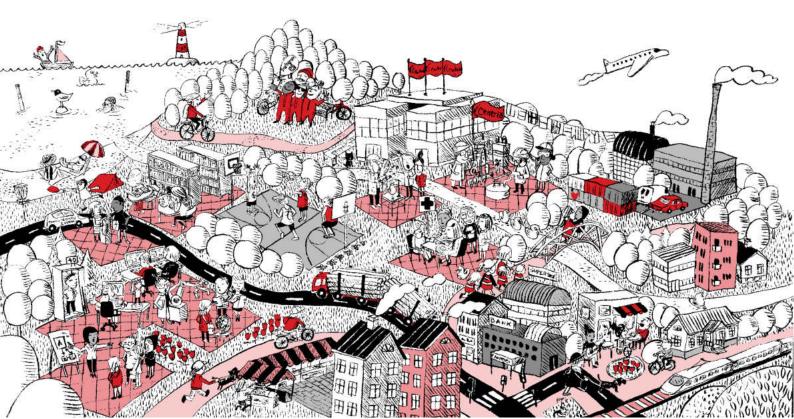


# Md Anwar Hawlader

# **ESTABLISHING A DROPSHIPPING E-COMMERCE STORE**

Bachelor's Thesis CENTRIA UNIVERSITY OF APPLIED SCIENCES Business Management, Enterprise Resource Planning (ERP) April 2021





# ABSTRACT

Centria University of Applied Sciences	Date April 2021	Author Md Anwar Hawlader		
Degree program Business Management, Enterprise Resource Planning (ERP)				
<b>Name of thesis</b> Establishing a Dropshipping E-commerce S	Store			
<b>Language Instructor</b> Eija Torkinlampi		Pages 45		
<b>Supervisor</b> Marko Ovaskainen				
The main purpose of this thesis report is to dropship business in place. To do this, it pr agement method.	-			
It endeavors to describe the plans implemented to open a dropshipping e-commerce store using ma- jor e-commerce platforms like Shopify. Dropshipping is a retail approach that entails the use of out- sourced inventory and order fulfilments to the supplier.				
The thesis is divided into practical and theoretical sections, respectively. The theoretical section looks into those actions that are related to the design and subsequent implementation of electronic commerce, the dropshipping model, and the e-commerce supply chain method.				
The research section on the other hand peeks into the various stages of generating a dropshipping e- commerce store in the Shopify platform. I settled on this platform primarily for its dropshipping compatibility.				
The details described in the thesis provide vital information on how to start a dropshipping e-com- merce business. Moreover, the thesis may also help in establishing a good e-commerce store.				
The aim is that the thesis can help an intere will be ripe and ready for deployment.	sted reader to make a droj	oshipping e-commerce store that		
Keywords				
Dropship Business, Dropshipping, E-commerce, Online Business				

# **CONCEPT DEFINITIONS**

Domain	The web address of the web site.
URL	Website link address.
Google AdWords	Google paid search engine ads.
Google Trends	Provides easy-to-read graphs of keyword popularity trends.
SEO	The way a webpage appears in search engine results as high as possible.
Conversion	The percentage that comes from e-commerce visitors to buyers.
Niche	Narrowly defined market within a broader market segment.
Dropshipping	Delivery form with an online store, where storage and shipping arrange- ments are handled by the manufacturer or a third party.
SMM	Social media marketing like Facebook, Instagram, Twitter

### ABSTRACT CONCEPT DEFINITIONS CONTENTS

1 INTRODUCTION	1
2 STATUS OF DROPSHIP BUSINESS 2.1 The dropshipping business model	
2.2 Advantages of the dropshipping business	5
2.3 Risks of the drophipping business	6
2.4 Shopify as a dropshipping e-commerce store making platform	7
2.5 AliExpress as an inventory and product shipment platform	
<b>3 ESTABLISHING DROPSHIPPING E-COMMERCE STORE</b> <b>3.1 Technical implementation of dropshipping store</b>	
3.2 Products selection and target Audience	11
3.3 The purchase process and usability	
3.4 Payment methods	
3.5 Customer service and reliability	
3.6 Gauges and Legislation	
4 PRODUCT MARKETING AND ADVERTISING 4.1 Search engine optimization	
4.2 Social media marketing	19
4.3 Google adwords	21
4.4 Email marketing	22
5 PLAN DESCRIPTION AND IMPLEMENTING TO OWN STORE 5.1 Plan for own store	
5.2 Product selection from AliExpress	23
5.2.1 Google Trends	24
5.2.2 Keyword Tools	25
5.3 Store making by Shopify	26
5.3.1 Choosing the Appearance and theme	
5.3.2 Applications and Add-ons 5.3.3 Adding products	
5.3.4 Adding pages and settings	
5.3.5 Order processing and reporting tools	
5.4 Marketing strategy and planning	
5.5 Outcomes and results	35

5.6 A case study of Cheery Kid	
5.6.1 Product niche: why sell baby stuff	
5.6.2 Store design	
5.6.3 Website structure and product pages	
5.6.4 Promotion: how to sell baby stuff	
5.6.5 Upsells, bundles, and discounts	
6 CONCLUSIONS AND CONSIDERATIONS	40
6.1 Considerations	41
7 REFERENCES	
7 REFERENCES	4

# APPENDICES

FIGURE 1. The Dropship model	4
FIGURE 2. Shopify website front page	
FIGURE 3. Paypal website front page	
FIGURE 4. Top 10 popular social networks worldwide as of January 2021	
FIGURE 5. Google Trend website front page	25
FIGURE 6. Oberlo - Dropshipping App	

#### **1** INTRODUCTION

The main focus of this thesis is generating a profitable dropshipping e-commerce business using Shopify. This platform can be used to tackle a host of business ventures and also fits a variety of business models. Of these, the dropshipping stands out.

Dropshipping is basically a means of supplying merchandises in which case the seller does not store the goods in an inventory on his own but nonetheless transfers the same directly to the consumers via a third-party supplier.

To do this, the dropshipper furnishes the manufacturer with the relevant details of the customer and the goods ordered. Examples of these are the names of the customers, his current place of residence, the kinds of merchandise asked for, and the timelines that have to be adhered to. Channeling these pieces of information may be through the social media platforms, bulk emails, postal addresses, and of course, the telephones.

As hinted above, this thesis is divided into two main parts. First is the theoretical framework that looks into the Shopify dropshipping business model. In this role, it digs deeper into the utilization of social media to carry out various marketing strategies and undertakings.

Next comes the case studies that make use of the theoretical components to generate a dropshipping business from scratch. Here, I will show the various social media platforms like Facebook and Instagram to carry out marketing and product promotions. The overall goal of the study is to create a profitable dropshipping e-commerce business using Shopify with implementing the most effective marketing strategies available.

It is overall subdivided into five main chapters. The introduction discusses the background of the thesis by emphasizing why the research, by all means, have to be done. Next comes the review of the theoretical and empirical studies of the field of dropshipping e-commerce business.

The empirical studies on the other hand evaluate the past research that have been conducted on the same subject matter. This includes a review of the past articles, reports, journals, and other scientific

materials that have already been drafted by various authors regarding the topic. These form part of the secondary data. This introduction part also discusses other chapters of the thesis at a nutshell.

The second chapter examines the status of dropshipping business. To do this, it takes a look at the dropshipping business model, the advantages of the dropshipping business, the risks of the dropshipping business, Shopify as a dropshipping e-commerce store-making platform, and the AliExpress as an inventory and product shipment platform.

In third chapter, the establishment of the dropshipping e-commerce store is discussed in great length. Concerning this, it peeks into the technical implementation of the dropshipping store, the product selection, and target audience, the purchase process and usability, a couple of the relevant payment methods, the issue of customer service, and reliability, and the various gauges and legislation.

Later on, in the fourth chapter, the product marketing and the advertising techniques are laid bare in the finest details possible. Under this, the means of the advertising that are available for use and engagements like the search engine optimization (SEO), social media marketing (SMM), Google Ad-Words, and e-mail marketing are examined.

The fifth chapter tackles the plan description and implementation to own a store. To do this, a plan for the establishment of a personal e-commerce is made. The same goes for the product selection from AliExpress, store-making by Shopify, marketing strategy and planning, and outcomes and results.

Further to that, the chapter wraps it up by drafting a nice conclusion and consideration. This culminates in the addition of the listing of the various sources that served as the basis of the drafting of the entire thesis.

#### **2** STATUS OF DROPSHIP BUSINESS

Dropshipping is a kind of retail fulfillment in which a store does not keep the products it trades in stock. Rather, the trader purchases items from third-party sellers who deliver the merchandise directly to a buyer. Thus, the seller does not handle the items directly as is the norm with ordinary selling methods.

In return for facilitating the sales and purchases of products, the trader is entitled to some commission. This mode of selling merchandise confers some advantages to all the parties in the ecosystem. To the buyer, it cuts down the time taken to gain the merchandise. The dropship seller on the other hand does not have to source for the products on his own.

#### 2.1 The dropshipping business model

Under this business model, the buyer places an order for a third-party seller. This third party will source for the product from the various merchandisers who stock the commodity. To be able to make this to fruition, dropshipper has to tap into a database that is accessible via a relevant dropshipping app.

The database will usher seller to a list of potential clienteles who may demand products via the online platform. It also establishes a connection between the potential buyers and suppliers from around the world. All these are accessible at the click of a button and at dropshipper own convenience. According to Elfrink (2020), A client places an order, and a potential supplier accesses the order after which he scours the database for a range of suppliers who will most likely want to fulfill the order. He then makes appropriate arrangements to have the merchandise delivered to the address of the client.

