Sophie's Soap's E-Commerce Shop

Exploring the Top 3 Software in the E-Commerce Industry

Josey
Business Solutions

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Introduction to E-Commerce

The brick and mortar storefront has been a classic American icon for over a century. Maintaining a business on Main Street was the sign of prosperity and success for many business people. In today's rapidly changing society, the American storefront has moved online in the form of E-Commerce. Millions of retailers--including small business owners--have developed an E-Commerce platform for their businesses, allowing business people to sell their products and services through an online platform. As COVID-19 continues to spread, 33% of shopper state they shop online because it's safer (Gabriel & Loredana, 2020)

In 2021, there will be an estimated $4.8 trillion in online sales

Online sales are expected to increase each year as more individuals are expected to make purchases online Dauvtovic, 2021).

Nearly 2/3 of people begin shopping for an item online

Younger generations are relying more on E-Commerce than older generations with 57% of the generation shopping online on a daily basis (Gabriel & Lordeana, 2020)

E-Commerce Software automatically creates the website

Business Owners can add their products and services for online purchase

The E-Commerce software processes payments, tracks shipments, and produce labels

The E-Commerce software manages inventory, sales histories, reviews, and other relevant data

General Overview of E-Commerce Software

Alongside the rise of E-Commerce in the 21st century, three E-Commerce software platforms have come to the forefront in the online sales industry: WooCommerce, Shopify, and Wix.

Each of these platforms have grown in popularity over recent years.

WOO COMMERCE

WooCommerce is the most popular platform (Keith, 2021)

WooCommerce is used by 3.8 million E-Commerce stores

shopify

Shopify is the second most popular platform (Keith, 2021)

Shopify is used by over 800,000 stores (Galov, 2020)

WIX

Wix is the third most popular platform ("Websitebuilder", 2021)

Wix is used to power over 600,000 E-Commerce related stores

While there are other software platforms for E-Commerce websites, these platforms are not nearly as popular and widely used as WooCommerce, Shopify, and Wix.

WooCommerce

WooCommerce is an open-source software based on WordPress. Accessories--known as plugins--allow for easy site customization for a small business without the need for professional website designers (WooCommerce, 2021).

Benefits

Using WooCommerce comes with a number of benefits unique to the WooCommerce software platform. These include:

Unique Editing Ability
WooCommerce is open source, allowing anyone with coding experience to make edits to their particular website without the permission of the original software developers.

Thousands of Templates and Plugins
The WooCommerce platform is accompanied by thousands of templates and plugins, allowing for you to easily create a professional and appealing storefront within a day.

Ease of Gaining Professional Assistance
While WooCommerce can be configured by someone with little to no web development training, professional help may be needed from time to time. Currently, there are more than 3,000 freelancers operating exclusively to help businessowners with their WooCommerce needs (Fiverr, 2021).

Pricing

WooCommerce, at its core, is a free product.

After installation, the WooCommerce software is capable of:

- **Unlimited Transactions**

- **Inventory Management**

- **Product and Page Customization**

- **Customer and Order Tracking**

Cost of Add-on Features

Although fully functional as a standalone software, WooCommerce works alongisde additional programs to deliver more designs, greater customization, and faster load times.

Some plugins, templates, and other features can cost anywhere from a few dollars to several hundred dollars depending on the quality and extent of the plugin and template. Fortunately, many templates and plugins on the market are free (WooCommerce, 2021).

WooCommerce (continued)

Downsides and Concerns

Although an overall excellent software platform for E-Commerce, WooCommerce has some minor downsides and concerns.

Open Source

WooCommerce is built through an open-source project, meaning programmers develop the WooCommerce software in their free time to hone their internet development skills. Although unlikely, the nature of the an open-source software may eventually lead to developers discontinuing the development of the WooCommerce software.

Pay for Website Hosting

WooCommerce does not come with website hosting, requiring business owners to pay a website hosting company a monthly fee to keep their website running (WooCommerce, 2021).

