

Blog Series – eCommerce: ETSY

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Description Tag: Selling on Etsy may or may not be the best solution for selling your products online. This article is part of a series that explores eCommerce options.

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Selling on Etsy – Is it Right Platform for your Business?

The next platform in our eCommerce series of options for small business owners is Etsy, “a marketplace where people around the world connect, both online and offline, to make, sell and buy unique goods.” Etsy is a worldwide market where artists and crafters sell their own handmade and vintage goods and supplies.

The Etsy marketplace has its own “style” that’s influenced by its mission statement (see sidebar). You should look around on the site if you aren’t familiar with it and get a feel for what is successful on Etsy. Not all products are suited to this platform. Make sure your target customer might actually look on Etsy for the types of products you’re selling.

Other popular platforms draw their own types of buyers and might be able to offer a different experience to your target audience. Amazon has recently announced “[Handmade at Amazon](#)” which is similar to Etsy as a space for artisans to sell their own handcrafted goods, but also has a global reach and a gigantic eCommerce presence. There’s also [eBay](#), the inspiration for the original eCommerce market that sells any type of product to anyone, mass-produced or handmade.

Why Sell on Etsy - Benefits

- First of all, it’s a ready-made platform **where you can sell without any technical knowledge**. You can immediately offer your customers an option to buy online and Etsy is an established brand they may already be comfortable with.
- Because all the **security issues and requirements for credit card transactions** are handled for you, you don’t need to worry about being responsible for compliance and regulations. Etsy offers direct checkout if you’re selling in person and need to be able to use a credit card reader on your phone.
- It’s REALLY **easy to set up your shop**. Etsy recently introduced “[Pattern](#),” a seller service which can create a custom site in minutes, with your own logo, colors and brand. If you’re not

About Etsy -

Etsy was founded in 2005 in Brooklyn, NY as way for a community of crafters and artist to sell their vintage and handmade goods online. Over time, this site has transformed into a sophisticated, eCommerce platform that connects sellers and buyers across the world.

Etsy’s mission is to build and run a company that combines it’s cultural and environmental sensibilities with its business goals.

Their business model is based on “shared success.” Etsy makes money when sellers make money. Currently, there’s a \$0.20 USD listing fee for each item and a 3.5% fee for completed sales. Additional revenues come from added services that sellers purchase.

Etsy sellers range from hobbyists to professional merchants who are entrepreneurs, building businesses that support them fulltime.

It’s a global marketplace for handmade and vintage goods.

handy with graphic design, you can select from existing themes and established color palettes and then customize the site to get the look you want.

[Setting up shop](#) is as easy as: choosing your shop name; adding your policy information and a detailed description of what you sell; listing your products (each listing costs \$0.20 and when you sell an item, Etsy takes 3.5%) and selecting which types of payment you'll take.

- There's even a **mobile app** for iPhone, iPad, Apple Watch (running iOS 8.0 or above) and any devices running the Android operating system (running 4.0, Ice Cream Sandwich or above). Apple apps are available in the Apple App Store and Android apps can be downloaded at the Google Play Store.

As a seller using the mobile Etsy app, you'll get notifications of queries on your store or any time someone "Favorites" an item. You can use it to list products as well as using your phone for a mobile POS (there are mobile fees from Etsy). Be aware that there are other options for mobile POS selling through companies like PayPal as well. Selling through Etsy's mobile app is not the only solution.

- Shipping labels are available to make it easier to send your sold items to the customers. Once an order is placed, you can purchase a label from the order management area in your shop. This is especially handy for mailing to international buyers.
- You can **promote your products** (paid advertising) to increase your exposure to Etsy shoppers and it's an easy way to introduce your existing customers who already buy from you in person, to eCommerce (purchasing your products online).
- **Support from other sellers** is available in Etsy [forums](#) where you can share ideas, get advice or marketing tips and chat with other sellers around the world.
- You can **enhance the exposure for your listings** using the [Promoted Listings](#) feature, where you bid for advertising space in the search results for Etsy. Depending on the outcome of your bid, your items appear in the row of Promoted Listings in the search results page above the regular search results, where you may or may not show up organically.

Disadvantages of Selling on Etsy?

