What is E-Commerce Simple Definition?

E-Commerce is the buying and selling of goods and services over the Internet. It is conducted over computers, tablets, smartphones, and other smart devices. Almost anything can be purchased through E-Commerce today. It can be a substitute for brick-and-mortar stores, though some businesses choose to maintain both.

The following are the different types of E-Commerce platforms:

- Business-to-Business (B2B)
- Business-to-Consumer (B2C)
- Consumer-to-Consumer (C2C)
- Consumer-to-Business (C2B)
- Business-to-Administration (B2A)
- Consumer-to-Administration (C2A)

Advantages of E-Commerce

- E-Commerce provides the sellers with a global reach. They remove the barrier of place (geography). Now sellers and buyers can meet in the virtual world, without the hindrance of location.

- Electronic commerce will substantially lower the transaction cost. It eliminates many fixed costs of maintaining brick and mortar shops. This allows the companies to enjoy a much higher margin of profit.

- It provides quick delivery of goods with very little effort on part of the customer. Customer complaints are also addressed quickly. It also saves time, energy and effort for both the consumers and the company.

- One other great advantage is the convenience it offers. A customer can shop 24×7. The website is functional at all times, it does not have working hours like a shop.

- Electronic commerce also allows the customer and the business to be in touch directly, without any intermediaries. This allows for quick communication and transactions. It also gives a valuable personal touch.

Disadvantages of E-Commerce

- The start-up costs of the E-Commerce portal are very high. The setup of the hardware and the software, the training cost of employees, the constant maintenance and upkeep are all quite expensive.
• Although it may seem like a sure thing, the E-Commerce industry has a high risk of failure. Many companies riding the dot-com wave of the 2000s have failed miserably. The high risk of failure remains even today.

• At times, E-Commerce can feel impersonal. So it lacks the warmth of an interpersonal relationship which is important for many brands and products. This lack of a personal touch can be a disadvantage for many types of services and products like interior designing or the jewelry business.

• Security is another area of concern. Only recently, we have witnessed many security breaches where the information of the customers was stolen. Credit card theft, identity theft etc. remain big concerns with the customers.

• Then there are also fulfillment problems. Even after the order is placed there can be problems with shipping, delivery, mix-ups etc. This leaves the customers unhappy and dissatisfied.

Sell Your Products on the Internet – Sample Companies

Amazon: You can sell pretty much anything on Amazon, although selling in some specialized categories requires Amazon approval and an upgraded selling plan. Amazon charges several kinds of fees on items sold, depending on what kind of selling plan you have.

EBay: lets you auction and sell a wide range of goods and has a slightly simpler fee structure than Amazon.

Bonanza: sells a range of products similar to Amazon and eBay. It charges fees based on the sale price of your item, plus any amount of the shipping cost over $10.

Craigslist, Facebook Marketplace, Letgo: These websites and apps don’t always take a cut of your sales, but you’re responsible for connecting with your buyer, meeting up in person and making the exchange. It’s definitely a different style than the online auctions and sales.

Poshmark: an online sales and social network hybrid for men's, women's and children's clothing, as well as other goods.

Ruby Lane: Post up to 50 items for sale on Ruby Lane, you’ll have to pay a $54 monthly maintenance fee. List more than that, and tack on anywhere from a penny to 30 cents per item.

Etsy: If you’re interested in selling your handmade arts and crafts or vintage collectibles, Etsy is where it’s at. You pay 20 cents to list an item and then a 5% transaction fee on the sale price of the item, not including shipping. If you use Etsy Payments to process your payment, you’ll be charged an additional 3% plus 25 cents.
The Difference Between E-Commerce and Online Shopping

E-Commerce and online shopping are two terms that many people use interchangeably. However, they are both different concepts.

1. **E-Commerce** refers to all aspects of operating a business online.
2. **Online shopping** refers to the online selling and purchasing of goods and services. Online shopping is an E-Commerce activity which involves purchasing items on a seller’s website via credit or debit card, and having the item delivered to your home. Online shopping also involves searching for items online via web searches and by conducting online research.

What Are E-Commerce Platforms?

E-Commerce platforms are software tools to help people sell products and services online. Historically, businesses had to purchase expensive, on-premise E-Commerce software with an IT setup and in-house hosting to manage their E-Commerce. Now, with SaaS software technology, users can build storefronts (front-facing sales channels) online.

These E-Commerce platforms handle everything from web design and product listings to shipping, taxes, and marketing. Within these web-based software tools, you can add your own products, manage inventory and orders, communicate with customers, sync with other apps, and more.

Online Stores

Online shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser or a mobile app.
Where and how to sell your product online?