Complexity

Due to the complex nature of installing, programming, and maintaining on the WooCommerce platform, some individuals may require assistance and training from a Wordpress or WooCommerce professional.

Total Estimated Cost

Although the WooCommerce software is free to download and install, there are some underlying fees that must be addressed:

Web Hosting

As a business owner, you are responsible for partnering with a company to host your website. For a small startup, expect to pay around $15-20 per month for hosting (Whitfield, 2021).

The Learning Curve

Accompanying the complexity of WooCommerce comes a learning curve that requires new business owners to spend time becoming familiar with both Wordpress and WooCommerce. If a business owner isn't capable of the time commitment to learning how the software functions, professional services charge anywhere from several hundred to several thousand dollars to develop a website.

Considering these factors, a business owner may take spend at least $200 dollars a year for their website and up to several thousand dollars for their website to be developed by a experienced website builder.
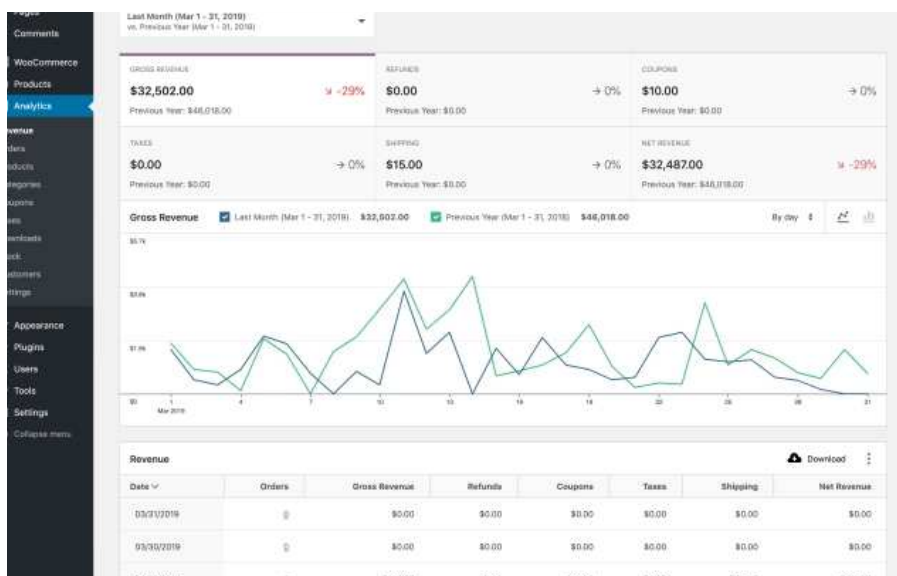
WooCommerce: Case Study & Reviews

The following is an discussion of Pastlens--an E-Commerce store that is implementing the WooCommerce platform to successfully run their storefronts online. Reviews from small business owners using WooCommerce have been added to provide experience from stores similar to Sophie's Soaps.

Pastlens.com takes advantage of using the themes and plugins available to users of the WooCommerce platform. Pastlens.com has used premium themes, such as Elementor, to generate a custom site set to their specific needs (BuiltWith, 2021).

Finding a reliable hosting service is also major component of a WooCommerce shop. Pastlens.com is hosted by InMotionHosting (Hosting Checker, 2021). InMotionHosting charges upwards of $32.99 a month (InMotionHosting, 2021).

"The easy, fast and flexible way to start online retailing [is] with WooCommerce"

-Raghabendra, *a small business owner (G2, 2021)*

A Standard WooCommerce Dashboard for an E-Commerce Shop (WooCommerce, 2021).

"WooCommerce makes any Wordpress site a flexible superstore"

-Joshua, *a small business owner (G2, 2021)*

Shopify

Shopify is an E-Commerce platform that directly hosts your shop on their website (Oberlo, 2021). Shopify offers numerous features and benefits depending on the subscription plan a business chooses for their shop.

Benefits

Using Shopify comes with a number of benefits exclusively associated with the Shopify software platform. These include:

Numerous Subscription Plans

Shopify has subscription plans that range from $9 per month to $299 per month. Businesses can choose which subscription plan serves their needs the best (Shopify, 2021).

