#### SAU/CAL

# Which platform is best for launching or scaling your eCommerce store?

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Comparing WooCommerce, BigCommerce, Shopify, and Magento

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#### Introduction

You already have a successful online store. In fact, it's exceeded – or close to exceeding – the \$1 million yearly revenue figure. You need to scale – quickly! But which eCommerce platform should you go with? WooCommerce, BigCommerce, Shopify, or Magento?

If your nerves and maybe even your nails are frayed from scrolling through Google looking for the definitive article comparing WooCommerce vs BigCommerce vs Shopify vs Magento, you can stop now. You've found it!

This article is also for startups, bootstrappers, or businesses ready to add an eCommerce store to an existing website.

In your case, you've likely done your research, and/or you know for sure there are buyers out there wanting your product or service. It's going to be sweet!

The next step is making that final decision about the right eCommerce platform for your business.

<u>Saucal</u> has worked with hundreds of founders and eCommerce directors for more than a decade. In that time we've heard some fantastic testimonials about WooCommerce, just like this one: "Compared to Shopify, WooCommerce offers full flexibility to implement just about anything you can dream up!"

We've also learned a thing or two about the specific challenges you face, and exactly what you need to rock an online store.

# WooCommerce vs BigCommerce vs Shopify vs Magento



### WooCommerce vs BigCommerce vs Shopify vs Magento

We've dug deep into the pros and cons of the top eCommerce platforms: WooCommerce, Shopify, BigCommerce, and Magento, so that this comparison piece speaks to you – a founder or eCommerce director. We give you everything you need to make your final – and right – decision. And if you have a few more questions when you reach the end, <u>contact us</u>. We love hearing from potential clients!

Before jumping into the meaty stuff, we want to mention a couple of things. The first is that, in case you haven't noticed, we're WooCommerce experts. In fact, Saucal is the team that WooCommerce turns to for WooCommerce solutions!

Now, you might be wondering: "How objective will this article be?". Hand on heart, we're going to be completely transparent and give you the lowdown on WooCommerce, Shopify, BigCommerce, and Magento. Pros and cons, costs, drawbacks, ease-of-use - everything. If you decide another platform is right for you, we're cool with that.

Saucal also has deep expertise with other eCommerce platforms and can migrate you from pretty well any eCommerce platform to WooCommerce. We'll integrate everything you need to be successful.



#### Research eCommerce platforms

The second point is that we can't emphasize how important it is for you to research in detail your final few eCommerce platform selections before making a final decision. Obviously your research needs to take into account your projected sales figures and budget. This is because when you're performing at the level of an enterprise store, your requirements and demands are multiple and complex, and will vary from one store owner to another. Some stores may want apps, plugins, or subscriptions to third-party services that other stores don't need. So costs between store owners can span a wide range.

We also encourage you to talk to eCommerce founders and managers with similar kinds of stores in your industry. What platform are they using? What do they like? What do they want to change? Are their costs fairly stable and reasonably predictable?

And, as you'll learn from reading this article, each platform prioritizes different benefits, and has its own payment processing fees. Ultimately, you're looking for the closest fit to your ideal (or perfect) eCommerce platform for your business needs and goals.



# Understanding self-hosted eCommerce vs SaaS eCommerce platforms



### Understanding self-hosted eCommerce vs SaaS eCommerce platforms

First things first, let's take a look at the difference between software-as-a-service eCommerce platforms, and self-hosted eCommerce platforms. That way, we're comparing apples with apples and oranges with oranges. There's no point in comparing WooCommerce with Shopify without pointing out that WooCommerce is self-hosted, while Shopify is known as software as a service (SaaS). So what's the difference?



#### **Self-hosted eCommerce platforms**

A self-hosted website is a website that you own, and so you host it yourself on a hosting provider of your choice. Think of a self-hosted website as a car. If you buy the car outright, you own it. You can paint it a different colour, rebuild the engine, add a spoiler, or tint the windows if you want. There's no leasing or rental company telling you what you can and can't do with your vehicle. It's pretty much the same with self-hosted eCommerce platforms. With WooCommerce and Magento, you own the website and its software. To run it you need a host, so it's called self-hosted.

#### Software-as-a-Service eCommerce platforms

Software-as-a-service (SaaS) is software that an owner lets clients use; the owner licenses out the software as a service. Think of SaaS as leasing a car. It's yours to use, but how you use it, where you use it, and the changes you can make to it are determined by the owner.

In some circumstances, SaaS can be a great idea. It means a user doesn't have to invest in building software, hire a developer to fix bugs, or manage upgrades. Examples of SaaS that we all know include Google Apps, Salesforce, Slack, and Zendesk.