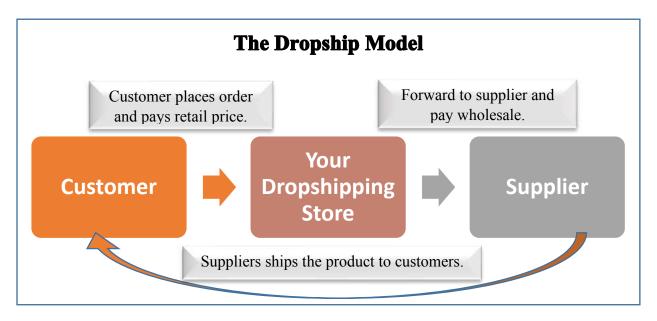
It is after the merchandise is received that the payment is affected. The third-party seller (dropshipper) will often receive a generous commission for the work of joining the two parties together. For the safety of the merchandise, the property under transit is usually insured. There is also constant communication among all the parties involved in the deal (Elfrink 2020). In this form of business, quite a

number of entrepreneurs and establishments that operate online consider dropshipping to be a great alternative for the sale of the standard merchandise without necessarily incurring the huge expenses that generally come about with the traditional business models (Kaluzhsky 2014).

Using this model, the retailers do not have to undertake the tasks of the shipping and delivery; neither do they have to exercise controls over the inventory. Instead, they rely on the dropshipper to forecast and uphold the inventory of the products they want to sell and to package and transport those items. These go from the facility of the dropshipper to the final residence of the clients. Electronic commerce retailers who vouch for this model of distribution tend to pay more attention to the acquisition and retention of the clients via the price transference and the promises of customer support.

This model of business is wider acceptability mainly due to the rise of varying dropshipping providers the world over. China is presently leading its Western competitors mainly given its ability to produce goods at lower prices per item. In light of this, the dropshipping providers in Europe and the United States are unable to compete under the self-same conditions as their Chinese counterparts.

Quite a number of estimates deduce that these days, around  $35\% (\pm 3\%)$  of the field of e-commerce makes use of dropshipping as their preferred model for management and distribution of inventory (Snyder 2013). This comes to about 33% and 40% of worldwide turnover in e-commerce, a fact that vouches for the success of the model (Zhong et al. 2017).



**FIGURE 1.** The Dropship model

#### 2.2 Advantages of the dropshipping business

This mode of ordering and purchasing merchandise confers lots of benefits to all the parties involved. It is hence worth knowing the many benefits that a person stands to gain in all these to be able to anticipate the benefits that may come along.

Dropshipping requires limited start-up capital. The amount of money dropshipper invest to start it out is not really that high. For that reason, it is to some extent open for all. With regard to this, even the profit margins are not eaten considerably. Also coming along this is the reduced need to constantly worry about the possible success of the venture (Ferreira 2020).

Over and above demanding limited start-up capital, dropshipping is also comparatively easier to venture into. That is due to its demanding of limited bureaucracy as is the case with many standard businesses. What's more? Dropshipper does not even have to rent a physical space as is mostly necessary for the traditional brick-and-mortar business models.

Yet again when compared to the traditional forms of businesses and merchandises, dropshipping suffers low overhead expenses. The costs of rentals and other incidentals are particularly low. That is given the zero requirement to rent out or lease a space for the sake of establishing the business firmly (Pekarek 2021).

Dropshipping unlike traditional businesses does not require that set up base permanently in a fixed location or area. Instead, it is a venture where dropshipper can engage in while on the move. That is primarily owing to its reliance on the cyberspace as opposed to the physical spaces to facilitate the transactions.

Via this platform, it is possible for dropshipper to 'stock' and deals in a vast array of products. It enables this mainly because it does not demand that stock these products on a physical shelf. Instead, dropshipper just have to maintain a database of the various suppliers who might be stocking the goods.

Each business will often require that the market is tested from time to time to find out whether it is up to standard or it meets the demands of those who may be interested in it. To test the markets here, dropshipper will not have to carry out extensive steps and employ a huge resource base. That makes

testing a lot easier (Ecommerce News 2021). In traditional business models, there is a direct correlation between the number of orders received and the amount of work to be done. Not so with this model. Here, the effort is more or less constant or uniform regardless of the number of orders received. Thus, it is a lot easier to scale.

#### 2.3 **Risks of the drophipping business**

As with any other form of business model, dropshipping is also prone to certain risks and downsides. Knowing about these potential risks is also necessary in order to give a more balanced approach to the whole issue. The discussions also delineate and explains some of the risks that come along:

Compared to traditional business models, dropshipping brings about lower profit margins. To be able to make meaningful profits, dropshipper has to fulfill many orders and work extra-long duration of time. This of course may be tedious to any person who lacks the stamina and enthusiasm necessary (Chou 2021).

Since dropshipper does not have his own stock of goods and services, he is at the mercy of third-party sellers. This may be inconvenient as at times, dropshipper may have to respond to emergencies which he lacks the capacity to. Also, some merchants may sabotage and frustrate dropshipper out of jealousy.

To be able to avail merchandise from a supplier to a targeted recipient, dropshipper will usually have to go through many suppliers and couriers. The sum total of these will definitely put some inconveniences along his path and compromise the overall experience he might have to endure.

Along with the intricacies dwelt on above comes the possibility of supplier errors. There is usually bound to be some confusion while in the course of delivering merchandise to the desired recipient or location. Such errors are ordinarily out of the reach of the seller given that he does not stock the goods himself.

In this kind of business, the dropshipper does not handle the goods by hand. Instead, he only connects a seller and a buyer. This of course puts him at a strategic disadvantage in the sense that he can never build a strong following himself which he may leverage much later (Ashraf 2020).

#### 2.4 Shopify as a dropshipping e-commerce store making platform

Finding the right company or platform to work with no doubt is a sure way to get started out well. Shopify stands out as the premier platform owing to a confluence of strong points. This Canadian multinational electronic commerce company is based in the Canadian capital, Ottawa.

According to Shopify about us page, It has a presence in 175 countries and connects well over 1 million businesses. For these reasons, it is a nice company to start out in as it guarantees unparalleled access to many sellers and retailers that are strewn world over. Moreover, its simple interface also cheapens the process of opening and engaging the platform (Shopify 2020).

The Shopify platforms is preferred for making dropshipping e-commerce websites, because it gives 14 days free trial. The platform has lots of articles about customizing and building the website and it is really easy to setup and building a brand-new website. I just watched some videos from YouTube and build a website some days ago.

Shopify is a cloud-based electronic commerce platform that was created in 2006. It hosts well over one million online stores from the world over. The platform provides a variety of monthly plans at a price that is fixed. These prices start from \$29 per month but ultimately as the business grows, it is best recommended that you upgrade to more comprehensive plans so as to gain access to more amenities and foment your competitiveness (Garrity 2020).

Additionally, this platform provides a Stripe payment service (some kind of payment processing platform) that wholly integrates into the Shopify platform (Stripe 2020). The payment processor confers commission-free options to handle and tackle your payments.

In case the owner of the store has a soft spot for alternative payment services, they will usually activate extra traditional fees of just about 0.5-2.0%, depending mainly on the plan that is selected. If however the Stripe processor is not given support in each province, PayPal and a variety of additional payment plans may be attempted (Ecommerce guide 2020). This Shopify platform provides the possibility of creating highly customized stores using a variety of marketing tools that are meshed together. In this way, it provides an exponential reach to prospective clients.

On top of that, Shopify contains the largest app store that provides empowerment to its competitiveness when weighed against a barrage of similar platforms while also conferring the opportunity of creating and managing the stores without necessarily possessing prior information technology experiences (Johnson 2020).

In its overall level, Shopify is designed to be easily understood by just about everyone as it requires limited to no competence in the matters of coding or allied activities. Additionally, it does possess competitive pricing, round-the-clock customer service, and the leeway to focus entirely on the core business at hand.

The platform sorts out administrative tasks and technology (Ecommerce guide 2020). It is nonetheless great to remember that there are many other e-commerce platforms as well that contain the same amenities as described above. It is incumbent hence upon the store owner to carry out further research to ascertain the best for his usage.

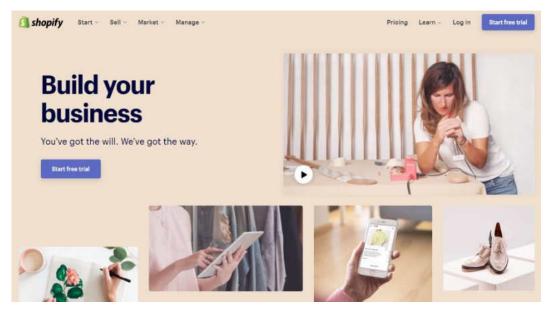


FIGURE 2. Shopify website front page (Shopify 2021)

## 2.5 AliExpress as an inventory and product shipment platform

Further East is the Ali-express. Exclusively owned by the Chinese e-commerce platform, Alibaba, this platform has proved pivotal in facilitating a couple of e-commerce transactions. The platform works by

combining many small businesses in one monolithic platform. That way, it ensures a smooth flow of data and consignment from one part of the country to another (Yi 2019).

This is a site that attracts those who would wish to sell their merchandise singlehandedly without invoking the assistance of third parties. For this reason, it is hugely popular with the small scale and independent retailers. Finally, it appeals to companies and individuals alike. According to Ecommerceplatforms article, Ali-express is a B2B ecommerce retail giant with various of product manufacturers and sellers. They also provide easy and fast product delivery services around the world. The platform also helps the dropship seller for marketing, selling, and delivering products to the entire world (Ecommerce-platforms 2020).

