

# Your Online Business Guide



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**eCommerce has made the global economy more connected than ever before - and there's never been a better time to join it.**

Consumer behaviour has changed in recent years. The expansion of the internet and technology has entered almost every facet of life, and this includes the way people buy things. Online shopping, eCommerce, online marketplaces, or whatever you want to call it are here to stay.

Starting your own business is exciting, and it's even better when you can outsource the boring stuff and work on your idea. Running your business online gives you flexibility, control and is beneficial for your customers.

In this guide, you'll learn why taking your business online is one of the smartest things you can do, whether you're starting from scratch or if your business is already off the ground and running. There's never been a better time to launch your business in the online sphere, so why not do it now and enjoy all that the online economy has to offer?

# Contents

## Chapter 1: eCommerce: the world's largest marketplace

Why go online?	5
What eCommerce means to customers	6
Essential features of an online business	6
Common mistakes to avoid	7

## Chapter 2: Starting your online business from scratch

Refining your business idea	10
Choosing your structure	10
Finding your name	11
Registering your business	11
Protecting your Intellectual Property	11

## Chapter 3: Taking your business online

Making the transition	12
Moving your products	12
Do I still need a retail space?	12

## Chapter 4: Starting your site

Domain registration	13
Making your site mobile-friendly	14
Ordering products	14
Complying with the Australian Consumer Law (ACL)	15
What to do with data	15

## Chapter 5: Online legal compliance

The importance of privacy policies	16
Informing your users about using cookies	16
Having terms and conditions and terms of use for your website	17
Payment Card Industry (PCI) compliance	18
Refunds and exchanges	18
Customer reviews	19

## Chapter 6: Getting your products out there

Marketing	20
Delivering your goods	20
Dropshipping	21
Expanding your online business	21

## Chapter 7: Making eCommerce work for your business type

Retail	22
Services	23

## Chapter 8: Resources

Where can I register my domain name?	24
Where can I get my website built?	24
Recommended Online Marketplaces	24
Getting your legal documents	24

Conclusion	25
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# eCommerce: the world's largest marketplace

## Why go online?

The internet is accessible at almost anytime, anywhere, and it's a place where users are able to find anything they need. If you have a product or service that you want to sell to many people, there's no better place to do it than the internet. Although it can be said that businesses need to have a digital footprint for their survival in the modern economy, it can also enable unprecedented growth.

Some benefits for you as a business owner are:

- Your business will have exposure to a much wider market
- You can target your advertising more effectively
- You can communicate with customers more easily
- You can store records and transactions online
- Your business will be perceived as being modern and customer friendly
- Your business will be easier to manage If your business is solely online, you will save on retail or other leasing costs



## What eCommerce means to customers

As a business owner, you want to make the process of purchasing as simple as possible. You may have decided to start a business because you've seen something lacking in a product you've used - going online is one way you can take this idea even further. Convenience is key, and the internet is the most effective way to achieve that.

Some reasons why online business is great for consumers are:

- Ease of access through smartphones and computers
- Customers can easily find what they're looking for
- Flexible payment options
- Products are delivered to the customer's door
- A customer can make purchases at any time, not just during business hours

## Essential features of an online business

An online business has many characteristics, but there are some essential features which factor heavily in whether you're going to be successful or not. Some of these are:

- Ease of access for your website Price listings on your site - are they easily visible?
- Displaying clear photos of your products or services Instilling trust by having a [privacy policy](#)
- Having a [secure payment system](#) on your site
- Accepting multiple forms of payment such as credit card, PayPal and Afterpay
- Effective online advertising on social media platforms such as Facebook & Instagram and search engines such as Google Having a well-laid out website that is easy and enjoyable to use

## Common mistakes to avoid

Taking your business into the online world can feel daunting. It often involves trial and error and testing features to see how they perform. However, there are some common mistakes made by website operators which we want to help you avoid.

### Security

Cyber security is crucial for your online business. Many businesses find themselves the target of phishing attacks or other malware. Not only can this damage your business, it can also adversely affect your customer's trust in your business. Some tips for mitigating this risk include:

- Having a privacy policy
- Ensuring your systems are up to date
- Having anti-virus software
- Being careful with who you provide information to Using a password management tool.

