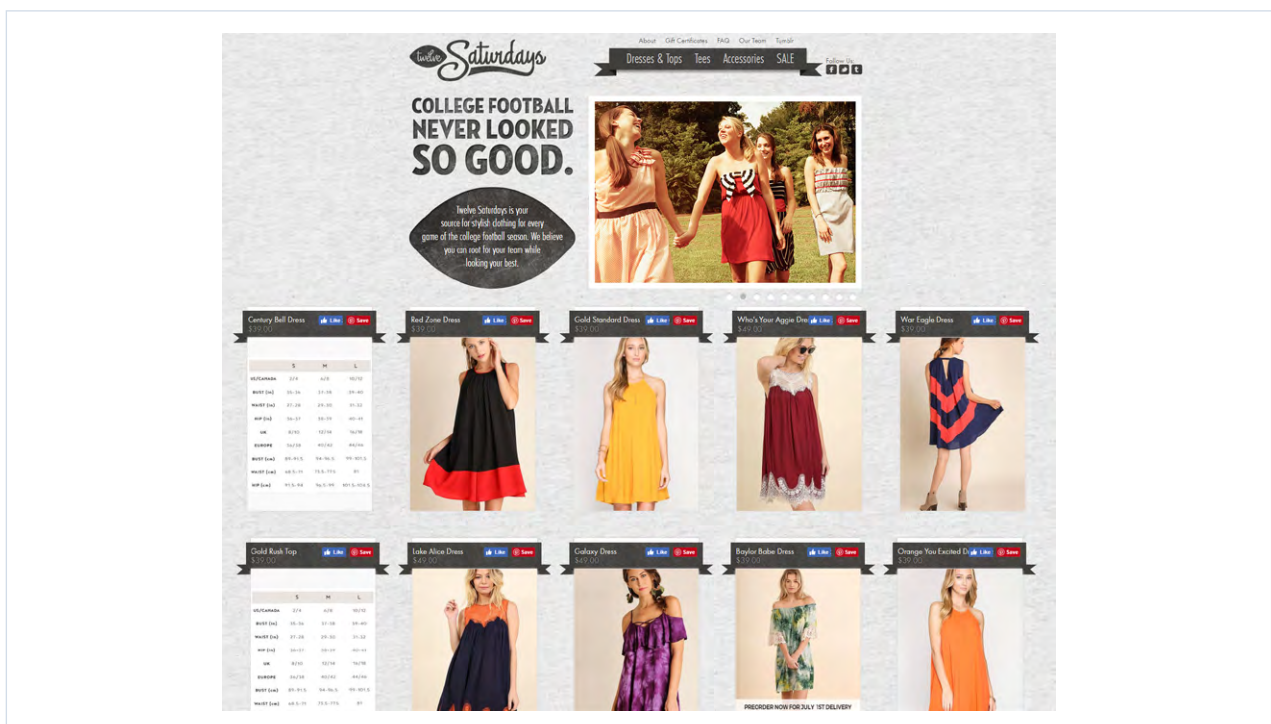


The screenshot displays the Death Wish Coffee website. On the left is a large image of a black bag of coffee with the Death Wish logo (a skull and crossed bones) and a pile of coffee grounds. The top navigation bar includes links for SHOP, CONTACT, FAQ, EXPLORE, ABOUT, LOGIN, and a search icon. The main heading reads 'BUY THE WORLD'S STRONGEST COFFEE' in bold red letters, followed by '100% HIGH-IBI BACK GUARANTEE' and 'FREE DOMESTIC SHIPPING OVER \$50'. Below this is a 'SELECT COFFEE TYPE' section with three options: GROUND, WHOLE BEAN, and DEATH CLIPS. The 'One-time purchase \$19.99' is selected, and a 'Subscribe & Save 20%: \$15.99' option is also visible. A red 'BUY NOW' button is at the bottom. To the left of the button, a warning states 'WARNING: HIGHLY ADDICTIVE' and describes the coffee as 'DEATH WISH COFFEE IS CREATED BY USING THE STRONGEST COMBINATION OF BEANS AND A PERFECT ROASTING PROCESS.' To the right of the button, a list of bullet points describes the coffee's benefits: 'Awaken your inner rebel with the world's strongest coffee.', 'Be the best you can be with the clarity and focus that comes with strong coffee.', 'Raise your coffee standards with one sip of these premium, bold beans.', 'Enjoy a smooth, never-bitter taste with subtle notes of cherry and chocolate.', 'Kick bad habits with something just as strong but 100% natural.', and 'We will refund you in full if it's not the strongest coffee you've ever had.'

In a similar vein, we can tell right away that [Pipcorn](#) is a unique type of healthy mini popcorn.



[Twelve Saturday's](#) has an interesting USP as well. The store sells women's clothing for the college football season. (Talk about a niche!)



# How to Create Your USP

**Your USP can be anything, as long as it helps you stand out from the crowd. It should be the little nugget people add when they refer your store to others.**

Your goal is to get someone to recommend you with something like this:

“Hey Bob, check out Frank’s BBQ Emporium. Their customer service is phenomenal.” The second sentence (about the customer service) is the USP.

To create your own USP, start by asking yourself a few questions. You may have to dig into your buyer personas (remember these from before?) and do some [market research](#) to determine what your customers find important.

Ask yourself...

- How are my products different from my competitors’?
- How can my services be different from my competitors’?
- What motivates my customers to purchase my products?
- What do my customer care about most?
- What are the main benefits my products have to offer?
- How do my products improve my customers’ lives?
- Why should my customers buy from me?
- What about my business do I want my customers telling their friends about?



Once you have the answers to these questions, see if you can string them together into a single statement. Keep it as simple as possible. A USP is most impactful when it's easy to digest. You should be able to say it quickly (like an [elevator pitch](#)) when you meet someone new or send off a quick email.

**USPs generally fall under one or a few of these categories: Quality, speed, selection, service, customization, convenience, guarantee, specialization, and originality. You can touch on multiple categories, but don't try to cram too much into your USP.**

Your USP can be just a few words, or it might be a full sentence. If it's small, you might be able to fit it into your tagline (like Domino's, with "30 minutes or it's free").

Once you have a USP, use it to guide everything else you do. If your USP is your unique fashion designs, don't publish generic products to your store. And if you want to be known for providing unbeatable customer service, don't leave any customer feeling dissatisfied.

**Remember:** Your USP is your promise to your customers, and a strong one will let your marketing take care of itself.



8

**Early Traction =  
Meeting New People**

As you work to grow your ecommerce store, you'll undoubtedly spend a lot of time reading about marketing. Ecommerce store owners worry about marketing more than anything else.

But it's easy to get caught up in the details of marketing and miss the point.

You stress about strategies and tactics, tools and resources, and "hacks" to drive business, but there's a fundamental lesson you need to learn as early as possible. It's a lesson most marketers never learn until they've failed a bunch (wasting time, money, and sanity).

So here's the most important lesson you'll ever learn about marketing:

## **Marketing is about reaching people.**

It's that simple.

The entire purpose of marketing is to make other people aware of your store and convince them why they should spend their money on you.

Facebook ads, content, social media, public relations, partnerships, and giveaways... These are all just tools you can use to reach people. A million tactics are available to you, but in the end, your goal is to connect with people and persuade them of your value.

No single tactic will propel you to overnight success. (Remember the beginning of this book? There's *no such thing* as overnight success). There is no one technique that will drive all your sales. (In fact, relying on any one method to drive business would be dangerous.)

SEO, social media, blogging... They all take time.

They're great long-term strategies, but they could take up to a year to start showing results, even if you invest a lot of time and money into them. By all means, build processes for these strategies and start plugging away.

But don't rely on them for early traction.

Surely, you don't want to wait a year for your first sale. You want sales *this* month. Early traction is important for any new business. For one, early success is highly motivational. It's easy to drop into that "I can do it" mindset when you've got proof you can *actually do it*.

Moreover, early traction puts a little money in your pocket that you can reinvest for future growth. It's easy to appropriate some money for Facebook ads when you don't feel like that money is coming out of your own pocket.

Everything gets easier with a budget.

**To get early traction, you've got to reach as many new *targeted* people as possible, as quickly as possible.**

# The Old-Fashioned Way

**The web is an incredible tool that connects *millions* of people at once.**

Someday, you'll post to Facebook and reach your 100,000 fans. One day, you'll send an email to your 50,000 subscribers. Eventually, you'll create a [landing page](#) for your 10,000 monthly visitors.

And all these people will share your pages and products with their friends, increasing your exposure. At some point, you'll reach critical mass, where your audience begins to fuel its own growth, and word spreads until your business truly becomes a self-sustaining venture.

But this is the goal, and you're nowhere near it just yet. In other words, if you want word to spread about your business, you've got to spread it yourself.

This means...

- Posting to an empty social media page is a waste of time.
- No one will care about (or even read) your press releases.
- Tweeting is just talking into the noise.
- It'll be a long time before someone reads your blog content.
- It could be *months* before Google indexes your SEO pages.
- You don't have any subscribers to read your emails.

You can't leverage a following until you have one. Too many online marketers expect their customers to market for them. They dream of creating a Facebook post that goes viral, gets thousands of shares, and drives millions of clicks to their website.

But it's unlikely to happen.

It *could* happen, but these are exceptions to the norm. And if they do happen, it won't be for a while. The biggest social media powerhouses took *years* to build their following. You can't rely on the virality potential of your social media posts to grow your business. (Remember: There's no such thing as an overnight success!)

Plus, this sort of marketing doesn't work unless you already have a fan base eager to share your posts for you. If you're starting with an empty Facebook page and zero Instagram followers, how are you supposed to start something that goes viral?

Literally *no one* will see it.

**If you want early traction, you have to meet new people the old fashioned way: By contacting them directly. You've got to send emails. (Thousands of them!)**

Send emails to brands you might like to partner with. Most will say no, but you only need a couple to say yes. Make sure you offer them everything you can to help promote the partnership. Have a plan lined up if they respond.

Send emails to request [guest-posting opportunities](#). Pitch them on a topic you'll write that satisfies their audience, but also plugs your store. If they agree, create something so exceptional, they'll want to post it.

Send emails to product reviewers or enthusiasts in your niche. You may have to send them a product to review. Offer to help them in any way you can (including with images and videos, if necessary). Come up with a plan to capitalize on their promotion if they agree.

Send emails to YouTubers. Ask them to feature you or your products in their video. Offer to help produce their video any way you can (maybe even with your own clip, or whatever video-editing skills you can contribute).

