

CASE STUDY:




shopify

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Shopify is a 15 years old company. With only 4,000 employees, it manages to be active world-wide, helping a million of merchants and developers succeed in what they can do best. Throughout the years, Shopify made several critical decisions that have been shaping the platform into its current state. This case study explores the essential platform design elements that make Shopify one of the most impactful organisations in the global economy.

THE INTRODUCTION.

SHOPIFY.COM

Back in 2004, the market didn't offer much on e-commerce products and the existing e-commerce platforms were limited in design options and integrability with other services. It didn't take long til the frustrated **Tobias Lütke**, a computer programmer by trade, started building his own online store using the open source web application framework **Ruby on Rails**.

Two years later and with a financial help from friends, family and an angel investor, the founders of Snowdevil - Tobias together with **Daniel Weinand** and **Scott Lake** - launched the platform as **Shopify**, a customisable online-storefront builder.

The start was rough, the co-founders went without salaries for nearly two years, when in 2008 the company became profitable.

Today, Shopify is the go-to e-commerce platform which currently powers over **1,000,000** massively diversified online shops all around the world.

Its app store offers thousands of apps that help merchants automate every aspect of their stores. The apps payed out up to **\$300M** to developers since the inception of the app store. The average annual earnings for the top 25% of Shopify developers are **\$272K**.

The screenshot shows the Shopify homepage with a navigation bar at the top containing links for Start, Sell, Market, and Manage, along with Pricing, Learn, Log in, and a Start free trial button. The main headline reads "Now home to 1,000,000 business owners". Below this is a sign-up form with the text "Enter your email address" and a "Start free trial" button. A small disclaimer states: "Try Shopify free for 14 days, no credit card required. By entering your email, you agree to receive marketing emails from Shopify." The bottom section features a grid of images: a man holding a yellow bicycle, a person holding a tablet, a hand holding a smartphone, and a pair of shoes.

THE INTRODUCTION.

snowdevil.com
first Shopify
store.

Shopify **App Store**
and
API Platform.

Build-A-Business competition:
participants create a business using
the platform, winners receive cash
prizes and mentorship from famous
entrepreneurs.

Shopify Payments.

+ iPad-centric point of sale system

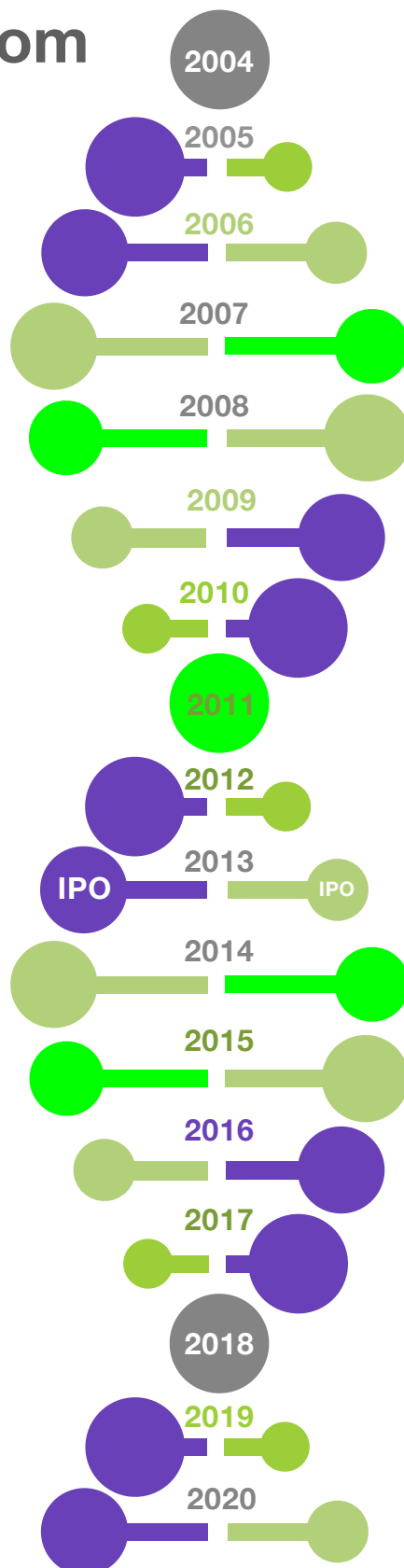
Build-A-Business competition:
participants create a business using
the platform, winners receive cash
prizes and mentorship from famous
entrepreneurs.

**Integration with
Amazon.**

Shopify integrates with Snapchat.

Shopify ends the integration
agreement with Mailchimp.

Shopify launches Shopify Studios.



Shopify as a hosted,
e-commerce
solution.

**Ottawa's Fastest
Growing Company.**

Ottawa Business Journal

Shopify **Mobile App** in
Apple App Store.

Venture Capital Financing:
Series A round: \$7 MIO
Series B round: \$15 MIO

Shopify acquires Select Start Studios Inc.
Shopify acquires Jet Cooper.

