



Episode 08:

So, You Just Bought Your First Ecommerce Store. Now What?

[A transcript of this episode.](#)

Welcome to the Professional Website Investor podcast, the show where we talk about what it takes to successfully buy, operate, scale and sell a thriving eCommerce business. When it comes to doing business online, we believe that buying an existing website is far superior to building one from scratch. So, if you're a career professional who is looking to become an eCommerce store owner, listening to this show will give you the knowledge, tools and community support you need to be successful.

I'm your host, Ryan Cowden, and this week we're joined by Ian Bond from ProfessionalWebsiteInvestors.com. In this episode of the Professional Website Investor podcast, Ian and I discuss how to lay a foundation for success in the first 60 to 90 days after you acquire a new website. You did it, you did your research, you made your investment, and now you own an eCommerce website. So now what? How do you handle the transition as you take over an existing website? What systems do you want to have in place before the purchase goes through? How will you guide your virtual employees and connect with your new suppliers?

In this episode, Ian covers some of the most important factors to consider in these formative early days in your tenure as the new owner of a website. Taking over a website will always take some work, but having a clear set of systems and standards in place before the purchase is completed will make this transition a lot easier. These are the answers you want to have before the questions start coming your way. In this episode, you'll learn about why

the first 60 to 90 days is so important, and what you should do first when you take over a new website.

This includes developing relationships with your suppliers, and creating clear systems for your team on a living, breathing document that everyone has access to. Second, you'll hear the difference between working in your business and working on your business. This involves how to best leverage your time and your influence in your new company. Third, we're going to talk about Robert Kiyosaki's Cashflow Quadrant, and how this is a useful way to think about your business. The Cashflow Quadrant divides people into four groups; employees, the self employed, business owners and investors.

Ian shares why some people get stuck at the self employed stage, and how you can get over into the business owner quadrant. Fourth, we're going to talk about how to include your virtual workers in this transition. And finally, we will talk about what you want to have in place at the end of your first 60 to 90 days. This is an episode you surely won't want to miss. There's a lot of actionable advice in this episode. So grab something to write with because you're going to want to take notes. As always, I'll be back on the other side to wrap up any loose ends. So without any further ado, here's my conversation with Ian Bond.

RYAN: All right, Ian, welcome back to the podcast. How are you doing, man?

IAN: Never better, Ryan, it's great to see you again. I'm excited, today we've a good topic to talk about, so I'm raring to go here.

RYAN: Absolutely. And I guess that's the feeling when you buy a new business, you're raring to go. It's an exhilarating feeling, but then you have to get down to work and get started. So I love this topic of-

IAN: Yeah. It's simultaneously the happiest day, because you've done a deal, and simultaneously the day you're the most scared in your life.

IAN: Right, because now you've got all that responsibility. I love this idea of focusing on the first 60 to 90 days and really trying to set up some systems

that are going to set you up for success. So let's jump in. What are some of the systems that really should be put in place at the very beginning?

RYAN: All right. Indulge me for a minute, but let's go and roll back before you've actually gone through the closing process. Hopefully, you've created a profile for a target that you have the unique ability to add value to in terms of your skillset and improve, and it fits what you want your lifestyle to look like, and it can be a platform for you to build upon. And hopefully, you have gotten all of those things right, and you are doing things that you really want to be doing, and you've thought about what I call the activity chain, the, how the business operates, and you know pretty well where you can add value and places where you're going to need help.

And hopefully, you've already identified people that can help you. So let's start there. But now you've gone through and hopefully you've also gotten some help evaluating websites and some advice on some things you might want to look at because as we all know, as website investors, the brokers represent the sellers and there's nobody on our side of the table. It takes a village, and hopefully everybody listening to this will join, be part of the village. Because it's very dangerous to be an investor out there. Obviously, sellers of businesses know a lot more than the buyers do. And it can take multiple sets of eyes on something, is always a good thing.

But now you've closed on something. First and foremost in the first 60 or 90 days is developing the supplier relationships and understanding how those suppliers operate, such that you can ultimately create systems for your team to use.