**As an ecommerce store owner, a majority of your work will take place in your email client. Get used to it. Get comfortable writing friendly and positive emails. [Learn how to write better emails](#), so people actually read them and respond to you. Reinvent yourself as someone who's always willing to help fellow businesses. (Just make sure you get something out of it too.)**

# Numb Yourself to Rejection

Don't be afraid of [rejection](#). It goes hand-in-hand with failure. Learn to feed on it.

As you reach out to people, some will tell you you aren't worth their time and you don't offer much in return.

They're right. But don't let that eat at you.

**Listen to their complaints so you can find ways to overcome them, but don't allow rejection to become a weight on your shoulders.**

Say you're a popular blogger. Some small-time ecommerce store reaches out to you for a product review. It has no following to help promote the review (no social media fans, no email subscribers, and no readers of their own). They offer to send you the product for free, but so does everyone else who wants a review, and you've got 10 other offers in your inbox, none of which will take 4 to 5 weeks for you to receive the product. As a popular blogger, would you really bother with this young store?

Sure, you have to reach out to many people to get some responses. It may take time to find the right people who have needs you can meet or aren't so busy they can afford to ignore you.

That said, don't worry about coming across as a spammer as you send out your flurry of emails. You won't turn people off just because they don't like being sold to. Most people won't be annoyed by your emails. If they are, they'll quietly ignore you. Some will politely decline, but the risk of ruining your brand by pissing someone off this way is negligible.



Once you have an audience that loves your store (social media followers, email subscribers, past customers, and a community of people who actually know your name), you'll be able to leverage them to gather even more followers. And once you have regular customers, you can build a budget to experiment with new techniques and tools.

## Three Qualities You Need to Meet New People

**Creating new relationships and holding onto them is a skill like any other. If you don't have much experience meeting new people, you're probably bad at it. The best way to learn is to immerse yourself in relationships. Talk to as many people as possible about your store and the value you provide.**

To do this well, you need three important qualities.

## 1. Sweat

Normally, relationships are easy. If you like a person, you spend time together. If you don't like them, you don't speak to them anymore.

Easy.

In business, however, relationships take work. You may have to spend time and work with someone you dislike. You have to invest extra effort into sounding pleasant via email, even when you might not feel that way. And you have to take steps to reach out and nurture that relationship, even when you don't have anything to talk about.

**Think of your business relationships like a garden. With sweat and labor, you can nurture your plants (your contacts) until they bloom. This may take weeks, months, or even years of careful cultivation, but eventually, they'll bear fruit.**

## 2. Focus

Staying focused is tough, especially after dealing with rejection. It's easy to let yourself get sidelined by reddit and YouTube when you wake up to yet another day of no sales. Suddenly, mundane chores like filling the dishwasher and folding your clothes seem more attractive.

To top it all off, the blogosphere pulls you in a million different directions. You probably get emails from one content source after another, each advocating for some new hot tactic that's guaranteed to blow up your store.

**Don't let their praise interrupt your focus.  
Stick to your own strategy.**

Staying focused on your goals is a major topic, so here's some further reading.

- [5 Ways To Stay Focused In A World Full Of Distractions](#)
- [How to Stay Focused If You're Assigned to Multiple Projects at Once](#)
- [8 Ways to Stay Focused on Your Goals](#)
- [How to Stay Focused: Train Your Brain](#)
- [9 Immediate Tips To Stay Focused on Your Goals](#)

### 3. Persistence

Failure is inevitable.

Don't tell yourself, "Failure could happen to me, and I'll just have to push through."  
That's a good sentiment, but it's inaccurate.

Instead, tell yourself, "I will fail at *many things*. Failure is part of being an entrepreneur. I shouldn't just *expect* to fail. I should *seek* failure, because failing is learning."

To connect with people (and get early traction), you can't settle for defeat when things get tough.

No one replies to your emails? Change your copy and keep trying.

No one wants to review your products? Sweeten the deal and keep trying.

No brands wants to partner with you? Create a better offer and keep trying.

Being persistent means pushing on when everyone is telling you "No." It means staying up 15 minutes later to send out a few more emails. It means following up when someone fails to respond to you. It means, instead of saying, "OK, thanks for your time," you respond, "What can I do to make this work?"

**Dig deep for the kernel of hope that drove you to open your ecommerce store in the first place. Rely on it as one of your strengths so you can take another step.**

Then another.

And another.



9

**You Are Not Your  
Customer**

As an entrepreneur, you must know the [importance of understanding your customer](#). You know you need a comprehensive profile of the type of person who will buy your product, so you can create specific copy, images, and a shopping experience that speaks to them and converts them into customers.

Even if they don't do extensive research, most ecommerce store owners know this too. They value a deep understanding of their customer, just like you.

And yet, many store owners make a critical mistake that absolutely *hamstrings* their sales:

### **They confuse *their customers* with *themselves*.**

It's actually easy to confuse yourself with your customers. You might design a website *you* like, create offers you would buy, or write copy that appeals to *you*. Maybe you like vibrant colors on your images and pop culture references in your product descriptions. But if your ideal customer is expecting a subtle, classy experience, you'll put them off right away, even if they like your product.

"All too often, leaders think that their personal experiences with their brand are accurate reflections of all customers' experiences with their brand," [says Brooke Niemiec](#), Chief Marketing Officer of [Elicit](#), a consultancy helping businesses adopt customer-centric approaches. "They make decisions based on what would personally make them happier, and focus on details of the experience that matter to them. In doing so, however, they forget that many (if not most) customers have different needs, interests, and experiences."

You may be thinking, "But wait! I *am* my customer. I experience the same problems/pain points/needs as my customers. I fit the demographic. I would buy this stuff!"

**That may be true, but treating yourself as a customer can force upon you a dangerous tunnel vision that prevents you from asking the tough questions, experimenting with new ideas, and testing variables.**

In other words, you might create a habit of *defaulting* to your preferences, rather than considering your customers' needs.

Carolyn Goodman, president and creative director of Goodman Marketing Partners, [experienced this phenomenon firsthand](#). While they were going over the logistics of a promotion for a client, the client complained the campaign wouldn't work because people only use mobile devices to surf the web.

"Nobody works at a desktop anymore," her client said. "Everybody will access it via their mobile device."

Carolyn pointed out that while it's true the number of mobile users is growing, there are still plenty of desktop users. Nevertheless, broad generalizations like this don't matter. What's important is what *their customers* use. After a quick dive into the client's analytics, they discovered that a *majority* of users accessed the client's website on a desktop device.

In this story, Carolyn's client mistook *his* preference for *his customers'* preference.

He assumed that because *he* accessed the web exclusively through his mobile device, everyone else must behave the same way. Had they designed a mobile-only experience for their customers, they may have alienated a large percentage of the target market.

# How to Get Out of Your Head and Into Your Customer's

When you confuse yourself with your customer, you're really just filling in the blanks with your own preferences. If you understood your customer like the back of your hand, you wouldn't have to supplement anything with your own tastes.

First, accept the following:

**You do *not* know your customer as well as you might think.**

You can't learn about a person (or anything, really) if you already believe you know everything. Depending on your ideal customer and the complexities of their preferences, it might take *years* to learn everything you need to know.

This is a long-term process, and it never ends.

Earlier, we spoke about [building buyer personas to create a profile of your customer types](#) (including their problems, wants, needs, etc.). If you haven't done so already, it's critical you go back and start one now. Over time, you'll continually refine your buyer persona as your understanding of your ideal customer grows.

Second, fight your instinct to fill in the gaps with your own preferences by *constantly* asking yourself hard questions, even if the answer seems obvious. Don't settle for simple answers. After every question, follow up with, "[Why?](#)"

Here's an explanation using a hypothetical scenario.



Say you sell watches. You want to curate more products for your store, so you ask yourself, “What type of watches do my customers prefer?” A quick dip into your customer data shows you that watches with bold colors and big faces sell the best.

That’s a valuable piece of data, but you have to follow it up by asking yourself, “Why?” *Why* do your customers like watches with bold colors and big faces?

This is a harder question to answer. You might have to dig around your analytics a little more. What else do they buy or view? Do you see any patterns or trends? Do these types of watches have more reviews? Do these pages get shared more?

You should also have actual conversations with your past customers. Ask them what attracted them to your store and about the products they purchased.

If you don’t have any customers yet, interact on social media with people who seem like they could be your customers.

**Just make sure you’re interacting with people like *your customer*, not people like *you*.**

“I see many business owners or freelancers talking to their peers online and not talking to their target market,” [says sales and marketing strategist Angela Jacquin](#). If you spend a lot of time interacting with other ecommerce entrepreneurs, you aren’t learning about your customer.

In our example, you might learn that your customers have a preference for accessories that make a statement. They don’t just want a fun watch. They want a watch *other people will notice*. They want to express themselves through their watch.

**This insight is applicable outside the scope of your products. You can use it to optimize your website, create marketing campaigns, and partner with other brands that exhibit similar values.**

By asking yourself, “Why?” you get a more robust understanding of your customer.

It helps you answer not just the problem before you, but future problems as well, so you aren’t forced to supplement *your* preferences and habits when you don’t know something. It’s the best way to get out of your head and into theirs.

## Create the Experience They Want

At times, you’ll find it hard to build *their* experience, rather than your own. Even though you *know* the words they prefer to read, the images they want to see, and the offers they want to buy, you’ll still be drawn to creating a shopping experience that pleases you.

Resist this urge at all costs.

**If you find yourself slipping out of their head and back into your own, write [checklists](#) to get yourself back on track.**

For instance, you might create a list of criteria for all your product photos, like this:

- Saturated color palette
- Used/worn/held by a woman
- No brand names or logos
- Pure white backgrounds
- Unique angle (if possible)

Then, whenever you need to upload product photos, you can check each one against your list of criteria. This list ensures you won't publish images that inadvertently please *you*, rather than your customer.

**Remember:** You are not your customer. If you put them first, they'll reward you with their business.

**You can use lists for pretty much everything:  
Marketing campaigns, website design, customer service  
interactions/policies, social media posts, and so on.**

A white line-art graphic of a hand holding a card with the number 10. The hand is positioned horizontally, with the thumb and index finger holding the card. The card is a white square with rounded corners, featuring the number 10 in a dark blue font. The background is a dark blue grid.

**10**

**Customers Expect  
a Clear, Pleasant  
Experience**

When [the shoes Giada Pezzini purchased online](#) didn't fit, she didn't stress about it. Stores that sell shoes and clothes must expect returns, right?

Well, when she set up the return, she learned the shipping company she was supposed to use didn't operate in her country. So she had to use a different shipper (at her cost). Then, even though the online retailer confirmed it received her return, they didn't send her a replacement or a refund.

To make matters worse, the retailer failed to respond to her emails and gave her excuses over the phone. In the end, she never received a replacement pair or her money back. "Needless to say, I won't be shopping from *that* e-commerce retailer again," she says, adding, "and I've warned my friends from doing so."