The downside of SaaS is that you don't own the software, so you can only make limited changes – if any – to the software. You are subject to the software owner's development parameters and policies.

In the eCommerce world SaaS platforms include BigCommerce and Shopify - and these are the two platforms we are exploring in this article, along with the self-hosted platforms WooCommerce and Magento.

Some SaaS eCommerce platforms offer basic accounts for free. As your business grows, you'll need to upgrade and pay a monthly fee. SaaS companies often offer a range of plans. As you upgrade, you'll get more features for your eCommerce store, a reduction in transaction costs, or a mix of both.

**WOO** COMMERCE

# WooCommerce pros and cons





#### Let's start with WordPress

You've heard of WordPress. It powers almost half of the websites online, and is the most popular choice for new websites today. Here's why:

- WordPress is free and open source.
- WordPress makes creating a website effortless because it's a content management system (CMS). A CMS is software that allows you to build a website and organize its content without having to code.
- WordPress is backed by Automattic, which provides the support needed to maintain a large codebase, ensuring quality and security.
- Not having to code means that non-tech folks can easily build and manage a website.
- You own your content and your website, and this is incredibly important—more than some businesses realize. Your content isn't hosted on someone else's ecommerce platform the way online stores are with Shopify or on Facebook.
- You don't face the risk of losing your content if a third party platform decides to close.
- You choose what kind of hosting and hosting features you want.
- WordPress is incredibly flexible. Simply add the WooCommerce plugin and you can create an eCommerce store.
- There are thousands of WordPress themes available, some free. You won't struggle to find a theme you like or one that integrates with your branding.
- WordPress allows customizations and data integrations not available on other platforms.

#### What is WooCommerce?

WooCommerce is the world's <u>most popular self-hosted</u> <u>eCommerce software</u>. And that's because it offers not just ownership, but incredible flexibility!

To create a WooCommerce online store, you begin by adding the WooCommerce plugin to a WordPress site. The WooCommerce plugin turns either all or part of your WordPress website into an eCommerce store. You can still have other features on your site, such as articles, client resources, case studies, or a blog, in addition to your eCommerce store.



#### **WooCommerce Pros**

The points in the WordPress on the previous page also apply to WooCommerce. A few are worth mentioning again because they make a huge difference to an eCommerce store's growth, regardless of size.

#### 1. Ease

WooCommerce is easy to install and configure for a simple and basic eCommerce store.

#### 2. Scalability

This eCommerce plugin is very scalable. Many people think a WooCommerce store can't be scaled with WooCommerce, so we're giving this point its own section below - see <u>WooCommerce</u> is <u>Scalable</u>.

#### 3. Speed

The WooCommerce checkout is extremely fast, if not the fastest of all the eCommerce platforms available. Independent speed tests carried out by online store NoPong produced exceptionally fast WooCommerce checkout performance, and the speed could not be replicated elsewhere.



#### 4. Ownership

With WordPress and WooCommerce, you own your website and its code. It's not owned by a third-party platform such as Shopify or or Facebook.

#### 5. Customization

WooCommerce offers unlimited customization possibilities, thanks to the fact that it is self-hosted and you own your website's code.

#### 6. Security

The risk of losing your content if a third-party platform decides to close its doors is non-existent with WordPress and WooCommerce.

#### 7. Organizational flexibility

WooCommerce offers great organizational flexibility. Physical and digital products can be categorized, priced differently, or given separate attributes—and these are just a few options.

#### 8. Lots of options

WooCommerce and WordPress offer a huge array of options and choices around site structure, security, design, features, product management, and scalability.

#### 9. Knowledge sharing

WooCommerce users and developers love to help and share. There are some great forums with articles and guides on WooCommerce.

#### 10. Correct cart totals

WooCommerce removes tax on export sales and can geolocate customers so that they are given the correct total in their cart.

#### 11. Subscription functionality

WooCommerce has a good native subscription functionality and recurring payments functionality.

#### 12. Easy data export

CSV export is easy.



#### 13. Predictable fees

You're aiming for success, but are worried about increased costs as your store grows. With WooCommerce, you can let this concern go. WooCommerce has no volume-based fees, so no matter how large your eCommerce store, costs won't skyrocket.

#### 14. Power content marketing

Content marketing is an essential part of eCommerce SEO. It's also a fundamental part of brand building because it can be used to educate customers and social proof a business. With WooCommerce, you have a powerful content marketing platform at your disposal, in the form of WordPress' CMS. Use the well-designed blog for posts, a podcast, or video content marketing. You can also add resources such as articles, white papers, galleries, and digital products.

