



PIFS E-COMMERCE  
**BUSINESS TOOLKITS**

# USING E-COMMERCE TO SELL GENERAL MERCHANDISE IN THE PACIFIC

A guide to getting more customers online



**Pacific**  
E-commerce  
Initiative



PACIFIC ISLANDS FORUM



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# FOREWORD FROM PACIFIC ISLANDS FORUM



Over the past few years, E-commerce has become one of the focus areas for the Pacific Islands Forum. We are working hard on this space because we believe that E-commerce has real potential to help Pacific businesses overcome their structural challenges and gain a competitive advantage over their global competitors.

Our activities and those of our partners are carried out under the umbrella of the [Pacific E-commerce Initiative](#) and guided by the directions of the [Pacific Regional E-commerce Strategy and Roadmap](#).

As a regional organisation, our job is to help our members achieve their objectives by working together. In many instances, working together can help us save time and money and achieve better results. The Pacific Regional E-commerce Strategy and Roadmap requires that we work together to develop E-commerce skills for our small businesses. The preparation of business toolkits is a practical way to do so.

Based on a common methodology, which is how we work together, our toolkits have benefitted from the skills of local experts and business leaders who came together to ensure that each toolkit responds to the real needs of the target area and sector.

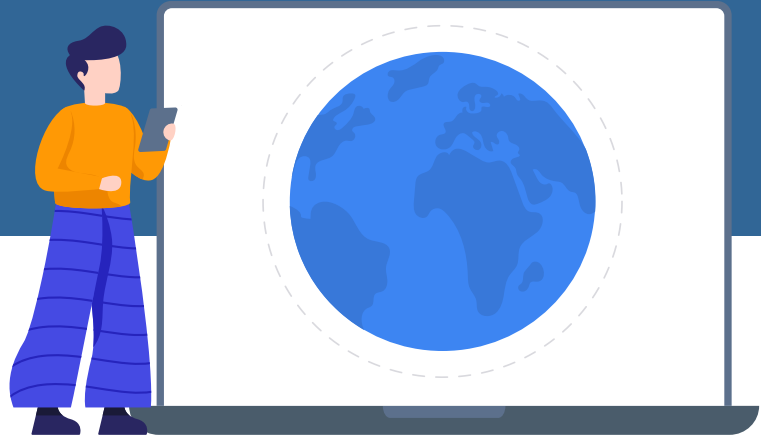
I salute this progressive public-private partnership and wish our small businesses success in their digital journey.

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**Zarak Khan**

Director Programmes and Initiatives  
Pacific Islands Forum Secretariat

# SECTION 1:

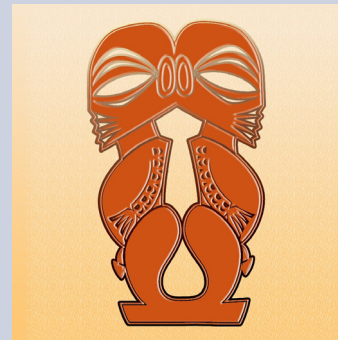


## WHY MOVE ONLINE? WHY NOW?

The COVID-19 pandemic can be a blessing and a curse for many businesses worldwide, including in the Pacific region. If you're like many business owners who had contemplated, at least once, moving their companies from offline to online before the pandemic but opted to put the decision on hold, COVID-19 has changed all that. The high number of business closures across the region sent a loud and clear message: go online now or risk being left further behind!

In this digital age, selling merchandise exclusively in a traditional, brick-and-mortar setting can be quite challenging, especially when the rest of the world has moved online. Some of the benefits that a business can take advantage of by moving online are:

- *Expanded customer base, increased sales.* You can sell across other localities in the country, across borders into other Pacific Island countries and the rest of the world.
- *Round the clock opening hours.* Suppose your business invests in a website to sell merchandise online or uses existing marketplaces such as [Amazon](#), [eBay](#), [Etsy](#), [Alibaba](#), etc. In that case, the online store is open for business around the clock and can be making money even as one sleeps.
- *Affordable marketing, greater reach through electronic commerce.* Internet marketing is more affordable and can be customised to your desired clients for better results. With more online customers shopping online and using mobile devices, e-commerce is the way to go.