Hosted Platforms

A common analogy used to understand the difference between self-hosted and hosted E-Commerce solutions is the difference between buying and renting a house. When you rent a house (hosted), you are tied to the wishes of the landlord. You can live there, but you probably can’t paint or make physical changes to the look and feel of the property. If the landlord decides to sell up or change the property, you could lose access or be forced to leave. The benefits of renting a house, however, are that you can test the water before you decide to buy and you can change houses with minimal fuss or cost.

When it comes to hosted platforms, the benefits and disadvantages are much the same. A hosted platform, such as Shopify or BigCommerce, is like renting a space to sell your products, hosted on someone else’s server. The benefit of this is that the platforms are usually very easy to use, even for beginners.

Self-Hosted Platforms

In comparison, your own house (self-hosted) means you have the freedom and benefit of choosing exactly how you want your house to look, where it is, and how quickly you want to extend or build on what you have. However, having your own house is also expensive and means that you are liable for making improvements and fixing anything that breaks.

For self-hosting on platforms such as WooCommerce

Here Are Some Major E-Commerce Platforms


BigCommerce: Best E-Commerce Platform for Large Businesses Built to Scale ($29.95/mo).

Shopify: Great E-Commerce Software for Dropshipping ($29/month).

Nexcess: Best for Managed Magento and WooCommerce Hosting ($19 per month).

Square Online: Best For Retailers and Local Businesses Looking to Move Online (Free – $72/month)


Ecwid: Best Online Store Builder for Existing Websites ($35/month).


Sellfy: Best for Bloggers and Creators ($19/month).


PinnacleCart: The All-In-One Webstore Solution ($44.99/month). E-Commerce platform built with user experience and conversion rate optimization in mind.


Selz: One Simple Place to Sell Anywhere ($26/month).

E-Commerce Fulfillment Services

When a company needs more than just an online store to market and get paid for its services, they may need an E-Commerce Fulfillment company.

“E-Commerce fulfillment” is really the sum of many individual services and workflows. At the simplest level, it refers to picking, packing, and shipping orders to customers. The trigger for the order fulfillment process to begin is when a customer makes a purchase online. There must already be inventory on-hand to start the process. Then, an order is fulfilled once it arrives at the shipping destination.

Key Fulfillment Services Functions

1. Order management: Order management is the broad concept of overseeing all purchases your customers make. It involves receiving, keeping track of, and fulfilling customer orders across sales channels. E-Commerce businesses should be able to manage all orders in one place, from when they are placed to when they are shipped.
2. Inventory management: the monitoring of an E-Commerce business's stocked goods including storing inventory, ordering and restocking inventory, and inventory forecasting.
3. E-Commerce shipping: refers to the delivery methods you offer online shoppers and how much you charge for them. Your E-Commerce shipping capabilities and the services you choose will depend on where you're shipping from, where your customers are located, the type of products you sell (e.g., heavier and larger items will be more expensive, HAZMAT products must use ground shipping, etc.).
4. Warehousing: the storage of inventory before orders need to be fulfilled. Warehouses safely and securely store items in an organized manner so they can be easily and quickly located once orders are placed.

5. Returns Management: involves receiving, assessing, and processing returned items back into the available stock.

6. Fulfillment software: automates inventory and order management as well as picking, packing, shipping, and delivery processes. It’s the technology that connects E-Commerce stores to the people who are working in the fulfillment centers to provide real-time E-Commerce order tracking information, visibility into inventory levels, and forecasting projections.
### 10 Best Fulfillment Services for Managing E-Commerce Orders

<table>
<thead>
<tr>
<th>Company</th>
<th>Monthly Order Min</th>
<th>Two-Day Delivery</th>
<th>Global Fulfillment Locations</th>
<th>U.S. Fulfillment Locations</th>
<th>Returns Processing</th>
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<tbody>
<tr>
<td>Deliverr</td>
<td>N/A</td>
<td>Yes</td>
<td>N/A</td>
<td>80+</td>
<td>No</td>
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<tr>
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<tr>
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<td>0</td>
<td>1</td>
<td>Yes</td>
</tr>
<tr>
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<td>Yes</td>
<td>0</td>
<td>2</td>
<td>Yes</td>
</tr>
<tr>
<td>Rakuten Super Logistics</td>
<td>250</td>
<td>Yes</td>
<td>0</td>
<td>15+</td>
<td>Yes</td>
</tr>
<tr>
<td>Amazon FBA</td>
<td>N/A</td>
<td>Yes</td>
<td>85</td>
<td>110+</td>
<td>Yes</td>
</tr>
<tr>
<td>FedEx Fulfillment</td>
<td>400</td>
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<td>1</td>
<td>130+</td>
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<tr>
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<td>N/A</td>
<td>3</td>
<td>Yes</td>
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<tr>
<td>Fulfillment.com</td>
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<td>3</td>
<td>Yes</td>
</tr>
<tr>
<td>Ruby Has</td>
<td>0</td>
<td>Yes</td>
<td>1</td>
<td>5</td>
<td>Yes</td>
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</table>