People choose to engage in this lucrative business scheme mainly via the Chinese e-commerce giant platform, AliExpress. This is mainly given that this platform provides free shipping the world over. On account of this, the dropshippers have the confidence they need to sell out their merchandise to the American and European customer base. Dropshipping with this platform calls for only a minimal start-up cost. This makes it a great business venture for the starters. Moreover, it levies no extra or upfront fees to its suppliers. This enables it to test a variety of products without that much investment.

The suppliers of AliExpress often craft images as well as properly drafted captions of their products to use in the online stores. They may also always make some changes to them to aid with better marketing and the acquisition of more clients. This platform is also quite warm and welcoming of entrepreneur's world over. It also boasts of being free to create and to introduce products to the platform (Verum Ecom 2021).

#### **3** ESTABLISHING DROPSHIPPING E-COMMERCE STORE

To establish this kind of business, there are some things I have to get right and the steps to take as well. In this segment of the thesis, the steps involved and the requirements of each are belabored in to-tality.

#### 3.1 Technical implementation of dropshipping store

This is the important part where the description of the entire dropshipping business technical implementation is looked into at a glance. Below are the steps to take to arrive at a great outcome, overall:

**Step I: Choose a suitable niche -** A niche is simply a segment of the wider market share that is dealt with to avail the merchandise to the targeted market. It could be groceries, stationery, clothing, or writing materials. It is important to settle on a field that you have a genuine passion for. That is to prevent from having to struggle too much to fulfill the demands (Verum Ecom 2020).

**Step II: Carry out competitive market research -** After selecting a niche, a competitive market research is to be carried out in pursuance thereof. This is informed by the fact that you might not be the only one dealing with that product or in that niche at a time. There are and will be others who will be competing for the same number and cadres of clients like me.

**Step III: Hook up with suppliers -** At this stage, the suppliers who will be tackling the actual chore of furnishing clients with the necessary merchandise are narrowed to. This may entails making use of the leading online auction sites like Alibaba, AliExpress, eBay, Shopify, and Amazon to hunt for prospective suppliers. Deliberate steps ought to be made to try and collaborate with other businesspeople to be able to find the most suitable supplier.

**Step IV: Build own e-commerce site -** By far the most effective way to sell merchandise to and interact with the targeted market is to construct own e-commerce site. Invest some of time and energy to do so. Be sure to customize the site in such a way as to appeal to the unique emotions and expectations of the clients (Rodriguez 2021).

**Step V: Craft an acquisition plan for customers -** After building site, a robust acquisition plan for the clients has to be put in place. This simply entails determining the ways and means via which intend to reach out to a target market. It could take the forms of online marketing campaigns, Facebook ads, brochures fliers, and of course the traditional media.

**Step VI: Analyze and optimize -** From time to time, an analysis of the sales data and other metrics available to be able to determine whether the business is worth continuing in or not has to be done. Such an analysis also helps in finding out the areas that need to trade the energy in and the opportunities that may be leveraged.

#### 3.2 Products selection and target Audience

Selecting a niche and launching a site can never be complete without selecting the right products for the job. The kinds of products selected also have to tally with the kinds of merchandise that the potential target market may mostly demand. The steps below will surely help to arrive at them:

**Step I: Create a relevant Customer profile -** Create a relevant customer profile. This is basically a rough description of the demographics of the people targeted and most likely targeted. The profile incorporates such details as age, gender, income level, spatial distribution, marital status, industry, career or occupation, and family history (Harvey 2021).

**Step II: Reassess the offerings -** With a comprehensive customer profile firmly in place, the assessments of the goods and services to offer has now to be done appropriately. This might entail asking the following questions:

- Which specifications and features will mostly excite the clients?
- What products will interest the potential clients less or even discourage them altogether?
- What areas need emphasizing while marketing and advertising my merchandise?
- Which present clients, images, and copyrights should shape the marketing ventures?

By analyzing the offerings, it is now possible to modify the offerings in such a way as to yield new businesses as well. As part of this assessment, comes the need also to target the audience from time to

time. This should happen preferably once or twice a year. While at it, further primary research may have to be carried out as well as refining the customer profile appropriately as well (Sharp 2021).

### 3.3 The purchase process and usability

The purchasing process in dropshipping comprises many disparate steps and procedures. Following the Consumer Decision Making Process by Kotler and Armstrong (2011), I have listed a purchase process steps. These are as follows:

- Awareness-raising
- Semi-conditioning
- Supply mapping
- Comparison
- Selection
- Confirmation of purchase decision
- Purchase
- Delivery
- Product support and Recommendation

In all, the purchasing process ought to be simple and logical. Throughout the entire exercise, the clients ought to clearly know the stages they are in at any given time. In case there are any technical or operational hurdles in the purchasing process, there is a strong likelihood that the client will abandon the entire exercise altogether and even depart from the site.

It is also important to make the process of placing a purchase order simpler. As soon as the visitor clicks the product cart, he should be straightaway directed to the login page after which he is to fill the forms smoothly. Alternatively, the site has to give the clients the leeway to create a customer profile once and for all.

Deliberate efforts have to be made to handle all of the purchasing processes on one page. This way, the entire exercise is likely to be expedited and devoid of the hassles that come by ordinarily. The page

that follows thereafter should be a 'Thank You' to appreciate the clients for the efforts he has taken to order the goods via the site.

As a matter of necessity, the site should also contain product reviews whose purpose ought to be aiding clients to make proper purchasing decisions. These reviews ought to come after a purchase has been implemented. Another way to help with this is through loyalty promotion (Francisti 2018).

The responsiveness of the site is also another key metric of the dropshipping business. A good site has to be highly responsive to be able to guarantee this. Of necessity, this site has also to be mobile-friendly and accessible via an app as well. Such sites also adapt well to various platforms like tablets, smartphones, and desktops.

#### 3.4 Payment methods

The manner in which payments are or may be affected also counts a great deal. It is important to deal with the clients the freedom to select the payment method that is desirable to them. Various payment options exist, which may be tried out. These include PayPal, mobile payment platforms, invoices, card payments, and online bank payment options, to name but a few! Paying for the goods and services ought to be greatly simplified, regardless of the platform used for the same.

Of these, PayPal is the most reliable online payment method. It straddles international boundaries and is also renowned for its own safety and overall reliability. Moreover, it also accepts the use of leading cards from around the world (Paypal 2020).

Dropship stores function just like e-commerce stores. They only differ in the sense of not selling products directly from their warehouses as the other stores do. To sell the products of the manufacturers, they require some payment gateways to effect transactions. Payment methods vary. People also prefer those they are already familiar with. For instance, PayPal is the most common e-commerce payment method in the United States.

In Canada and Ukraine however, Stripe and Payoneer are the most widely used. Thus, while targeting a country, you have to select the method of payment that is already well-known and preferred or combine two or more. Stripe is a payment gateway platform that is now available in well over 25 countries.

It lends support to all the major credit cards and also integrates the WooCommerce platform. It is however used mainly in the United Kingdom, Australia, and Canada.

2Checkout is yet another payment gateway that is available in well over 87 countries. The platform lends support to all the major credit cards like American Express, Diners Club, MasterCard, and Visa. This platform is available mainly in third world countries where it is used alongside many other payment gateways (Shahid 2019).



FIGURE 3. Paypal website front page (Paypal 2021)

## 3.5 Customer service and reliability

Customer service is a key pillar of online shopping. All customers naturally expect smooth and uninterrupted services. Thus, it is important that to make contacts as easily as possible. These should be complemented with exceptionally sound customer service.

This customer service support can come via telephones, emails, websites, chats, and feedback forms from social media platforms. The social media has also emerged to be a pretty strong force that drives sales and engages the clients. That is given the potential surge in sales whenever a client knows they are assured exceptional service after each purchase (Commbox 2021).

As a matter of necessity, the client has to be given precise instructions concerning the company. This regard such matters as the payments of goods, refunds, and other associated transactional undertakings. Great customer service also improves the reliability of the online store. Some other vital traits include the structure, design, and reputation of the stated site. As such, the way in which the site is designed has to exude some credibility. An unreliable site is likely to scare away potential clients (Ciotti 2019).

Yet one more special consideration is the structure of the site. Needless to say, the structure has to be well-organized and flow logically to make the flow of products greatly simplified. Following this is the trust awareness that basically endeavors to guarantee the users of their safety and reliability in service delivery.

It is not possible to build this level of trust straight away. On the flip side, this is something that takes plenty of time and effort to attain. To make this easily achievable, there have to be tons of sufficient pieces of information regarding the company and the products it produces, all these to bolster credibility.

Perhaps one certain way of guaranteeing this is to see to it that all the vital pieces of information, terms of engagement, and other relevant pieces of instructions are updated constantly and are as accurate as can be. They also have to tally with the laid down Consumer Protection Act.

Some of the 'must-have' details are the legal name of the business, contact information, legal codes (if any), business identification number, and any other matter that pertains to privacy, the terms of sales, transaction payments, and the mode of product deliveries (Ministry of Justice Finland, 23-26).

The reliability is also bolstered by the level of the trust that is bestowed on the payment methods, the security of the data that is transmitted, the website security and the reliability of the connectivity of the internet.

#### 3.6 Gauges and Legislation

Definitely, an accurate track of the sales and the data that transpire in the course of making transactions has to be kept. By far, the key figures in this field of dropshipping are the number of visitors, the rates of conversion, the average purchase per unit time, and the profit margins. These four metrics accord additional formula that is subsequently used to compute the level of profitability of the e-commerce venture. They are broken down hereunder:

- Conversion refers to the number of visitors who eventually make a purchase.
- The net profit accrued on the other hand is computed by deducting the fixed costs from the gross profit.
- Visitors are the number of persons who get to the site with the aim of making purchases.
- Margin is the difference between the sales revenue and the cost of goods sold

Visitors are by far the most important cog in the wheels of e-commerce. Their numbers may be increased or reduced strategically to obtain the right audience. Of these, the scientific visitors are by far the most significant as they capture data that may be used to boost sales later.