And you've got to develop relationships so that the people that you would be dealing with at the suppliers' know who you are and they are comfortable with you and think that you're going to be a good partner and you can develop a relationship. The online world is it's tricky, we all live behind computers. It wouldn't matter because if you were in a brick and mortar business, you might go to a trade show and see somebody that is from one of your suppliers, but it still behooves you to know your suppliers and know the people that you're going to be dealing with, and how they can help you.

The first thing to do is focus on the suppliers, and then you've got a myriad of other things that you've got to get your arms around in terms of customer service issues. You're going to have to understand how the suppliers supply you with inventory updates, but your real focus is all around getting to understand how the process works to get suppliers to ultimately through the customer. In your spare time, you're going to be working on things like your paid traffic strategy, and your social media strategies if you had need social media, any social media strategies or all of the other things.

Hopefully you've gotten your banking and financial institutions sorted out. You should be all ready for that. In the physical goods, eCommerce, the three pieces of the activity chain relate to the supplier, the website operations; which is updating inventory, uploading products, and the functioning of the website with putting pieces of content and information. We're in an information and an advice business. And then the final piece and the big piece is customer service.

You want to be taking copious notes during all of this because what you're going to ultimately want to do is create a living, breathing document that your team will ultimately leverage off of so that someone can literally take the cranial fluid out of your head and utilize it while you go on to do bigger and better things. Now, you also have a unique period of time after closing to leverage off of the seller. You absolutely have to utilize it. This is one of the biggest opportunities for any buyer is to understand what the seller knows.

Because most sellers don't do what I just said, which is to institutionalize everything. And I think one of the things that we believe, and I think it's going to be true, I think it'll add a lot of value, all of the stuff that we've institutionalized when we ultimately go to sell things. Because I think it takes away a lot of the risk. I'm yet to see somebody really do a wonderful job of that in the websites that I've looked at to buy. Maybe I have a high hurdle, but I was thinking it could be done better. You have a lot to think about when you're just closing and you're in that first 90 days.

RYAN: I think that's a great piece of advice because you're right, the seller may not have all their systems written down on paper or they may not be sending all that over to you.

IAN: Literally, never.

RYAN: Literally, never?

IAN: Yeah. Literally, never. Because it doesn't happen.

RYAN: Is there anything that you think you should be asking, anything in particular that you think you should be asking for from the seller? It's hard to know at times until you're doing-

IAN: You can go through, there's a period of time where you're going to be going through past orders and you're going to look at jiggles, and you're going to try to figure out, most suppliers that you're dealing with will insure the product up until the time it's delivered and it's signed for and then for some number of days afterwards. And if there is either buyer's remorse where the seller would have to pay for return shipping and a restocking, or if there's a product damage there's a tight window for a customer to return things. Some suppliers are easier to work with, and some are not easy to work with.

And you want to know what those supplier return policies are and how easy it is. How helpful are they, and what partners are they to you? One of the things I think on the flip side that you're also doing, is you're also, you've got an elevator pitch for each of your suppliers on what is it that you're going to bring to the relationship without denigrating what the prior owner did, but what is it that is going to get them excited about you. We have a number of things that we tell people unabashedly that we're going to do that we will follow up with in 60 or 90 days, that we think is a unique value proposition that we will bring to them as one of their retailers.

We'll call out some of our competitors and say, "Look, you don't need them because now you have us. Look how good we look. Why would you want them to represent your brand in the marketplace?"

RYAN: Okay, great. Before we move on, I just wanted to give you a chance to clarify just a little bit. You talked about creating this living, breathing document for yourself and for your team and your employees. Can you just say real quick what you put on that document?

IAN: You can use Google Sheets, so you can use a spreadsheet saved in Dropbox, or we put things in Asana, and any little ... think of frequently asked questions, any frequently asked questions on products or relative to a supplier or anything that's idiosyncratic to a supplier. Any tidbit that you can glean that can help make your team smarter, that you can be smarter at. Anything is helpful. I mentioned return policies. Obviously, that's a big deal, that's usually written down, but some people are more flexible than other people and we sigh a sigh of relief if we have a return issue with some suppliers and we grit our teeth with others. It just is what it is.