A user can tell whether the website they're using is secure by whether a padlock icon appears before the URL in the search bar. The padlock icon (often before the 'https' prefix) means that the site is secure and the data transferred between the browser and server are encrypted.



## Not considering your SEO

Search Engine Optimisation (SEO) is a practice which serves to increase traffic (and therefore sales) to your site. When you search for a term on a search engine, you are more likely to click one of the first few results that show up. Pages that appear lower in the search rankings tend to miss out despite offering the same answers. SEO is considered a way to increase your organic traffic online and there are **tools** which can help you make the most of it. Organic traffic is online traffic which you don't pay for, i.e not obtained through paid advertisements and is the most effective form of 'free marketing' you'll come across online.

## Not being user-friendly

It's integral to your success as an online business that your users have a seamless and easy experience online. This comes down to things such as the layout and design of your site, the speed at which it runs, and how accessible your products are. If your website isn't user-friendly, then customers will likely be discouraged from making purchases. Being user-friendly is so important these days that there are designers, known as User Experience (UX) Designers] who specialise in this. A UX designer will make sure your site is pleasant for visitors and easy to use, meaning that it's more likely your products will be purchased.



## Spreading your business too thick (or too thin) on social media

Businesses that intend to have a significant online presence also need to extend this into social media. The majority of internet traffic these days is on social media sites, so it's no wonder that both paid and free advertising on social media are a highly effective strategy. However, executing this strategy well is a balancing act.

The content you post on social media will serve to not only advertise your products, but also paint a picture of your business as a whole. Content marketing is a great (and free) way to get your name out there. The content you post on social media will largely create brand awareness, so whether you're sharing blog posts, photos or even memes, curating and tailoring your content to your target audience is a must.

Having effective content is one thing, but it's also just as important to share your content at the **right time and in the right amounts**. Sharing content at times when users are more likely to be using social media will increase your post's reach. Timing your content will depend largely on your audience and when they are online. You can do this by looking into your business's insights on your social media accounts. Think about when they're most likely to be online. Are they workers who will go on social media on their commute to work or during their lunchtime? Or are they consumers who are more likely to shop online after work hours?

Once you have determined what time you'll post your content to social media, you also have to be mindful of how often you post. If you don't post enough, you won't make any footprint on social media. Alternatively, if you post too often you will risk users becoming disengaged and feeling overwhelmed by your content. Generally, posting once per day is ideal. If you post any more than that, you will risk losing followers online.

# Starting your online business from scratch

## Refining your business idea

So you know you want to start a business online, but you don't know where to start. At this point, it's worth doing some market research into industries that are thriving online. It's also useful to think about what services would be more convenient if they were available on the internet. One industry that's been hugely successful online is retail. The idea of being able to purchase products from the comfort of your home and having them delivered to your door is highly appealing. When you're thinking about what type of business you want to start - always remember that convenience is the key.

## Choosing your structure

After you've figured out what you want your business to provide, you have to choose how to structure it. In Australia, there's 3 ways you can structure your business.

Firstly, you can be a sole trader. This means you only have to register for an Australian Business Number (ABN) and the business will be in your individual name (unless you register a business name as well). You will also be taxed as an individual, which could be beneficial or detrimental depending on your revenue. A sole trader is also individually liable for any losses the business makes.

A partnership is similar, except you're operating the business in conjunction with another person. You and your business partner will share an ABN and be equally liable for the business.

Finally, [starting a company](#) means that you will have to register for an ABN and you will receive an Australian Company Number (ACN). Your business will be taxed at corporate rates and significantly, your business will have a 'separate legal personality'. This means that the business will be treated separately under the law to you, so you won't be liable if the company goes south.

## Finding your name

What's in a name? When it comes to business, everything really. Your business name is what your customers will remember. When thinking about business names, ask yourself the following questions:

- What do I want my business to represent?
- Who are my customers?
- What makes my products or services different to what's already out there?
- How do I intend to market my business?

## Registering your business

Now it's time to make your online business official. By this point, you know what you'll be selling or providing, you know what form it will take and you have an idea of what name your business will go by. There are online platforms which can help you register your business - whatever type it is. Within minutes, you'll be ready to go!

## Protecting your Intellectual Property

Your intellectual property is one of the most valuable assets your business will have. If you've come up with a unique name which encapsulates the services your business offers, it is worth getting legal protection for your business name by [registering a trademark](#). This can also extend to your business's logo, slogan and even website domain. If your products are inventions, you may want to protect them by lodging a patent.