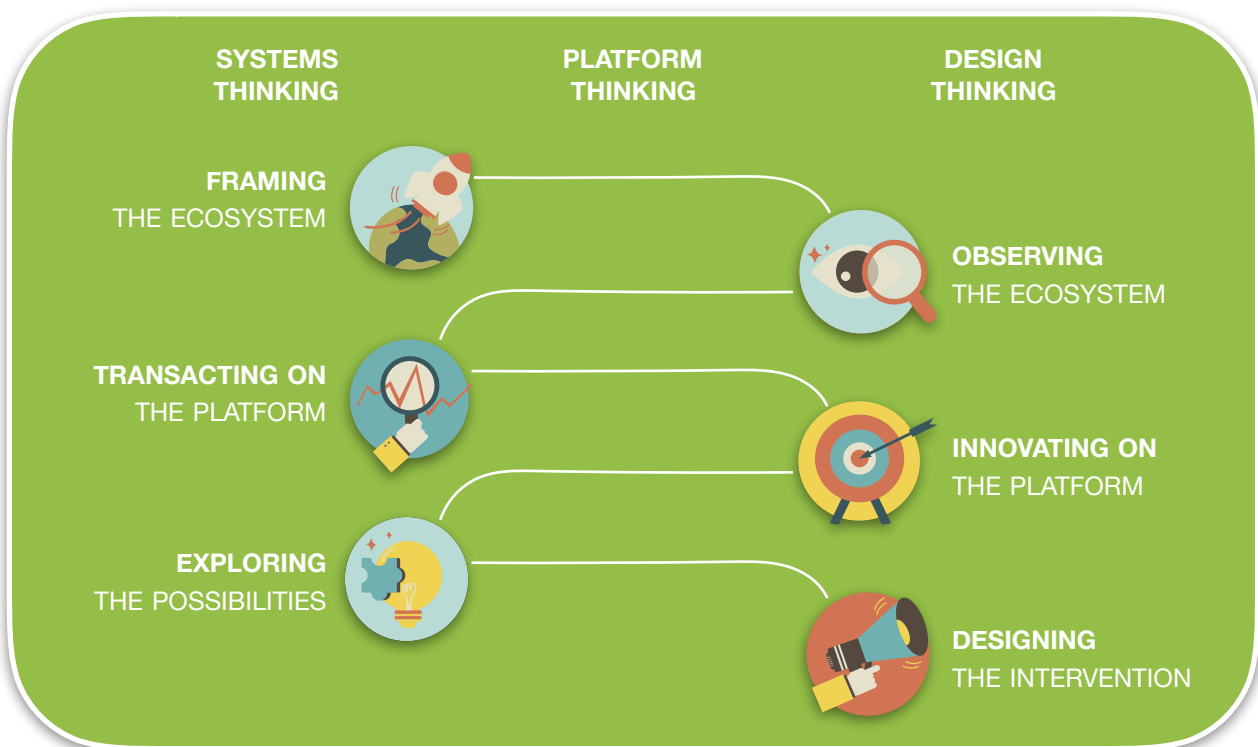
#3 in Deloitte's FAST50
with 16759% Growth
and 120.000 merchants.

Shopify acquires Boltmade.
Shopify partners with Paystack.
Shopify launches with Frenzy app.
Shopify acquires Tiny Hearts.

**Shopify
Fulfillment
Network.**

THE FRAMEWORK.

THE FRAMEWORK.



This case is described using the **Platform Positioning System** and its 6 steps to ecosystem innovation. On the following three pages you'll find the Shopify platform and the ecosystem it supports described in full using the System's design model.

The first step summarises the actors that play a specific **role** in the commerce ecosystem. Shopify is the keystone of that ecosystem as it regulates connections among the other roles and works to increase over diversity and productivity.

The second step outlines the **motivations** and **intentions** of the participants to be active in the commerce ecosystem. The case continues with portraying the

