



# Embracing Advanced Technologies

## ‘Enabling E-commerce, Delivery & Returns’

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Enabling MSMEs to select the right technology packages for their  
businesses.*



# ADVANCED TECHNOLOGIES

## What is e-Commerce?

eCommerce —Electronic Commerce — is simply a way for people to purchase products and services over the Internet. An eCommerce store is an online shop.

## Why open an e-Commerce store?

- Barriers to entry and cost of acquiring a traditional brick and mortar;
- Location is not a factor;
- Reduced or no staff costs;
- In some cases you may not even need to buy all your stock upfront — many eCommerce stores only purchase stock *after* they have made a sale, completely minimizing their risk. This is called a drop-shipping business model. For example, if you sell sauces, you could wait until you have “sold” a sauce before purchasing from the distributor.

## When getting started, these are critical considerations:

1. Is your business registered with a Tax Registration Number (TRN) and proof of certification from the Companies Office of Jamaica?
  - Your business will need to be registered to facilitate you acquiring a business TRN and proof of certification, as these are prerequisites for setting up a payment gateway on most secure platforms.
  - A payment gateway is a merchant service used to authorize and process your customers’ electronic transactions or payments. Examples: Fygaro, PayPal, Stripe.
1. Do you have a local bank account in Jamaican dollars?
2. Is the majority of your customer base banked or unbanked?
3. Does the majority of your customers have and use a credit card or VISA debit card?
4. Do you have an inventory management system that tracks what inventory you have in stock, what has been sold and what has been ordered? It is critical when doing online sales that you know what you have available so that you do not end up selling stock that you do not have and you can also promote items that you may have in excess.



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## **Steps in setting up e-commerce for your business.**

### **1. Register your business/ company**

It is important to register your business as most platforms will require proof of certification and in order to conduct business you will need a business Tax Registration Number (TRN). Moreover, to protect and secure your business, products and intellectual property from online fraud or someone stealing your business name and idea, registering your business is a legal and credible way to verify that it is your business and you are the owner.

### **2. Understand Tax Requirements and Implications for Tax Compliance**

Ensure that you are clear on the local tax requirements for your business especially when using North American platforms which typically have tax reporting or payment implications for using their gateways.

The taxes depend on the platform/ delivery/ shipping agency used and are usually on imports.

Check and clarify their fees and costs to import (raw materials for production, etc.) and export goods.



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## Steps in setting up e-commerce for your business.

### 3. Get a Bank Account for your business

Get a local bank account and ensure that your bank account supports First Atlantic Commerce (FAC). FAC is a leading provider of secure and robust Internet payment solutions, offering a range of services that include multi-currency, real-time credit card and debit card processing as well as online customer authentication and other fraud management services.

- The following Jamaican banks support FAC: National Commercial Bank (NCB), Sagicor, Scotiabank, First Global Bank (FGB), First Caribbean International Bank (CIBC).
- There is a fee for using FAC which varies depending on your bank. Contact the banks to discuss and understand any fees involved.

### 4. Assess your customers' "paying power"

Your customers' "paying power" reflects their ability to pay for and purchase your products online. This will affect your sales so it is important that you build your e-commerce website so that it is able to accommodate your customers and make it easy for them.

- Are your customers mostly banked or unbanked? - This will affect how they pay online.
- Do your customers use credit cards or debit cards? - This will guide you on the payment options/ methods to offer on your e-commerce website. i.e. Mastercard, Visa Card, PayPal, etc.



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## Steps in setting up e-commerce for your business.

### 5. Build your E-commerce website

Build your E-commerce website with a payment gateway (a merchant service used to authorize and process your customers' electronic transactions or payments). Example: Fygaro, Stripe, PayPal. Consider the right platform to build your website:

- Done For You Platforms - these platforms are more or less ready to go with minimal customization required.
  - ✓ Wix website templates w/ e-commerce features
  - ✓ Amazon
- Done With You Platforms - these platforms require you to actually change things within the platform to get it to a usable state.
  - ✓ Shopify - Shopify® offers a full ecommerce and hosting solution for a monthly fee.
  - ✓ Strikingly, Kajabi or Teachable - online courses and coaching
  - ✓ Fygaro
  - ✓ Squarespace
- Do It Yourself Platforms (Or hire out to an expert) – these platforms can be used to build your own custom website from scratch.
  - ✓ WordPress with plugins
  - ✓ Google Site with plugins

Note: On eBay, you can sell directly out of Jamaica as a Jamaican right away.



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## **Tips on building your E-commerce website:**

- Make sure it is aligned with your brand and showcases your products well.
- The Homepage should feature your more popular items that will draw your customers in.
- The website should be easy to navigate to allow browsing, product selection, and purchasing.
- Before you go live with the website, make sure that in addition to internal quality assessment, you have friends or colleagues actually search for products and purchase using the website to ensure that everything is in order.