# Taking your business online

## Making the transition

Perhaps you've realised that it's time to enter the online market and want to expand your business into the online world. Or maybe you want to shut up shop and sell your products exclusively online. Either way, going online is a transition. If you have your products in a store and intend to offer them online in addition to your physical store, you will have to organise how you will ship these items. If you're moving exclusively online, you can look into leasing a warehouse or even dropshipping. Further, you can use third-parties to help hold and ship your stock when customers order it.

## Moving your products

When transitioning to selling your products online, moving your stock can seem like a time-consuming and complicated task, but with good time-management and organisation it doesn't have to be. Firstly, consider where you want to hold your stock. Make sure it's in a place that's easy to access and large enough. You should consider holding it in your garage or workshop, renting a storage space or even a third-party warehouse who will dispatch your items for you. Make sure you undertake an inventory of your stock to check that everything is accounted for.

## Do I still need a retail space?

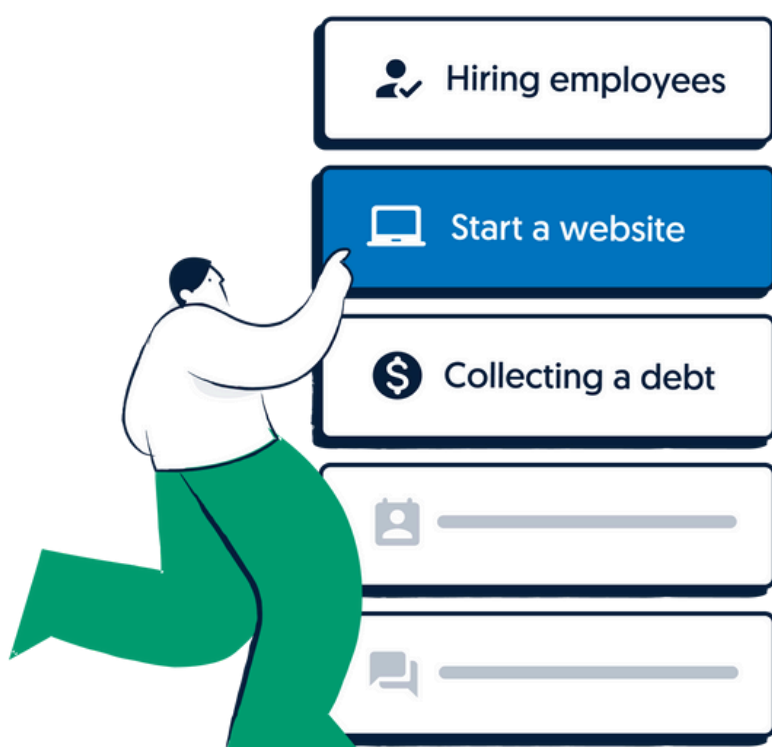
The answer to this question very much depends on how well your physical store is doing. If your business has a lot of regular or local customers then maintaining a physical space may be worthwhile. However, if your business only has a few customers, it will be worthwhile substituting this for the opportunities your business will have by going solely online.

# Starting your site

## Domain registration

In order to have a functioning website, you have to register a domain name. In Australia domain names end with the extension ‘.com.au’ or ‘.au’. Make sure your website name is an accurate and easy-to-remember reflection of your business. For example, if your business is called ‘Curated Cupcakes’ your domain could be along the lines of ‘curatedcupcakes.com.au’ or ‘curcupcakes.com.au’. Once you have an idea of what you want your site to be named, you can check on [auDA](#) to see if this name has already been registered. If it hasn’t, then you’re good to go!

Domain name registrations normally entail a fee, but there are platforms where you can purchase it at a reasonable rate. For example, if you register your company with us, you can register your ‘.com’ domain with GoDaddy at a discounted price. It’s important to note that domain registrations don’t last forever, as they usually expire after a few years (depending on the plan you choose), and are not valid for more than ten. It’s important to keep track of when your domain name expires, because if it does and you have not renewed it, it can be purchased by someone else. You may also want to consider getting IP protection for your domain name so it cannot be misused.