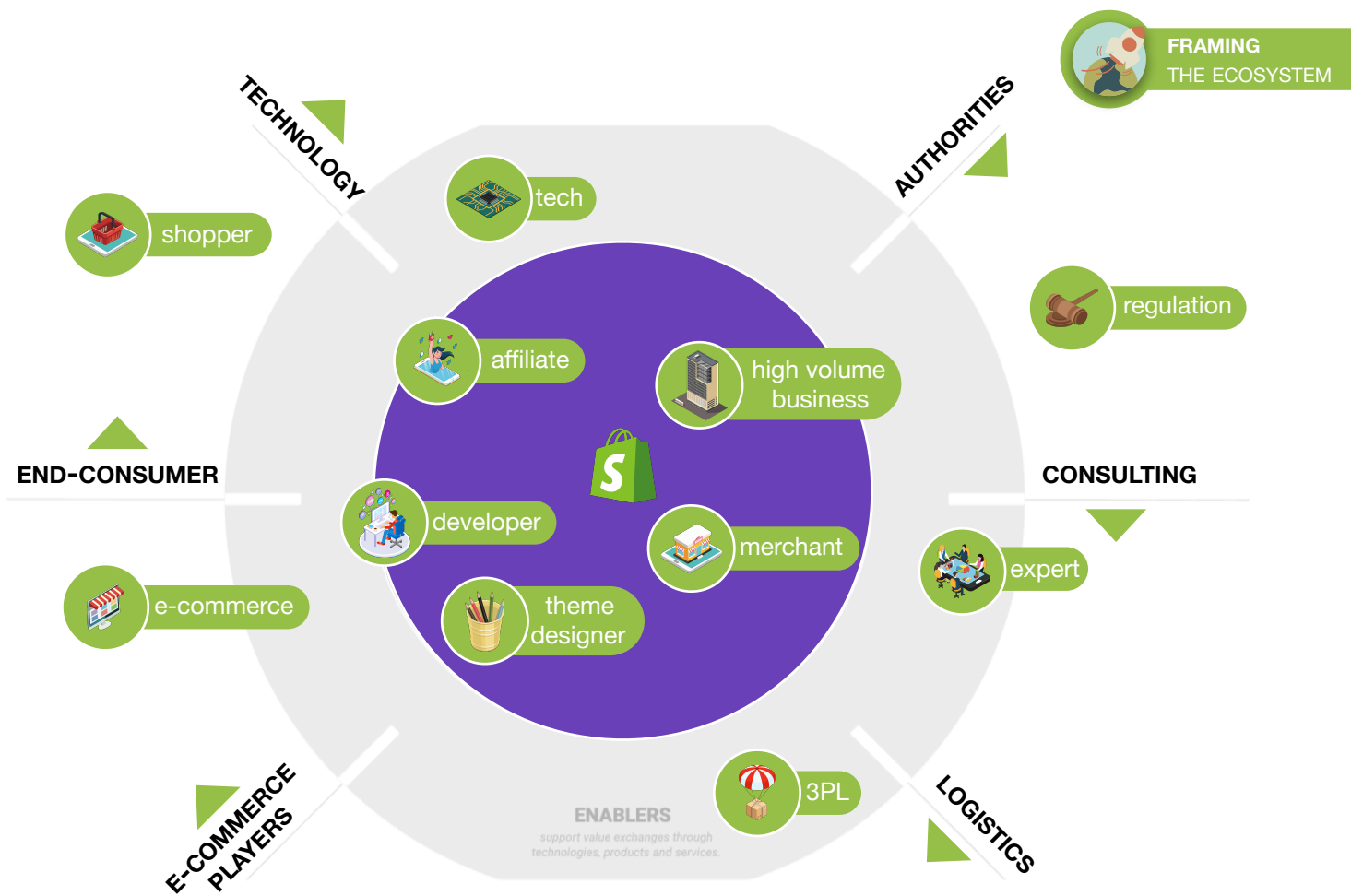
key relationship between the merchants and developers that represents the backbone of the framed ecosystem.

The case goes on with the transaction engine, which lays out **touchpoints** that need to be in place in order for the roles in the key relationship to be able to exchange value in a new way.

The innovation engine described in the next step shows the main **services** provided by Shopify for the participants to be able to coordinate themselves on the platform.

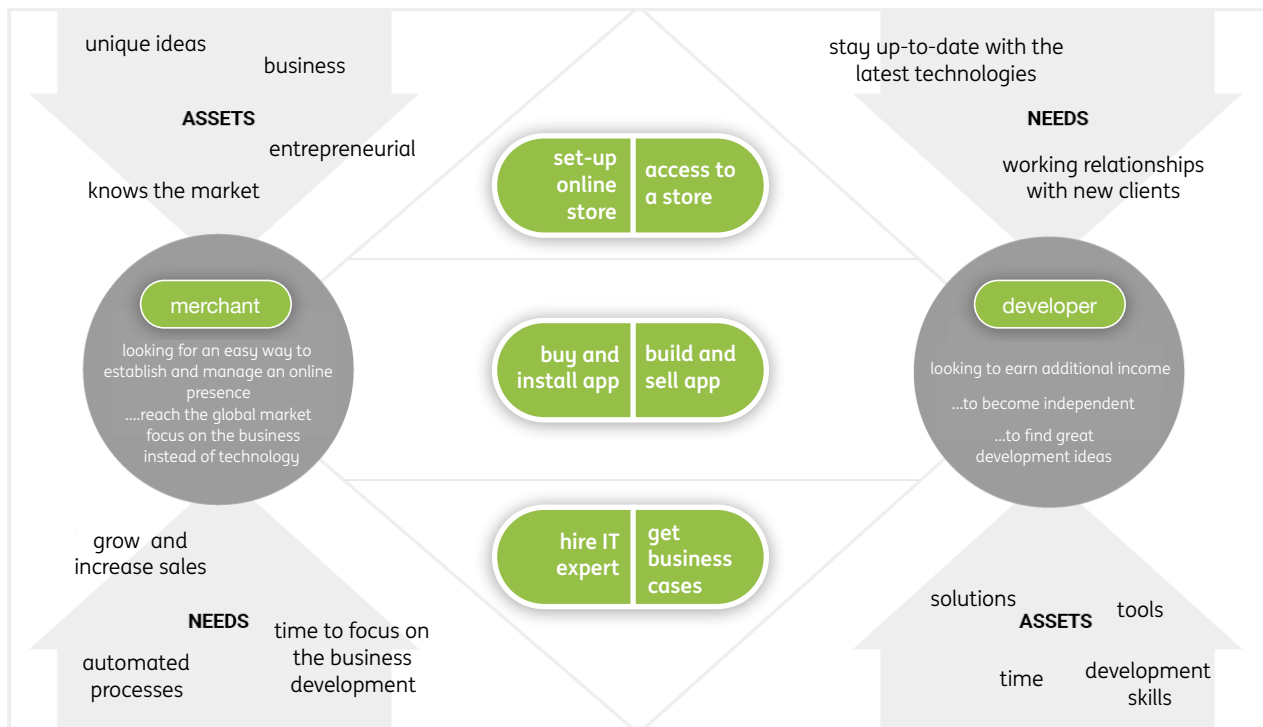
You'll find two **platform experiences** that combine the touchpoints and services described in the previous steps at the end of this case study.