Advanced Support

The Shopify software comes with 24/7 support from the business which created the Shopify software, ensuring all issues can be resolved by developers with relevant and concise experience in the Shopify system (Shopify, 2021).

Based On a Cloud-Based Network

Shopify uses cloud computing, allowing for fast speeds and higher uptime compared to other E-Commerce platforms (Oberlo, 2021).

Pricing

The cheapest pricing for Shopify is $9 per month while a more advanced version of the software costs $299 per month.

Cost of Add-on Features

In addition to the monthly subscription fee to use Shopify, businesses may need to pay additional monthly fees.

Some businesses may require features for their Shopify store that are not to installed on the basic Shopify software. 3rd party companies develop plugins to perform certain features that are only avaliable through a monthly subscription. Some businesses can expect to pay hundreds of dollars per year on these 3rd party plugins.

Shopify (continued)

Downsides and Concerns

While Shopify has many benefits, there are some downsides and concerns regarding the software platform.

Lack of Customization

Shopify is owned and operated by Shopify Inc. Shopify Inc. owns the Shopify software, allowing only the their company the right to edit the Shopify software. If a business is not satisfied with the software and wants to add a feature, they must request the feature to be added.

Extra Costs & Fees

While one of Shopify's greatest assets is 24/7 support, this feature comes at a financial cost: paying an expensive subscription each month. Each benefit you receive from Shopify comes with an additional fee (Shopify, 2021). Furthermore, Shopify reserves the right to change the pricing of it's software subscription at any time, which may cause unexpected costs for businesses.

Reliance on Shopify's Servers

Although business owners are not responsible for maintaining their own website or locating a website hosting provider, they in turn rely on Shopify to maintain their website. If a problem arises, business owners must depend on Shopify to resolve the issue.

Total Estimated Cost

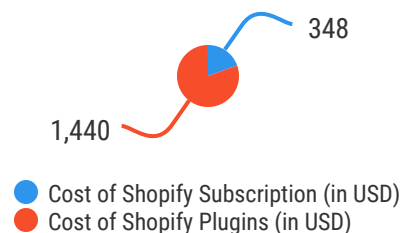There are several factors that determine the cost of operating a Shopify store.

Subscription Choice

There are a number of different subscription options available for businesses using the Shopify platform. As Sophie's Soaps is a small business, the $29 per month subscription designed for small businesses will be used for calculations.

Additional 3rd party plugins

Some 3rd party plugins may be required to deliver all of the desired functions and features for their Shopify store. These 3rd party plugins can range in cost from a few dollars to $99.99 per month (Shopify App Store, 2021). It is probable that a new business may need several plugins to operate properly, bringing the expectation for plugin cost to be $120 per month.

Total Expected Cost of Shopify Store for 1 Year: $1788

348

1,440

● Cost of Shopify Subscription (in USD)
● Cost of Shopify Plugins (in USD)
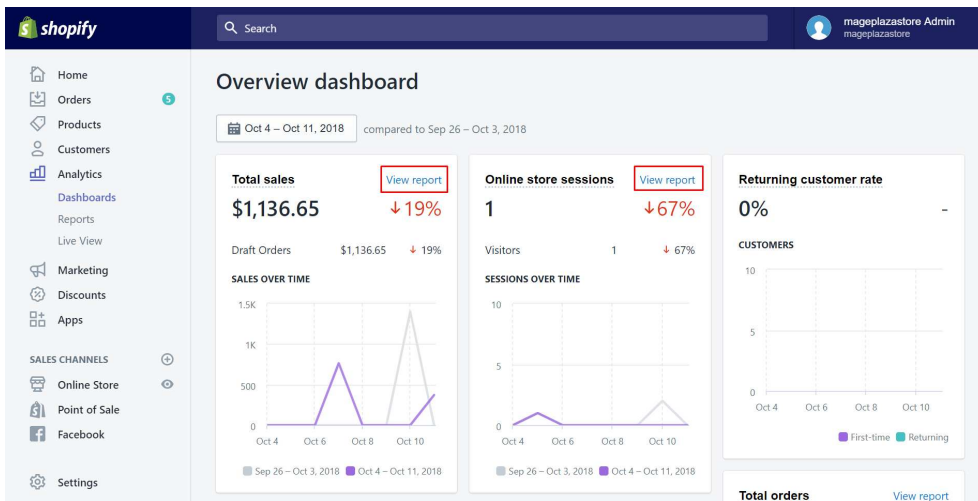
Shopify: Case Study & Reviews