#### Pricing

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<tr>
<th>Company</th>
<th>Set-Up Fees</th>
<th>Receiving Fees</th>
<th>Monthly Storage Fees</th>
<th>Picking/Packing</th>
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<td>$0</td>
<td>Per unit fulfilled</td>
<td>Start at 0.75 per cubic foot per month</td>
<td>N/A</td>
</tr>
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<td>ShipBob</td>
<td>$0</td>
<td>$35</td>
<td>Starts at $5</td>
<td>$0.20/order pick</td>
</tr>
<tr>
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<td>$0</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Red Stag Fulfillment</td>
<td>$100</td>
<td>$13.25/pallet</td>
<td>$2/bin; $15/pallet</td>
<td>$0.30/order pick</td>
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<tr>
<td>Rakuten Super Logistics</td>
<td>Custom</td>
<td>Custom</td>
<td>Custom</td>
<td>Custom</td>
</tr>
<tr>
<td>Amazon FBA</td>
<td>N/A</td>
<td>Free, when guidelines are met</td>
<td>$0.75 – $2.40/cubic ft</td>
<td>Price varies by size and weight</td>
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<td>FedEx Fulfillment</td>
<td>$0</td>
<td>$35–$40/hour</td>
<td>$8–$15/pallet</td>
<td>$2–$8</td>
</tr>
<tr>
<td>ShipMonk</td>
<td>$0</td>
<td>Free, when guidelines are met</td>
<td>$1–$4 for different size bins/$20 per pallet</td>
<td>$0.50/order pick</td>
</tr>
<tr>
<td>Fulfillment.com</td>
<td>Custom</td>
<td>Custom</td>
<td>Custom</td>
<td>Custom</td>
</tr>
<tr>
<td>Ruby Has</td>
<td>Custom</td>
<td>Custom</td>
<td>Custom</td>
<td>Custom</td>
</tr>
</tbody>
</table>

Prepared by Jim Moslow, SCORE Naples. Document text derived from various Internet sites. Hyperlinks refer back to vendors listed.
ShipBob

Multiple Fulfillment Locations
Great UI
Superb E-Commerce Integration
Lack of Amazon Integration
No Refrigeration
Not Geared for B2B

Value 5.0
Features 5.0
Customer Support 3.0
Integrations 4.5
Ease of Use 4.5

Deliverr

Fast Fulfillment
Multiple Integrations
Transparent Pricing
No Returns Processing
Not for Subscription Boxes
No Phone Support

Value 4
Features 5
Customer Support 4
Integrations 5
Ease of Use 4
## ShipMonk

- **Try For Free**
- **Review**

**Market Leading Integrations**

**Multiple Support Options**

**Simple, Powerful UI**

**U.S. Locations Only**

**Higher Handling Costs**

**Limited Scalability**

**Value**: 3.5  
**Features**: 3.5  
**Customer Support**: 5.0  
**Integrations**: 4.5  
**Ease of Use**: 4.5

**Overall Score**: 4.2

## Red Stag Fulfillment

- **Try For Free**
- **Review**

**Video Monitoring**

**Same-day Shipping**

**Experts with Bulky Products**

**Pricier**

**No Dedicated Account Manager**

**U.S. Based Locations**

**Value**: 4.0  
**Features**: 5.0  
**Customer Support**: 3.0  
**Integrations**: 4.0  
**Ease of Use**: 4.5

**Overall Score**: 4.1

Prepared by Jim Moslow, SCORE Naples. Document text derived from various Internet sites. Hyperlinks refer back to vendors listed.
E-Commerce Options

Overall Score

Rakuten Super Logistics

Leading Enterprise Solution
Specialty Fulfillment Services
Large U.S. Footprint
No Locations Outside Of U.S.
No Custom Packaging
Not For Startups
Value 3.5
Features 5.0
Customer Support 3.0
Integrations 4.2
Ease of Use 4.0

4.0
Overall Score

eFulfillment Service

Geared To Startups
In-house IT Team
No Order Minimums
Not For Large Volume
Basic UI / Reporting
No UPS Integration
Value 5.0
Features 3.5
Customer Support 3.0
Integrations 3.5
Ease of Use 4.5
3.9 Overall Score

Fulfillment.com
Try For Free
Review
Ideal for High Volume
Dedicated Account Manager
Global Footprint
Non-refundable Deposit Fee
Limited Customer Support
Custom Pricing Only

Value: 2.5
Features: 5.0
Customer Support: 3.0
Integrations: 4.5
Ease of Use: 4.0