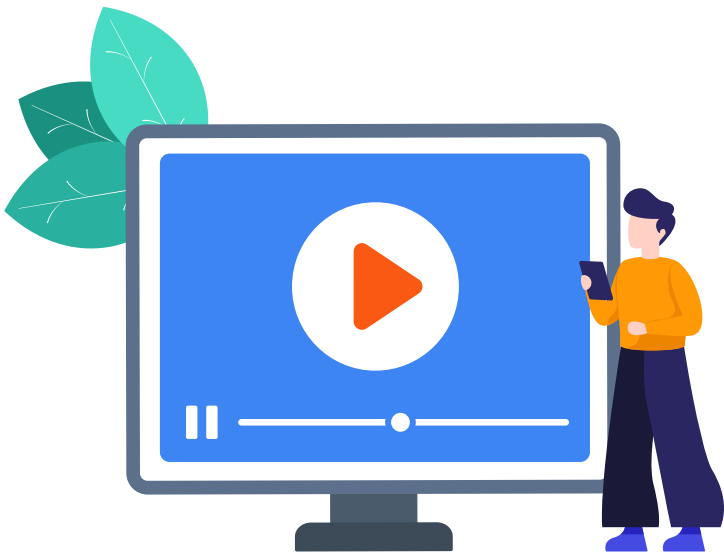


### CASE STUDY: Island Craft – Cook Islands

Before the COVID-19 pandemic hit in 2020, Island Craft produced and sold handicrafts, jewellery, soaps, flowers, and precious metals from their brick-and-mortar shops in Rarotonga, Cook Islands. The onset of the pandemic affected tourism arrivals leading to a drop in sales by a massive 70%. Island Craft smartly transitioned to a hybrid approach using e-commerce through the company website and social commerce via Facebook, Instagram, and Tik Tok. Sales through its website grew by 50% in 2020 compared to 2019 figures. Fletcher is the Chair of the Cook Islands Chamber of Commerce and is a strong advocate of the importance of e-commerce in keeping Pacific businesses resilient during tough economic times.

# SECTION 2:

## WHAT ARE THE DIFFERENT OPTIONS TO GO ONLINE?



### Own websites

Hiring web developers to develop a website is not very common in the Pacific. This option is predominantly selected in Fiji by the medium or large enterprises such as [Fiji Kava](#) (see case study below), [J. Hunter Pearls](#), [Fiji Prouds](#), and [Courts Fiji](#). However, if your small business has funding support, access to national payment gateways, and a good business plan, you can consider this option. [The Green Banana Paper](#) company in the Federated States of Micronesia and [Herbsfarm](#) in Vanuatu are good examples.

# FijiKava

### CASE STUDY: Fiji Kava – Fiji

The website of Fiji Kava, a Pacific-based kava-manufacturing company, has great features, including:

**User-friendly.** It must be easy and pleasant for visitors to navigate your pages, as this promotes repeat visitors and, ultimately, online sales.

**Mobile-friendly.** Globally, online sales via mobile devices account for approximately 50% of online transactions.

**High-resolution images and videos.** Remember that images, not text, sell. Online shoppers want to see and feel the product to drop it in the online cart for payment.

**Genuine user-generated reviews.** Once you can generate genuine customer reviews, use them! Include the negative reviews, as it provides authenticity for your website. Fiji Kava uses Trustpilot for its customer reviews.

## CASE STUDY: Goroka Bilum Weavers - Papua New Guinea



Who would have thought that a Pacific craft woven by rural women from the highlands of Papua New Guinea would have ultimately found its way to the Oscars in 2022 and make headlines at this high-profile event? Caroline Sherman, the founder of Goroka Bilum Weavers, had her first encounter with this exquisite craft when she met Florence Jaukae and Ruth Choulai during a Pacific Trade and Invest Exhibition in Sydney and was fascinated by its beauty and quality but more so, the story behind the craft.

Today, about 600 rural women of Papua New Guinea are involved in this trade at the community level, supporting rural livelihoods, empowering women, and protecting cultural heritage. Goroka Bilum Weavers use a Facebook page to take orders from interested buyers and deliver them to customers abroad via courier service. Bilum crafts can be purchased at [Among Equals](#).

You can hire someone to build your website or simply use one of these great platforms to do it yourself. For a fee, some of these platforms will also take care of other aspects of your website, from marketing to payments to secure transactions and shipping.