Next in the order of importance is the conversion. It is the proportion of the visitors who actually place orders. This metric is expressed as a percentage. It is possible to improve the average rates of shopping by among others, upselling, cross-selling, and so on. Cross-selling is the practice of providing the clients with the opportunity to purchase the accessories of other products that are allied to the one that is on sale.

Upselling on the other hand provides the clients with more expensive placements of the products as soon as the cart is clicked. These strategies may be greatly improved by today's advanced web analytics. A number of incentives also exist for utilization in the matters of cross-selling.

For instance, a 3-pay 2-pay offer may be taken. Offering an incentive when the order exceeds a preset value is also another way of achieving this end. For a strategy to be successful, logical reasoning and a proper understanding of the consumer's purchasing behavior has to be built, as are the compatibility of the product, and the other incentives offered.

By use of the appropriate legislation, it is possible to impose quite a number of operations on the online platforms. While at this, it is also necessary to take into consideration the protection of the data and the consumers in equal measure.

One of the outstanding issues in the field of e-commerce is the cancellation of the rights of the consumer via the online store. There always has to be a statutory cancellation that is issued out by the bank. Proper e-commerce is based on open, transparent, and fair operations (Nguyen 2016).

Consumers generally demand knowing what they are committing to and the best way to guarantee this is to inform the company concerned of all the order-related policies. It is also necessary that the client understands what he ought to buy, at what price the product has to be bought and the conditions that ought to surround such a purchase. All these have to be clearly outlined on the web platform (Check-out 2020).

#### 4 PRODUCT MARKETING AND ADVERTISING

How the products are marketed also have a bearing on the likely success or failure of the dropshipping venture. It hence pays for me to invest a little bit of attention to these twin issues. This fourth chapter is hence dedicated to the strategies of achieving that very end.

#### 4.1 Search engine optimization

Search Engine Optimization endeavors to make e-commerce sites as visible as can be in the search engine results pages. Good visibility is vital to the success of a business venture because most visitors are largely impatient. They usually easily scroll to the next pages if they feel dissatisfied (Brown 2019). Keyword mapping is typically the first step in leveraging this search engine optimization. In this sense, the keywords, which are basically the terms an online visitor will mostly use to query a database are mapped and bundled together.

This utilizes the free Ubersuggest Keyword Tool, that is freely available on the Internet. Keywords are significant in the sense that they form the core against which the e-commerce page contents are built (Ubersuggest 2020). While making use of search engine optimization, it is important to pay keen attention to page titles and product descriptions. They are the ones that provide the textual contents while at the same time play vital roles in the search engine optimization.

It is imperative that use the same keywords in the body text and in the subsequent headings and subheadings. Some search engines can read images. It is hence important that to incorporate the alternative texts that contain the same keywords.

The file names of the images should likewise be named according to the keywords. It is usually a great idea to incorporate some short descriptions of each page in the e-commerce metadata and tons of content thereafter. This kind of metadata is largely invisible to the client but is nonetheless easily accessed and read by the crawlers.

#### 4.2 Social media marketing

Social media marketing provides great potential for e-commerce marketing. It grants the companies the leeway to raise brand awareness, enlarge its network, and engage appropriately with the target audience. This approach of advertising also grants me the opportunity to remit paid adverts for the targeted audience.

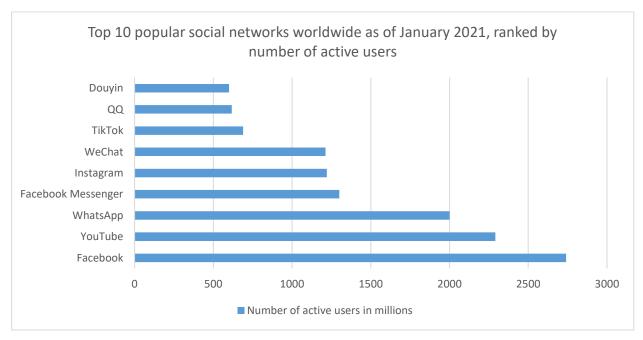


FIGURE 4. Top 10 popular social networks worldwide as of January 2021 (Statista 2021)

The kind of market to be targeted is the one that determines to a large extent the respective social media channel to be subsequently made use of. Some of the most popular social media platforms to make do with are Pinterest, Snapchat, LinkedIn, Twitter, Instagram, YouTube, and Facebook (Statista 2021). A successful social media campaign is active, personal, and largely generates valuable content for the clients. For instance, the company may post tips and guidelines on how the various products are utilized and the values they potentially confer to the clients.

The use of power influencers is now common in pushing products in social media marketing campaigns. This cooperation with the power influencers is technically called researcher marketing. The messages that are generated and sent out by these power influencers have been noted to bring about major impacts on the clients. When searching for a suitable power influencer, it is important to ask whether they would be willing to try the products and fill in their experiences via their own social media accounts (Moriuchi 2019, 97-100). Influencer marketing and the impacts they jointly bring about may generally be divided into three tiers. These are the celebrity influencers, the Nano-influencers, and the followers. The celebrity influencers are the ones that push the product chiefly by making use of their own clout. The Nano-influencers are those who generally manage a wider reach. They generally know how to convey their marketing campaigns to a worldwide audience. Their strength basically lies in their credibility which in turn attracts the clients from the world over to try the products.

Lastly, the followers are the ones who eventually make good use of the goods that are channeled to them by the influencers. They generally look up to influencers who are trustworthy, friendly, and impartial as they are the ones that are more likely to give an objective assessment of the products they push. For this marketing venture to work well, it has to factor the target group metrics and the goals intended to be attained. At present, Facebook is the largest, and by far the most popular social medial channel. This stems from the many people who prefer to use it to connect to the world. It hence provides a great channel for the marketers and the would-be clients alike.

The main benefit of this social media platform is that it grants me the leeway to target the adverts precisely to the intended audience. This platform also strives to learn more about its users. In this manner, it helps me the advertiser to target the adverts precisely to varying demographic variables. These include age, location, gender, workplace, or level of education. It may also be channeled via the interests and the likes of the users who leverage the platform (Pedotto 2018).

Some posts may differ but the ultimate end of them is to encourage the followers to engage with me and drive some traffic to the site. While designing the contents for the social media channels it is vital to generate organic content too! It is also possible for me to scare away potential clients by simply posting the wrong content. For instance, the use topical offerings, videos, pictures, blog posts, and pictures of the new products. Facebook does not grant organic or unpaid mails lots of visibility. It is hence great for me to design the associated content with great care. When mailing the contents, the followers are to be questioned in ways that may provoke them to debate and rationalize issues.

It is also possible for me to arrange postage for instance by way of crafting a competition that grants people the reasons to excitedly share content. Generally, the more likes and comments a post elicits, the larger the audience it is likely to get to. Instagram, along with Facebook, has gained currency as a major social media marketing channel. It is popular with those who love sharing pictures and videos. Moreover, it also allows editing and the incorporation of filters as well as circuits.

When compared to Facebook, Instagram is more visible given that the images used to play a critical role in upping the visibility of the platform. To add to this, it also plays a key role in influencer marketing. Thanks to this visibility, it is also possible for me to tag places, promote hashtags, and boost the visibility of people and bands. Aside from the visibility, regular posts on the channels have to be made to elicit likes and comments from other users. What's more? Instagram is also capable of marketing posts (Ellis 2018)!

#### 4.3 Google adwords

Google search engine also avails some advertising channel known as the Google AdWords. Unlike the Search Engine Optimization tools above, these are paid for and often appear above the actual search results on the search engine results pages. These ads are largely operated via way of the auctions and ae paid for by the advertisers. Each time someone clicks on the ads, the advertiser is charged for it. To create such ads, make use of the Google AdWords tools that exist in the search engine.

The first step in initiating this advertising campaign is to put in place a budget. To do this, a cap on just how much may be spent per day has to be put. The second step is to choose the target audience. A configuration may be set per language, time of day, municipality, or even country. After that, the third stage of setting the prices has to be ascertained. This may demand bidding manually or setting a bid price. It is concluded by writing the advertisement off and posting it. The ad text comprises three parts namely, the uniform resource locator, the headline, and the description. It allows me to set a title that is roughly 25 characters long. It is highly important to add a word since it is the most prominent aspect of the advertisement not to mention acting as the link to the landing page.

A URL address must of necessity be short and clearly understandable. The total length ought not to exceed 35 characters. The title and the URL addresses have to be followed by the lines of the advertisement description. This description has to depict the product that is on offer alongside its major benefits and features (Kakkar 2020).

#### 4.4 Email marketing

Another technique that can be used to push the products is the use of email marketing. As its designation implies, this is the use of bulk emails to simultaneously push the visibility of a given product to a target audience. To make use of this channel, the email addresses of the would-be clients have to be collected. These addresses are later sent out to market the information to the masses. Alternatively, the newsletters may be utilized for the job.

Further to the above, the target market may also be encouraged to sign up for periodic subscriptions. For such a channel to yield forth the necessary outcomes, it has to be leveraged professionally, regularly, and systematically. Needless to say, it has also to include a 'Call to Action' in the forms of a link or a clickable button. Though most emails of these kinds are availed in the forms of newsletters, they too may take the forms of personal marketing messages such as reminders or a pending purchase (Sharp 2021).

One striking advantage of email marketing is that it is cheaper. Moreover, it also complements the social media marketing. To make the most of the platform, it has to used alongside the newsletter subscription and a web address where the customers are all active. The newsletter subscriptions enable the seller to notify the clients what they stand to gain by joining me. What's more? It is possible also for me to send out a welcome message to the new subscribers and also convey some special 'thank you' as well.