RYAN: Great. Well, you've mentioned that one of the traps that entrepreneurs can fall into is working in their business but not on their business. What do you mean by that?

IAN: This is the big one. If you go back to Rich Dad, Poor Dad, Robert Kiyosaki, and he talks about getting leverage on your time, and most of the career professionals that are listening to this or that I meet in my daily, life they suffer from the fact that they have a leverage factor one themselves. They go and do what they do and they have to go do it. Now, the great thing about the online world is harnessing the global pool of talented outsourced workers, be they experts, be they people that are going to be worker bees for you.

And this is where you can really get out of your business, where you can be the CEO or even the chairman and get that leverage on your time that you can't in your day job, and you'll never will get it in your day job. Look, you can keep moving up the pecking order, but the reality is, you're still you and you'll get paid for being you. And when you are no longer being you, your paycheck goes away. And hopefully, you can build a business that can sustain periods of time where you don't have to be involved in on a daily basis. And that's certainly our goal. And we try and chip away every day and every week and every month.

And we do that through some of the methods that we talked about, which is establishing processes and standard operating procedures that people can follow, and hiring great talented people, and having it be very clear on what the expectations are, having the information available that helps them do their job. They want to excel, they want to exceed your expectations, they

want to help the customers, but they don't know what they don't know and you have to help.

RYAN: This idea of leveraging time, you brought up Robert Kiyosaki, and he's such a leader in this field. I don't know if all of our listeners are familiar, would you be willing to share kind of his rich dad-

IAN: The Cashflow Quadrant?

RYAN: Yeah.

IAN: The Cashflow Quadrant is made up of, is quadrant, it's four, four buckets. And the place where you get the least leverage on your time is as an employee, and some highly skilled employees move out of the W-2 wage area, and they move into being self employed. And so they're self employed, they're running small businesses and they're experts in what they do, but they're largely still reliant on their own talents to earn their paycheck. And so while they are a small business, it's an operating structure, but even under the new tax law, it's not well respected. Now, where the big change goes is, those people who are working in their business and where the big change goes is when you go to Kiyosaki's third quadrant, which is the business owner.

And that business owner is someone who by design has constructed something that will live and function without, hopefully their daily intervention. And we all start out micromanaging the details, and once you get things up to the point where they're systematized and you build the systems and then the employees run the system, then you have achieved the ultimate ability. You're kind of the inflection point in leverage on your time, and you would take the spoils from that and you would move to the fourth quadrant, which is to become a passive investor, where you literally are passive. I don't like the notion of passive investments.

I think that certainly there are some things that are entirely passive, but I think most people misuse the terms. You have to be very careful what you're talking about when you talk about passive investing. But passive investment is the buzz phrase that everybody likes to, that's nirvana for everyone. But

the real as I mentioned point of inflection is to move for something where you are working on not in the business.

RYAN: What do you think is the big, I guess the big trap would be getting stuck in that self employed square and just not being able to increase your leverage. What's the main trap? Why do people get stuck there?

IAN: Well, these are mostly professionals that have some, doctor and a lawyer. My father was a lawyer, even accountants. This is mostly people that might have a few employees, but they still bring most of the intellectual juice to the client relationships. They haven't been able to transition those relationships to a team and extract themselves, so that they aren't vitally involved in the revenue generation. They're typically service businesses to be truthful, and so you see some of them trying to productize their service and that's a model that is becoming more and more popular and yet, I think it's incredibly hard in the professions that I mentioned to do that.

RYAN: One of the things that you've talked about is how virtual assistants can help in this process. And just thinking back to that, again, this kind of this window of time, the first 60 to 90 days, what kind of a role do your virtual assistance to workers play in that transition?

IAN: I would actually reclassify that as opposed to virtual assistants, I wouldn't say outsourced workers. And again, I think of outsourced workers being somewhere between the expert level, people that have a defined expertise and then people that are going to be full time employees for you doing tasks. Now, when you're taking over a business, you should have a list of people that can help you with everything from paid traffic to product uploading to obviously accounting and financial things. And you should have a whole list of people that are in the bucket, and when you're going through the due diligence, you'll know what you need to look for.