## Making your site mobile-friendly

Most internet traffic comes from smartphones. In making your website mobile- friendly as well, there are a few things to consider. Firstly, you can use a tool (available on some internet browsers) to see how your site looks on mobile browsers. You can also launch a mobile app for your business which is beneficial by giving your business a more direct platform by which to service your customers. However, if you decide to develop a mobile app, you will need to have an additional privacy policy for your [app](#) and mobile terms and conditions of use.

## Ordering products

Just as when you run a store, you will have to also order wholesale products for your online business. You can continue using the suppliers you previously used before going online, or you can find new suppliers who service the online business market more effectively. Further, you can have your products shipped to a third-party storage facility if you don't want to hold the stock yourself.

## Complying with the Australian Consumer Law (ACL)

The Australian Consumer Law (ACL) is a national law which aims to protect the rights and interests of consumers when purchasing and using products and services. The ACL is enforced and regulated by the Australian Competition and Consumer Commission (ACCC). If you're already a business owner, it's likely that you are familiar with consumer law. Even if you are, it's important to remember that the ACL applies to online businesses, just as it does with other businesses. The ACCC regulates elements of your business such as:

- False and misleading advertising
- Managing your online reviews
- Warranties and returns policies
- Unfair contract terms Setting and displaying prices

There are many other areas of your business which are regulated by the ACL. If your business breaches any of these terms, you can face a significant fine.

## What to do with data

Running an online business means that you will inevitably be collecting information about your customers. This can be anything from their buying habits, to their personal details, to even their payment details. Online privacy has become a prominent issue in the wake of eCommerce, so it is crucial that you take measures to keep your customer's data secure. You can do this by taking adequate precautions to [avoid phishing](#) or other hacking attacks. Adequate precautions include keeping your software and systems up to date, educating your employees on how to spot a phishing attack, and using a unique signature on your emails so customers know if an email that's claiming to be from your business isn't.

You should make sure you understand your privacy obligations which are found in the [Privacy Act 1988 \(Cth\)](#) and the [Notifiable Data Breaches Scheme \(NDBS\)](#), which requires businesses to inform customers if their data has been compromised.

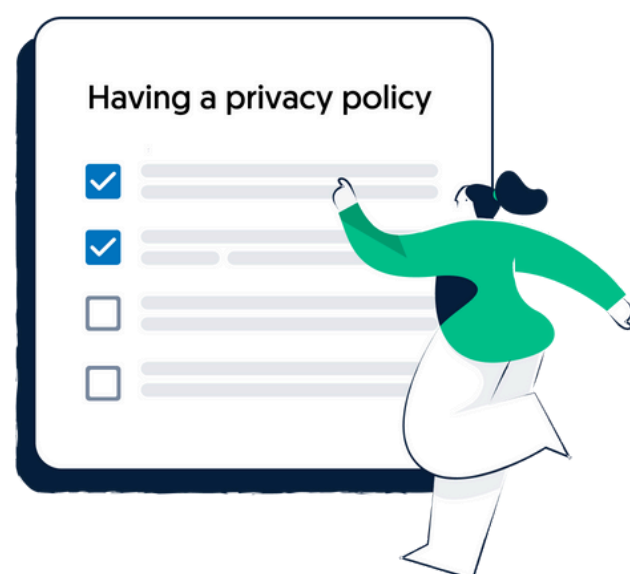
# Online legal compliance

## The importance of privacy policies

**Privacy policies** have become an essential, if not mandatory, for many online businesses. In Australia, privacy legislation requires businesses with a turnover of \$3 million or more to have a privacy policy. However, even if your business does not meet this threshold, it is still recommended. One reason is that the General Data Protection Regulation (GDPR) is applicable not only to businesses operating in the European Union, but also all citizens using online services. If EU citizens will be accessing, or will be likely to access your site, then you are legally required to have a privacy policy. Further, having a privacy policy will instil trust in your customers by informing them that you take their privacy seriously.

## Informing your users about using cookies

It's a fact that most websites these days use cookies. Cookies are small files which collect information on a user's computer. It's no coincidence that computers tend to recognise user behaviour - such as what web pages they've browsed, or their login details. Cookies are convenient to users, but it's important that they understand that their information is being collected and stored. Some websites use a pop-up on their site which informs users about the use of cookies, but it's also common for sites to inform users about cookies in the terms of their privacy policy.