## **6. Consider your “fulfillment plan” (to fulfill orders) and make a delivery & returns plan and policy**

Note:

- International delivery in most cases is possible but returns are complicated. Returns are not recommended because the cost to return packages to Jamaica can be quite high.
- There are no flat rate options when shipping from Jamaica. The most cost efficient option for delivery is the Express Mail Service or EMS through the Jamaica Post. They partner with major shipping companies in North America and Europe. Delivery typically takes approximately 3-4 days.



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## **Fulfilling Orders, Shipping, Delivery & Understanding Costs**

For larger shipments, DHL, FedEx, and Rocketship are good options.

How do you manage returns when fulfilling from Jamaica?

- You can use a fulfillment services provider or prep center which are warehouses that prepare your packages for you. If you are selling on Amazon they have their own fulfillment service.

Get export ready; you must:

- Have the required labels with ingredients, package descriptions, etc.;
- Have a UPC (Universal Product Code) for each product which is a standard barcode;
- Be registered with the relevant local bureau or regulatory body such as JAMPRO or the Bureau of Standards if you manufacture your own product. If you are simply reselling an existing product this will not apply to you.

Are Jamaican businesses charged customs/duty when shipping wholesale products to warehouses in the US?

- Charges depend on the item. The duty varies by item, you can check with the [FDA.gov](http://FDA.gov) to see which items attract duty. If you are using DHL or FedEx you can also ask for the costs of all duties ahead of time. Their respective websites should also provide some guidance.
- The biggest danger is not knowing your numbers. If you do not know all the costs upfront you can end up in a situation where you send your products overseas and pay more than you earn. Ensure you educate yourself on all the required fees and costs associated with shipping, clearing, and packaging BEFORE you sell your product.



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## 7. Understand and select your method of product manufacturing and delivery

There are two ways to sell a product. Either you are manufacturing it yourself (managing the production and packaging locally or internationally) or operating via drop shipping (partnering with a third party that handles the production, packaging and distribution for you overseas).

- **Manufacturing and managing operations yourself** - This refers to self fulfilment where you would handle most of the work: creating the products, packaging, inventory management, delivery, etc.
- **Drop shipping** - This means that you do not have to create, package, store, or ship your products yourself. You partner with an overseas third-party provider that provides and conducts these services on behalf of or for your business. Examples: Oberlo, Contrado, Printify, Printful, Teespring, Redbubble, etc.

It is important to assess which route is best for you to take. Also, consider which drop-shipping company would work best for your business if you take that route as often times there are fees or policies when signing up with one. Some may produce the item and complete delivery and packaging for you but they receive the payment made directly by the customer and deduct a commission to pay you separately, depending on the sale and setup.

The cost to produce and fulfill orders entirely yourself vs. drop-shipping depends on your business and the products you are selling.

Drop-shipping may usually be cheaper and more convenient but you have less control over your products, the overall process and your profits, while fulfilling orders yourself gives you more control over the process and the money you earn.





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## 8. Digital Marketing - Drive traffic to your e-commerce website and grow your customer base via digital marketing

- Make sure you know your target market. What is their gender? Age? Interests? Income? Location?
- Create graphical or video ads that will appeal to them, consider your marketing budget and run ads with “call to action” to visit your website and shop.
- Consider social media platforms to create a page for your business. Examples:

1. Facebook - Recommended for all types of businesses. Run ads, connect with the billions of users on the platform, reach your target audience easily and share posts with images and videos.

2. Instagram - Recommended for most to all e-commerce businesses. It is great for the SME that is selling something that “looks good” e.g., A clothing store, flower shop, restaurants. Use Instagram to promote your online store by providing a link in your store bio that can take customers to a landing page where they can purchase your products or sign up for special deals.

3. Google My Business - Ideal for businesses with a physical location or want to share contact information publicly (telephone, opening hours, etc.) . If you register for this free service, your business is placed on Google maps so persons can easily find it.

4. WhatsApp - Great for all business to leverage to build a contact list and communicate with customers directly via WhatsApp for Business. It acts as a convenient chat box but also perfect for sharing product information and links to directly sell to customers individually at your fingertips.



# RESOURCES

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- Email: [jason.scott@gkco.com](mailto:jason.scott@gkco.com)

**Kristie Stephenson** - Founder, Story & Myth

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## List of countries authorized to sell on Amazon

- [https://sellercentral.amazon.com/gp/help/external/200405020?language=en-US&ref=mpbc\\_200417280\\_cont\\_200405020](https://sellercentral.amazon.com/gp/help/external/200405020?language=en-US&ref=mpbc_200417280_cont_200405020)

## The Complete Beginner's Guide to E-Commerce

- <https://prospress.com/beginners-guide-to-ecommerce/>

## How To Add Your Business To Google Maps

- <https://thrivehive.com/add-your-business-to-google-maps/>

## Best E-commerce Fulfillment Options and Companies for Storing & Shipping Your Products

- <https://www.codeinwp.com/blog/best-ecommerce-fulfillment/>

## E-commerce Overview: A Beginner's Guide

- <https://www.youtube.com/watch?v=DD5nfsjAFLk>

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