There'll be some things that you won't presuppose, and we find them and we're always looking for new people to help us to provide certain specialties that we may not have envisioned. Now, what you're really gearing up for is the ultimate transition to get the leverage. And those people will help you with things that you don't want to learn and are never going to learn. And you need to know enough to instruct them or you need to trust them and

then they have to deliver or you're going to fire up. On the other hand, the other end of the spectrum, you've got the folks that are going to work for you and you're going to have to find those folks.

We have an episode that we recorded, it talks about where to look for these people and what to do, what makes them tick, and all kinds of issues around virtual assistants, specifically in the physical goods eCommerce. These are mostly customer service people, but those people, they want to help you. In any business that you buy, there's idiosyncrasies, and you need to put together a full set of processes and standard operating procedures that they can follow no matter what they encounter on any given day, and that takes time. And so while you're in that first 90 days, while you're coming up to speed with all of the things that are idiosyncratic about each of the different suppliers, you're also learning what's going on in the customer service side, and you hope it ends with a good delivery that's accepted by the customer.

But oftentimes, there's a back loop where it's being sent back to the supplier because there's damage or there's buyer's remorse. There's a lot of stuff going on there, and if you're Amazon and you're shipping little shoe boxes, that's one thing, but we advocate our businesses in high ticket stuff and stuff that is one, two, three, \$5,000, that's complicated logistics. And so we find ourselves managing shipping relationships where we don't really have the ability to manage process because the shipper works for the supplier, but we've got the customer yelling at us, others requires from us on the other end. And we've got to try to help facilitate the delivery.

And the day of Amazon here, customers want everything as quickly as possible, and it's challenging and they've continued to raise the bar, which by the way, I think is a great thing for us entrepreneurs because if you're dialed into this, it's a wonderful opportunity because most complacent older online entities, they just fall down horribly on this. And you can go read their reviews on things like Shopper Approved or Trustpilot, they fall down horribly. Now, every so often, somebody gets a nasty review that they don't deserve, but if you see a lot of them in a niche you're looking at, then you know you have a great opportunity to dial up the service and really when some potential business, because people check those things.

RYAN: Yeah. For sure. I guess just to sum up, when you are coming out of that first 60 to 90 day period, what are the kinds of things that you're looking for which are just going to give you that peace that's going to allow you to sleep well at night? You want decency-

IAN: You're exhausted, you've been living and breathing the business. You've tried to chronicle everything the best you can, your experts have been giving you advice. It may have worked, it may not have worked, and if you didn't inherit a customer service team or some virtual assistants, that you've already worked with, you're about to take that on. And most of the time you're not getting access to virtual assistant depending on the size of the business. but let's say, sum of \$150,000, you're not getting access to a virtual assistant. And to be honest, the ones that you ... If you do inherit some virtual assistants from a seller, you're going to probably upgrade and rewrite the way things are handled so that they're institutionalized.

The worst thing that can happen to you is to not have things institutionalized and have someone that's critical to the function of the business leave, is you're going to find yourself doing it and lo and behold, you're back in the business not working on the business, and that's horrible.

RYAN: Yeah. Ian, that was just terrific. Thank you so much for sharing that wisdom with us. This was a great episode.

IAN: My pleasure, Ryan. It's great to chat as always, and look forward to the next one.

RYAN: Me Too. Thanks.

RYAN: All right, folks. There you have it. That wraps up my conversation with Ian Bond of Professional Website Investors. He shared a ton of valuable insights and advice today on how to lay down a foundation for success in the first 60 to 90 days after you acquire a new website. We also shared some tools and resources which will all be linked up in the show notes at ProfessionalWebsiteInvestors.com I hope you enjoyed our conversation. Please consider subscribing, sharing with a friend or leaving us a review in your favorite podcast directory. Until next time, best of luck in

all that you do, and we look forward to seeing you on the next episode of the Professional Website Investors podcast.

© Copyright 2017-2020 ProfessionalWebsiteInvestors.com All rights reserved.



**BUY & SCALE
E-COMMERCE SITES
INTO SEMI-PASSIVE INCOME**