THE FRAMEWORK.



GIVES TO	merchant	developer	theme designer	expert	affiliate
merchant	attraction sales inspiration	income inspiration reputation	income inspiration	job inspiration	inspiration
developer	apps updates webinars	apps inspiration reputation	features referral	insights referral	referral
theme designer	look & smell UX, SX	structure referral	themes visibility reputation	referral	inspiration
expert	advice inspiration referral	referral expertise	advice	growth add. clients	referral reputation
affiliate	referral expertise	referral	referral	content clients	income visibility reputation

THE FRAMEWORK.



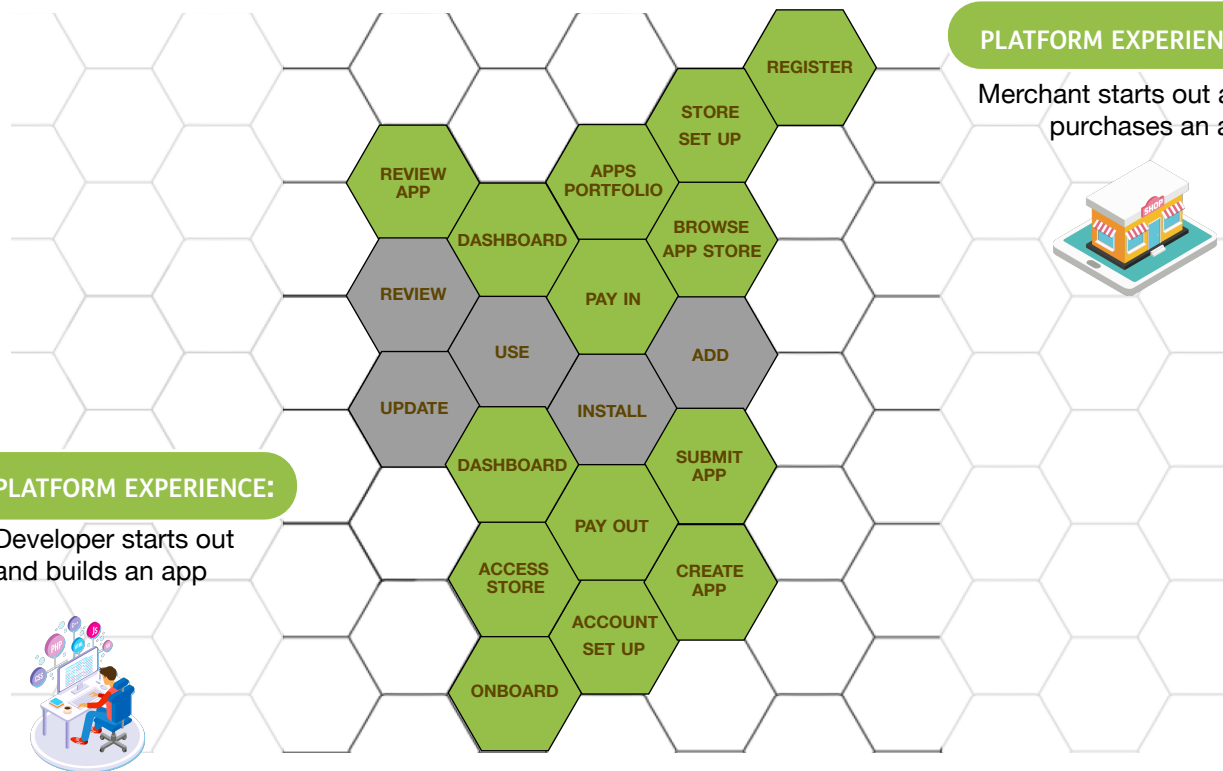
merchant	VALUE	CHANNEL	TOUCHPOINT	CHANNEL	VALUE	developer
chose an app	view	app store	add	dashboard	app description	
download an app	download	app store	install	development store	app	respond to a download
open app	insights	online store	use	dashboard	guidance	react to download
provide review	feedback	app store	review	room for feedback	email, webinar	
respond to update	attention	email	update	email, webinar	updated version	update app

THE FRAMEWORK.