#### 15. Transparent pricing for customers

A shopper gets full order price, including shipping costs and tax on the cart page, enabling them to proceed to the checkout fully informed of all costs.

#### 16. Flexible shipping rates

With WooCommerce, it's possible to easily offer different shipping rates.

#### 17. Automatic invoices

Transactional emails are customisable and PDF invoices can be attached to the email automatically.

With WooCommerce, you have a powerful content marketing platform at your disposal, in the form of WordPress' CMS







## WooCommerce is scalable

Some people think that WooCommerce doesn't scale. There's plenty written about this on the web, even though thousands of stores have scaled using WooCommerce.

First, though, if you're new to business, you may not know what scalability means. It's the ability to grow your eCommerce store smoothly and easily. When you scale with well-designed and efficient software like WooCommerce, your website and customers aren't negatively impacted. They'll see your store growing, and that means they'll likely shop more!

In fact, there is no limit when it comes to growing a WooCommerce store. We've worked with clients who are selling hundreds of thousands of products (see <u>Output.com</u>). Use WooCommerce for a small number of items and grow over time. Or launch a big eCommerce store from the get go!

A combination of marketing, software, and hardware influence scalability. If growing your store significantly from day one is a priority, we recommend you read <u>our piece on WooCommerce scalability</u>.



#### **WooCommerce Cons**

#### 1. Cost

This isn't necessarily a con, but we're including costs here because we know everyone has to work within a budget. You will definitely want to add features to your store, and some will require subscriptions or fees. For example, some secure payment gateways have a percentage or monthly cost. When you begin planning or growing your store, research the features and plugins you want so that you can develop an accurate budget.

#### 2. Technical support requirements

When you scale your store and it becomes pretty big, WooCommerce requires more technical support and skilled developers. In fact, an enterprise-level store is definitely not for the beginner. You will need to hire an experienced and knowledgeable developer or an agency to help you scale your store.

#### 3. Development needs

For enterprise-level stores, you will need a developer on hand to regularly update and maintain your eCommerce store.

#### 4. Decentralization

WooCommerce and WordPress are decentralized. There's no head office you can contact when things aren't working as planned. Another reason to have good technical support on call.

#### 5. Potential for errors

Generally, because SaaS eCommerce platforms give you less access and less control, they are usually less prone to errors.

#### 6. Maintenance

Related to point 4, WooCommerce requires regular maintenance, while other eCommerce plants do this for you.



## Magento pros and cons



Magento is an open-source eCommerce platform written in PHP. Originally developed by Varien Inc, Magento was bought by Adobe in 2018.

Magento provides two editions: Magento Open Source, and Magento Commerce, available in an on-premises version or a cloud offering.

With Magento Open Source, developers can implement the core files and extend its functionality by adding plugin modules written by other developers.

Magento Commerce grew from Magento Open Source and has the same core files. But it comes with more features and functionality, so it's not free. Magento Commerce is aimed at large businesses requiring technical support with installation, usage, configuration, and troubleshooting.

Magento is definitely not for those with no or limited experience. Whatever version of Magento you select, you'll need to spend money on a developer to get Magento up and running.

The different Magento editions make it difficult to create a straightforward pros and cons list. To make it easy, we've created two lists of pros and cons - one for Magento Open Source and one for Magento Commerce.



#### **Magento Open Source Pros**

Magento Open Source is targeted towards businesses wanting a small to medium-sized eCommerce store.

#### 1. Open source

Magento is free and open source.

#### 2. Functionality

It has extensive functionality, including multi-location inventory, multiple currencies, complex store setup, and multi-store capability.



#### 3. Customization possibilities

Magento is customizable, with extensions, add-ons, and plenty of integration options.

#### 4. Community

It has a large community of users available to answer questions and provide solutions.

#### 5. Great SEO

Users praise its SEO capabilities

#### 6. Partnerships

Magento has a history of working with third particles, such as hosting providers, email service providers, shipping partners, and more

#### 7. Freedom to choose your own hosting provider

Users can select their own hosting provider.



#### **Magento Open Source Cons**

#### 1. Difficulty level

Magento is difficult to master and features such as custom modules and integrations often require significant development time.

#### 2. Expensive build

Even though Magento Open Source is free, it comes at a price. A Magento build is expensive, and there are plenty of additional costs after the initial launch.

#### 3. Loading time

There are many reports online where users complain that Magento Open Source loads slowly, something that will likely lead to SEO penalties. This isn't a problem with the software, but rather <u>due to poor configuration of the software</u>, <u>or inappropriate use of extensions and plugins</u>. As with WooCommerce, Magento must be set up correctly if a store is going to be fast.