## Having terms and conditions and terms of use for your website

Running a website means that it may be subject to misuse. To protect yourself, it is well worth having [terms and conditions](#) for your website. This page will detail how your website will facilitate your business's offerings, your guarantees under the Australian Consumer Law (ACL), and your shipping and returns policy amongst other things. Your terms and conditions will apply to your customers. By contrast, your terms of use will be applicable to everyone who uses your website and will outline how your website is to be used by site visitors.

Although you may think that users won't read the fine print, or it may look dull on your website, in the end, your terms and conditions will protect you and the content on your site. Your terms of use should also provide clarity as to what laws apply to it in the event of misuse. It's also important to note that website terms and conditions are different from having a privacy policy. This is because your terms and conditions will detail the rules for using your website, whilst your privacy policy deals with your website's collection of user data.

On our platform we have combined both the website terms and conditions and terms of use into one single, comprehensive document. [Create it for free now!](#)

## Payment Card Industry (PCI) compliance

Most online businesses primarily accept payment by way of credit card. Understandably, credit card information is highly sensitive and having the proper security on your site to accept payment this way is a must. Payment Card Industry (PCI) compliance means that your business is complying with [standards](#) set by the main credit card brands and banks.

Some of these standards include:

- Protecting card-holder data
- Having a secure network
- Having an information security policy
- Having a vulnerability management program
- Implementing effective access control measures
- Regularly monitoring and testing your networks

Whether you're accepting payments from MasterCard, Visa or any of the other main credit card brands, most of them require businesses to meet the above standards to process payments made through their institutions. However, it's also worth noting that these providers also have their own separate compliance standards.

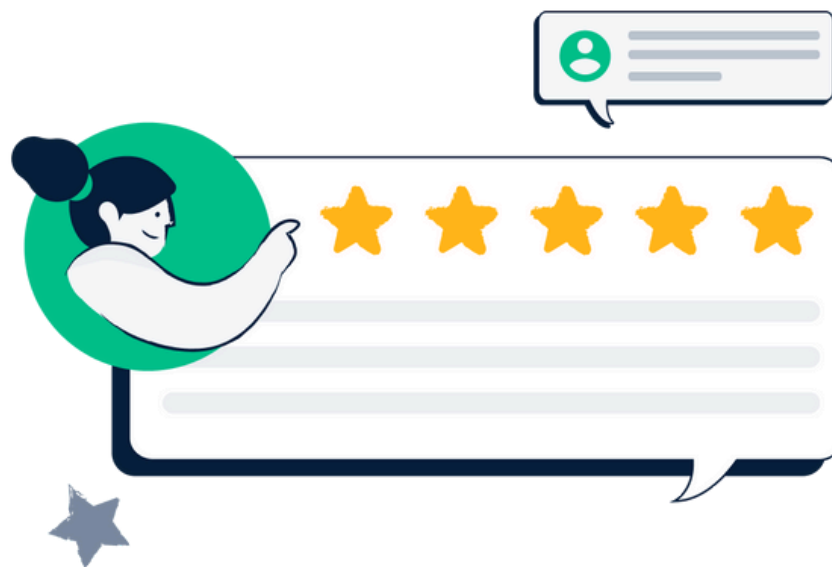
## Refunds and exchanges

Your business is legally obliged to have a fair and transparent returns policy. Although it can seem complicated, customers who wish to return or exchange their products can do so by lodging an online request on your website, or sending the package back to your head office. To make the process easier for customers, you may also want to include a return label within the package you send to customers so they don't have to pay the fee to send the package back. This may leave you out of pocket, but will make customers more likely to purchase from your business again. If your policy doesn't allow for the easy return or exchange of products, then you risk customer's becoming jaded or unhappy with your service - which feeds directly into our next point.

## Customer reviews

If you want to get your brand out there, customer reviews are a great way to start. Online reviews have become the new ‘word of mouth’ and are heavily relied on by potential customers. Ask your customers to review your products when they receive them on Facebook or Google. Over time, these will build up and more customers will be willing to order from your site if they know that other customers have had a good experience. However, you must ensure that your reviews are genuine and not false or misleading. If they are, you will be in breach of the Competition and Consumer Act 2010 [Cth].