3.8 Overall Score

Ruby Has
Try For Free
Review
Competitive Shipping Rates
Robust API Integrations
Limited Customer Support Channels

Value: 4.0
Features: 5.0
Customer Support: 1.0
Integrations: 4.5
Ease of Use: 4.0

3.7 Overall Score

Prepared by Jim Moslow, SCORE Naples. Document text derived from various Internet sites. Hyperlinks refer back to vendors listed.
Amazon FBA

Massive Global Footprint
Seller Tools and Reports
Top Choice For High Volume
Changing Amazon Rules
Limited Service Options
Limited Support Options
Value 5.0
Features 3.0
Customer Support 2.0
Integrations 4.0
Ease of Use 4.5

3.7
Overall Score

FedEx Fulfillment

Large, Global Footprint
Easy To Use
Reliable
Inconsistent Customer Assistance
Account Fees
Poor E-Commerce Integration
Value 4.0
Features 5.0
Customer Support 2.0
Integrations 2.0
Ease of Use 4.5

3.5
Overall Score
Companies That Provide Online Stores and Fulfillment Services

The following companies provide comprehensive seller services from online stores to order fulfillment services.

**Walmart Marketplace**


**Walmart Fulfillment Services**

[https://sellerhelp.walmart.com/seller/s/guide?_gl=1*y5k2l3*_ga*MjA1NTIwODY3Ni4xNiM1MTg5MzI2*_ga_1LBB2TM2MG*MTYzNTI2MjQ0My41LjEuMTYzNTI2MjQ4Ny4w&article=000009214%2F%3Fsrc%3Dwfs_lp](https://sellerhelp.walmart.com/seller/s/guide?_gl=1*y5k2l3*_ga*MjA1NTIwODY3Ni4xNiM1MTg5MzI2*_ga_1LBB2TM2MG*MTYzNTI2MjQ0My41LjEuMTYzNTI2MjQ4Ny4w&article=000009214%2F%3Fsrc%3Dwfs_lp)

How Does it Work?

1. Set up your account in the WFS portal
2. Convert your products to Fulfilled by Walmart listings
3. Send inventory to Walmart fulfillment centers
4. Customer orders, Walmart picks, packs & delivers
5. Walmart manages returns and provides customer & seller service

**Fulfillment by Amazon (FBA)**

Amazon FBA is the process of storing, packing, and shipping orders as well as handling returns and exchanges. Effective, reliable E-Commerce fulfillment delights customers. With FBA, you send your products to Amazon’s fulfillment centers, and we pick, pack, ship, and provide customer service for those products.

Mix and Match Your Online Store with Vendor Order Fulfillment Services

When you decide that one company won’t meet your needs for an online store plus order fulfillment, you can select separate companies to provide a complete outsourced service for your business.

Online Store Integration with Fulfillment – Sample Vendors

ShipBob caters to online stores that need shipping, packaging, and storage all in one. ShipBob is known for its featured partner integrations, including regularly used ecommerce platforms and shopping cart tools with the ability to send orders to ShipBob in a rapid manner.

For instance, you can integrate with Wix, Shopify, BigCommerce, WooCommerce, Square Online, and Squarespace, just to name a few. The system contains a myriad of other integrations as well, such as options for returns and inventory management.

How to Sell on Facebook Shops & Facebook Marketplace in 2022

How to Sell on Facebook Shops & Facebook Marketplace in 2022 (fitsmallbusiness.com)

As social commerce gains popularity for online shoppers, it will be an advantage for retailers to learn how to sell on Facebook on top of having an online store. Selling on Facebook can be done through Facebook Shops and Facebook Marketplace. Selling products directly to your Facebook audience is easy using the Shop feature included with every free Facebook business page.

- **Facebook Shops** helps small businesses set up a single online store for their customers to access on both Facebook and Instagram. With this new feature, you can also sell products through the chat features of WhatsApp, Messenger, and Instagram and tag products during Facebook and Instagram live streams, which will take customers to a product ordering page.

- **Marketplace**, is a place on Facebook where people discover, buy, and sell items. Individuals and businesses can use this feature. If you have a Facebook business page and a Facebook Shop with checkout, you can sell as a business on Marketplace (currently limited to US merchants).
After you have a Facebook Shop, boost your store visibility by adding Marketplace as a sales channel. According to Facebook data, more than one in three US Facebook users buy and sell on Marketplace each month. Facebook Marketplace used to be a peer-to-peer shopping marketplace, but has expanded to include merchant selling.

Marketplace’s main draw is that you can increase your store’s reach in your local community. You can also get buyers on Facebook where they’re already browsing products, and use Facebook’s real-time messaging to answer inquiries and give useful information such as price and product description. Lastly, you can target more people with mobile-friendly listings.