#### **Magento Commerce Pros**

Magento Commerce is aimed at really big businesses requiring premium support and greater out-of-the-box functionality. And, at a starting monthly fee of \$1988, that's what you'd expect. Nike, Helly Hansen, and Ford all use Magento to power their eCommerce stores.

#### 1. Scalability

Magento Commerce is flexible, customizable, and scalable.

#### 2. Awesome features

The platform has an incredibly large range of features.

#### 3. Hosting options

Magento Commerce offers either on-premise deployment of a cloud-hosted solution, with the latter costing more.

#### 4. Worry-free

With Magento Commerce cloud, server performance and security give a worry-free experience.

#### 5. Powerful SEO

It has powerful SEO, including search engine-friendly URLs, and meta-information for products and categories.

#### 6. Analytics

Magento Commerce offers extensive analytics and reporting.

#### 7. Marketing

This edition has advanced marketing and promotion capabilities.



#### **Magento Commerce Cons**

#### 1. Price

Magento Commerce is very expensive to set up and maintain, more expensive than BigCommerce and Shopify. You'll need a big budget for development, integrations, extensions, and maintenance

#### 2. Revenue-based licence cost

License costs are based on a store's revenue. For example, is a store's annual revenue is between \$1 million and \$5 million, Magento Commerce will cost around \$32,000 a year, with the cloud version costing around \$55,000 a year (source here).

#### 3. Complexity

Some of Magento's features mean it's incredibly complex, making customization very difficult and time-consuming

#### 4. Cost-prohibitive for start-ups

If you're launching a startup, or happy to maintain a smaller store, Magento Commerce will be cost-prohibitive.tion very difficult and time-consuming.

#### 5. CMS harder to use

When comparing the Magento CMS to Wordpress, users discover that the content part of their store is MUCH more powerful and easy to use on WordPress.

Magento Commerce is very expensive to set up and maintain, more expensive than BigCommerce and Shopify





## BigCommerce pros and cons



Bigcommerce is . . . well, big. The NASDAQ-listed eCommerce platform is used by well-known brands, including Toyota, U.S. Skullcandy, and PayPal.

Like Shopify, BigCommerce clients don't own their eCommerce store. BigCommerce is closed-source, and everything, from features to hosting, are included in your monthly fee. Plans start at \$29.95 a month.

BigCommerce offers four plans: Standard, Plus, Pro, and Enterprise. There isn't a huge variation in the features offered across all plans. The big difference between plans is an increase in customization ability as you upgrade, greater customer support, and less costly payment process.

In one way, BigCommerce makes it easier than Shopify to select the right plan for your eCommerce store – their pricing page gives the online figures per year starting point for each plan.

However, the platform isn't transparent about the maximum number of orders per plan, while the additional charges for higher online sales can only be found in the small print. For example, the Pro plan starts at \$299.95/mo for less than \$400k in online sales, +\$150/mo for each additional \$200k in online sales. Ecommerce Platforms reports that users who have gone over 3,000 orders per year are hit with additional fees. The website adds that some BigCommerce Pro users have complained about being pushed into the Enterprise plan and being charged additional fees.

As with Shopify, the question anyone thinking about using BigCommerce needs to ask isn't "Which is the right plan for me?" but "Which is the most cost-effective plan for my business?"

Most eCommerce founders and managers reading this will likely be considering BigCommerce Pro or Enterprise. So we will focus on those plans here. If you want to read details about all four plans, you can find them here.

We recommend that you contact BigCommerce and find out what the order limits and charges are for each plan. You should also add the cost of any additional services or apps you intend to use to your budget.



#### **BigCommerce Pro Pros**

BigCommerce Pro costs \$299.95 a month, and this includes a store, blog, and hosting. Pro has all the features in Standard, Plus, and Enterprise, and offers more customization.

Note too that you will need to budget for other options and services, such as BigCommerce apps, and plan and order limits.

#### Features included with all BigCommerce plans, from Standard to Enterprise:

- 1. Choice of 12 free templates
- 2. Drag-and-drop website builder
- 3. CSS and HTML can be tweaked
- Sell an unlimited amount of digital or physical goods;
   select categories and shipping rates
- 5. Range of payment gateways, including PayPal, can be integrated
- 6. Third-party app integration
- 7. Stat reporting
- 8. Unlimited products, file storage, and band width
- 9. Headless commerce, meaning that the front and the backend of the store are separate, giving a faster, agile experience. And in case you're wondering, the separate parts of a store communicate with application programming interfaces (APIs).