If your products aren’t up to scratch or your delivery method is unreliable, negative reviews can have a devastating impact on your business. This means that if you’re going to be asking customers to review your business, make sure you have the service to match. In the event that a customer has posted a false or defamatory review, you can request they take it down or even pursue legal action for defamation or injurious falsehood.



# Getting your products out there

## Marketing

Although access to your products may be easier, online businesses have to put just as much into their marketing efforts as physical businesses. Online businesses can market their products through their website and running promotions, social media, and content. Promotions and emails will keep your customers updated on what products you have on offer and foster engagement.

Social media marketing can be done in 2 ways, through paid advertising and sharing content on your business accounts. Paid advertising will direct users to your site and sharing your own content will encourage users to visit your site by providing useful and engaging information.

## Delivering your goods

Most customers will say that the best part about ordering a product online is the moment it arrives at their home. To facilitate the reliable and prompt delivery of your products, you should develop a shipping strategy. Think firstly about what kind of packaging you'll use - boxes, bags, or large envelopes. You can also use branded packaging to increase brand awareness. Also calculate the costs of using each carrier and whether they have tracking systems in place that your customers can refer to.

**Once you've decided on the carrier you'll use, factor in the costs of shipping for each item. Many online businesses offer free shipping all together, or free shipping for orders over a certain amount.**

## Dropshipping

Dropshipping is a system where your business acts as a conduit between the customer and wholesaler and can make the process of getting products to your customers a whole lot easier. You can market the products (assuming you have the licence to) and then place orders with the wholesaler when they are made. Operating a dropshipping business means you don't have to worry about storing your products or arranging shipping. Dropshipping is a new and innovative way of selling to customers, and one that goes perfectly with running your business online.

## Expanding your online business

The room that online businesses have for growth is large. You can easily expand your product offering once your business has taken off, or you can expand to include shipping to other countries. However, if you're going to expand your business by selling other products, undertake some research and find out what's already on the market.

**If you're wanting to expand your business overseas, make sure you understand the privacy and shipping regulations in each jurisdiction. For example, if you intend on selling products in the United States, make sure you know the privacy legislation of the States you will be operating in.**