The following is an discussion of Kodak Digitizing--an E-Commerce store that is implementing the Shopify platform to successfully run their storefronts online, alongside remarks from other users of Shopify.

KodakDigitizing.com uses the the Shopify platform to list products, track shipments, list reviews.The company also uses many of costly third-party plugins to add features to their site. These include promotional plugins, currency software, shipping features, and more (BuiltWith, 2021).

In addition to cost, the reliance of Shopify's own website hosting poses a great risk: slow website speeds. The website speed for KodakDigitizing was given a "C" rating by a website speed test software (GTMetrix, 2021).

> "Shopify is perfect if you're starting an online e-commerce business"
>
> Agatha, *a small business owner* (G2, 2021)

A *Standard Shopify Dashboard for an E-Commerce Shop* (Hailey, 2021).

> "Very user-friendly and excellent for beginners!"
>
> -Angie, *a small business owner* (G2, 2021)

Wix

Wix is a website building software used to create a variety of different websites ranging from blogs and news sites to E-Commerce platforms. In recent years, Wix has grown to have strong E-Commerce designs and functionalities (Wix, 2021).

Benefits

The Wix E-Commerce software platform has a variety of unique features that may be beneficial for business owners.

Pricing Model

When a user purchases a subscription to Wix, the software includes templates plugins. Business owners are not obligated to pay extra monthy fees for premium templates or features (Wix, 2021).

Resources and Education

When a subscription is active, businesses have access to numerous resources and education classes provided as a complimentary service by Wix. These resources can be used to grow your business and increase skills of new entrepeneurs.

Customer Support

When a business has an active subscription with Wix, Wix provides 24/7 customer support with a live representative. If an issue arises with your online store, a Wix representative can assist in resolving the issue at any time (Wix, 2021).

Pricing

Wix E-Commerce software is avaliable in several subscription packages:

Business Basic Subscription Plan - $23/month

The Business Basic Subscription Plan includes only the very vital elements of an E-Commerce website: secure online payments, customer accounts, and promotion of products on social media (Wix, 2021).

Business Unlimited - $27/month

The Business Unlimited Subscription Plan includes elements from the Business Basic Plan, as well as advanced shipping and limited automated taxation (Wix, 2021).

Business VIP - $49/month

The Business VIP subscription package includes customized reports, high storage, advanced automated taxation, and a loyalty program for customers (Wix, 2021).

Wix (continued)

Downsides and Concerns

While the unique features Wix offers to clients brings many benefits, there are some noteworthy drawbacks with the Wix E-Commerce platform.

Limited 3rd party Plugins

Due to Wix maintaining the development of plugins and compatable applications, business owners must rely on Wix to create, update, and fix any issues with plugins for the platform. Unlike WooCommerce and Shopify, 3rd party plugins made without permission from Wix are not compatible with any Wix E-Commerce site (Wix, 2021).

Lack of Scalability

Wix is designed for stores with a limited number of shop pages. If a business wants to create a large-scale sales operation with more than 30 products, Wix may not be able to handle the high number of products (Pinggera, 2021).