- Selling on Etsy **is easy, but it's not free**. Each listing costs \$0.20 and Etsy takes 3.5% of each sale. In order to keep your listings "fresh," you'll want to re-list them on a regular basis to have them come to the top of a search. That means another \$0.20 listing fee each time. [Other fees](#) include credit card processing fees, shipping labels, and \$15/month for a pattern site, if you choose to create one. Promoted ads to increase exposure add to the cost.
- **If you are not selling handmade items**, this is not the place for you. Etsy is strict that items sold on their site are made by the artisan and not re-sold from another source, or mass-produced in any way.

- If you don't already have a ready market (i.e. people who know you and already buy from you), it **can be difficult to be found on Etsy**. You'll need to list a number of products (probably at least 30) to gain traction.
- **Highly customized products are not a good fit.** This market works best with products that can be easily made over and over. Some variations are possible, but stock management with a lot of variation is complex.

It's better to have a base product, allow a specified set of customizations (such as color or size) to the product, and encourage people to request one of those options. That way you list and maintain a general item, and can fulfill custom order requests from that one listing.

- If you are already selling on another platform (perhaps your own site), you'll need some kind of tool to manage your stock between the two. You'll also need to be aware of "duplicate content" issues (where you copy and paste the same descriptive text on both sites – not a good idea). You'll need to write unique copy for each site/product.
- **Getting your listings to show up is hard work!** The first page of search results shows the most recent, popular, highly reviewed products in your store.... If you aren't listing a new product every day, promoting your listings and renewing them regularly, you will not be found at the top of the results and will likely not sell as much as you think. You're giving Etsy money on a regular basis and not doing any better than if you simply tell people to go to your Etsy shop and order what you need.
- Probably the biggest concern about selling your products on Etsy's site is that you **will not have the ability to (automatically) add your customers to your mailing list** or mine that user information to improve your descriptions or upsell to other products. All communication with your customers is through Etsy, including what you enclose in your mailed packaging.

You can follow up manually and request them to sign up for a newsletter or ask for an email. You can add marketing materials inside your packaging, but the buyer would have to act on those requests and go to your site to sign up.

Should you Consider Selling Directly from your own Website?

While there are a lot of benefits to selling on Etsy, promoting your OWN brand instead of the Etsy brand is always a good thing. You'll be driving traffic to your own site, building brand awareness and showcasing your own products instead of promoting a marketplace that's shows your competitor's products.

- There are plug-ins available for WordPress and other platforms that can **easily add an eCommerce shopping cart and a photo gallery of products** to your own website. Be sure that your website design is "[responsive](#)," meaning it automatically adjusts to whatever device your buyer is using at the time. The vast majority of buyers will move between their laptop, phone or tablet when they're considering a purchase and you want them to have the best possible experience on each device.
- Be smart about [promoting your website and keeping it current](#). If you're urging buyers to view your products on your site, you need to ensure that everything is working well (links, navigation, buttons, etc.), you're keeping the content fresh (adding new products/descriptions, educational materials, blogs, etc.) and promoting your brand/website online and offline (social media, festivals, craft fairs, etc.) to draw people to it.

Should you sell your products on Etsy?

Etsy can make it very simple for you to sell online and not have to manage any software, comply with credit card payment requirements, hosting or any other technical aspects to having your own website.

Your products will be accessible to Etsy's global audience, but so will your competitors' products. It's a crowded market, but it can bring your products to a vast number of visitors if you put in the effort it takes to keep your products on top.

Etsy provides a global version of the neighborhood or farmer's market for handcrafted goods. It's a very popular space for connecting consumers with handmade vendors. Here are [just a few statistics](#) to give you an idea of their reach:

- As of March, 2015, Etsy has 54 million members
- 25 million shoppers are active buyers and there are 1.6 million sellers
- Etsy is in 83 countries and as of 2015, had \$273 million in revenue

All your listings must be handmade by you – you cannot resell items or have them mass-produced for you. For more information on seller policies, [click here](#).

Should you sell on Etsy? ETSY is a robust and customizable platform that has a worldwide following. If you are looking for an eCommerce solution that provides the benefits of Etsy, that may be the solution for you. If Etsy isn't right for you, stay tuned to this series for more options.

[Subscribe to this series](#) to explore other online eCommerce options such as Shopify and 3rd party marketplaces like Magento or Amazon that might be a better fit for your online store.