

## **ECOMMERCE COSTS – THE SETUP COSTS**

There are three flavours of website that are ecommerce-enabled:

- osCommerce (or similar) sites with a template design
- osCommerce (or similar) sites with a custom design
- Completely customised ecommerce sites

The setup costs for the three possibilities are summarised below.

### osCommerce sites with a template design

osCommerce is a massively popular ecommerce engine, used by thousands of online stores worldwide. You can buy a template site to match your category of business. Other may use the same template and therefore have a similar design.

**TYPICAL COST TO SETUP = R8,500**

### osCommerce sites with a custom design

osCommerce is a massively popular ecommerce engine, used by thousands of online stores worldwide. You can have a custom design for your business. The design will be unique.

**TYPICAL COST TO SETUP = R9,999**

### Completely customised ecommerce sites

You can have a site that looks and behaves exactly the way you want it to.

**TYPICAL COST TO SETUP = R15,000**

## **ECOMMERCE COSTS – THE RUNNING COSTS**

There are two flavours of ecommerce transactions:

- Internet Merchant Accounts
- Third Party Solutions

**Why not PayPal? PayPal can be used in South Africa to make payments, but SARS does not allow South Africans to receive PayPal payments.**

The costs for the two possibilities are summarised below.

### INTERNET MERCHANT ACCOUNTS

Ecommerce incurs a hosting fee of R250 per month, besides the setup and transaction costs listed below.

If an internet merchant account is used then the costs are twofold:

- Ecommerce service provider fees (VCS, for example)
- Your bank fees

**Ecommerce service provider fees**

Item	Fee
Setup	Nil
Minimum Period	Three Months
Authorizations	R0.50 cents
Settlement	R0.50 cents plus 0.5% of the value of each transaction
Monthly	Minimum of R125.00 excluding V.A.T.
Volume Discounts	We are willing to negotiate discounts based on transaction processing history.

**Bank fees for new Internet Merchant applications**

<b>Absa</b>	
Setup	R2000.00
Commission	5%
Minimum Monthly	R500.00
3 D Secure	not charging yet
Administration	Nil
<b>First National Bank</b>	
Setup	R350.00
Commission	5%-7%
Minimum Monthly	R300.00
3 D Secure	not charging yet
Administration	nil
<b>Nedbank</b>	
Setup	Nil
Commission	6%
Minimum Monthly	R300.00
3 D Secure	R100.00 per month plus R1.00 per transaction
Administration	nil
<b>Standard Bank</b>	
Setup	R380.00
Commission	6%
Minimum Monthly	R150.00
3 D Secure	not charging yet
Administration	nil

### THIRD PARTY SOLUTIONS

Ecommerce incurs a hosting fee of R250 per month, besides the setup and transaction costs listed below.

If payments are taken via a third party (VCS or NetCash, for example) then the costs are:

Setup	R450
Commission	6%
Minimum Monthly	R120
Retention (up to 10 days to cover reversals)	10%
Administration	Nil