This newsletter in and of itself has to be designed by incorporating an own brand. Thus, its visual look and appearance have to resemble that of a personal brand. While at it, it is necessary to be attentive to the actual contents of the emails. Of particular concern is the fact that the emails have to be highly visible and clear. The paragraphs have to be shorter, while the headings should be catchy to grasp the attention of a potential readily (Catbagan 2019).

#### 5 PLAN DESCRIPTION AND IMPLEMENTING TO OWN STORE

Forging ahead demands some careful planning on this part. Thus, a little bit of time has to be invited to know how to do that. This segment of the thesis endeavors to write into the descriptions of the plans and the subsequent implementation of the steps taken to own the store altogether. In this chapter, i have written my own plan, and expert suggestions (Mahmud 2020).

#### 5.1 Plan for own store

This chapter dares to let you know how to create a personal e-commerce store via the Shopify platform. Just to recap an earlier point, dropshipping is a fulfillment method in which a middleman arranges for the items to be shipped directly from a wholesaler to a client without keeping it in stock in the meantime.

To guarantee a competitive edge in this, the merchant has to maintain a properly functional website while at the same time keeping the product name and other details entirely secret. Shopify stands out as the premier eCommerce site owing to its relative ease of use and getting started.

Moreover, it does not demand any coding skills, unlike other platforms. Thus, it lets easily maintain an online store at the convenience of the web browser. Next comes its unbridled suitability for the task of facilitating the dropshipping business. It avails its services via an app called Oberlo which basically lets me manage the merchandise while on the move.

#### 5.2 Product selection from AliExpress

The first step to build an eCommerce is to determine what exactly to sell and to whom. This demands that a focus solely on one particular niche. Such an approach ensures that the target market is reached to precisely (Zamora 2020). Also, this approach enables a focus the marketing efforts to the proper audience. Moreover, it is also a cost-effective approach as it sees to it that only the bare minimum amount of money is spent on the job of advertising.

Building an online business entirely from scratch is not an easy task. The supplier has to source the information about the product, its delivery speed, and quality while also handle the refunds and returns. The buyers on the other hand are the ones who say whether the online business is likely to succeed or prosper or not.

The job is to generate a working connection between the customers and the suppliers. These products have to be dispatched and arrive quickly. Their item descriptions have also to be precise. In case there are any problems with the products, arriving as damaged, not as stipulated or missing certain parts, the supplier should provide a backup during the return, refund, and replacement exercise.

Thus, it is not wise to simply choose the supplier who charges the lowest price. This should not be the case if there be any hope that the business is to succeed in the long run. The actions of the suppliers and their performances determine the overall satisfaction of the business.

### 5.2.1 Google Trends

Finding the right product in and of itself is not enough. Those products have to be vouched for the possibility of selling and capturing the market or not. This is something that is determined by the use of a variety of tools of the trade, of which the Google Trends stand out.

It is used alongside the Keyword Planners to ascertain whether or not the product is likely to squeeze itself into a target market. Also, the product line has to be varied in line with what is presently in vogue at that time.

Google Trends has the added advantage of being able to exude graphs that are easier to read and also showcase the popularity of the keyword of interest. To add to this, the platform also lets me draw comparisons between the competitors in the same niche and also lets me keep pace with the impacts of the keywords on different seasons.

Overall, the results that are exuded by the Google Trends also give me plenty of ideas regarding what potential buyers might be interested in. They showcase the kind of flow of the traffic and interests that the product experiences with time (Google 2020).

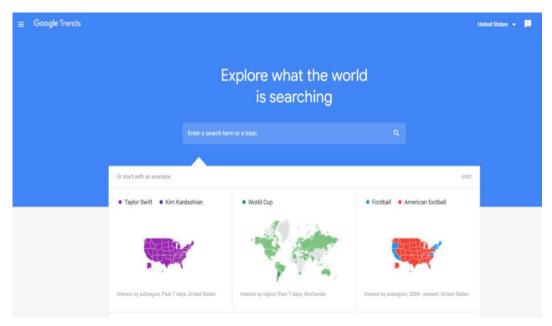


FIGURE 5. Google Trend website front page (Google Trend 2021)

Further to these, it also confers the vital pieces of information on the searches that are currently trending and popular. They are the ones that give me a clue on what the clients may be on the lookout for going forward. That keeps me, head of the game compared to the other marketers.

# 5.2.2 Keyword Tools

As opposed to the Google Trends, the Keyword Tools let me know the precise search volume for the keywords. It also goes a long way in helping me to identify the right products that clients may be on the lookout for at any given time. Their abilities to aid customers in making suitable finds also make them stand apart.

Its Ubersuggest Keyword Tool also comes in handy to refine the searches. It gives me a slew of suggestions that may give me a peek on the kind of searches that the competitors are going through or attempting at that time. Remember, there is a direct correlation between the keyword searches and the popularity of the product that is being promoted. The higher the number of keyword searches there is, the more popular the product is on the whole (Ubersuggest 2021). Popular keyword searches of those kinds also tend to accrue higher cost-per-click on the Google Ad-Words paid ads. To make the most of this platform, a keyword that has the ability to evoke more searches but is not too competitive on the other hand has to be found.

#### 5.3 Store making by Shopify

Upon selecting the right product, one ought to now embark on the task of constructing the own online store. As explained above, Shopify is a natural choice as it is heavily employed by many dropshipping platforms.

In addition to that, it also acts as a cloud service as it is able to man its own eCommerce via either the Smartphone or the web browser. Its server is also secure by virtue of being equipped with the SSL site security.

Starters on this platform are entitled to a 14-day free trial as soon as they set out to begin leveraging the platform. During this 14-day window, they get to learn more about the traits and product offerings of the site overall. At the same time, they also get to familiarize themselves with the finer details of the site and how it works (Kumar 2021).

After learning how it operates, they have to follow it up by purchasing a suitable package for themselves. The cheapest, which is the basic package, costs a paltry \$20 per month. This charge is levied automatically once a month. It may be implemented by use of the cards like the Visa and MasterCard and the online payment platform, PayPal.

Purchasing a domain name is also significant as it is the one that launches me in the field of eCommerce well. Not only is it a domain name address but also a significant branding strategy. For this to happen, one has to investigate the many names available before setting out to make a purchase.

Choose a name that is unique and unlike any other. Chances of there being conflicts are rare. Such a name also aids the site in staying visible not to mention warding off any form of ambiguity. The name has to nearly describe the purpose of the site and the nature of the products that are engaged in.

It should also be easier to spell and able to be memorized by the stakeholders who would mostly be in need of the services. The Shopify site automatically assigns a myshopify.com terminal to the web store as soon as one comes up with a name.

Choosing a name in and of itself is not enough. One also has to supplement it with the right suffix, of which the .com is the most desirable. Others that can also give the leverage needed for the job are the .org, .net, .store, and the .shop terminal. Prepare to part with around \$14 to register the site and keep it running.

#### 5.3.1 Choosing the Appearance and theme

Having put up the store firmly in place, it is time to choose the appearance and theme that will mostly do the trick. The two will determine the layout of the site and subsequently how easily acceptable the site maybe by the visitors who come seeking orders.

The design of such a site is by all means significant as it accords the brand and facial appearance of the site. For one, the looks of the site have to mirror the kinds of products intended to be pushed through to the buyers. This appearance is also significant insofar as determining the reliability and the overall usability of the site is concerned (Vas 2019).

Shopify possesses its own theme store from which one can select the precise theme that suits their own liking. Also, there exist some premium themes that come at a cost but are nonetheless better looking. Some of these themes are also customized to the country level which gives a greater leeway of choice. As a starter, you may want to prioritize the free theme as it is both free and simpler to make do with. Moreover, it also exudes some professional and stylish appearance. All the Shopify themes also give the users the room to modify them as per the search engine optimization across all gadgets.

In this store, one ought to make use of the filters to move through variable themes in line with specific features and by the industry as well. For instance, one may opt for the Mulish style, which is an important selection not to mention being free.

Upon selecting the most desirable theme, one has to also go ahead to customize it all together. Make use of the Shopify dashboard to do that. Access the theme editor to create the look one wants to accrue

via the dashboard. In this theme, one can also vary the colors, letters, texts, and the titles as per the unique wish.

Each theme comes equipped with the color palettes and styles which further customizes to own tastes and preferences. It is imperative that one notes all the changes in the colors, letters, and images that he handles for the sake of expedited references and tracking thereafter.

While doing all this, it is important that one lets the clients recognize the brands. That can only happen if the outcomes are consistent across all the channels. An attempt has to be made to note and generate the correct color codes and letters. These have a long way in shaping the kind of outcomes that one may further obtain.

By use of the theme editor, one customizes the themes in line with the expectations of the clients. In the course of doing this, a determination is also made on the kinds of pages that may have to appear at the top and which ones to appear at the bottom.

The bar at the top displays the key navigation elements like the shopping cart and the search box. It similarly displays information about "New Arrivals" or "All Products." At the bottom of the bar, display the relevant pieces of information like the shipping details, payment methods, terms of references, and the company details.

A conscious effort has to be made to keep the header of the page as legible as can be. The reason behind this is to minimize the possibilities of confusion and boredom on the part of the users of the pages. That sees to it that the navigational products and elements are also not interfered with, in the course of access.

The structure of the network on the other hand has to be organized along with that of the log shop. It is informed by the need to allow for consistent flows. On the same note, the product categories have to be kept so clear and easily viewable. The product categories on the site has to be clear in such a way as to let the customers easily find whatever they are looking for.