#### Additional benefits that come with BigCommerce Pro:

- 10. Google customer reviews
- 11. Product filtering
- 12. Custom product filtering.



#### **BigCommerce Enterprise Pros**

Enterprise is BigCommerce's top plan. There's no published cost for BigCommerce Enterprise. Instead, you'll need to contact BigCommerce and discuss your requirements. The main difference between Pro and Enterprise seems to be the number of online sales per year. There are a few additional features listed below. Note that features one to 12 listed on the previous page are included with BigCommerce Enterprise.

#### 1. Custom pricing

B2B customers can receive custom pricing at the SKU level for customer groups.

#### 2. Unlimited API calls

#### 3. Customized online sales

Customized online sales per year, depending on your needs



#### **BigCommerce Cons**

#### 1. Ownership

You don't own your website, or have control over its hosting. If BigCommerce ever decides to call it a day, your store could be at risk.

#### 2. Possible store removal

BigCommerce reserves the right to remove your store and/or remove any of its content.

#### 3. Potential for cart abandonment

Customers are only given the total cost at step three of a four-step checkout, opening up a an opportunity for cart abandonment.



#### 4. Slow store loading

The platform does have some customizability, but requires a massive amount of API calls to build a cart, which results in its stores being slow.

#### 5. Limited shipping options

BigCommerce has limited shipping options that work on weight only. This means owners must create a workaround to put in fake weight ranges to represent different product categories. Examples include subscriptions in grams, regular orders in kilograms, or wholesale orders in tonnes. It does provide a premium app – Shipper HQ – to provide comparable functionality to WooCommerce, but this has limits and so many store owners will have to purchase Shipper HQ's Enterprise Plan immediately.

#### 6. No geolocation

While BigCommerce is able to correctly remove tax on export sales, it cannot geolocate customers to provide a correct total in their cart (either sales tax for onshore customers, or exc sales tax for offshore customers).

#### 7. Third-party apps needed

To meet the level of functionality offered by WooCommerce, a founder or eCommerce director using BigCommerce would need to add quite a few apps third-party apps, resulting in added costs.

#### 8. Limits on sales

Limits are placed on annual sales, meaning if you exceed the limit you'll need to upgrade to a pricier plan.

#### 9. Technical challenges

The technical aspects of BigCommerce can be challenging, even for technical people. On Trustradius.com, a number of experienced eCommerce pros and developers give BigCommerce a thumbs down for its steep learning curve, limited customization, poor homepage control, and an inability preview changes before hitting publish.

#### **10. Cost**

Premium themes are very expensive.



#### 11. CSV isn't easy to export

CSV export is only possible with a third-party app.

#### 12. No native subscription funtionality

There is no native subscription functionality. Recurring billing and subscriptions are limited, and you'll need to install third-party apps for these features, some of which are poorly designed.

#### 13. Limited transactional emails

Transactional emails are extremely limited, and while a tax invoice can be sent, it is in HTML email format, which is harder for B2B customers to forward into their accounting platforms. BigCommerce's default transactional email templates are also extremely restrictive and don't allow the sending of an email once an order has shipped saying "Your Order Is on the way" email. To do this, a user would need to sign up for a third-party such as Klayvio. But even with Klayvio, PDF invoices cannot be attached, but have to be sent by another third-party app called Sufio, which sends a completely separate email.

On Trustradius.com, a number of experienced eCommerce pros and developers give BigCommerce a thumbs down for its steep learning curve, limited customization, poor homepage control, and an inability preview changes before hitting publish.





## Shopify pros and cons



Shopify is a SaaS eCommerce platform for online stores and retail point-of-sale systems. It's the largest publicly traded Canadian company by market capitalization, and experienced rapid growth in the last few years.

Like BigCommerce, Shopify clients don't own their store. Shopify is closed-source, and everything, from features to hosting, are included in your monthly fee.

Shopify offers four plans: Shopify Basic, Shopify, Advanced Shopify, and Shopify Plus. There isn't a huge variation in the features offered across all plans. The big difference between plans is with the transaction fees and the Shopify Shipping Discount percentage. The credit card rate percentage charges decrease slightly as you move up to a more expensive plan. If you are not using Shopify Payments, the transaction fees decrease when you move onto a higher tier.

Essentially, the more a user pays for their plan, the less they will pay for transactions.

It's not obvious which Shopify plan is the right one for any eCommerce store owner. You'll need to do a fair bit of research, and have accurate revenue figures on hand, or at least very close approximations, to be able to select the right plan.

