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# BECOMING AN ONLINE BUSINESS OWNER

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*Here are four ways to start an online business as quickly as over the weekend*

On a typical day in an Asian city such as Tokyo, Singapore or Hong Kong, many people can be seen glued to their smartphones messaging, listening to music, reading, watching videos, posting messages on social media platforms and even shopping online.

The online shopping trend among Asians is expected to gain traction as a result of increasing smartphone ownership, mobile phone-friendly shopping sites and social media.

According to the SparkLabs Global Asia E-Commerce Report 2015, Asia Pacific will claim more than 46% of online buyers worldwide in 2014, even though these users account for 16.9% of the region's population.

This year alone, business-to-consumer e-commerce sales are expected to grow by 37% in the Asia-Pacific region, with sales in China, Indonesia and India increasing especially quickly, up 63.8%, 45.1% and 31.5% respectively.

"The rate of growth down here in Asia Pacific is massive and that is opening up new niches, business opportunities and markets for ecommerce. Asians in general buy consumer electronics, books, clothing and apparel, as well as household goods online," says **Damien Bos**, Managing Director, Private Sales Limited. He was speaking at the recent Singapore Management University Centre for Marketing Excellence event entitled '*How to start an ecommerce business in Asia*'.

Having spent eight years living and working in Asia, he now resides in Hong Kong operating PrivateSales.hk, an online retailer of luxury goods that he founded in 2012.

## UNDERSTAND ASIAN CONSUMERS

"What we have found out about Asian consumers at PrivateSales.hk through Google, FaceBook and Yahoo! is that they would browse, search and buy products in different languages. Most

Asians would have grown up speaking a language to their parents, another at home, and perhaps English at school,” says Bos.

“It is important to know how to make our customers feel comfortable and at home when they are making a purchase and understand what they are buying. And this means you have to offer many languages across the region on your website.”

He added that having a website that is localised in terms of content and aesthetics is important to Asian consumers.

“It seems that Asians prefer to look at a busy, fuller-looking website or webpage. At yahoo.com.hk, you will see links on the side plus lots of pictures, advertisements, posts and a search bar. I guess it uses the localised strategy that targets the Hong Kong market, versus Google’s strategy on keeping things quite simple,” he said.

## STARTING A BUSINESS ONLINE

To become an online business owner as quickly as “over the weekend”, Bos shared four ways to do so:

### - Sell on an online marketplace:

By spending a few minutes setting up a seller’s account on an online marketplace such as eBay, Amazon, Taobao, Lazada and Rakuten, one can access a database of buyers without having to invest in building a website or online traffic from scratch.

As the Internet is transparent and the risk of price wars is high, Bos suggested selling unique products online.

“I would not advice competing purely on price because it can become commoditised. A unique product is probably a better offer in the marketplace. You take orders online and receive email confirmations on the purchase,” he says.

“If you have done it right and have not bought inventory yet, you can purchase the product ordered by a customer from a supplier and then ship it to your customer. And watch your bank account increase.”

### - Blog and have affiliate commissions:

If one is passionate about writing and sharing on a topic, say photography, Bos said one can blog and be an influencer online. He/She can post photographs on an Instagram account to build a following online.

“You have to really enjoy what you are talking about and you must have new topics to write about all the time. Use a blog or an Instagram account to build an audience base in order to become an influencer.

“Basically, you are getting a subscriber base and you can endorse products, services or places for a fee to your subscribers. You may prefer to send or refer traffic to companies that sell products that are relevant to your readers. When your readers make a purchase, the companies will pay you an affiliated fee of 15-30% of that purchase for your referral,” said Bos.

### - Open a Shopify, Bigcommerce or Wix store:

Entrepreneurs can use online software and services providers such as Shopify and Wix stores to help kickstart their business. These software can help create an online store with

simple drag and drop functionalities, ordering processes linked to payment service providers such as PayPal, as well as a shopping cart.

“I particularly like Shopify because it’s got a big community of users who use it to power their e-commerce stores,” Bos says. “There is an extensive forum containing questions, answers and blog posts that are helping one get better at e-commerce.”

With US\$14 a month at Shopify, Bos claims one need not spend three months building a website: “You can get started within an afternoon or weekend.”

#### - Build a WordPress or Magento site

For sites needing extra functionality such as a countdown timer to encourage ‘flash’ sales within a short time, entrepreneurs can use open source content management systems (CMS) that are customisable.

“CMS are like prebuilt or pre-coded websites with access to the codes to develop and design new plugins and make changes to your site knowing that you have a strong backbone to your site. You do not have to build it from scratch,” Bos advises.

Working with WordPress or Magento, for example, entrepreneurs can either work independently on their websites or hire a web designer to customise their sites.

“In our case, we needed some countdown timers because we are doing time specific, ‘flash’ sales. We want the website to be publicly available only during that countdown time,” says Bos. A plug-in was then included in the CMS.

He adds, “It is a trade-off between simplicity and functionality. If you are just starting an e-commerce business today, and you want to test it out, I would suggest you to try the software and services store first and then migrate to a more robust system when you gain some traction and have justified your business cost.”

The sky is the limit. Budding entrepreneurs can now afford to strike a business online with calculated, often minimal risks. Depending on their business models, entrepreneurs entering the e-commerce platform need not pay hefty retail shop rentals and ensure minimum stock order while enjoying flexibility and maximum exposure and branding to test their products or services and the market.

“Having jumped into the online entrepreneur scene from the banking world, I find it has never been easier to get started in e-commerce. There has not been a time in history where there were more tools to get started on your e-commerce business,” says Bos.