# Making eCommerce work for your business type

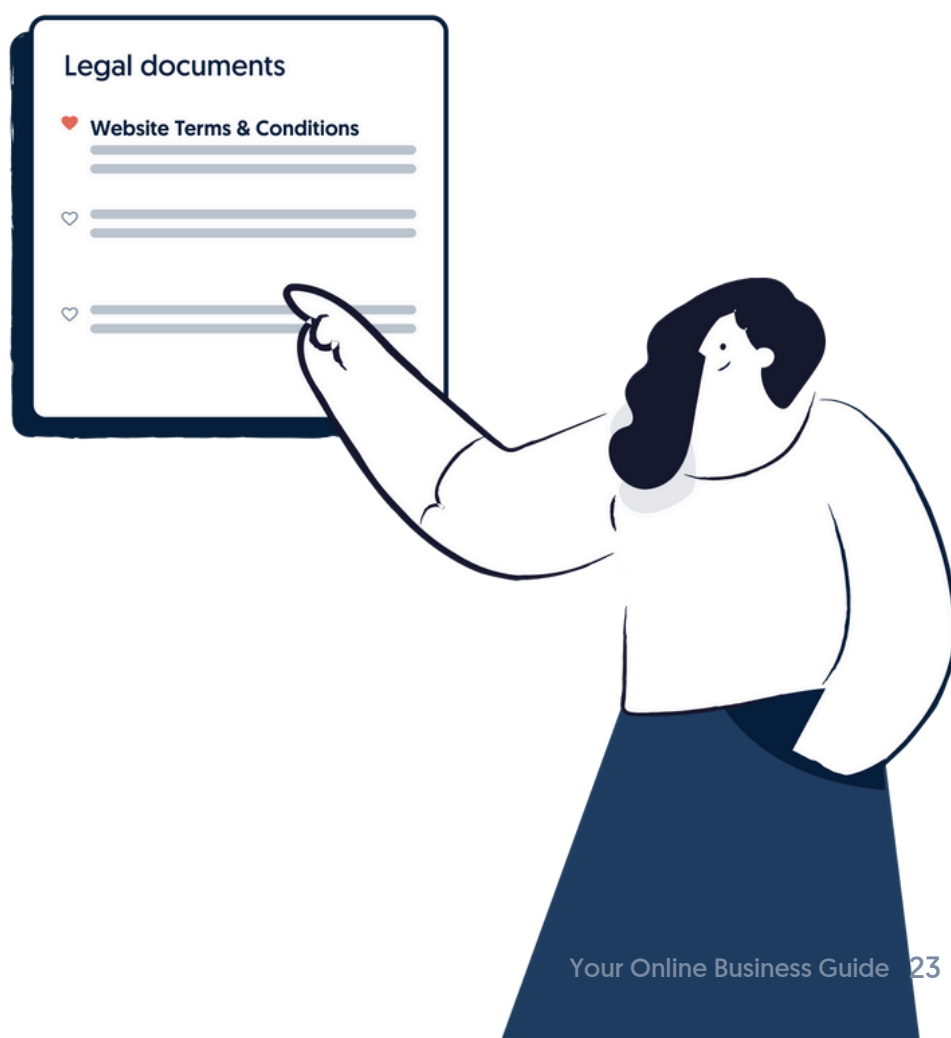
## Retail

Operating an online retail business fundamentally means that you'll be running an online store. When it comes to selling products, you should focus on presenting your products in an appealing and competitive way. It's also important to clearly display your prices and provide an accurate description of the product, along with photos. The internet is a largely visual medium where users will be heavily influenced on whether to purchase a product or not based on how it looks. If your products do not have photos or proper descriptions, the chances that they will be purchased significantly diminish. Because these are tangible goods you are selling, you also need to consider how you will get these to your customers. Operating an online retail business requires organisation and effective marketing. You should have a [terms and conditions of use \(goods\)](#) which will detail your policies for delivering your products, returns and exchanges.

**In an eCommerce market which is still in the midst of unprecedented growth, your retail store's success will largely depend on how you can differentiate yourself from your competitors.**

## Services

Online services businesses have grown in popularity, particularly in the wake of the gig economy. Depending on the service you offer, you may never even have to leave your office. Providing reliable and efficient online services is often done by having the right systems in place through which to run your business. For instance, you may need a system to record client enquiries on your site or maintain customer records. For example, if you are working as a freelance lawyer, you may want to use legal software to help keep your files organised and make your service as efficient as it can be. It is also important to have good communication systems set up such as email, online chat, or a phone number your clients can easily reach you on. Because online services are different in scope from online retail businesses, you should also have [terms and conditions](#) which are particular to the services you provide.



# Resources

## Where can I get my website built?

When building your site, you can choose to have it custom-designed, or if you want to save costs, use a template builder. Some great template builders are:

- WordPress.com
- Wix
- Squarespace
- Shopify

## Recommended Online Marketplaces

Selling your products in an online space beyond your website can not only ease the pressure on your site, but also give it wider exposure. There are sites such as Amazon, Etsy, Facebook Marketplace and even eBay which can bring your business to a wider audience. You can also use additional services offered by some of these sites which will hold and dispatch your products (for a fee).

## Getting your legal documents

We've previously discussed what your business needs to do in order to stay compliant online. Beyond ensuring that your business complies with the Australian Consumer Law (ACL) you also need to make sure you have the right documents in place. Our platform has a library of more than 200 legal documents, including terms and conditions, privacy policies, and terms of use. All you have to do is fill out the details relevant to your business and your document will be ready to use in minutes. [Sign up today](#) and we'll give you a free legal document so your business can get off to the right start.

**Starting an online business shouldn't be expensive, so we've come up with a way to help you stay compliant for a fraction of the traditional cost. If there's anything you're unsure about or if you need further legal advice, you can also hire a lawyer on our online lawyer marketplace.**



# Conclusion

eCommerce has provided a wealth of opportunity not only for consumers, but also for businesses. Customers crave convenience, and there is no platform which provides this more so than the internet. Internet users can purchase almost anything on the internet these days - groceries, furniture, meals and even transport. It wouldn't be a stretch to say that consumers now expect that they can purchase their everyday products and services online. Similarly, as more people move online, so too do businesses - so why not enter a market where you'll not only reach a wider audience, but be seen as business which offers convenience to your customers as well? Starting a business is a journey in itself, but launching it online will help make the process a whole lot smoother.





# Have any questions?

Call and speak to Lawpath consultants on

**1800 529 728**

**Find out more**