Some established patterns also exist in the design of online shops. Some of these include the side-byside pattern. Add an own logo and other vital images to the site via the Theme Editor. Also, the Shopify's picture bank called the Burst has to be made use of. Many pictures in the photo gallery that are free to use have to be found. Investing in a personal picture as time goes by for the sake of uniqueness is also advised.

### 5.3.2 Applications and Add-ons

As soon as the layout is completed, the time now is ripe to trade the guns on the product selection settings. This is utilized by the Oberlo to accomplish this task. The app is easily downloadable from the app store (Vas 2019).

Oberlo utilizes statistics to arrive at various conclusions when selecting the necessary products. For instance, it showcases how many people have downloaded the products to their online stores and how many products have already been utilized or reviewed.

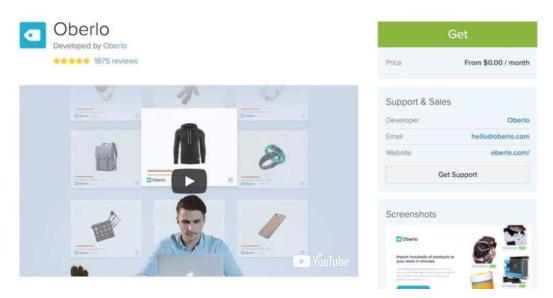


FIGURE 6. Oberlo - Dropshipping App (Shopify App Store 2021)

A host of other special features also form part of this app. These for instance allow for the product page customization where I easily alter the product names and the associated descriptions. Further to this, the automatic pricing facilitates its easy entry to the list in an online store.

Oberlo also lets me filter the products by use of the ePacket feature not to mention allowing for the prompt delivery of all products. To make the Oberlo work optimally, it has to be complemented with

the Pani currency converter app. This, as its designation implies, helps the clients to display the prices of the products in currencies of their own liking.

It also gives me the possibility of choosing from the many currency options, the ones that are deemed relevant and precise to the relevant e-commerce target markets. Moreover, it also converts the prices automatically depending on the location of the client.

Overall, the site processes information in a manner that is smooth and hassle-free. As the prospect progresses, one might also consider downloading many supportive elements that expedite the implementation of the strategies, cross-selling and upselling, respectively. What's more? There are numerous applications for promotional codes and product reviews which may also be of later benefits.

#### 5.3.3 Adding products

Having selected the specific e-commerce theme of unique relevance, it is time to add more to the online store. Oberlo also does this principally by offering its users the best-selling and greatly profitable products. Another tool that can aid in adding products is the ePacket that lets me add as many products from as many countries as possible.

As an option, one can also add products from the AliExpress vendors. Being an independent trading option, Oberlo cannot guarantee the proper functioning of the platform as well as the subsequent delivery of the ordered merchandise. To use the site, one has to access the site directly.

Oberlo Chrome Extension also comes along as a viable option. It is a free automation tool that gives me the leeway to add the products by visiting AliExpress and performing just a few clicks. Thanks to its Oberlo Chrome extension, one can filter products by use of different shipping options like the ePacket delivery. Prior to adding or selecting any product, one must always take the time to carefully read more about the seller, the number of products downloaded, and the reviews that each product has received thus far (Pagefly 2019).

Upon finding the most suitable product, it has added it to the store by clicking on it. On top of that, the product details have to be added before publishing altogether. While downloading via the Oberlo, the titles and the subsequent product descriptions have to be checked out.

These headlines and the associated product descriptions are often quite confusing given the possibilities of all the keywords existing in the same description. The product descriptions nonetheless have to be both unique and informative in equal stature for the avoidance of ambiguity.

Prior to publishing the product, one has to draft a new title to that product and add it to the desired product category. This is followed by drafting a product description and editing the price of the product thereafter.

Oberlo suggests a price automatically for the product at hand. One have the leeway to change it though. Accompany this by assigning the image to the product that is consistent with that which the manufacturer has given it.

There are often plenty of pictures of the product on offer. Not all of them are worth attempting though. One has to insist on that which has the highest quality and is extremely clear especially when zooming. This might be challenging for the many products that are already in existence (Tauras 2021).

While at this stage, beware that a product may be viewed from any angle. Thus, one ought to see to it that the product has the ability to retain its clarity regardless of the angle from which it is viewed.

Upon updating every product information, one has to go ahead and add it to the pan. This is allowed for a later editing of the product information and other associated descriptions at a later date directly from the web via the dashboard. The product descriptions have to be 5-10 lines of text and be really clear.

#### 5.3.4 Adding pages and settings

Adding the products to an electronic commerce store alone is not sufficient. They must also be incorporated in the other content to the site like the informational pages. That is because the information is one of the factors that greatly affect the reliability of the eCommerce pages. This is also vouched for by the theoretical framework. Informative pages may incorporate such aspects as contact information, returns, shipping, and business information. Adding as many pieces of information as can be regarding the products in stock is also advised. These include the Privacy Policy, Terms of Use, Deliveries, and Returns (Shopify Help Center 2021).

Also adding certain basic eCommerce store setting. Shopify as a site comprises 12 points of settings that relate to the statutory information, taxation, logistics, payment service selection, and the terms of references.

For instance, the online store's general information like the contact information and trade name may be added. Provisions of the necessary payment services to the people have to be attempted. PayPal and Stripe Cards give the clients the ability to customize their settings while placing orders. Whenever a client orders for goods in their shopping carts, a seller must make them fill the orders as easily as possible. Making the ordering process simpler is a sure way of making the clients conveniently tackle the associated tasks. A complicated process is sure to make them even more convenient.

On the same note, announce to the client beforehand the delivery point i.e., where exactly his merchandise will be collected. Try and make the delivery process a lot faster and simpler inasmuch as the time it takes is comparatively longer than that of the normal online auction site. Transparency and honesty with the delivery time information has to be upheld. Being vague will only serve to scare away potential clients and destroy the trust one desperately wants to nurture with them.

While implementing the deliveries, one is naturally bound to remit the customs. These are levied by the locality where the client ordering the product is based at that time. It is necessary to be mindful of that as well. This information has to be availed as clearly as possible and well in advance for that matter.

Keeping this information away from the clients will also serve to scare them away and stifle the confidence they might normally have in me. These customs as having already been noted, vary by the destination of the country. Further to the customs, one must also make note of the exchanges and the returns. That can only happen if a display of the information about the network of the merchants who work for the firm is made. Moreover, some destinations like the European Union mandates that the seller informs the clientele about the network in advance.

## 5.3.5 Order processing and reporting tools

After adding the necessary products, one now has to finalize the looks of the store. Yet again, it is important to skim the many store pages, product descriptions, products, terms, information, instructions, payment services, and the shopping cart.

For an online store to be great, it has to be furnished with all the vital pieces of information and practices to potential clients. The completed entity instills a fair degree of confidence in the customer and is also more likely to place an order thereafter.

Prior to publishing an e-commerce site, one has to test it. Let many of the customers and acquaintances try and find out how it potentially turns out to be. This test group also has shared its feedback and opinions with the sellers. Lastly, the use of the feedback to make the necessary changes thereafter is strongly encouraged.

Overall, Shopify is great as it notifies the seller each time an order is placed. This happens typically via the Oberlo and the Shopify platforms respectively. While dropshipping, it is important that the product does not advertise itself in whichever shape or form. This might confuse the clients considerably (Shopify Help Center 2021). When adding products from third parties like the Ali-express, be sure to state categorically that the product is destined for dropshipping. That will prevent this ambiguity from arising.

# 5.4 Marketing strategy and planning

Like any other mode of fulfillment, the eCommerce can only generate sales if and when it is extensively advertised. Without proper marketing, one hardly receives any clients and subsequently no money to trickle in.

If new to dropshipping, one might usually have to build a market base from scratch. This may take the forms of search engine optimization techniques and long-term marketing efforts. Starting off by targeting a group that one knows well and use it to reach out to the others that are not known. Making plans also to acquire more customers via the many different marketing channels and means available is also enouraged. These could take the forms of social media marketing, email marketing, Google AdWords, and search engine optimization. Of these, social media marketing stands out as it is the most significant tool of all. Facebook and Instagram are two of the most outstanding platforms of these as they have a wider following.

Instagram is generally good enough for marketing clothing attire mainly due to its visual appeal. Moreover, the app itself is great for creating awareness and influencing the markets. As a general rule, one has to maintain a fair degree of consistency and regularity.

One sure way of attaining this is to post at least one content per day. Figure out the kinds of hassles that are relevant and appropriately suited for the topic and the area of activity that be there. Think also of creating an accurate calendar as well as a plan of what to publish when. This ought to be followed by a higher degree of interactivity with the followers.

Affiliate marketing is also a popular route to follow these days. It entails the use of influencers to reach out to a target market. These influencers create some awareness about the product and instill some trust in it as well. This is someone who has hundreds if not thousands of active followers. They generally boost the visibility and credibility of the product.

Depending on the nature of the obligation delegated to them, they may also be on standby to receive any requests and queries from potential clients. This is especially significant when trying to break new grounds or launching a new store.

Facebook comes in next. It is by far the most visited social media marketing site that is at the moment. Moreover, it also gives me the tool to target just the right audience at a time. This is to be done principally by setting the right demographics variables.

For instance, one can target an age bracket of 18-30 of women who live in the United States who may be interesting in training. He may also target people who like the pages on Facebook or any other form of demographic overall.

Search engine optimization is also a significant option as it plays a vital role in boosting the visibility of the pages in the search engine results pages. Moreover, the tool also contains the keywords that may be subsequently used in keyword planning.

In all, the concept of eCommerce content is premised on these keywords. Thus, one must see to it that the products added to the store have these keywords as part of their descriptions. Include the pictures in the "alternative texts" as well because they enhance the ability of the search engines to comprehend the images.