With Shopify, the question isn't "Which is the right plan for me?" but "Which is the most cost-effective plan for my business?"

Most eCommerce founders and managers reading this piece will likely be considering Advanced Shopify or Shopify Plus. So we'll focus on these two plans here. If you want to read details about all four plans, you can find them here.

As mentioned, be sure to carry out detailed calculations before deciding on a Shopify tier, and add the cost of any additional services or apps you intend to use.



#### **Advanced Shopify Pros**

Advanced Shopify is currently \$299/month and this includes a store, blog, and hosting. It offers many similar features to Shopify Basic, but has more competitive credit card and in-person and debit card rates.

Note too that you will need to budget for other options and services, such as Shopify apps. The features from 1 to 8 are available with all Shopify plans, from Basic to Plus.

#### 1. Easy setup

Shopify is fairly easy to set up, although the time you spend building your store will depend on the number of products you offer and the theme you select.

#### 2. Variety of themes

Shopify offers 10 free themes, and each has two or three variations.

#### 3. Reasonable theme cost

Paid themes cost between \$150 and \$350.

#### 4. Customization

All themes allow for some customization.

#### 5. Easy interface

Shopify's interface is easy to use, even if you're not a techie.

#### 6. Lots of apps

Apps can add functionality to your store or let it work with another app. Shopify's app store is massive, with more than 6,000 apps.

#### 7. Great support

The platform offers 24/7 support, which receives good ratings from plenty of users.

#### 8. Unlimited products

All tiers offer unlimited products and unlimited file storage.



#### Additional benefits that come with Advanced Shopify include:

#### 1. Staff accounts

Up to 15 staff accounts.

#### 2. Lower credit card rates

Lower credit card rates of 2.4 percent plus .30 cents.

#### 3. 0.5% transaction fee

A 0.5 percent transaction fee if you're not using Shopify Payments.

#### 4. Shipping discount

A shipping discount of up to 88 percent.

#### 5. Advanced reports

#### 6. International pricing

International pricing, which allows you to customize your product prices for different countries/regions with a percentage increase or decrease.

#### 7. USPS Priority Mail Cubic® pricing

USPS Priority Mail Cubic® pricing, which means that mail pricing is based on the outer dimensions of a package instead of weight. USPS Priority Mail Cubic® pricing can save you quite a bit of money, depending on the industry you're in.

#### 8. International domains

#### 9. International pricing for product variants.



#### **Shopify Plus Pros**

Shopify Plus is Shopify's top plan. This cloud-based enterprise eCommerce platform is for high-volume online retailers with revenue of more than \$1 million a year. Shopify Plus makes it easy to sell on all major social networks and market places.

Shopify Plus offers everything listed above in Shopify Advanced. It then takes online merchants to a whole new level with some impressive features and benefits. With Plus, you receive dedicated support ahead of launch, and access to your store's backend for some customization. There are dedicated APIs and scripting for the shopping cart. Use the API to connect to a preferred accounting customer relationship management (CRM), or enterprise resource planning (ERP) systems.

The license fee for Shopify Plus is \$2,000 per month. This moves to a gross merchandise value (GMV) when gross turnover in any given month exceeds \$800,000. The GMV is currently 0.25 percent.

Let's take a closer look at some of Shopify Plus' benefits:

#### 1. Customization, speed and transaction rates

Greater customization and control, immersive shopping, increased speed, and cheaper transaction rates.

#### 2. Conversion & checkout

Up to 18 percent higher conversion with Shop Pay and a 60 percent faster checkout.

#### 3. Built-in media

Built-in AR, video, and 3D media on product pages.

#### 4. Localized shopping experiences

Localized shopping experiences with multiple stores, currencies, and languages, for B2B and direct-to-consumer sales.



#### 5. Checkout customization

Checkout customization, along with advanced discounts and shipping rates.

#### 6. Unlimited transactions

Unlimited transactions, products, and 99.99 percent uptime. (Source: points one to five here.

#### 7. API access

#### 8. Shopify Launchpad

<u>Shopify Launchpad</u> - an automation tool for sales and promotions.

#### 9. Shopify Flow

<u>Shopify Flow</u> - Shopify's backend automation platform lets users set up and manage custom workflows to automate repetitive tasks.

#### 10. Shopify Plus Wholesale

<u>Shopify Plus Wholesale</u> – create a wholesale storefront that's an extension of your existing store. Manage retail, B2C, and B2B sales from one dashboard.

#### 11. Omnichannel commerce capabilities

Omnichannel commerce capabilities that enable you to manage unique customer relationships across many multiple channels.