Multi-Device Layout Compatibility

While Wix is an excellent website design tool, the designs and layouts are not always compatible on multiple devices. One prominent example is Wix's compatability with tablets; Wix's layout and design becomes rearranged and "broken" when a Wix E-Commerce store is accessed from a tablet (Pinggera, 2021).
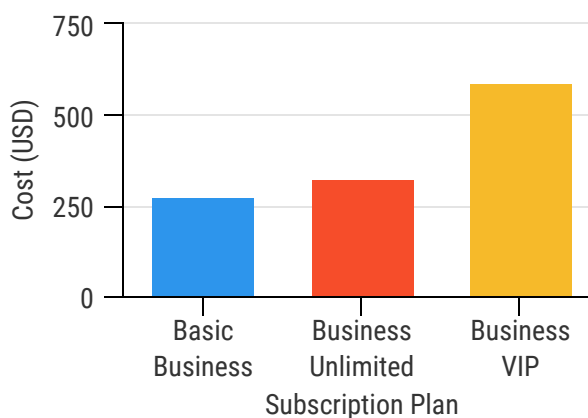
Total Estimated Cost

The Wix E-Commerce software is avaliable in several subscription packages, including the Business Basic, Business Unlimited, and Business VIP packages.

While the particular subscription package chosen by a business depends on the specific needs of the business, it is likely that a business would want to have their E-Commerce software to computes sales taxes, shipping, and other features automatically for all purchases. Under this criteria, a small business would purchase the $49 Business VIP package.

Due to Wix's subscription model including themes, templates, and plugins being included in the cost the subscription, businesses do not need to consider additional cost pertaining to premium templates or plugins.

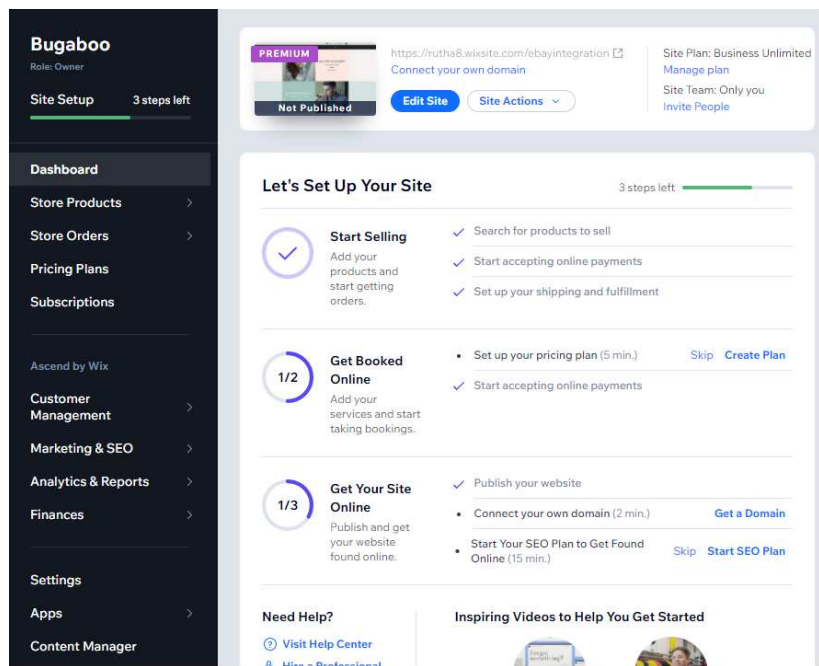### Estimated Cost of a Wix E-Commerce Shop for 1 Year

Wix: Examples & Reviews

The following is a discussion of Kaekoo, an E-Commerce store that is implementing the Wix E-Commerce software platform to successfully run their storefronts online. Reviews of Wix from small business owners are included for additional context and perspectives.

Kaekoo

Kaekoo.com uses Wix's themes and included plugins to create a dynamic site with subscription pop-up boxes, user accounts, and shipping features (Kaekoo, 2021). The site also takes advantage of Wix's eGiftCard features and video upload capabilities.

A Standard Wix Dashboard for an E-Commerce Shop (Wix, 2021).

"Don't know coding? Don't worry.. Make a website in a day"

-Anees Ahamed K., *a small business owner* (G2, 2021)

"Wix is Great for Beginners and Intermediate Small Businesses Doing it Themselves"

-Natalie W., *a small business owner* (G2, 2021)

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