Other than the search engine optimization, Google AdWords, and Google paid ads are also viable alternatives. A seller must hence also consider targeting these ads. Set a nice advertising budget as a way of ensuring this. This is to see to it that he operates within a strict setup that is unlikely to be too expensive.

Email marketing is also a great tool to use to reach out to a potential client base. To leverage this platform, one has to compile a list of the people who would mostly be interested in a merchandise. These could be friends and associates whom he has interacted with for a longer time.

The best way to go about it is to adopt a regular and systematic approach. One can for instance send out the email to a client per week with all the details that pertain to that particular product. As part of the contents, one must also incorporate the details about possible discounts or discount codes.

## 5.5 Outcomes and results

It is a matter of interest to know how a site performs all the while. That can only happen if one keeps a keen eye on the outcomes and results. These may done via a variety of tools and techniques like the Google Trends and the Keyword Planner.

The two tools enable me to mine the most significant pieces of information about the popularity of the products. This is further added to the features that the customers would naturally want from such products ordinarily. They are further used to realize the kinds of keywords that are likely to evoke significant searches. Remember, the higher the number of searches, the more competitive the product is likely to be and its rankings in the search engine results pages. Generally speaking, it is easier and faster to deploy the Shopify eCommerce platform. Purchasing the domain names in and of itself is also simpler. This also extends to the selection of the domain name extensions owing to its suitability to the international markets.

Choosing the right theme in and of itself is yet again a great feat to achieve with this. This is thanks to the use of the Shopify dashboard that is similarly simpler and easier to make do with. Moreover, it is also easily accessible via mobile and web browser platforms. Altering the appearances in line with the desired expectations is not an easy feat though. It is the case mostly because of the need for the contents to be coherent, logical, and clear. That is not something one can do overnight.

# 5.6 A case study of Cheery Kid

This introduces a shining example of a successful dropshipping store. Cheery Kid (https://cheerykid.com/) was put in place by two work-from-home moms with the aim of selling baby stuff to other parents. It now rakes in well over \$32,000 per month and keeps expanding. Let us now find out the secrets behind the success of this platform (Sunshine Ecommerce Technologies LLC 2021).

People often wonder what recipe for a successful dropshipping store might be. Some claim it all depends on the selected niche. Others on the other hand argue that it is how and where exactly the products are advertised.

The truth however is that you need to care for all of these and other prominent aspects of generating a dropshipping business. Each and every element of your store has to contribute some bit to the overall success. Only in this instance that you may hope of succeeding.

Cheery Kid is a great example of how building an e-commerce store and promoting it works wonders. The platform was launched in September 2020 shortly after which it became a greatly performing marketplace. In the first six weeks of its launch, the platform raked in \$8,128, which is definitely a great start!

#### 5.6.1 Product niche: why sell baby stuff

The purpose of putting up a dropshipping store that deals in baby care products originated from the work-from-home mothers. As we speak, they are taking care of their children. This means they are familiar with one or two things concerning what parents and their children may want.

They also know for sure that it is almost impossible to depart a kid's store with just one item. Rather, a typical mother may usually end up with a bag that is full of clothes, toys, and a couple of essentials. That is why settling on this dropshipping niche was somewhat critical.

If anything, all the experienced online entrepreneurs recommend selecting something you are truly passionate about. In this specific instance, the buyers and the sellers are pretty much the same people. (They are parents who simply want to grant their children the best products available). The store ended up meeting the expectations of the creators by a considerable margin. The clients are willing to incorporate upsell commodities into their shopping carts and also purchase goods from relevant categories.

In consequence of this, the average value of the order is higher and keeps increasing just before the holidays. On the flip side, the niche does demand that you be careful about one thing: selling the baby stuff! It is important to see to it that all the goods are safer for the babies and the small children. That is why it is critical to only pick the truly high-quality products. This was the first component of the success of Cheery Kid's.

## 5.6.2 Store design

Catch a glimpse of the Cheery Kid. You will behold that the site comes about in a truly minimalistic design and makes use of the white color almost exclusively. This design solution was selected for a strategic reason. Many baby products are brightly and vividly colored. Moreover, a neutral background makes it possible for the images to be easily identified. It is only the clickable buttons that are duller.

Yet one important aspect of the design of the site is that the banners are placed on the home page. At first, they feature some happy children and parents, who double up as the clients of the stores. Then, the texts utilized in these banners are optimized exclusively for the parents. Additionally, each of the three major banners and their home pages does exude children of varying ages. This message provides

prospective clients the idea of what kind of products they may look up to. You may downplay it, but it is just a small element of the greater picture.

## 5.6.3 Website structure and product pages

Another significant step in generating a successful dropshipping store is to structure the site properly, into great product categories. To do this, the inventory has to be split into a number of categories. Each category has to comprise a best-seller of the niche. Split these categories further into a range of sub-categories.

In this manner, the potential clients can locate products they need easily instead of the ones that are actualized advertised. Adding to all these is the need to gather the best-selling goods in a standalone category. As a general rule, people prefer being curious concerning the top products.

The entrepreneurs who man this store also tend to pay a lot of attention to the product pages given that this is where the clients convert into buyers or simply leave the site.

- First and foremost, the team optimizes the loading speed. Always bear in mind that if you make the visitors wait for too long, they may depart the site before beholding your product pages. This calls for compressing the images on the pages until the weight is 1.5-1.8 MB or less.
- Then, there is the need to incorporate detailed specifications of the descriptions of the products. If anything, when the baby stuff is sold, it is important to notify the parents of the materials utilized for making the goods.
- Thirdly, the descriptions have to be emotional and touching. Most of these products, as stated, have not only to be practical but also able to confer emotional values. It is critical to point this out as well.
- Going by the same token, as much as possible, the team has to see to it that the client's reviews comprise photos of happy children that interface with the given products. In this way, they will visualize the results of the purchase in such a strong move!
- Lastly, in case the products have a distinctive functionality, you have to strive your best to demonstrate how it operates alongside the pictures, videos, and GIFs.

### 5.6.4 Promotion: how to sell baby stuff

As soon as the website was ready, the mothers started promoting it – mainly via the Facebook platform.

**Target audience** – Of course, the first category of the buyers that the team targeted was the young parents. Nonetheless, there is already a steady demand from the elderly persons as well. There are in fact grandfathers and grandmothers who are thrilled to engage in the affairs of the small children. Quite a few purchases also originated from the younger friends and relatives who were capable of stealing the scene at the baby showers and other festivities thanks to these products.

Ad ideas – For those products that confer useful functionalities, the team generates advertisements that tend to showcase their utility. Demonstrating how a particular item is likely to solve a problem is often sufficient to pique the interest of the prospective clients. As for those other goods that do not serve specific functionality, the marketing team mainly appeals to emotions. In this instance, it is critical to display the happy faces of the parents and their children as they interact with particular merchandise.

#### 5.6.5 Upsells, bundles, and discounts

Given that the cost of conversion may be too high on Facebook and a couple of other platforms, you may utilize a number of methods and strategies to raise the value of the average order from the store. Upsells are provided to persons who have purchased an advertised good. This store also places the products in the 'Recently Viewed' section as visitors go through the inventory. Additionally, the creators make use of discounts on a regular basis while also provide coupons while re-marketing.

#### 6 CONCLUSIONS AND CONSIDERATIONS

Dropshipping is a task that is overall difficult to get started in but when set up, it requires little to no attention thereafter. This being the case, a seller ought to exercise some great due diligence as set out. He may want to see to it that he makes every effort to lay the theme and appearance just fine and suited for the role.

Next, the said person also wants to come up with a plan that will see to it that he enters the market well and perform all that entails the purchase of the goods and services. By far the best way to go about the whole issue is to carry out significant market research by seeking the inputs of the targeted market.

On the flip side, this form of marketing has great potential as it is still largely in its infancy. It hence goes that the form of fulfillment has some great potential that has yet to be reaped. Entering the trade early is hence a great way to position oneself strategically to reap the benefits.

There is hence never the best time to enter the market. Now is the time to do so. Start off by finding a suitable niche that is likely to yield me better returns on the investments. Then, carry out some extensive market surveys and round it up by crafting a good entry plan to business. Though the trade is largely in its infancy, it is still prone to competition as many people want to try it out. Be mindful of this fact as well. A seller ought to see the places strategies in place that are designed to ward off any form of competition thereafter.

Attending seminars, investment portfolios, and other forms of buildups are also great as they go a long way in bolstering the chances of succeeding in this field. The same goes to attending them from time to time just be sure that he keeps pace with the ongoings and developments.

As the last, one has to see to it that he conforms as nearly as possible with the government regulations that be. This may only be done by checking out the existing laws, rules, and regulations and craft them in such a way as to meet their expectations. Particularly, one has to meet the taxation policies and make appropriate arrangements for the remittance of the same to the appropriate authorities.

### 6.1 Considerations

Dropshipping is a big business model, there has several tasks integrated like product research, supplier research, website building and marketing for getting positive result. It's not possible to understand only reading some resources like this thesis. The resources will give the primary knowledge for starting the business, but the stable and proven knowledge will be come after establishing 1-2 store. So, I think, it is important to start a single product store after knowing the basic things.

Obviously, this thesis will help a lot for the beginners, because all the basic knowledge and guidelines are described here step by step. I have described the process and steps depends on experts tutorials, resources and my self-experience. Hope, this thesis will also helpful for the beginners to start their first dropshipping store.

My self-experience on establishing several dropshipping business is the biggest strengths for me to write this thesis. I established several stores for dropshipping and surfing lots of resources for solving different problems on this business and those things motivate me to write a complete guideline with step by step process about this business model for the new dropshippers. I have tried to give a basic information and knowledge for this business model. But experts tutorials, case studies and mentorship will be much helpful for beginners.