INNOVATING
ON THE PLATFORM

STARTING OUT	STANDING OUT	TOUCHPOINT	STANDING OUT	STARTING OUT
apps catalogue help centre setup guide	app store recommend. engine	add	templates for publishing	tools and resources, app store
apps inventory easy payment	engineer support	install	professional reports	dashboard pay outs
apps inventory expert support	advanced features, professional reports	use	professional reports	dashboard
review section notifications	help center: how to review	review	community meet-ups, star ranking coaching	review section notifications
notifications	help center: how to review	update	partner academy	mailto:



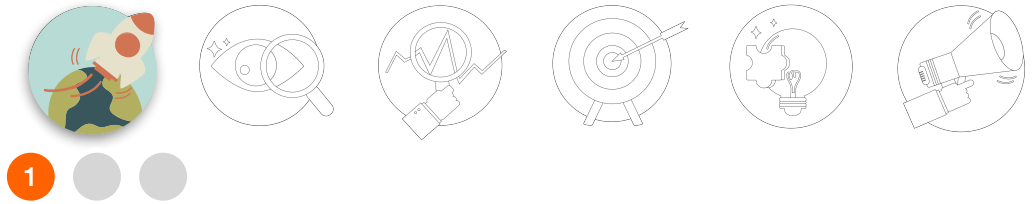
EXPLORING
THE POSSIBILITIES



FRAMING THE COMMERCE ECOSYSTEM.

IN 3 STEPS





THE COMMERCE ECOSYSTEM.

Shopping has become a ubiquitous activity. Shoppers crave personalised experiences with their beloved brands and want to build relationships, instead of just buy products. Many brands are moving towards on-demand, frictionless experiences, and others need to catch up to remain competitive.

Today, the commerce all over the world is experiencing their operations transiting from physical to digital, allowing for less transactional experiences. Even shoppers wallets get digitised. No waiting in line for cashiers and processing payments anymore, the brick-and-mortar store will be, to a large extent, replaced by an immersive digital experience.

This movement blurs the line between what is online and physical, and so opens up a realm of new opportunities not only for many existing players in commerce, but also for new players - even from different industries - to step in and participate.

There are so many people and organisations with specific commerce needs in their lives when it comes to running an online store. Their journey starts way before thinking of going online or founding a business.

It's firstly about having a great idea and a powerful name, brand, then finding the right strategic alliances, business planning and executing.

starter store
(college) entrepreneur
hobbyist, freelancer
craftsmen, artist
existing online store
corporation

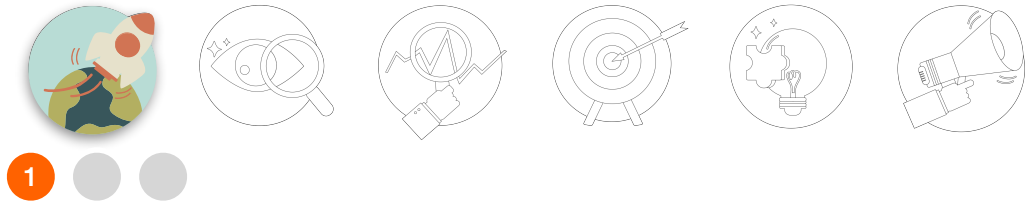


There are also millions of highly skilled programmers with a unique coding talent all around the world. They can build tools and offer new features to help augment businesses as they grow. These entities are passionate about creating apps, and earning regular income would make them even more proud. They can work with clients to get them started and solve their individual development needs.



part-time developer
web developer
IT-Geeks
Up at five

Setting up an online store is only one part of merchant's journey. For someone with an entrepreneurial spirit, the ultimate goal is much more than being able to sell online.



Typically, businesses want to achieve financial stability, growth, and an outstanding presence. All of this brings new complex challenges about. This opens up a realm of opportunities for other parties to step in and offer their unique products and services.

The design choices of the store owners can drastically increase or decrease sales. While merchants that want to get ready to sell online need to focus on realising their brilliant ideas, the look-and-feel aspects of their stores can be outsourced to other, truly passionate specialists with the right skillset.



Modsi
The Route Options
Soniva Choudharv
HTML Pro
UX Designer

Owning a business means a lot of long days building something and not being quite sure about the future returns, if any at all.

It also means making sure that all management activities are aligned, which can be quite overwhelming for many starters or fresh college entrepreneurs.

What if there is a help and someone else could take care of the tinkering around the business strategy or give advise on marketing?

Eleven Commerce
Amazon Advantage, LLC
Integral Parts
Fresco Web Services
shopstyleddesign.com



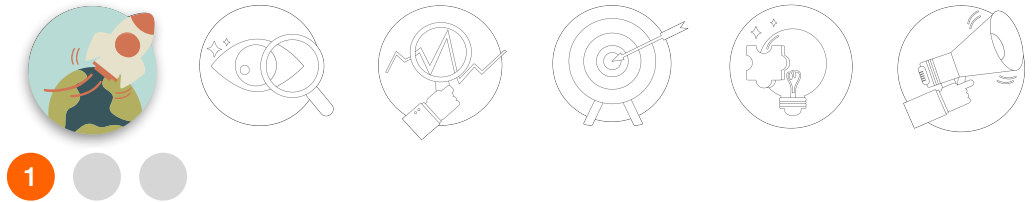
Business take the orders, third-party logistics provider fulfils them. Such 3PL is a link in the supply chain brands use to outsource part of all of a business' distribution and fulfilment services. Having access to multiple shipping methods is especially of great benefit to high-growth brands that are overwhelmed by rapid spikes in sales.