This experience encapsulates the worst fears of the online shopper.

Giada trusted the retailer with her money, but it broke its promise. "And because the brand is located in another country, I felt like there was nothing else I could do—aside from complaining online, and warning other shoppers that this is not a trustworthy retailer."

Poor experiences like these can absolutely cripple your store.

**People are more likely to tell their friends about poor experiences than good ones. If you ruin your customer's experience and fail to resolve it, news will reach [twice as many people](#) as praise for a good experience.**

And even if the customer decides to give you another shot, it takes roughly [12 positive experiences](#) to make up for an unresolved negative experience. If your customer only buys from your store a few times a year, it could take *years* to make up for your mistake—if you ever truly atone for it at all.

Moreover, a majority of customers who've suffered a bad experience don't say anything at all. For every customer who bothers to complain, [26 remain silent](#) about their problems. Most simply click off your website and go somewhere else without giving it so much as a second thought.

For instance, if a customer has trouble using your site navigation, they probably won't complain. You'll never hear about this issue because they simply click off your website and find another retailer. Even if you offer plenty of contact options (email, live chat, phone number, and so on), why would they bother going through *that* process, when they could just hit their Amazon bookmark and buy from a retailer they *know* will accomodate them?

**As you can see, the customer experience is a much broader concept than simply contemplating whether you should accept returns.**

[Infobip has an excellent definition:](#)

“In commerce, customer experience (CX) is the product of an **interaction between an organization and a customer over the duration of their relationship**. This interaction is made up of three parts: the customer journey, the brand touchpoints the customer interacts with, and the environments the customer experiences (including digital environment) during their experience. A good customer experience means that the individual's experience during all points of contact matches the individual's expectations.”

**In other words, the customer experience includes every *interaction* the customer has with your business (every email they receive, every social media post they see, every link they click, every product they view, etc.). Even browsing your homepage or a product category is part of the overall experience.**

It's likely the retailer who sold Giada her shoes never intended to steal her money. The most likely explanation for the gaffe is a poor customer service process. Maybe someone left the company at the wrong time, or an email thread got deleted. There are plenty of possible explanations, but *none of them* matter to the customer.

All Giada cares about is her lost money.

Your job, therefore, is to design a comprehensive experience that achieves these goals:

- Your design should make the customer trust you.
- It should prevent the customer from feeling frustrated, abused, or exploited.
- It should eliminate any obstacles between the customer and a sale.
- It should make the customer feel like they're part of something bigger than a one-time transaction.

# Signs of a Bad Customer Experience

No one can tell you how to create the perfect customer experience for your specific customer base. This depends on *your* products and the type of customer you sell to. But here's a few signs you might be providing a bad experience.

**Complex Checkout Process:** Once your customers decide to buy, get out of their way! Your customers are more likely to complete your checkout process if it's simple, linear, and limited to a few pages. You can also improve their experience by allowing them to purchase as a guest (instead of making an account), [like all major retailers do](#).

**Forms with Too Many Fields:** Forms are intimidating. To website users, forms feel like a hoop they have to jump through to get what your customers really want. You may *want* a lot of information from your customers, but you don't have to request it all at once, so limit each form to *only* the information you need for the initial purchase.

**Unintuitive Navigation:** Ecommerce sites live and die by their navigation. If a customer can't find what they want in seconds, they'll hit that BACK button and find a store that does meet their needs. The best navigation systems use categories to separate merchandise and menu systems, so customers can browse the store on autopilot.

**Unsecure Website:** Nowadays, shoppers want to know they can trust you with their data and financial information. It's essential that you purchase an [SSL certificate](#) to encrypt incoming and outgoing data. (Make sure your URL has "HTTPS" instead of "HTTP" to indicate to customers you're secure.)



**Non-Responsive Website Design:** In 2016, [40% of online shopping took place on mobile devices](#). That's a statistic you just can't ignore. If your website isn't built for easy browsing on mobile, you're leaving money on the table. (And a lot of it.) If shoppers can't use your site, they won't switch to a desktop and try again. Instead, they'll find a site that meets their needs. (Fortunately, this isn't a problem for Shopify users. *All* of our themes are mobile-friendly.)

**Overusing Pop-ups:** Pop-ups are an [important tool to drive email signups and conversions](#). But be careful you don't overuse them; otherwise, you'll frustrate your shoppers. Give your pop-ups a delay so they don't bother your visitors before they get a chance to see your site, and set them up so they only display once per session.

## Optimize Over Time with Testing

Just like your product pages, calls to action, and copy, you can optimize your customer experience.

If your customers don't like your navigation, change it. If they're distracted by loud colors, find a new color palette. If they contact you with the same questions over and over again, answer these questions in your product descriptions (or on a separate FAQ page).

**In other words, the best way to improve your customer experience is to have *actual conversations* with your customers. Engage with them (or people *like* your customers) as often as possible to learn what they prefer in their shopping experience.**



**11**

# **The Seduction of Giveaways**

At face value, [giveaways and contests](#) seem like a powerful way to build a following, build brand awareness, and drive traffic to your online store. You've probably heard stories of ecommerce store owners who gave away a \$50–\$100 item and collected thousands of new fans and plenty of sales to cover the cost of the promotion.

So you're contemplating giving away one of your products. Maybe it'll get you some traction on Instagram and drive traffic to your site. Or maybe you want to go big and give away a pricey item (like an iPad) to draw some major attention.

Many ecommerce store owners think this way. They figure if they're willing to eat the cost of an item every week or so, they can amass a huge following and cover the costs through their sales.

### **But giveaways aren't that simple.**

Here's why.

## 1. They Attract People Who Only Want Free Stuff

Be honest.

You've probably entered a giveaway in the past just because you liked an item, even though you had zero intention of ever buying anything from the host brand. You may even have a junk email account you use to sign up for free stuff like that. (No need to feel ashamed. Many of us do it!)

But you might be surprised to learn that there are entire forums, Facebook groups, Twitter feeds, and communities of [people who find and enter giveaways](#). These folks enter everything they come across, but have no interest in the brands giving away the products.

It's tempting to give away a popular item (like a FitBit) to get as many entrants as possible. This tactic works, but you end up with thousands of entrants who don't care about your brand or anything else you sell. When you send your first email to your new email list, you'll end up with low open rates *and* a lot of unsubscribes.

So the trick to building a valuable customer base with a giveaway is actually a two-step process:

1. Give away a non-generic product only your type of customer would want (so you don't attract everyone and their cousins).
2. Set a barrier to entry so you actually get something out of it. (You might ask for their email address or request that they share the giveaway on Twitter.)

## 2. They Require More Work Than You Think

**Setting up a giveaway page and tweeting out a link isn't enough. If you don't attract enough entrants, you won't get much—if any—return on your investment.**

Obviously, you must notify the winner as soon as you draw the prize. If you don't, you could have some angry customers accusing your brand of cheating them. But you also need to communicate with the rest of the entrants, so they don't feel like the entire ordeal was a scam.

If you partner with other brands for a major giveaway (occasionally a great way to leverage the audiences of other brands if you don't have an audience of your own), there's even *more* work involved:

Creating copy and images for them to share, constructing landing pages (possibly multiple landing pages on different sites), and setting up Facebook ads, not to mention all the communicating.

It's also smart to send a [“loser” email](#): An email that reminds entrants about the giveaway, breaks the news they didn't win, but gives them a “bonus prize” for entering.

The smartest bonus prize for you to give out is a coupon code with a discount.

A percentage of your entrants may have wanted to buy the giveaway prize (or another item from your store), but they wanted to wait and see if they won first.

### 3. You Could Devalue Your Own Products

If you encounter some success with a giveaway, you'll probably be tempted to run a few more. Over time, you might go bigger and give away bigger packages or more expensive prizes.

**But if you do this too often, you risk devaluing your own products.**

You don't want to become the brand that's constantly giving stuff away. Otherwise, would-be buyers will hold off to enter your giveaways, rather than purchase your products. (The same phenomenon happens if *everything* is constantly on sale.)

Social media marketer Nik Metcalf [puts it well](#):

“If you are frequently doing giveaways—and I mean like once a week—you're going to build an audience that expects giveaways once a week. So instead of building an audience that loves your product and loves your brand and loves what you post, you're building an audience full of people who just want your free stuff. [...] This is where the problem comes in: When you post your other pieces of content, they're not going to engage with it. They don't care about your content. They follow you because you give away free stuff.”

# Never Run a Giveaway Out of Desperation

Giveaways can be useful tools for expanding your following and exciting your customers, but they can't be your primary strategy to drive traffic. If you give away a product because you're desperate for sales, you're likely to rush the process and cost yourself time and money.

Here's a few ways you can use giveaways successfully:

- Target people who fit your buyer personas. Focus on the *quality* of the entrants, not the *quantity*. Don't promote your giveaway to forums, Facebook groups, or Twitter profiles specializing in contests or sweepstakes.
- Don't give away products too often—no more than once a month.
- Organize everything before you make any announcements. (You want all your ducks in a row, so everything goes off without a hitch.)
- Encourage virality by awarding each entrant with more chances to win for sharing on social media, emailing to friends, or promoting their affiliate code. (You might need [an app to facilitate all that.](#))

- Announce the winner exactly when you say you will. Do it publicly so people know you kept your word. (Just don't forget to notify the winner privately.)
- Send all entrants an email at the end of the giveaway, thanking them for entering. Offer them a consolation prize, like a coupon.

**Most importantly, never host a giveaway because you're desperate for sales. There's rarely a clear causation between giveaways and orders on your website. Use giveaways as a tool to build a following of interested people you can market to later on.**





12

**SEO is NOT the  
Cure-All**

Search engine optimization (SEO) is awesome. It's added considerable predictability and stability to the web, making it easier for online entrepreneurs like yourself to build a website people can actually find.

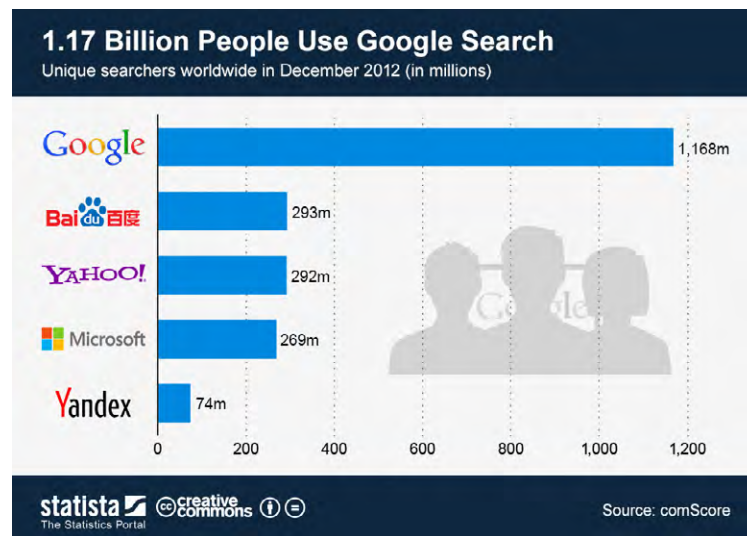
In fact, anyone who makes money on the web needs at least a conceptual understanding of SEO. Even if you don't plan to invest heavily in SEO, it helps to have some knowledge of the discipline.