#### 12. International online stores

The ability to create and optimize multiple international online stores.



#### **Shopify Cons**

#### 1. No ownership

Just like BigCommerce, you don't own your Shopify site or have control over its hosting. If Shopify ever decides to discontinue, you store could be at risk.

#### 2. Risk of site getting discontinued

If you sell something that Shopify doesn't like and they change their terms of service, they could discontinue your site without advanced warning.



#### 3. Need to use third-party payment gateways

Shopify's integrated payment processor, Shopify Payments, is only available in 17 countries. A notable omission is the U.S. (except Puerto Rico). This forces founders and eCommerce managers to use third-party payment gateways, which can be expensive. For smaller stores, when you add the third-party transaction fees onto Shopify's monthly fee, the platform becomes too expensive to use.

#### 4. Apps required

Functionalities that you'd expect as basic are not included unless you install apps, and this can make store development complicated and expensive.

#### 5. Tax calculation issues

Some store owners have reported issues with Shopify's tax calculations, noting that they are incorrect or even illegal. Given today's competitive trade environment, you could end up in trouble if, for example, domestic tax isn't reduced on an export sale, or VAT isn't calculated correctly on an import to the U.K.

#### 6. Third-party apps needed for native subscription

Native subscription can only be provided via third-party apps, which demand a separate migration process and carry transaction fees.

#### 7. No automatic image cropping

Product images aren't cropped or adjusted to a uniform ratio automatically. If you want a professional-looking store, you will need to crop all images to a uniform ratio with a photo editing app before uploading.

#### 8. Limited product options

Shopify limits variants to three options per product.

#### 9. Limited product variants

Shopify limits the number of variants per product to 100 - this can be very restrictive in cases of complex combinations.

#### 10. Blogging and content marketing not a priority

We've already mentioned that content marketing is an essential part of SEO and brand building. Without a versatile blog for content, an eCommerce store will



struggle to establish itself online. Unfortunately, many users say that Shopify doesn't value blogging or content marketing. It's native blog is too basic, and users give it a down vote in online reviews.

#### 11. No full-on customization

Shopify doesn't allow full-on customization, and the platform is far behind WooCommerce when it comes to enhancing design and features. It simply doesn't permit the access or provide the massive number of plugins available on WooCommerce.

#### 12. Need to upgrade for checkout customization

Customization to the checkout is not available until you upgrade to Shopify Plus.

#### 13. Multi-currency selling is a weakness

Multi-currency selling is a weakness for Shopify. You'll need Shopify Plus to gain access to fully automated currency conversion.

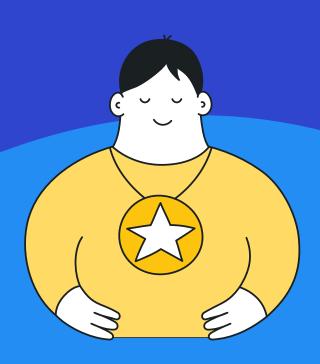
#### 14. Limited transactional emails

Transactional emails are extremely limited, and no tax invoices are sent by default, which leaves a compliance gap in some countries. For example, for Australia. PDF invoices cannot be attached, but have to be sent by another third- party app called Sufio, which sends them in a completely separate email.

Many users say that Shopify doesn't value blogging or content marketing. It's native blog is too basic, and users give it a down vote in online reviews.



# Who's the winner: WooCommerce, BigCommerce, Shopify, or Magento?



### WOO COMMERCE

WooCommerce takes a very comfortable first place. Its outstanding features detailed <u>here</u> make WooCommerce extremely affordable and fully customizable, no matter the size or look of your store.

Built on WordPress, WooCommerce gives you a unified content and commerce platform that delivers the ease, flexibility, and freedom you need to scale the digital experiences that drive your growth. WooCommerce gets top marks for ease-of-use, scalability, user experience, SEO, and content marketing potential.

The support available to users – either as developers or forums – is long–established and store owners can easily find a team or developer to deliver on time and budget.

It is not as difficult for eCommerce founders or managers exploring WooCommerce to scope out a budget with WooCommerce, compared to Shopify and BigCommerce.

Going forward, there's no doubt that WooCommerce and WordPress will be able to compete with new developments or any challenges facing eCommerce owners.

We know that deciding on an eCommerce solution is complex and time-consuming for founders and eCommerce managers. It's a process that requires a detailed review of the strengths and weaknesses of each platform, and within the context of your business goals.

