



The Essential e-Commerce Tech Stack

*Four important tools for running your business
—and one that you simply can't grow without*



By Webgility Founder and CEO Parag Mamnani





Let's Talk.

It's time you heard the truth about your e-commerce business. I know you're passionate about your products—you spend sleepless nights obsessing about them. You'd rather sit by yourself in your warehouse instead of socializing with other humans.

Turns out you're not alone. In fact, soon after opening up shop, most online sellers find themselves in a wasteland of lost perspective. Lured in by the false charm and naive promise of the virtual mom-and-pop world, they become trapped in a universe where the shelves will never be full, the data will never make sense, and the margins will never be enough.

Fortunately I'm here to tell you, no matter what your mother said about hard work and pulling up your bootstraps, blind doggedness is not going to keep the virtual retail lights on. You want to pay the bills and have some left over? You'll need to assemble the ideal e-commerce tech stack—made up of best-of-breed systems and software in each relevant vertical—and soon you'll employ teams of people whose job is to obsess about your products, data, and margins. If you want a retail business that's sustainable, growable, and profitable, start here.

48% of shoppers first turn to a mass commerce marketplace for their purchases.¹

1. Sales Channels

Find out how and where you're going to list, sell, and collect payments for your products. This means a choosing a shopping cart and marketplace—I recommend at least one of both and maybe even a few of each. Since your livelihood is at stake, beware of less established platforms and go for the tried and true. To be

¹ <https://www.bigcommerce.com/blog/ecommerce-trends/>



specific, Shopify, Magento, and BigCommerce are among the most trusted and reputable shopping carts. And the big marketplaces are easy—Amazon, eBay, Etsy, and stay tuned to hear more from Walmart and Jet.

And don't forget a point of sale system for selling in person; I like Square and Shopify POS. If you choose selling systems that can handle huge traffic and offer maximum exposure, you won't have to switch over as your business grows. Better yet, if you work with selling systems that assume your products are for sale on multiple channels, they'll be easier to keep in sync. More user-friendly systems take less time to manage and afford you the freedom to experiment with new channels and markets as the business grows.

2. Accounting

In e-commerce, you must have a system of record and, for most, that is accounting. Because once you have products, customers, and orders, you'll need to make sure you're in compliance with the government. Yes, you need to track how



There are more than **12,000** sales tax jurisdictions in the U.S.²

much sales tax you've charged and will pay, how much money you made, how much money you spent, and how much profit you've claimed. Tracking all of this yourself is a huge waste of your time and, frankly, paying an accountant just to enter data for you is a huge waste of money.

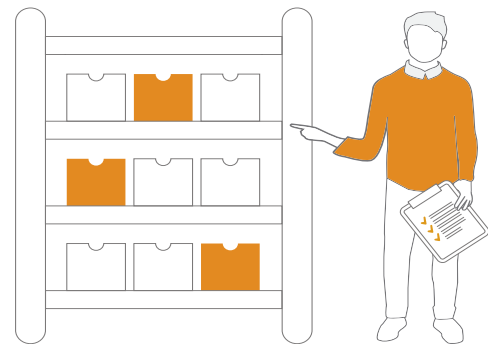
² <https://www.avalara.com/blog/2014/10/31/scary-sales-tax-stories-sales-tax-labyrinth-compliance/?referrer=https://www.google.com/&lastReferrer=www.avalara.com&sessionId=1491348495264>



QuickBooks and Xero can handle accounting for even the most complex e-commerce businesses, so that's easy. And as your business grows, the minutia of sales tax and payroll can be tricky, so be sure to look at add-on offerings. But don't forget, the simple data that you were gathering before was sufficient, but to grow, you need to have all of your systems working together. Then you'll have some insights on what the heck is going on with your business.

3. Inventory management

Once you know what you're going to sell, you'll need a way to organize, catalog, and track all of your products. If you're a small seller, you can probably get away with just tracking everything in Excel, but everyone knows that's a fool's game. At the very least, your accounting system can help you manage your inventory, but that's a



topic for another day. For something more robust, use a sophisticated inventory tool that will grow with the complexity of your business, like SkuVault. If you're lucky enough to find yourself with large, or multiple, warehouses, I suggest a warehouse management system like Skubana. It will track what you have, locate it, tell you how big it is, and even tell you how best to organize and store it.

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 : **22%** of
 : *online buyers*
 : *receive different*
 : *products from what*
 : *they ordered.*³
 :

4. Shipping

Since you're selling online, you need a way to deliver the items. In its simplest form, you need to log on to a website to print a label from UPS, FedEx, or USPS. Better yet, use a more comprehensive shipping tool that will help you compare

³ <https://smallbiztrends.com/2017/01/ecommerce-statistics-small-businesses.html>



minutes you spend in data entry every day, they all add up to hours and days each month that could be better spent growing your business.

When building a business, even the best tech stack is not worth a damn if each vertical exists in isolation. Integration is both the strong foundation and the mortar that holds all of it together. One could even argue that integration prevents you from losing your mind. Do yourself a favor and get yourself an integration tool.

See that? You can handle the truth. Good talk. @

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About the Author

Parag Mamnani is Founder and CEO of Webgility, Inc. His experience with thousands of e-commerce customers and more than a decade of building software and systems for online retailers makes him uniquely qualified to advise on all topics related to e-commerce. [Follow Parag on Twitter.](#)

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