If you don't know anything about SEO, [here's a quick primer from Moz](#), a leading expert in SEO:

**“Search engine optimization (SEO) is the practice of increasing the quantity and quality of traffic to your website through organic search engine results.”**

Basically, SEO entails optimizing your website so it appears at the top of a search results page when searchers input keywords and phrases into a search engine (like Google).

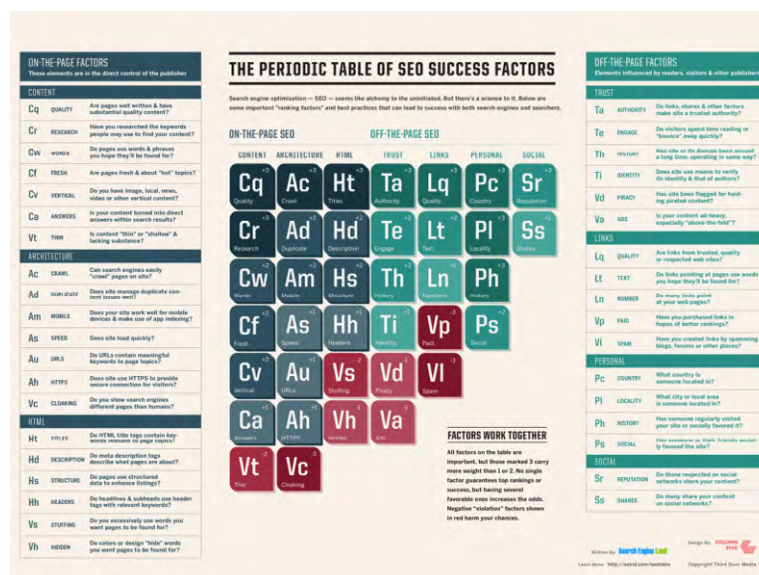
**Interesting fact: In 2012, 4x times as many people used Google compared to its next competitor (which wasn't Bing, by the way, but China's Baidu).**



Source: [statista.com](http://statista.com)

So how do you optimize a site for search engines?

This is actually a major question. There are many sitewide, page-specific, and off-site factors you have to consider. [Search Engine Land](http://Search Engine Land) summarizes each factor in this infographic.



Source: [searchengineland.com](http://searchengineland.com)

If you're new to SEO, it's imperative you learn as much as possible, even if you've already built your ecommerce store.

**Recommended resource: [Moz: The Beginner's Guide to SEO](#).**

Fortunately, SEO is not as complicated as it used to be.

In the past, several [less-than-ethical techniques](#) were available that you could exploit to trick Google into ranking your site higher than it deserved. If you attempt some of these “black hat” techniques nowadays though, you're likely to wind up with a [penalty](#).

Over time, Google's algorithm has evolved into a sophisticated thinker that sees through spammy gimmicks, and even [several questionable tactics people still use today](#).

Modern [content management systems](#) and [ecommerce platforms make SEO simple](#). For instance, Shopify comes with as much optimization as a platform possibly could.

### Let's look at an example:

It's best practice to wrap your page title in an <H1> tag so Google understands the page's subject. Shopify does this automatically. Your Shopify store is also completely responsive and loads extremely fast, two other important factors in Google's algorithm.

Modern SEO boils down to two main components:

1. **On-page SEO:** Optimizing your site and pages so Google can read them accurately. (Much of this can be done at your website's template level, like wrapping every page title in an <H1> tag.)
2. **Off-page SEO:** Collecting links *back* to your site (called backlinks) from other related, reputable websites.

For most businesses, the best way to improve your SERP visibility is to create optimized content pages around keywords and phrases your customer would use to find sites like yours. For instance, if you want to get people who search for “handmade watches” to find your site, you would create pages that [use this keyword in key places](#).

Then, you would score as many links as you could from reputable sites (sites Google trusts, and thus, ranks high). You might send a product to a blogger for a review, with a link to your site. You might write a guest post, or even [Help a Reporter Out](#). (Check out some more [ideas to get backlinks here](#).)

Sounds simple, right?

For most business models, SEO is *the* golden ticket.

But this isn't the case for ecommerce...

# SEO Won't Solve All Your Problems

Ecommerce store owner Andrew Youderian [learned the hard way](#) that relying on SEO for all your traffic can be a disastrous move.

Andrew was seduced by the ease, reliability, and low cost of SEO. But when a third-party SEO agency created a bunch of spammy, overoptimized links, his ranking tanked, wiping out 80% of his traffic.

Imagine your business disappearing overnight.

Scary, right?

What Andrew experienced was of course an example of bad SEO.

**Good SEO can indeed help you, but it can't be your only marketing strategy. Besides, SEO is notoriously tricky for ecommerce sites.**

Search engines like lots of content so they can “grab” onto a webpage and rank it properly. But you don't want to put 3,000 words of copy on a category or product page. This would disrupt your user experience. You could create additional pages (like blog posts) around your keywords, but these pages would compete with your product and category pages.

Further, SEO takes time.

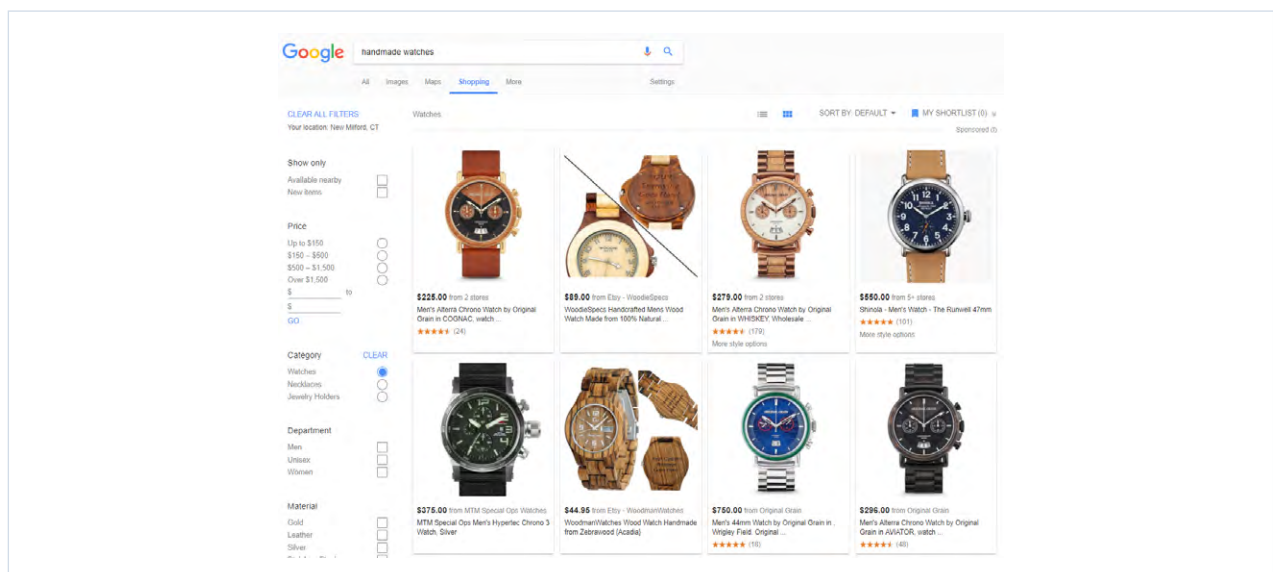
You can't rank a website in a week. Google takes a while to crawl and evaluate your pages. The [age of your domain](#) is actually a ranking factor. Many entrepreneurs opt to purchase a domain through [Shopify Exchange](#) or [Flippa](#) so their site has already aged somewhat in Google's eyes (and possibly also has good backlinks).



[Traffic is another important factor in Google's algorithm](#). It's a bit of a catch-22, but Google favors websites that receive tons of direct and repeat traffic. This makes it hard for new websites to rank, as well as sites struggling to generate enough traffic.

Most importantly, most people don't begin their shopping experience on a search engine. A [BloomReach survey](#) found that only 28% of online shoppers start their product search on Google. Instead, they head straight to Amazon or another retailer's website (which is why it's *critical* for you to build a following around your brand and connect frequently with past customers).

If shoppers *do* use Google to find a product, they're more likely to use Google Shopping than the actual web links. This is because Google Shopping shows them actual product photos right on the search results page.



Unlike web links, however, displaying your products on Google Shopping requires a [specialized product feed](#). In other words, it does *not* rely on your website's SEO.

What this means is that if you want traffic and sales *now* (who doesn't?), you shouldn't rely solely on SEO. It's smarter to also build a social media following, create partnerships with other online businesses, and buy [PPC](#) ads.

## That Said, Don't Ignore SEO

Think of SEO like a long-term strategy with no immediate payoff—but one that's definitely worth your attention. It won't drive sales in the short term, but it will eventually improve your overall exposure.

For instance, every time you create a new page (including your product and category pages), optimize it according to SEO best practices. Any time you work with another business owner or entrepreneur, find a way to get a link back to your website. Make sure every page is responsive, loads quickly, and isn't clogged with popups and ads.

**But whatever you do, don't rely *only* on SEO.**

**Let it be one tool in your kit, not your entire strategy.**





**13**

**Every Business  
Needs Accounting**

Numbers are boring.

You want to sell products, interact with your customers, and market your business.

You want that bank balance to *soar*.

What you don't want is to pore over spreadsheets all day and shoot confused stares at mathematical formulas.

But even small businesses—yes, even little one-person-shops like yours with a simple business model—need to know accounting.

**In other words, you need a way to examine the financial health of your business operations at all times.**

Scott Scharf, the founder of Catching Clouds, an accounting service for ecommerce businesses, says most of his customers [don't know whether they're profitable](#).

“They're not quite sure and there's a big difference between the cash in the bank and whether your business is profitable or not. They just don't know where they stand, and so there's a lot of stress related to not knowing.”

You need to know things like your [customer acquisition cost](#), your profitability per product, customer lifetime value, tax liabilities, your revenue, and your average margins.

About these factors, Scott adds, “You need to know those inherently so you can sleep better at night.”