DHL
DPD
UPS

People that act on their potential share passion, a strong bonding mechanism. This can serve as a basis for building a true community. *"From searching for code snippets to helping clients with specific business needs, the right answers to questions may be hidden in the wild west of forum threads"*. Discussion forums are places where peers can engage in meaningful conversations, which is another potential area that would need a professional support.

The community can also grow outside of the commerce scope. Fans create their own content and opinions on independent websites.



Entrepreneurs, educators, influencers and content creators share their stories on blogging websites, publish business case studies on other than commerce community forums, or create how-to content videos on streaming websites. And these people have their own audience, and potential business starters might be part of that audience.



medium.com/shopify
 featuredcustomer.com
 youtube.com/shopify
 timkock.de
 thatshirtwascash.com

Merchants would never succeed without their customers. They exist to deliver value to the people that buy their products or services. Firms survive and thrive only as long as they are nimble enough to adapt to their customers' shifting needs and desires.

newbie
 brand loyalist
 practical shopper
 other businesses

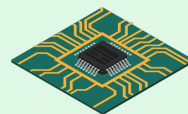


Backend sales platforms empower businesses to open online stores directly from their own website. Additionally, cloud-based software enables every shop owner to run their business on a global scale without large, upfront investments in local infrastructure, among other costs.



magento.com
 wixstores.com
 weebly.com
 wordpress.com
 bigcommerce.com

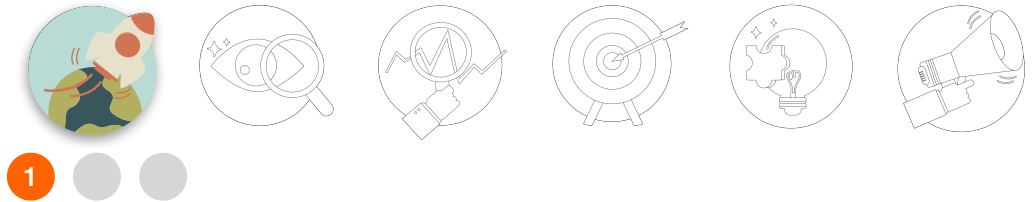
Next to the ones who build stores and apps for individual needs of the store owners, big tech companies get to eat a piece of the cake too. Online stores can be enriched by many third-party tools, services and integration options.



Paypal
 Unleashed as Master
 Amazon
 data centres
 cloud providers

For instance, purchasing shoppers might want to rely on their own payment provider, and there are more than 100 of those worldwide. For those that need a more personal support in managing inventory, Unleashed as Master can easily integrate and allow real-time visibility of accurate inventory information.

Data centres, servers or cloud providers are something commonplace and well understood in today's world. One does not need to custom-build everything internally, which makes it easier to outsource these utilities and instead focus on one's core activities. The world of technology becomes unlimited once industrialised.



What is allowed and what is punished?
In particular, Shopify does not allow things that are not in the best interest of the merchants. Shopify is also asking the ecosystem to be GDPR compliant.

GDPR
tax office
applicable law
privacy policies

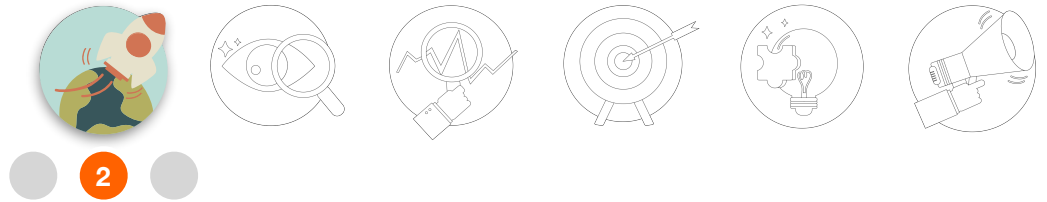


Regulation all around the world may be interested in how Shopify performs and intervene by introducing new rules. Importance is attached to the overall transparency in terms of the algorithms in the app store and ranking factors.

But also the use of Shopify APIs, Merchant Terms of Service, Partner Terms of Service, Intellectual Property rights or Payments terms are hot legal topics. And talking about these topics globally, not only locally.

And as it always has been in systems, everything relate to everything else, and one will never have a complete picture of the ecosystem. The goal is though to think of any player that might be related to one's current position, and beyond.

This way of looking at an organisation offers a different perspective on organisations. The more entities present, the richer the ecosystem.



FROM ENTITIES TO ROLES.