### Saucal can help you with this decision, so <u>contact</u> <u>us</u> for a free consultation when you're ready!

This publication is a live document and is constantly being updated because eCommerce platforms frequently change their permissions, rules, and offers. If you see something that is out-of-date, please let us know and we will check and update in our next version of the piece. Thanks!

# WooCommerce vs BigCommerce vs Shopify vs Magento comparison table



Functionality Area	WooCommerce	Magento	Shopify	BigCommerce
Self-hosted or software- as-a-service (SaaS)?	Self-hosted.	Self-hosted.	SaaS.	SaaS.
Checkout customization	Fully customizable.	Fully customizable.	Customization of the checkout is not available until you upgrade to Shopify Plus. Even in this case, it is still not fully customizable.	Offers some customizability, but requires a massive amount of API calls to build a cart, which results in the store being slow.
Shipping	Possible to offer different shipping rates easily.	Possible to set different shipping rates based on destination or weight.  There is also a <u>plugin</u> offering unlimited number of flexible shipping methods.	The standard shipping options are quite limited, and require plugins (e.g. Shipstation or ShiperHQ) to achieve more functionality.	Limited shipping options that work on weight only. BigCommerce provides a paid app Shipper HQ with more functionalities.
Transactional Emails	Transactional emails are customizable, PDF invoices can be attached to the email automatically.	Transactional emails are customizable, PDF invoices can be attached to the email automatically.	Transactional emails are extremely limited. PDF invoices cannot be attached, but have to be sent by another third-party app called Sufio, which sends them in a separate email.	Transactional emails are extremely limited. PDF invoices cannot be attached, but have to be sent by another third-party app called Sufio, which sends a separate email.
Subscriptions	Good native subscription functionality and recurring payments functionality.	There are paid extensions providing subscriptions functionality.	Native subscription can only be provided via third-party apps like Bold Subscriptions and Recharge. Both are quite expensive and carry high transaction fees.	There is no native subscription functionality. Recurring billing and subscriptions are limited, and you'll need to install third-party apps, some of which are poorly designed.
CSV Export	Exporting data is easy and unrestricted.	CSV export is possible.	CSV export system is excellent for orders, customers, products.	No default CSV export functional- ity, CSV export is only possible with a third-party app.

Functionality Area	WooCommerce	Magento	Shopify	BigCommerce
App ecosystems	Very large ecosystem of well maintained and supported plugins – both paid and free.	More than 3000 extensions, which is much less than WooCommerce.	There are many good quality secure Shopify apps, but they are expensive, restrictive, and don't offer flexibility and customization.	Besides a few larger apps, there is a big number of very small, poorly supported apps.
Customization possibilities	Unlimited customization possibilities, thanks to the fact that it is self-hosted and you own your website's code.	Customizable, with extensions, add-ons, and plenty of integration options.  Some of Magento's features mean it's incredibly complex, making customization very difficult and time-consuming.	Full customization is not allowed. Customization ability depends on the plan you are using, e.g. checkout customization is possible only if you upgrade to Shopify Plus.	Customization ability will depend on the plan (Standard, Plus, Pro, and Enterprise) - the more expensive plan you are using, the more customization possibilities it offers.
Cost	Free with no volume-based fees.	Magento Open Source is free, but a build is expensive, and there are many additional costs.  There is also Magento Commerce targeted at enterprises. It is expensive to set up and maintain. It also involves license costs based on revenue. E.g. if a store's annual revenue is between \$1 million and \$5 million, Magento Commerce will cost around \$32,000 yearly.	Pricing is volume-based. The cheapest Shopify Basic plan starts at \$29 monthly, Shopify Advanced plan costs \$299 monthly and Shopify Plus pricing is individual and available on demand.  Additionally, Shopify charges a transaction fee of 2% if you're not using Shopify Payments (which is available only in 17 countries).	BigCommerce is closed-source, and everything, from features to hosting, are included in your monthly fee.  Pricing is volume-based and it becomes costly for large stores. Plans start at \$29.95 a month (for online sales less than \$50k per year), the Pro plan starts at \$299.95/mo for less than \$400k in online sales, +\$150/mo for each additional \$200k in online sales.
Integration with payment providers	No restrictions on payment providers integrations. There are a lot of payment gateways available and its' possible to develop and add your own payment gateway if necessary.	Integrations with the most popular payment providers like PayPal, Amazon Pay or Stripe are available. It's also possible to develop and add your own payment gateway.	Shopify recommends its own payment gateway Shopify Payments, but it is available only in 17 countries. It's possible to use other payment gateways but it involves extra transaction fees.	Payment providers options are restrictive and limited - it's possible to use only providers approved by BigCommerce.

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