Global E-commerce Platforms	
<a href="#">Shopify</a>	<a href="#">WooCommerce</a>
<a href="#">BigCommerce</a>	<a href="#">Rezdy</a>
<a href="#">Checkfront</a>	

Pacific E-commerce Websites	
<a href="#">Rise Beyond the Reef</a> <a href="https://risebeyondthereef.org/collections/all">https://risebeyondthereef.org/collections/all</a>	Core business: arts & entertainment; home and garden
<a href="#">CJ Supermarket</a> <a href="https://www.cjssupermarket.com.fj/">https://www.cjssupermarket.com.fj/</a>	Core business: Retail
<a href="#">Qaqa</a> <a href="https://qaqa.com.fj/">https://qaqa.com.fj/</a>	Core business: Sports Apparel
<a href="#">Mobilise.com.fj</a> <a href="http://www.mobilise.com.fj/">http://www.mobilise.com.fj/</a>	Core business: Home and Garden; Home and Beauty
<a href="#">Brij Lal</a> <a href="https://www.brijjal.shop/">https://www.brijjal.shop/</a>	Core business: Retail – Electrical Appliances, etc
<a href="#">SkyDiveFiji</a> <a href="http://www.skydivefiji.com/">http://www.skydivefiji.com/</a>	Core business: Tourism – Tours
<a href="#">ThriftyFiji</a> <a href="https://www.thriftyfiji.com/">https://www.thriftyfiji.com/</a>	Core business: Car rentals

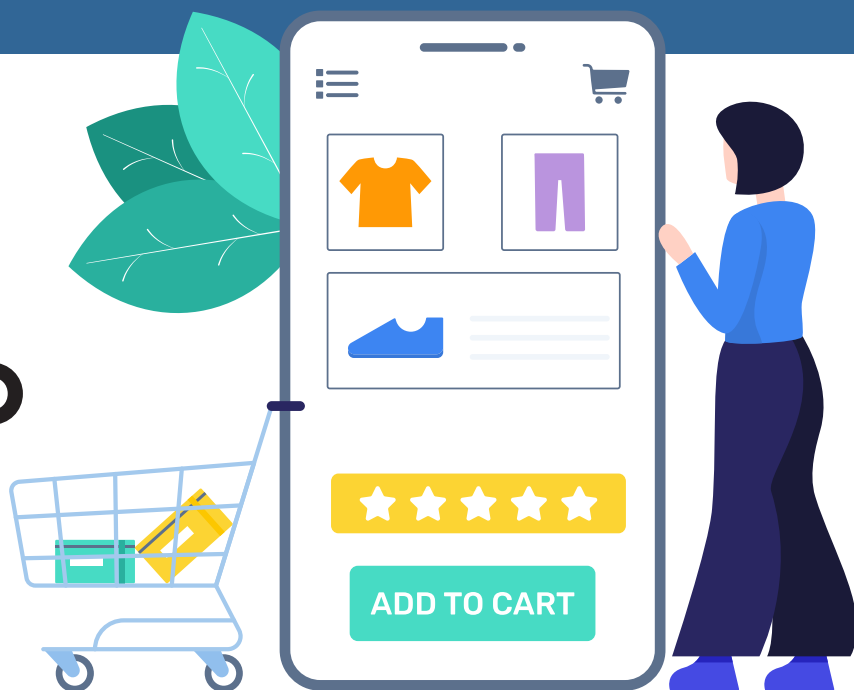
**An online marketplace** is an e-commerce platform where multiple buyers and sellers converge to buy or sell their products. Pacific businesses are using the following online marketplaces as an alternative to setting up their e-commerce websites.

E-commerce Marketplaces	
<a href="#">Amazon.com.au</a>	<a href="https://www.amazon.com.au/">https://www.amazon.com.au/</a>
<a href="#">Amazon.com</a>	<a href="http://www.amazon.com/">http://www.amazon.com/</a>
<a href="#">VitiKart</a>	<a href="https://www.vitikart.com.fj/">https://www.vitikart.com.fj/</a>
<a href="#">PACIFIKart</a>	<a href="https://www.pacifikart.com/work">https://www.pacifikart.com/work</a>
<a href="#">Maua</a>	<a href="https://www.maua.app/">https://www.maua.app/</a>
<a href="#">Etsy</a>	<a href="https://www.etsy.com/">https://www.etsy.com/</a>
<a href="#">Mydeal.com.au</a>	<a href="https://www.mydeal.com.au/">https://www.mydeal.com.au/</a>
<a href="#">Fishpond.au</a>	<a href="https://www.fishpond.com.au/">https://www.fishpond.com.au/</a>
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<a href="#">Trademe.co.nz</a>	<a href="https://www.trademe.co.nz/a/">https://www.trademe.co.nz/a/</a>
<a href="#">Grays.com</a>	<a href="https://www.grays.com/">https://www.grays.com/</a>

**Social commerce** is more prevalent among MSMEs across the Pacific region due to its low cost and flexibility. Social commerce can be an effective steppingstone for small businesses to transition from offline to online and eventually from social commerce to e-commerce.