Anyone who has got the ambition to **start and/or run a business** has a potential to succeed. Starters, freelancers, artists or hobbyists have something in common: the willingness to move from the ambition to action.



merchant

Corporations, big brands, or high volume merchants are **established** and more experienced in the business world. Their operations are more complex as they expand on a global scale, which is why they typically need a somewhat special treatment.

high volume
business



What aspect of the business should be automated lies in the hands of the **application development**. It's one side of the coin that helps merchants become successful. Almost everything that happens behind the scene can be outsourced to third-parties.



developer

On the other hand, **front-end design** is all about how the shoppers perceive the merchants, as opposed to the back-end behind the scenes. A great design of an online store will make shoppers stand out and delight their visitors. This for sure ensures an increase in sales substantially.

theme
designer

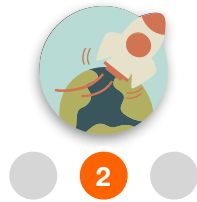


Professional advisors are hungry for new job opportunities. Getting feedback and advice on any type of business becomes easier and easier as the market is fragmenting increasingly, which results in growing networks of brands with **expertise**.



expert

Warehousing, Transportation, Distribution, Shipping and Receiving are out of a merchants scope. The right partner can make or break a store's **logistics**, customer service, and repeat purchase rate. Choosing the right **shipping** partner is a balance between trusting someone and relationship building.



3PL



Having an audience is a having power to inspire or influence individuals. What if one could monetise his or her **passion** to create content or educate others? These entities have the intrinsic motivation to create that content, which could be complemented by an extrinsic driver, additional income.



affiliate

Eventually, the intention of having an online store with a great design and effective business strategy in place is to attract as many visitors as possible. The ultimate goal is to turn them into loyal customers that come back and make repeated **purchases**.

v

shopper



Others want offer their smart services too when it comes to helping merchants out with their online presence. E-commerce platforms provide alternative distribution channels and can add value through increased visibility, customer reviews and

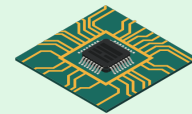
sometimes even fulfilment services. Pricing, number of features and packages are concepts that play a role for industrialised services such as these companies offer.



(e-)commerce

Having capabilities in place that enable a full **integration** of other tech solution providers is essential for fostering true collaboration in ecosystems.

tech

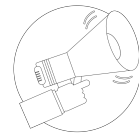
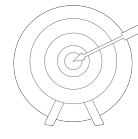
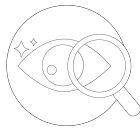


Taking a business online is a fantastic and exciting growth opportunity and the internet has connected the world and the tools like Shopify now make it possible for anyone to get started, regardless of technical skill.

However, with all of these advantages come some complex legal issues. Does everything merchants do meet the **legal requirements** for an online business operating in a particular country?



regulator



THE POSITIONS.

*All of the previously identified roles hold a certain position in the ecosystem. The position may vary upon their interests and what drives the roles to be in that **position**. This step is all about making decisions about who gets to stay.*

A **merchant** gets a unique opportunity to start an online business without any technical skills and consume all the necessary features and applications provided by the **developers** and **theme designers**. The high volume business will shift out of focus.

An **expert** will want to find a plenty of new job opportunities by helping out merchants and developers, and so will the **tech** find new ways how to enable others by means of integrating their professional services so they can increase their own reach and sales.

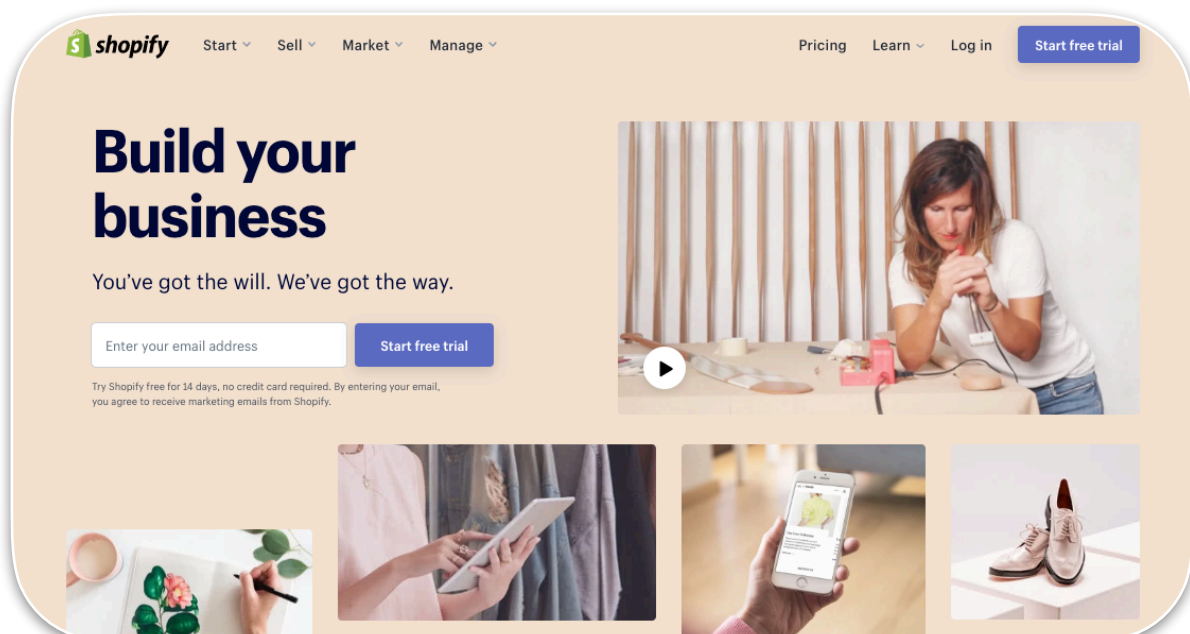
Affiliates either just want to share their stories independently of Shopify or they can apply to become a partner and monetise their passion.