Take Ben Brown, for example. After setting up his Shopify store, [Ben received tons of orders](#).

Good problem to have, right?

*Wrong.*

In his haste, he miscalculated his shipping costs. When he first set up his store, he was worried shoppers would abandon their cart once they saw the total checkout price. He knew customers expect free shipping, so he offered it across all of his products and advertised it heavily throughout his site. He didn't mind eating the shipping costs if it meant more people would buy his products.

Shortly after though, he realized his free shipping deal ate into his profit margin.

"Once I'd paid my carrier for delivery, I actually lost money," [he says](#). "Argh!"

**If you don't want to end up in Ben's position,  
you must take accounting seriously.**

# Accounting 101: Track Everything

You need an accurate picture of every penny flowing in and out of your business at all times.

Why?

Two reasons:

1. Just like Ben Brown, you need to know how much it actually costs to sell a product, so you can price it properly. Selling a \$15 item for \$20 *seems* like a good deal, until you factor in other costs you incurred to make the sale (like \$4 for shipping and \$2 for Facebook ads).
2. Tracking your expenses can reduce your annual tax liability. If you track every penny you spend, you can write them off on your tax return, thereby reducing your income and the amount the government needs you to pay. You can write off *every* expense, even the \$30 you spent on your printer toner or the portion of your utilities used to heat your home office.

**Shipping will likely be your biggest expense per order, but it's not the only cost you should track.**

You'll probably have other expenses, like...

- Digital subscriptions (including Oberlo and Shopify)
- Paid ads (PPC and banner ads)
- Outsourced services
- Affiliate commissions if you're running an [affiliate program](#)
- Giveaways and samples
- Other promotional costs (e.g., paying to get into a giveaway)
- Domain and hosting fees
- Office expenses (supplies, furniture, etc.)
- Office space (home or rented)

The easiest way to track most of this is to integrate a Shopify accounting app. [There are plenty to choose from](#), including the big names, like QuickBooks, Xero, and Zoho.

These tools let you create invoices, track bank payouts and deposits, and generate reports. By using an accounting tool, you can also make your life easier when it comes time to file your taxes, or if you decide to hire an accountant in the future to handle the financial side of your business.

**Save yourself a lot of hassle by integrating an accounting tool from Day 1. It should be one of the very first things you do when setting up your store.**

And whatever you do, do *not* mingle your personal finances with your business.

You'll find it simpler to track everything if you open a separate bank account for your ecommerce store.

# Get Comfortable with Your Taxes

**Most importantly, square yourself *right now* with the fact you'll have to pay taxes on your income *and* collect sales tax (in most cases).**

Both go to the government.

As Benjamin Franklin once wrote, "In this world, nothing can be said to be certain, except death and taxes."

As a small one-person business, you'll most likely pay no business tax. Instead, your business income will "pass through" to your personal return. But unlike a payrolled employee, the money won't be automatically deducted. Instead, you'll have to write a check at the end of the year.

Come tax season, many small businesses find themselves unprepared to pay a tax bill. [According to the IRS](#), small businesses are the largest segment of non-compliant taxpayers, and the situation is worsening as the [gig economy](#) grows.

Depending on your country and state, the income from your store might be subject to additional self-employment taxes. Consult with a professional to determine how much you should set aside in income.

[Sales tax](#) is a separate issue you need to know about. Whether you need to charge sales tax and how much depends on two factors:

1. **The country/province/state you ship to.** You need a new tax rate for each location. [Read this guide](#) to determine what to charge.
2. **The types of products you sell.** Certain products aren't subject to sales tax (like footwear that costs less than \$50 in Connecticut, USA). [Many products are tax-exempt](#). (If any of your products are tax-exempt, make sure to [set up a tax override in Shopify](#).)

Also make sure your [tax settings](#) are accurate on your Shopify backend. Shopify is pretty good about recognizing where you're based and where you're shipping to, but give it a once-over to avoid any surprises. Review your settings regularly as your business grows, so you're always operating legally and profitably.

### **In both the USA and Canada, you're required to pay business taxes every quarter.**

In other words, the government wants you to send a quarter of your estimated yearly tax liability every 3 months, so you aren't surprised by an insurmountable bill at the end of the year. This seems like a burden, but paying sooner actually helps you.

Don't rely on the Internet to determine if you should charge sales tax and how much. You could be out a lot of money if you make a decision based on poor information. Instead, speak to an actual authority, like the [Canada Revenue Agency](#) or the [Internal Revenue Service](#) in the United States.





**14**

**Customer Lifetime  
Value Matters More  
than Today's Sale**



So far, we talked a lot about building relationships. If you want to compete with giants like Amazon and other major retailers, you must build a following of fans who make repeat purchases and tell their friends about your store.

Ideally, you want your customers to come straight to your store whenever they need a product you sell. You don't want them to start their research process over again, and you *definitely* don't want them to make their way to Amazon (which is especially skilled at customer retention).

Therefore, your relationship with your customers is your most valuable asset.

**Today's sale isn't nearly as important as the connection you build with your customers and fans. So, instead of focusing on what you can make off your customer today, worry about the lifetime value your customer can provide.**

# Customer Lifetime Value Explained

[Customer lifetime value](#) (CLV) is the amount of money you can earn off one customer throughout their lifecycle. If you calculate it properly, you can figure out how much each customer spends over their entire relationship with your store, but more importantly, you can find out how to optimize their experience to get the most out of your investment.

[Put another way](#), “Customer Lifetime Value is a prediction of all the value a business will derive from their entire relationship with a customer.”

CLV is an easy metric to calculate, but many businesses never bother.

The formula is quite simple:

$$\text{CLV} = [(\text{Average Order Value} \times \text{Average Number of Sales in Their Lifetime}) - \text{Customer Acquisition Cost}] / \text{Average Profit Margin}$$

*Average order value* is easy to calculate. Simply add all your sales together and divide by your number of customers. Next, multiply that number by the average number of times a customer makes a purchase. Then, subtract the cost of acquiring that customer. (Maybe you advertise with banner ads or buy Facebook ads). Finally, multiply the total number with your profit margin. Now you have your CLV.

Here's an example:

- Average order value = \$90
- Average number of sales per customer = 3
- Customer acquisition cost = \$6
- Average profit margin = 20%

Therefore, your CLV =  $[(\$90 \times 3) - 6] \times 0.2 = \$52.80$  per customer.

**It's important to understand how those four variables interact, because you can grow your CLV by leaning on each one. Think of them as your growth levers.**

For instance, you could...

- Increase the average order value by upselling more products
- Increase the number of times customers order by bringing them back to your store through retargeting or email marketing.
- Reduce your customer acquisition cost by investing in organic marketing methods.
- Increase your profit margin by negotiating better deals with your supplier (or switching to a supplier willing to provide a better deal).

# Customer Lifetime Value Unlocks an Important Secret

“For managers and marketers alike, the power to calculate what customers might be worth is alluring,” [says Michael Schrage](#), a research fellow at MIT Sloan School’s Center for Digital Business. “That’s what makes customer lifetime value so popular in so many industries. CLV brings both quantitative rigor and long-term perspective to customer acquisition and relationships.”

It’s great to know your CLV, but this number doesn’t tell the whole story. So use your CLV metric to gather even more information about your customers.

**Here’s an important secret every ecommerce store needs to realize: Not all customers are created equal.**

Some are *substantially* more valuable to your business than others. It’s your job to identify which customers will spend the most at your store over their lifecycle and to find ways to keep them coming back.

Earlier in this book we talked about constructing buyer personas—caricatures of your ideal customers. Rather than calculating a single CLV for all your customers, it’s smarter to calculate it for each customer segment. This allows you to create copy, images, and offers that appeal to each of your specific target customer groups.

So say you have two customer segments: Dan and Phillip.

Dan is a gift giver who only buys your products for gifts about once a year during the holiday season. It's worth your time to speak to him during the holidays, but he's unlikely to buy from your store more than once. (In fact, he probably won't even remember your store's name a few days after the holidays are over.)

Phillip, however, is a collector who regularly purchases your products for himself. He might be part of a niche community that loves your stuff. He buys your products because he *wants* them, not because he *needs* them.

**In this example, the CLV of customers like Dan is small. You *could* take steps to increase his number of purchases, but it would take a lot of energy and money to make that happen. Since he's not inclined to buy again, it's probably not worth your time.**

On the other hand, the CLV of customers like Phillip is worth expanding. He *wants* to buy more products from you. He just needs a reason. It wouldn't take much effort to convince him to buy more expensive products—and to buy them more often. Besides, each of his subsequent purchases come in without incurring a customer acquisition cost.

# Cultivating a Relationship

How do you cultivate a long-term relationship to raise a customer's lifetime value?

Building a relationship essentially boils down to...

- Meeting your customers' needs. Give them the products they're looking for. Satisfy their wants and solve their problems.
- Creating a pleasant experience. Buying from you should be personable, fast, and simple.
- Giving them opportunities to reconnect. Make yourself visible in their life through email and social media, and make contacting you effortless.
- Incentivize them to return. [Develop a loyalty program](#), hand out discounts, send them exclusive customer-only promotions, or whatever else you can think of it make it more economical to come to you over other stores.



**15**

**More Tools Won't  
Solve All Your  
Problems**

Since you're using Shopify and Oberlo, it's clear you understand [the power of automation for ecommerce businesses](#). There's no need to perform any task that software can do for you, right?

Once you see an automation system in action, it's tempting not to fall in love. What else could be automated? What other functions can you delegate to apps and tools so you can *finally* achieve that passive income stream you've always dreamed of?

**While it's true software can go a long way to simplifying your life and your business, there's a limit to this power.**

## Tools Don't Have All the Answers

If you read up on a lot of ecommerce topics, you've surely come across countless articles listing "The 10 Best Ecommerce Marketing Tools" or "The 15 Tools Every Entrepreneur Needs." These articles make it seem like all you have to do to create a profitable store is install the tools.

But this is far from the truth.

There's no combination of apps that will build and run a business for you. Yet, time and time again, we meet ecommerce entrepreneurs who are obsessed with the next revolutionary tool. Some of them fork out hundreds of dollars a month subscribing to tools they don't even use (and probably never will).



Have you ever asked questions like these?

- “What’s the best email marketing tool?”
- “What’s the best app to start a customer loyalty program?”
- “Which tool will convert my blog readers into customers?”
- “What’s the best marketing app stack?”

If you’ve asked yourself these questions, you’re missing the point.

Tools are just... tools.

**They don’t solve your problems. They can’t make decisions for you. What they do is optimize processes.**

Without a process, a tool can’t offer any value.

Here’s a simple example:

Say you want to fasten two pieces of wood together with a nail. In other words, you have to bang the nail through one piece and into the other.

