

10 Tips for food & beverage in e-commerce

Peter Chapman

1. Explore all of the options; you can sell from your own website, sell on a third-party marketplace like Amazon or Well.ca and/or have your products available on a retailer's website. Some channels deliver a better return than others.
2. Research all order fulfillment and shipping options early in your development. It can be costly and have a big impact on your final decisions. There are third-party logistics solutions that can pack orders and whip for you.
3. Treat each e-commerce channel as a customer within your business. They are all unique and just because your product is listed does not guarantee you will generate any sales.
4. If you choose to sell on a third-party marketplace like Amazon, research all of the fees to ensure your margins are adequate. Many of these website use a combination of percentages and per transaction fees that can be confusing to calculate.
5. Determine if you will offer free shipping. Many online sellers are offering "free shipping" (which is never free), such as Amazon Prime or with a minimum order. Many consumers will abandon the purchase if they perceive the shipping to be unreasonable.
6. Third-party marketplaces like Amazon offer order fulfillment and shipping (FBA), which you pay for, however there can be advantages to your product placement and promotion.
7. If you plan to offer e-commerce on your website, you need a plan to drive online traffic to the website. A great online shop is no guarantee of sales.
8. Explore the option of working with other producers and processors to bundle products and reduce shipping costs per unit.
9. Make a commitment to measure Key Performance Indicators (KPIs) and learn from the data. Metrics such as abandoned carts and effectiveness of promotions can help you understand consumer behaviour and make good decisions in the future.
10. E-commerce needs to be an integral part of your digital marketing strategy. It is a crowded market and you will need to take advantage of every point of contact you have with prospective consumers.

If you would like some help getting your products onto the virtual shelf or into the virtual shopping cart just give us a call (902) 489-2900 or send an email to peter@SKUFood.com.