# SECTION 3:

## WHAT COSTS SHOULD YOU CONSIDER TO TAKE YOUR BUSINESS ONLINE?



The prices for aspiring e-commerce businesses would differ across each Pacific Island country, but these are the elements that you should typically consider.

### We are setting up an e-commerce business

- Business Permit
- Consultants, Staff
- E-commerce hardware
- E-commerce software
- Payment processing
- Marketing and Advertising
- Inventory and shipping

### Start-up costs: Hardware Equipment

Investing in high-quality hardware for your e-commerce business is essential. This will be the infrastructure that will ensure that time-consuming manual tasks of the brick-and-mortar shop are automated. Buy these essentials:

- A **smartphone device** to send/receive emails, take photos and videos for your business, post on social media, and even accept online payments.
- A **reliable computer** is also an excellent resource

for any online business. Desktops and laptops are more convenient for managing inventory, payments, and emails.

- A **good quality camera** is essential for high-quality photos and videos. If your phone or computer doesn't have a good camera already, you might consider getting a second camera to have for business use.
- **External hard drive** as a back up to Cloud storage. Can include additional security features to protect business data.
- A **Wi-Fi router** for your physical workplace.
- A high-quality **printer**.

### Start-up costs: Software requirements

Regular MS Office-Type apps for your smartphone and computer will be the starting point. Other software requirements for starting an e-commerce business will be satisfied by the provider of the option you use to sell your merchandise (social media platform, boutique website developer, e-commerce platform, e-commerce marketplace). You should ensure that your business needs are covered when choosing a platform. Product, storage, warehousing, fulfillment, and shipping are the four key areas.

# SECTION 4:

## GETTING NOTICED ONLINE.

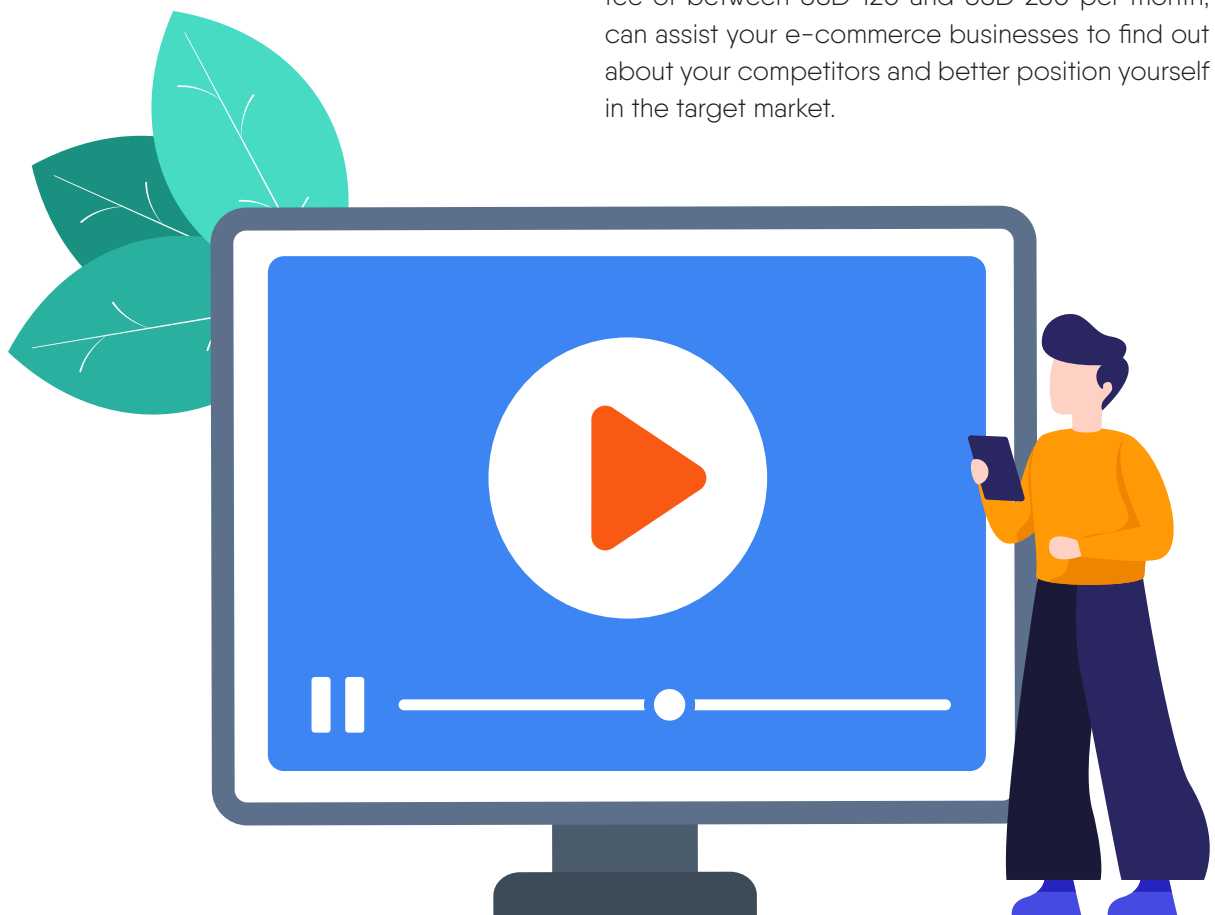
With millions of e-commerce businesses worldwide, finding your online store doesn't have to be like searching for a needle in a haystack. It needs to be effectively marketed. When moving your business from offline to online, you'll find that the marketing tools vastly differ:

- **Brick-and-mortar business:** TV, radio, and print advertising.
- **E-commerce business:** email, partnerships, social media campaigns, Search Engine Optimisation (SEO), and influencer campaigns.

You need to know your baselines. What are your starting points? Then measure how effective your marketing strategies are to improve your business performance, such as the number of visitors, devices used to visit, length of stay, and ultimately online sales. If you can't measure it, you can't manage it!

When choosing what to sell online, try to focus on products that can be priced at premium levels, appealing to the high-end market segments to make up for relatively small quantities. High-quality products, supported by community branding such as the Goroka Bilum Weavers of Papua New Guinea, drive prices up, making more profits.

There are websites such as [SEMRush](#) which for a fee of between USD 120 and USD 230 per month, can assist your e-commerce businesses to find out about your competitors and better position yourself in the target market.



# SECTION 5:

## GETTING PAID ONLINE.



It's best to offer as many payment options as possible to **make it easy** for your customer to complete the checkout process. You will want to make it easy for your customers to pay with debit cards, credit cards, digital wallets linked to cards, mobile money, bank transfer, and even cash on delivery.

The payment methods you accept will depend on your option to **go online**.

If you use **social commerce**, you will typically be collecting payments directly from your clients.

Customers will often prefer payment providers such as [PayPal](#), [ApplePay](#) and [GooglePay](#). You can create profiles on any of these services and follow the steps to link your profile to your business bank account – in some countries you will need an overseas bank account to use these options.

Mobile money solutions are also a good option for this type of commerce, especially if you don't have a business bank account. Vodafone and Digicel provide mobile money solutions in many Pacific countries, and a mobile money account is all you need to start.

If you use your own **website**, you will typically require a payment gateway and a merchant account. A payment gateway and merchant account will enable you to process credit card payments through your website securely. Commercial banks like Westpac, BRED Bank, and Bank of Guam offer payment gateways in some Pacific countries. In some instances, the payment gateway of international companies such as Stripe and Square can also be available in your country. Finally, if you use an E-commerce platform to set up and host your website, this will also provide the option of a payment gateway. It's best to compare payment gateway services, including details of set-up, transaction, and other fees.

If you list your product on an **e-commerce marketplace**, you will typically require a business bank account. E-commerce marketplaces such as Amazon and Etsy will require that you follow their instructions to uniquely identify your business when a customer makes a credit or debit card purchase. It's best to research and compare the fees and policies of different options available.



## CASE STUDY: Addressing low banking penetration

Most FICs have low banking penetration, which affects the availability of bank-based digital payments. However, some commercial entities are working to increase the available options:

- **Papua New Guinea:** The Bank South Pacific (BSP) facilitates standard bank cards as the medium for making or receiving online payments. This means that a person only must have a bank account with BSP to engage in e-commerce payments. BSP has a presence across the Pacific region.
- **Fiji:** Westpac collaborates with MSMEs in Fiji to develop access to Windcave Internet Payment Gateway and Mastercard Payment Gateway Services. The payment gateways allow for electronic payments by MSMEs with a monthly transaction value of FJD 4,000 and regular transactions between FJD 25 – FJD 50.
- **Samoa:** SkyEye's Maua Pay app has opened new possibilities in the challenging area of online payments by allowing enterprises without a business bank account to receive money from overseas on Maua, the Samoan E-commerce platform. A mobile money account from Digicel or Vodafone will suffice.