That’s the process.

You could hit the nail with anything—another piece of wood, a rock, or even your hand (if you can tolerate the pain). But it’s smarter to use a hammer because it’s a tool designed for this specific process. It’s not the *only* way to bang a nail in, but it is one of the best ways.

Your tool is only as good as your process.

**If you don't have (or understand) a process, the tool is useless. What good would a hammer be if you didn't know you had to bang it against a nail?**

Furthermore, any tool or app you integrate with your website adds bloat to your code, which could affect your website's performance and functionality. "While apps certainly add a myriad of functionality that may be vital to your business, they can also cause more issues than they're worth," [says Shopify expert and digital marketer Michael P. Hill](#). "Having too many apps installed makes it more complicated to troubleshoot problems that come up with your store—problems that could cost you sales. Think of it this way: **Every time you add a new app, you're introducing another variable into your store and more opportunities for issues.**"

# Choose Tools That Support Your Process and Strategy

Before you install a bunch of apps and subscribe to a whole lot of services, you need a process and strategy to grow your business. Once you know *what to do*, you can incorporate the tools to do the *what* better, faster, or automatically.

Here's an example:

Say you sell a small line of novelty products people don't buy more than once. Your customers might refer their friends, but they don't buy your products a second or third time. In this case, installing a customer loyalty app to encourage repeat purchases won't help your business. It doesn't make sense to spend money on an app that doesn't impact sales, despite countless marketers recommending it.

Let's look at a few real-life examples:

[Zendesk](#) is a powerful (and popular) customer service app, but it only works if you devote yourself to responding to customer tickets. [RetargetApp](#) is an awesome tool for recapturing your prospects from Facebook, but it only works if your customers use Facebook often. [Hotjar](#) is a great way to learn what people see and don't see on your site, but only if you use the information to optimize your conversions.

**In conclusion, tools only add value to your business if they support your process. Your tools can improve something that already works, but they won't solve problems on their own.**

## Focus on Your Sticking Points

Rather than searching for tools that might make your life easier, it's smarter to start with your problem. What do you wish was easier, faster, or automated? What could be better?

Are your customers unaware you offer free shipping? Add a [free shipping bar](#).

Do you think they would buy additional/related products at checkout? [Upsell them](#).

Are you tired of emailing your customers their tracking information? [Automate it](#).

**You don't need *more tools* or the *perfect tools*. (They don't exist, by the way.) You need tools that solve *your* specific problems.**



**16**

**Don't be Lured by  
Slick Salespeople**

We opened this book with a story about Lisa Paul Heydet, an ecommerce entrepreneur who signed a contract with a public relations and retail placement firm. She hoped they would give her brand some exposure and possibly get her products on the shelves of retail stores.

Sadly, none of it worked out.

Instead of propelling her business to success, the firm wasted 3 months of her time and a bunch of her money. When it became apparent the firm wasn't going to deliver on the results it had promised, she had to spend *more* money on a lawyer to get her out of the deal.

Why did Lisa get in bed with a marketing agency? Why didn't she grind out the marketing herself for as long as she could?

There could be several reasons...

- She wasn't happy with the current pace of her business. She wanted to see results sooner.
- She had grown frustrated by her past failures. She wanted someone else to take over the wheel for a bit.
- She had personal commitments outside of work (like her kids), which prevented her from investing as much time into her business as she would've liked.
- She recognized that she can't be good at everything, so she was willing to invest the money into specialized services, especially because she had been lured by the agency's promises to help her grow her business.

**Lisa's concerns aren't unique. You've probably thought about these issues yourself. And like Lisa, they might lead you to purchase tools, courses, webinars, and resources you don't really need.**

In fact, certain vendors *rely* on these concerns. They feed these concerns *back to you* with smart copywriting, images, and offers. They target entrepreneurs who are desperate to achieve something greater with their lives.

For instance, you might be tempted to join a paid mastermind group. It might be nice to have a group of experts and entrepreneurs like yourself tear apart your model, your store, and your marketing and give you some profound insight.

Could be worth the money, right?

Jay Fiset, founder of [Mastermind to Millions](#), points out that while pricey masterminds *can* add value to your business, many just fleece entrepreneurs for money.

[Jay had a client named Maya](#) who spent \$4,500 plus travel and hotel expenses to join a business coach's mastermind group. For her money, she got four meetings with the group, once per quarter.

Her first meeting, however, was a disaster. "I was expecting rocket fuel. Instead, I got a cup of watered-down Kool Aid," she said. "The group was very poorly curated, so despite the fact that everyone genuinely wanted to support each other, we just didn't even understand each other's businesses."

After a year, she canceled her contract.

Maya's experience mirrors those of millions of entrepreneurs every day. They spend *thousands* of dollars at the behest of slick salespeople and savvy hucksters on products that don't do anything for their business, *except* set them back.

# The Web Doesn't Make Things Easy

**You may not be interested in joining a mastermind group, but there are plenty of services and vendors all over the web *just dying* to sell you something.**

“Stay budget-minded and don’t spend above your means,” recommends ecommerce store owner Nina Farzin (and creator of the [oogiebear](#)). “You can spend your way out of business, so every dollar counts. Also there will be other business (B2B) that want your business. Pick and choose wisely and be leary of cold calls. Just because they charge a lot does not mean they understand your business or have your back.”

When you Google for an answer to a problem, you’ll scroll past ads for services that claim to handle it all for you. Facebook knows your interests and displays ads for companies promising to solve all your specific problems. While you’re reading a blog article, you can feel the author steer you toward their services.

As your business grows, more and more vendors will come out of the woodwork. They’ll message you on Twitter and LinkedIn. They’ll post comments on your Facebook and Instagram posts. They’ll even hunt down your email address and message you directly.

What will they try to sell you?



## Social Media Marketing

Salespeople will come at you from all sides to sell social media marketing services because there's no barrier to entry. Anyone who knows their way around popular social media platforms can call themselves a "Social Media Ninja" or "Guru."

Building and managing a social media following takes time and hard work.

Gimmicks may bring followers, but *not* customers.

## Pay-Per-Click Advertising

PPC is an important tool for ecommerce store owners, but like social media marketing, there's no barrier to entry. Anyone can access the tools and call themselves a PPC expert. Don't become enthralled by promises of instant returns and massive growth. Also worth keeping in mind: PPC guys don't control your website. They can send traffic, but they can't promise conversions.

## Bookkeeping/Accounting

Accounting is obviously an important part of running a successful ecommerce store (so important, in fact, we devoted an entire chapter to it in this book.) Plenty of helpful vendors will offer to handle your finances too.

But as an entrepreneur, you should manage your own finances for two reasons:

1. Many software tools are available today to automate most of your bookkeeping (like QuickBooks, Xero, and Zoho). Shopify also offers numerous apps that can help you organize your finances.
2. If you outsource your money management from the beginning, you'll never understand how to do it yourself in case your accountant retires or gets hit by a truck. (Plus, you'll never know how to tell if your money manager is stealing from you!)

## Customer Service

Plenty of professionals can do a good job serving your customers. They'll even abide by your policies and procedures. But when your business is young, it's crucial that you interact with your customers directly, even on boring topics like refunds and product questions. These valuable interactions can help you learn more about your customers. Hiring someone to handle these tasks puts a barrier between you and your customer, one you can't afford when you're trying to learn more about them.

**Besides, the customer service representatives these companies use are often based outside of your home country. They usually don't speak your language with a fluency you might be comfortable with, which sometimes creates poor experiences for your customers (and a negative impression).**

## Content Marketing/Blogging

**Content is an effective way to reach people, but it's not as useful for B2C ecommerce stores as it is for B2B companies, unless your products solve a specific problem.**

For instance, there's plenty of content to create around survivalism or outdoor living. But you'd struggle to get your content seen if you wrote about men's clothing in general.

Nevertheless, content marketers *do* send pitches, claiming they can launch you to the first spot on Google's search results. (No one can promise that.)

## Don't Be Afraid to Hire

That said, don't be afraid to hire a vendor or service provider *if it makes sense* financially. In most cases, this means resisting the urge to outsource anything until you have a steady, dependable stream of income.

It also means waiting to outsource until you can actually afford the service. Don't buy into a service with the expectation it will pay for itself. For example, don't pay someone to manage your Instagram account if you need this month's sales boost to pay the vendor's invoice. Wait to hire until you can afford the vendor on your own.

If you really want to use a vendor to outsource or automate something, consider the service's features carefully. Do they meet your needs? Will they solve your problem? Do you understand all the associated costs? Can you walk away from the arrangement if it doesn't suit you?

Verify everything a salesperson says to you.

If they say, "We can double your Instagram following in 60 days," find one of their customers who's received that service. Ask if they met their expectations; if they received what was promised. If you don't like the answers, assume the vendor's promise is an empty one.

**Most importantly, don't allow yourself to get stuck in an expensive contract, with no way out. Only hire services that let you pay on a monthly basis. This way, you can end the arrangement if you don't think it's worth your money.**

## Learn to Say “No”

As a business owner, you'll spend a lot of time saying “No.”

Don't worry about hurting the “right” people's feelings. You're running a business. If you have to, feel free to hit those “Block User” and “Report Spam” buttons.

You can say “No” to spammy, fly-by-night companies that message you in broken English. You'll say it to friends and mentors who want to “bring you in on an amazing opportunity.” You'll say it more often as your business grows, and hungry vendors begin eyeing you as a prospect.

**Your business is yours alone. *You* are the driver. Don't let anyone sell you on something you aren't comfortable buying.**



**17**

**Copy and Images  
Make Sales**

When people buy products in brick-and-mortar stores, they usually hold the item in their hands before they make the purchase. They study it from all angles, hold it up close to their face, and examine the quality with their fingers. If the product is something they expect to wear, they'll probably try it on.

But people don't have this experience online. They miss all the information that's usually immediately accessible to them just by holding a product in their hands. In this sense, you're at a disadvantage because you can't give them what they want for them to make a purchase.

**This means your job is to create a product page that overcomes the touch-and-feel barrier. If you don't, you'll drive your would-be buyers to a store that does give them the information necessary to compensate for their inability to examine the product. (Alternatively, they just might make a trip to a brick-and-mortar store, where they *can* get the information they need.)**

# Photos: Shoppers' #1 Concern on a Product Page

Quality photos are your most effective tool on a product page.

[According to Practical eCommerce](#), customers are 3 times more likely to make a purchase if an ecommerce store uses high-quality photos. In addition, quality photos are typically more consistent with a product's actual look and features, which is why great photos lower return rates.

[People remember 80% of what they see](#), but only 20% of what they read.