Dropshipping is a legal business strategy and thousands of peoples are doing this business, so anybody can do this. But i believe, it will be a potential business model for those, who are interested about e-commerce, marketing and to work with direct customers.

This thesis is like a guideline for the beginner dropshipper and for me to establish new stores. There has millions of resources, tutorials, and article about this business but those are made for specific parts like marketing or product research. So, it is also important to check some of those resources before starting the business. I have listed most important resources end of this thesis, hope those will also helpful.

# 7 REFERENCES

Ashraf, S. 2020. *Why 90 Percent Dropshippers Fail in the Beginning? Here's What Experts Say!*. Available: https://www.cloudways.com/blog/dropshipping-failures-and-success-rate/. Accessed: 27 February 2021.

Brown, J.K. 2019. *The 8 Benefits of SEO for Ecommerce*. Available: https://www.practicalecommerce.com/the-8-benefits-of-seo-for-ecommerce. Accessed: 28 January 2021.

Catbagan. S. 2019. *How to Maximize Email Marketing for Your Dropshipping Store*. Available: https://chronos.agency/maximize-email-marketing-for-dropshipping-stores/. Accessed: 12 November 2020.

Checkout. 2020. *What does an online retailer need to know about consumer protection?*. Available: https://www.checkout.fi/vinkkipankki/verkkokauppa-kuluttajansuoja. Accessed: 08 November 2020.

Chou, S. 2021. *What Is Dropshipping & How To Start A Drop Shipping Business In 2021*. Available: https://mywifequitherjob.com/why-dropshipping-isnt-as-easy-and-simple-as-you-think/. Accessed: 27 February 2021.

Ciotti, G. 2019. *Customer Service 101: A Guide to Providing Stand-Out Support Experiences*. Available: https://www.shopify.com/blog/customer-service. Accessed: 08 November 2020.

Commbox. 2021. *The Role of Social Media in Customer Service, a Social Media Guide*. Available: https://www.commbox.io/the-role-of-social-media-in-customer-service-a-social-media-guide/. Accessed: 28 February 2021.

Ecommerce guide. 2020. *Shopify review*. Available: https://ecommerceguide.com/ecommerce-plat-forms/shopify-review/. Accessed: 21.9.2020.

Ecommerce News. 2021. *Dropshipping*. Available: https://ecommercenews.eu/dropshipping/. Accessed: 27 February 2021.

Ecommerce-platforms. 2020. *What is AliExpress?*. Available: https://ecommerce-platforms.com/glos-sary/what-is-aliexpress. Accessed: 05 November 2020.

Elfrink, G. 2020. *The Dropshipping Business Model Explained*. Available: https://empireflip-pers.com/dropshipping-business-model-explained/. Accessed: 02 November 2020.

Ellis, M. 2018. *Instagram vs. facebook: what's the better marketing avenue?*. Available: https://99de-signs.com/blog/business/instagram-vs-facebook-marketing/. Accessed: 25 January 2021.

Ferreira, C. 2020. *What Is Dropshipping*?. Available: https://www.shopify.com/blog/what-is-dropshipping/. Accessed: 02 November 2020.

Francisti, A. 2018. *How to Hack 5 Stages of Consumer Decision Making Process*. Available: https://www.leadquizzes.com/blog/consumer-decision-making-process/. Accessed: 06 November 2020.

Garrity, S. 2020. *What is Shopify?* Available: https://www.hostingadvice.com/how-to/whatis-shopify/. Accessed: 11.9.2020.

Google Trend. 2021. *Google Trend website front page*. Available: https://trends.google.com/trends/. Accessed: 11 April 2021.

Google. *FAQ about Google Trends data*. Available: https://support.google.com/trends/an-swer/4365533?hl=en. Accessed: 12 November 2020.

Harvey S. 2021. *Who, what, why, and where? Your target audience definition*. Available: https://fab-rikbrands.com/target-audience-definition/. Accessed: 28 February 2021.

Johnson, L. N. 2020. *Shopify as a platform business*. Available: https://www.applicoinc.com/blog/is-shopify-a-platform-business/. Accessed: 21.9.2020.

Kakkar, S. 2020. *How to Use Google AdWords for Your Business (Beginner's Guide)*. Available: https://kinsta.com/blog/how-to-use-google-adwords/. Accessed: 10 November 2020.

Kaluzhsky, M. 2014. "Drop shipping-a revolutionary form movement of goods in the global economic crisis". Management and marketing in the innovation economy (172-185).

Kotler and Armstrong. 2011. Decision Making Process, (152-153).

Kumar, B. 2021. *How to Start an Online Store with Shopify: A Step-by-Step Guide*. Available: https://www.shopify.com/blog/start-online-store. Accessed: 20 January 2021.

Mahmud, I. 2021. Expert on Dropshipping. Available: imtiaj.com. Accessed: 25 January 2021.

Ministry of Justice, Finland. 2000. *Consumer Protection Act.* Available: https://www.finlex.fi/en/laki/kaannokset/1978/en19780038.pdf. Accessed: 08 November 2020.

Moriuchi, E. 2019. Social Media Marketing, Second Edition : Strategies in Utilizing Consumer-generated Content, (97-100).

Nguyen, K. 2016. *Business Ethics in E-commerce (33-35)*. Available: https://www.theseus.fi/bit-stream/handle/10024/119487/Final%20Thesis-KhanhNguyen.pdf?sequence=1&isAllowed=y. Accessed: 28 February 2021.

Pagefly. 2019. *How to Import Products from AliExpress to Shopify In 03 Steps*. Available: https://academy.pagefly.io/guide/how-to-import-products-from-aliexpress-to-shopify/. Accessed: 20 January 2021.

Paypal. 2020. *About*. Available: https://www.paypal.com/fi/webapps/mpp/about. Accessed: 06 November 2020.

Paypal. 2021. Paypal website front page. Available: https://www.paypal.com/. Accessed: 11 April 2021.

Pedotto, L. 2018. 7 reasons to advertise on social media. Available: https://strikesocial.com/blog/social-media-advertising-benefits/. Accessed: 28 January 2021.

Pekarek, L. 2021. *The Truth About Dropshipping: The Good, The Bad, and The Ugly*. Available: https://www.bigcommerce.com/blog/dropshipping/. Accessed: 27 February 2021.

Rodriguez, J. 2021. *The eCommerce Process — How eCommerce Works and How You Can Do It Too*. Available: https://blog.shift4shop.com/the-ecommerce-process. Accessed: 28 February 2021.

Shahid, S. 2019. 8 Best Payment Gateways for Ecommerce Dropshipping Stores in 2020. Available: https://www.cloudways.com/blog/best-payment-gateways/. Accessed: 26 January 2021.

Sharp, T. 2021. *The Complete Shopify Aliexpress Dropship course*. Available: https://www.udemy.com/course/the-complete-shopify-aliexpress-dropship-course/ (Premium Course). Accessed: 28 February 2021.

Shopify. 2020. About us. Available: https://www.shopify.com/about. Accessed: 04 November 2020.

Shopify. 2021. *Oberlo - Dropshipping App*. Available: https://apps.shopify.com/oberlo. Accessed: 11 April 2021.

Shopify. 2021. *Shopify Help Center*. Available: https://help.shopify.com/en. Accessed: 20 January 2021.

Shopify. 2021. *Shopify website front page*. Available: https://www.shopify.com/. Accessed: 11 April 2021.

Snyder, R. 2013. "e-commerce and Supply Chain Management". ASBBS Proceedings, (237-242).

Statista. 2021. *Most popular social networks worldwide as of January 2021, ranked by number of active users*. Available: https://www.statista.com/statistics/272014/global-social-networks-ranked-bynumber-of-users/. Accessed: 10 April 2021.

Stripe. 2020. About us. Available: https://stripe.com/en-fi/about. Accessed: 1.9.2020.

Sunshine Ecommerce Technologies LLC. 2021. *Cheery Kid*. Available: https://cheerykid.com. Accessed: 20 January 2021.

Tauras. 2021. *Importing products*. Available: https://help.oberlo.com/en/articles/952217-importing-products. Accessed: 20 January 2021.

Ubersuggest. 2020. Available: https://neilpatel.com/ubersuggest/. Accessed: 08 November 2020.

Vas, D. 2019. *COMPLETE Shopify Tutorial For Beginners 2020 - How To Create A Profitable Shopify Store From Scratch*. Available: https://youtu.be/KIiD4MA5sfk. Accessed: 20 January 2021.

Verum Ecom. 2020. [HOW TO] Start Dropshipping As A Complete Beginner In 2020. Available: https://youtu.be/1gXWAcvWbnA. Accessed: 28 February 2021.

Verum Ecom. 2021. *How to Dropship from Aliexpress: Getting Started Guide*. Available: https://veru-mecom.com/aliexpress-dropshipping/. Accessed: 28 February 2021.

Yi, W. 2019. *China's plan to promote successful business model to wider regions encourages new entrepreneurial enthusiasm.* Available: https://www.globaltimes.cn/content/1157268.shtml. Accessed: 27 February 2021.

Zamora. 2020. *EASIEST WAY To Find Winning Products in 2021 (Step By Step)* | *Shopify Dropshipping*. Available: https://youtu.be/cqeb2W3c5D4. Accessed: 25 January 2021.

Zhong, Y., Zheng, Z., Chou, M. C. and Teo, C. P. 2017. "*Resource Pooling and Allocation Policies to Deliver Differentiated Service*". *Management Science*. Available: https://pubsonline.in-forms.org/doi/10.1287/mnsc.2016.2674. Accessed: 02 November 2020.