# SECTION 6:

## COMPLYING WITH LAWS & REGULATIONS.



### Why is this important?

In a competitive global e-commerce environment, customers are interested in buying from formal businesses. It builds confidence in your brand and will save you unnecessary taxation-related legal issues.

The following steps are essential when setting up an e-commerce business:

- Decide on a **legal structure**: LLC, Partnership, Sole Proprietorship, etc.
- Legally **register** your business – please refer to your host country's laws and regulations.
- Open a **business bank account** (cheque account) and seek the bank's advice on setting up your payment gateway.
- For local sales, find out about your **host country's sales tax** (VAT, GST, etc.) regulations.
- Make sure to post your **terms and conditions**. Your terms and conditions are a contract between you and your customer. Customers must agree to your terms to browse your site, make purchases, or use your services. Terms and conditions policy is often a web page linked from the footer of a website, along with the privacy policy. Your terms and conditions protect your online business by preventing site abuse, limiting liabilities, protecting your intellectual property, minimising disputes, and establishing trust and transparency with customers by clearly outlining the rules of using your site. There are free templates and guides available online for

guidance. Usually, e-commerce sites will have the following types of terms and conditions:

- A **privacy policy** to build customers' trust in the way you handle and process personal data.
  - A **liability disclaimer** to avoid lawsuits for potential problems out of your control.
  - A **pricing and payment policy** for accepting transactions.
  - A return and **refund policy and a warranty policy** so users can find eligibility details, if any.
  - A **shipping and delivery policy**, so users know how you ship and general timelines and fulfilment processes before placing an order.
  - An **intellectual property policy** to protect your online assets, including your content, images, logos, and designs, from the use by outside parties.
  - A **dispute resolution policy** in case of conflicts or controversies.
- When **selling internationally**, you may also have to comply with **additional legal requirements**, such as pricing, product specifications, data privacy and collections, and the right to withdrawal.

# SECTION 7:

## GET MOVING: E-COMMERCE LOGISTICS.

Now that you've made a sale, how will you ship your merchandise to your customer? The following are some key considerations when mapping your E-commerce shipping logistics.

Shipping Logistics	What to consider
<b>Packaging</b>	Depending on merchandise, packaging should protect the product from the external environment and contribute to a delightful customer experience.
<b>Shipping</b>	<p>Is it feasible to offer free shipping? If not, and you're selling from your website, make sure you keep records of how much it costs to send your products to different locations worldwide to know what shipping costs to charge your customers.</p> <p>If you are selling via an online marketplace or via a website developed through certain international e-commerce platforms, third-party logistics (3PL) is another option – where the business outsources packaging and shipping to a 3PL company.</p>
<b>Delivery</b>	You should offer your customers different options for expedited and standard deliveries, including the ability to use the available express courier services – UPS, DHL, etc.
<b>Returns</b>	Your return policy should include (1) a return window of, say, 30 days; (2) what qualifies for a refund, for example, unused with tags intact; (3) type of refund: credit, exchange, or money back; (4) who pays for return shipping.





# INDUSTRY REFERENCE GROUP MEMBERS:

**THANKS TO THE INDUSTRY REFERENCE GROUP MEMBERS  
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- Bank South Pacific, PNG  
<https://www.bsp.com.pg/>
- Crysan Technology, PNG  
<https://www.crysan.com.pg/>
- EZ Tonga Marketplace, Tonga  
<https://www.eztonga.com/>
- Goroka Bilum Weavers, PNG  
<https://www.facebook.com/pages/category/Product-service/Goroka-Bilum-Weavers-EHP-Papua-New-Guinea-124133974137/>
- Green Banana Paper, FSM  
<https://greenbananapaper.com/>
- Kava World E-commerce platform, Vanuatu  
<https://kava-store.com/>
- Made in Tonga, Tonga  
<http://www.madeintonga.com/marketplace>
- Manini Wear, Cook Islands  
<https://maniniwear.com/>
- Reelae.com, PNG  
<https://reelae.com/>
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