**In other words, you could have fantastic copy, but the truth is, shoppers spend most of their time studying the photos (and videos, if you can swing that). If you aren't showing your customers phenomenal product photos, you're not creating a strong impression, which means you're missing out on sales.**

If you're [dropshipping](#), it's tough to get ahold of your own products unless you buy them yourself. This means you're stuck with whatever photos the manufacturer or distributor make available to you. In some cases, the provided photos are abysmal (small, grainy, and not showing all the angles and features a customer needs to make a purchase). Plus, if any other online store sells the product from the supplier, you'll be displaying the exact same photos.

If you only have the supplier's photos, it's fine to use them for the time being. (Your customers *definitely* won't buy if you don't have *any* photos.) But eventually, you'll want to use your own.



One reason some people choose the dropshipping model is the low-cost barrier to entry. At some point though, it's necessary to purchase every product you sell so you can take and display professional photos. (Having a product at your desk and in your hands will help you write better product descriptions and answer customer questions too.)

Can this approach be expensive?

It sure can.

But in the long run, the results are worth the investment. "Pictures sell," [says Sheila Dahlgren](#), senior vice president of marketing at Scene7, provider of on-demand rich media. "People do not buy what they cannot see, so the higher the quality and resolution of your imagery, the better your results will be."

"Customers convert at a much higher rate and buy more when the product imagery on a site is better," Dahlgren continues. "Customers are three times more likely to buy online when retailers offer rich imagery with the ability to zoom, pan, and see color options and alternative views of the merchandise, along with the products presented in context or on a model."

**If you don't have the cash to buy your own products to photograph, don't worry. Wait until you've made a few sales, and then use your earnings to fund your improvements.**

Exploit the [80/20 principle](#) here: Start with the products that sell the best (or you think will sell the best) before moving onto the others.

# Use Copy to Compensate for Your Photos' Shortcomings

Even the best product photos fail to supplant the brick-and-mortar shopping experience entirely. Shoppers want to know what your products feel like, smell like, sound like, and even what they taste like (sometimes).

You just can't convey these sensations through photography.

This is where your copy comes into play. According to Salsify's [2017 Cracking the Consumer Code](#) report, 87% of shoppers say product content is either *extremely important* or *very important* when making a purchase decision. Moreover, 50% stated that they've returned an item because it didn't match the product description.

**Your product descriptions should describe everything the shopper could possibly want to know about your product that you can't convey through your photos.**

Here are a few tips for writing killer product descriptions:

- Speak directly to your buyer personas.
- Use benefits-focused language (but mention features too, when appropriate).
- Use a tone of voice that matches your brand attributes.
- Make sure your tone of voice also suits your unique personality and style.
- Make your copy easy to scan and readable. (Don't expect shoppers to invest too much time and effort into reading your copy.)
- Use keywords effectively to aid your search engine rankings.
- Make your copy compelling and unique. (Don't use the copy provided by your supplier.)
- Don't be afraid to get technical whenever appropriate.

# Product Pages = Your Last Chance to Convert

**If you spend a lot of time optimizing any one part of your website, let it be your product pages.**

These pages are your last opportunity to turn a shopper into a customer. If they can't find what they need on these pages, they won't find it at all.

We recommend you spend some time exploring the layout, images, and copy on some of the [best non-Amazon/eBay ecommerce sites on the web](#). It's smart to simply "copy" what the pros are doing until you get the hang of it and gather enough traffic and sales data for testing.



**18**

**Relationships Are  
Built on Trust**

Let's get something straight: You are not Amazon.

When someone makes a purchase on Amazon, they find the item they want and blast through the checkout process without a second thought. They know they'll get the item. They know they can return it if they don't like it. They know their privacy and money are safe.

In other words, they *know* Amazon.

Why are we so comfortable with Amazon? Because we've used it before. We've had countless positive experiences with the ecommerce juggernaut. We *trust* Amazon to fulfill its role in a faithful and expedient manner throughout the transaction. Some people order *everything* through Amazon.

But *you're* not Amazon.

**Your website visitors won't assume you're safe and reliable until they've purchased from you. They won't trust you because they don't have a relationship with you. In other words, they don't know you—yet.**

"It [costs five times as much](#) to attract a new customer than to keep an existing one, so forging long-term relationships with customers is critical to any e-commerce retailer's bottom line and future company health," says [Eldar Sadikov](#), founder of Jetlore, a company assisting retailers to build customer loyalty, boost conversions, and increase revenue. "With increased e-commerce competition, retailers need differentiated experiences filled with sticky retention mechanisms to engage customers in valuable ways over time."

Customers are inherently wary about private ecommerce stores. In some cases, shoppers choose to buy the exact same product on Amazon (even if the seller is the same!), just so they can spend their money on a platform they trust.

**So, in addition to displaying good copy and images that make your customers want to buy, you must signal your trustworthiness to them if you expect them to build a relationship with you.**

## Making Sales = Signaling Trust

If you don't convince potential customers you're trustworthy, they'll go elsewhere. After all, no one wants to send their money to an unknown company and pray their product arrives.

So how do you build trust?

Well... Unfettered trust takes time to build. It took Amazon a long time to build trust with its customers too, so don't expect your customers to trust you on their first visit.

**Just remember your goal:** to eliminate *anything* that might make your would-be customer suspicious. Remember, they're *already* suspicious of you, so if something doesn't seem quite right, they'll validate their own fears and bounce off your site.

Let's go over some signals that make your site look untrustworthy.

**No contact page or form:** Customer service is already a bit of a hassle on the web, more so than walking into a brick-and-mortar store. An ecommerce store without contact information means customers can't get ahold of you if they have a problem or a question, or if they need to request a return. This makes everyone uncomfortable.

**Unsecured website:** According to a recent survey, [85% of online shoppers avoid unsecured websites](#). They want the "S" at the end of your "HTTPS"; otherwise, they assume you won't ensure that their payment and confidential information are kept safe. Fortunately, SSL certificates (for securing your website) are now easy to acquire.

**No payment symbols or trustworthy logos:** It seems silly that the mere appearance of trustworthy logos rub some of their trust off on you, [but it works](#). Shoppers want to see that *at least* other organizations do business with you.

**No company information:** You're not a fly-by-night scam operation that's trying to stay anonymous. You're a real company. There's a *real human being* behind it. [A well-crafted "About Us" page](#) tells customers you're invested in this store. (Add a photo of yourself for extra credibility points!)

**No shipping information:** As an ecommerce store owner, some of your products might come from China, which might mean shipping times of 4 to 6 weeks. You might be tempted to hide these details because they might send some customers to another store—but this is a mistake. A *lack* of shipping information makes you seem untrustworthy, *and* you'll get a ton of complaints when people don't get their products as fast as they expected.



**No reviews or social proof:** Shoppers want to know other people have purchased your products in the past, and that they're happy with what they received. If your visitors can't read reviews, they'll assume no one's bought the product before. (No one wants to go first.)

**No terms & conditions or privacy policy:** It's true that very few people actually read these. Links to these pages are usually small and hidden in the footer (accessible, but out of the way). Regardless, a store not displaying such policies may appear like it's hiding something.

**Unknown payment gateway:** Credit card fraud and identity theft are serious concerns these days. Your customers want to know their information is processed by a reputable company like PayPal, Stripe, or Square.

# Capitalize on Trust

Building trust is challenging, but it has advantages beyond today's sale.

Customers who trust you are more likely to buy from you in the future. They'll come straight to you if you sell another product they need, because it's easier than taking another risk elsewhere.

Over time, you'll become a trusted vendor in their lives, just like Amazon.

Earlier we spoke about customer lifetime value (the total revenue you can collect from a single customer), and how it's more profitable to raise the lifetime value of your customers over any single transaction.

**A trusting relationship built on honesty, transparency, and successful repeat transactions is one of the most powerful tools for increasing your customer lifetime value. Combine a trusting relationship with regular contact (email campaigns and social media posts), and you'll gather ecommerce customers who buy from you over and over again.**



**19**

**Work On Your  
Business, Not In It**

This warning doesn't apply to you right now, but it's something you should keep in the back of your mind at all times. It's a mistake entrepreneurs make all over the world, every day, in every industry. No entrepreneur is immune to this problem. It affects freelancers, high-powered executives, and of course, ecommerce store owners.

One of the biggest mistakes you can make in ecommerce is spending all your time working *in* your business, rather than *on* your business.

What's the difference between *in* and *on*?

When you work *in* your business, you're basically giving yourself a job handling day-to-day activities. You're maintaining the website, you're paying invoices, you're handling customer service, you're doing it all.

On the other hand, when you work *on* your business, you're improving it and focusing on how to make it grow. You're planning new initiatives, turning repeatable tasks into processes, integrating tools to automate automatable work, building relationships and partnerships, and driving the marketing machine.

**In the beginning, it's reasonable to work in *and* on your business. After all, you're the only person you can rely on. Resources are limited. So you wear all the hats. You can't pay someone to manage the day-to-day operations.**

As you grow though, daily tasks will eventually take up *the entire day*.

Inevitably, there'll come a day when you plan to spend several hours focusing on how to grow the business, but get caught up performing mundane daily tasks. So instead of creating business opportunities or pushing your marketing strategy, you'll just tread water. It's easy to fall into the trap of working *in* your own business like an employee.

If you're a dropshipper, you won't experience the *in* vs. *on* problem as intensely as other types of entrepreneurs. Most of your day-to-day operations are managed by Shopify and Oberlo. Once your customer places an order, there's little for you to do except field customer support problems and market your business.

**But don't assume you're immune to this problem because you use sophisticated tools. Tasks that first appear in the *on* category will eventually migrate to the *in* category.**

For instance, creating and distributing social media content constitutes working *on* your business, at least initially. Eventually, however, you'll optimize your social media process so that creating content becomes simple and repeatable. At this point, every social media post you create involves working *in* your business because it can be offloaded to someone else. (If your process is clear and documented, it might make more sense to hire someone to create the content for you.)

# So How Do You Switch From *In* to *On*?

First, adopt the mindset that your time is most valuable when it's spent solving problems and growing the business. Every minute you waste on a repetitive or arduous task actually gets in the way of growth. This concept is called the [opportunity cost](#). The cost of something (in this case, the time you spend working on a task) is whatever you give up to get it.

Let's look at an example:

If you choose to spend an hour creating an email campaign, that's an hour that could have been spent engaging on social media, creating content, building partnerships with other stores, and so on. The key, therefore, is to work on tasks that provide the most value to the store's growth. For everything else, you eliminate, automate, or delegate.

Once you feel like you're giving up too much just to keep the business running, take these steps...

## 1. Eliminate the Unimportant

When you're excited about starting your own business, it's easy to add dozens of tasks to your to-do list. You want unique product photos, clever descriptions, press features, a slick email design... The list is endless.

