

THE TOP 5 HIDDEN COSTS OF GOING IT ALONE

Many e-commerce retailers, especially those that are just getting off the ground, think that developing their own system for their online retail business operations will save money, instead of using a SaaS vendor that charges an ongoing fee. But what they don't take into account are the costs that are hiding in the background, ready to take an unfair share of your hard earned revenue. Here are the top five hidden costs of going it alone.

1 Building your own custom back-end can cost between **\$10,000 and \$20,000**, not including ongoing maintenance. This is just the initial backend system to handle your retail store's connection to the logistics applications you're using at the time. This includes only the hard costs, not the missed opportunities.

place, to build out a highly functioning retailer, as you grow, your needs change. have a custom solution, you'll need to break

2 It takes a long time, and the right systems in e-commerce site. If you're a typical online You'll switch or add new systems. And if you it apart, and rebuild it, every time you make a

change. You're looking at **\$15,000 a year** for that ongoing maintenance. you know that for a retailer that ships 1,000 orders a month, even a custom backend will still result in 10 lost orders a month? The average is \$184 which means that you run the risk of losing close to **\$2,000 a month**. And, like all businesses, you need that revenue in order to cover your overhead - like salaries.

3 On that note, did relatively effective online purchase **in lost revenue.**

4 The average salary for a developer is **\$88,000**. Of course, you'll pay your developers anyway, but shouldn't you be paying them to work on things like new and innovative ways to sell your products, not fixing broken back ends and cleaning up messes that they didn't make in the first place?

customer's experience that is key. systems, you can come up with experience. And remember they

5 But even if your backend is working effectively, it's the Without the burden of having to fix and replace broken new ideas to give your customers a memorable will - good or bad. **81%** of US shoppers said that a social

media post directly influenced their purchase decision. That could mean both making a purchase or NOT making a purchase. It's a domino effect in this social media savvy world, and the **customer is king.**