But not everything is important.

**In fact, if you look at your daily to-do list, you can probably spot a few tasks that would add little-to-no value to your business. So cross them off and forget about them.**

## 2. Automate What You Can

You can automate work in three ways:

1. Lean on tools as much as you can. If your marketing strategy calls for an active social media presence, don't spend an hour every day posting across Facebook, Instagram, and Twitter. It's smarter to use a social media scheduling tool like [Buffer](#), [CoSchedule](#), or [Edgar](#) to create posts a week at a time. Let machines do the work for you whenever you can.
2. Second, build processes and templates to simplify work. For instance, once you build an [email marketing campaign](#), save the email template to use it for future campaigns. Then, all you have to do is plug in new information. This also helps keep your branding consistent. You can save templates for everything (even responses to customer questions).
3. Document your processes so you don't have to solve the same problems over and over again. For example, make a checklist of criteria before you add a new product to your store. This way, you can quickly qualify new products as you browse your supplier's inventory.

### 3. Delegate the Rest

You don't have to hire full-time employees to delegate work. In fact, [the gig economy](#) has grown so much, it's easy to hire plenty of by-the-project freelancers to handle any tasks you lack the skills for.

You might hire someone to create social media content, write blog posts or product descriptions, organize your finances and payments, or anything else that frees up your time. Just make sure whatever they do allows you to step away from your day-to-day operations so you can focus on growth.

**Remember:** You're only a worker when you have to be. In the beginning, you'll wear many hats, but make it your goal to quickly replace yourself in your own business.

Once you create a business that doesn't require your involvement every day, you'll know you've achieved something every entrepreneur dreams of: Actual passive income and absolute freedom.



A white line-art graphic of a person sitting at a desk, with a calendar icon in the center displaying the number 20. The background is a dark blue grid.

**20**

**Take Care of  
Yourself**

The final caveat of this book is the most important because it affects your life *beyond* your business.

The night before [Dayna Winter launched her first Shopify store](#), she found herself awake at 3 AM writing product descriptions. She couldn't remember the last time she had something to eat or drink. Her eyes and back were sore from sitting in front of her computer for too long. She had missed her exercise class and her sister's messages.

Then Dayna came to a realization.

She was experiencing the plight of every entrepreneur: The toll entrepreneurship can take on your life and body.

"I realized how easy it is, in the thick of nurturing a business, to forget to nurture yourself," [she says](#).

In a perfect world, you'd have all the time you need to build the business of your dreams and still have plenty of time to rest, indulge in your hobbies, and spend time with your family.

But we don't live in that world.

**In *this* world, you have to spend 8 hours a day working a job to keep food on the table and make rent. You might have family obligations that keep you from your business until later in the evening. Like many entrepreneurs, the clock could strike 8 or 9 PM before you start work.**

On the surface, entrepreneurship seems easy. It's supposed to be liberating and peaceful, after all. It's supposed to *abolish* the stress of slaving away for someone else, right? It's supposed to satisfy that drive inside you, the one urging you to build something.

It's supposed to be fun.

Right?

## The Truth: Entrepreneurship is Hard

The life of an entrepreneur is hard, lonely, and riddled with sacrifice. You sacrifice nights out with your friends so you can pour cash into your business. You sacrifice time with your family so you can work. You might turn down attractive opportunities or relationships because they don't mesh with your entrepreneurial lifestyle.

**Entrepreneurship is *filled* with failure and hard learning. You'll struggle with your website and shopping cart and your marketing tools. You'll struggle with Facebook ads, your MailChimp campaigns, and your cart abandonment app. You'll struggle with getting your first sale and handling your first customer complaint.**

On top of all that, you'll have no one to rely on but yourself. No one to make sure you clock in on time. It's easy to say, "I can take today off. Who's gonna stop me?" There's no boss to look over your shoulder to make sure you stay off Facebook. When your store fails to hit your goals, you have only yourself to blame.

These stressors cause many entrepreneurs to lead unhealthy lifestyles. They have poor diets and exercise routines, mental health issues, and in some cases, substance abuse and alcohol problems.

**So as you embark on your entrepreneurial journey, don't forget to take care of yourself.**

## How to Take Care of Yourself

As an ecommerce entrepreneur, it's important to commit yourself to self-care.

Self-care means taking [deliberate steps to keep your body and mind healthy](#), especially when you're traversing a stressful time in your life (like starting your own business). It means taking care to meet your physical, mental, and emotional needs.

Self-care doesn't mean pampering yourself with expensive takeout or fancy clothes. It doesn't mean justifying your latest tech purchase because you can "just write it off as a business expense." Nor does it mean putting off work entirely.

**Caring for yourself is about building a healthy lifestyle that supports a demanding entrepreneurial pursuit.**

For the last piece of advice in this guide, we go over some important ways you can take care of yourself while you build, launch, manage, and grow your ecommerce store.

## Breathe Deliberately

We're obviously breathing all the time. But controlled, deep breathing [evokes a relaxation response](#) that soothes stress, banishes anxiety, and stabilizes your heart and blood pressure. Practice deep breathing by taking big breaths with your stomach. Push your belly way out. (You won't look attractive, but you'll feel relaxed.)

## Get More Sleep

You might be tempted to power through the night to get more work done, but the quality of that work will be questionable. [Sleep deprivation](#) robs you of your creativity and ability to make good decisions. This means you're likely to produce poor-quality work you'll end up redoing anyway.

For the sake of your health, try to get 7 to 9 hours of uninterrupted sleep every day, in whatever environment helps you sleep the best. It may take longer to get your store off the ground, but what's the point in growing a business if it shaves years off your life?

## Interact with People (Not Online)

Loneliness can creep up on you, even if you're someone who doesn't mind solitude. Long stretches of time without human contact can make you feel anxious and depressed. Over time, [loneliness can manifest as physical health problems](#) (including heart disease, cancer, and obesity).

If you work a full-time job during the day, you might be engaging in enough human interactions to keep you sane. But if all your work takes place online, put yourself in situations where you'll meet other people. For instance, you could take your laptop to a coworking space or coffee shop. You might also consider joining entrepreneur meetups.

## Don't Saddle Yourself with Debt

It's guaranteed you're going to spend *some* money growing your business. The best part of the ecommerce model is, you don't need a ton of cash to get started, but there *will be* expenses: Tools/software, ads, an item's price you inevitably screw up and have to take a small loss for, and so on.

Debt doesn't just slow your growth. It can cause [stress and real physical health problems](#).

But be careful not to sink too much money into your business until you take some out, especially if you need that money to live.

Go slower if you have to, and optimize carefully.

## Create a Positive Workspace

Dark, tight, and unappealing spaces can damage your mental state. You don't need a big, swanky office with pricey furniture and a view of the ocean, but it's helpful to work in a space you enjoy being in. Small improvements like a plant, an extra lamp, or a family photo can help make work relaxing and enjoyable.

## Mind Your Mental Health

[There's evidence](#) entrepreneurs have traits that make them vulnerable to depression, mood swings, and a sudden lack of motivation. Any of these conditions could derail your store and your lifestyle plans.

Eating healthy, sleeping often, and spending time with other people can help prevent these conditions, but if you feel your mental health is slipping, speak to a professional right away.

## Get Some Exercise

You don't need to spend 2 hours at the gym every day to get an adequate amount of exercise. Nor do you need to waste a lot of money on fancy gym memberships. But regular exercise [boosts your brain's ability to learn and remember new things](#). You only need about [20 minutes of exercise per day](#) to stay healthy and reduce stress.

## Choose Healthy Foods

Gas station hot dog? Breakfast sandwich at the coffee shop? Taco from the food truck? It's easy to grab whatever's within arm's reach when you're juggling work, family, and a business. But [food choices have a direct impact on your brain's performance](#), so it's important to fuel your body with foods that support your work, not those that slow you down. Skip foods high in carbs and processed sugar. Opt instead for leafy greens, nuts, lean meat, and plenty of water.

## Don't Forget To Reward Yourself

It seems counterintuitive to reward yourself *before* you build a business. Isn't the reward supposed to be a healthy ecommerce store that generates passive income?

Nevertheless, we need to celebrate our smallest victories, even if we do it alone. You don't have to take extravagant trips, but give yourself a pat on the back every time you achieve a milestone (a minor goal that contributes to your main goal) by getting yourself a sweet gift, catching a movie, or cracking open a beer.

And don't fall into the trap of working through every weekend and holiday.

Sure, those feel like "extra hours" when you can get ahead. But if you don't stop and celebrate anything, your life will become one long work day. (It'll drive you insane.)

## Turn Failure Into Learning

We've spoken about failure over and over throughout this book. Failure is a part of every entrepreneur's life. It is only an obstacle if you let it consume you. If you wallow in your failures and groan about all the unfairness in the universe, you'll soak in all that stress and disappointment.

But if you adopt a mindset of *learning* from your failures, you'll inoculate yourself against those negative feelings.



# It's Time to Begin Your Journey

You could spend a lifetime absorbing the lessons of experienced entrepreneurs, but at some point, you have to make your move. Now that you're aware of the biggest mistakes ecommerce store owners make, you're equipped to avoid the biggest pitfalls that could sink your business.

Does this mean you won't come across your own challenges?

Not a chance.

**You'll come across new problems every day. And you'll welcome the challenge. That's what it means to be an entrepreneur.**

Some of these challenges will be easy to solve. A customer will ask a unique question, so you'll file your response for the next time it comes up. You'll scour the IRS or Canada Revenue Service website to find an answer to your specific tax question. Or maybe you'll toy with one of your marketing tools until the automation works just like you want it to.

Other challenges will be more complex. You'll painstakingly and methodically tweak Facebook ads to squeeze out the most conversions. You'll hunt for ways to reduce your margins as much as possible. You'll *definitely* have difficult conversations with angry customers. (Because it's a difficult issue every business must deal with, you'll thrive if you can [master the art of turning angry customers into happy ones](#).)

To top it all off, every time you take steps to grow your business, you'll find yourself facing a whole new host of challenges. You'll have to learn new skills and technologies, meet new people, and try new things.

Even the most seasoned ecommerce professionals learn new things *every day*.

So whether you've built your store or you're about to, *Now* is the time to harden yourself against challenges and failure. You *will* fail at many things. That's a promise. And you'll waste time and even money. But remember to take each failure as an opportunity to grow stronger.

Each failure is a chance to learn—to mold yourself into a stronger business owner and entrepreneur.

Do not permit yourself to grow discouraged by your mistakes. No, your journey won't be perfect. You won't get everything right the first time. But over time, as your ecommerce muscles grow and your entrepreneur brain matures, you'll build a healthy machine that makes all your financial dreams come true.

Good luck!