Third-Party-Logistics play an integral part in the supply chain of merchants. What **shoppers** purchase needs to be delivered. They buy products from merchants and so ensure their existence. For the purpose of this case study, a shopper is labeled as an indirect stakeholder.

On the other hand, **e-commerce** and **regulation** are aware of Shopify's existence, but they are not active participants in the ecosystem.

In this ecosystem, **Shopify** is the keystone actor regulating connections among merchants, developers, theme designer, experts, tech and 3PLs.

See the [Ecosystem Ecology Map](#)

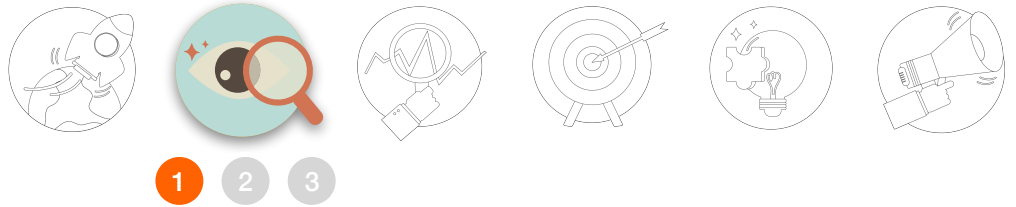




OBSERVING THE COMMERCE ECOSYSTEM.

IN 3 STEPS





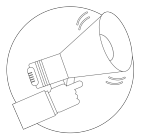
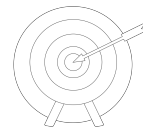
THE VALUE STREAMS.

The reasons to do what we do are our driving force as we navigate through the ups and downs of what we like doing most. Whatever the reason to start a business is, it's going to be different from the reasons of all the other roles acting in your mapped and framed ecosystem.

Looking at it from a systemic perspective, merchants exist in the relationships with all the other roles. These relationships are shaped with potential that is being exchanged between the roles. By mapping the **value streams** between roles, you can uncover constraints that they may be experiencing in exchanging value.

The **potential** to exchange value is the primary binding mechanism of roles which determines their inherent interdependence. Each role eventually expresses needs and expectations that could be matched with the value provided by their peer roles.

Thousands of passionate **developers** and **theme designers** are focused on building amazing things for merchants of all growth. From **elegant themes** and **practical apps** to **fully-functional commerce websites**, these roles are pushing the boundaries of what's possible in the world of technology. They want to shine and show what they are capable of, often even educate.




1

2

3

Merchants, on the other hand, can publish success projects with theme designers and developers in form of blogs and this way contribute to their **reputation**, on top of their primary **commercial** relationship.

Having served a multitude of merchants can **inspire** theme designers and developers in their next projects and become more creative by combining their existing projects with new challenges. And vice-versa, having finished projects collectively with many different developers opens up a room for creating **referrals** of the best ones.



UP AT FIVE

Helping clients prosper

FEATURING **Jordan Deutsch** FROM **Toronto, Canada**

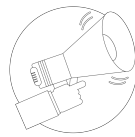
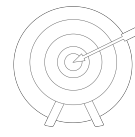
Trusted by top developers

Setting up an online store is one part of merchants' journey. A larger online store face different kind of challenges than the starting ones. **Experts** all over the world are hungry for **new job opportunities**. Merchants can chose between all sorts of **advice** regarding their visual branding, guidance in setting up the product catalogue or the overall sales strategy. They can also receive **referrals** to other experts.

In this relationship, **merchants** contribute with a specific **job** descriptions which would be matched with experts who can help, and generate **inspiration** for future clients. Experts may help merchants perform better but are not crucial when it comes to setting up an online store.

Affiliates can potentially give **merchants access** to their already engaged audiences and market their products. They are usually paid back via a flat **dollar** amount or a **percentage of the total sale**, but incentives could also be free or **discounted products**.

Influencer marketing is not limited only to celebrities or a few dedicated bloggers anymore. Today any individuals who have a dedicated social following are also viewed as experts within their niche.



THE INTENTIONS.

The actions and motivations of the **roles** are driven by their reasons to exist or to be part of the commerce ecosystem. What would be the most important characteristic that differentiates roles between and from each other? What do they live for?

Through technology, hundreds of thousands of **merchants** around the globe are empowered to monetise their passion on a global scale. What makes merchants tick is the desire to stand out, **attract** as many shoppers as possible and this way generate **sales** to ensure their continuity. The era of connectivity is inherently associated with feedback loops and shoppers are increasingly willing to leave reviews for their purchases. Many merchants encourage feedback and put it to use for **inspiration**, and the tendency is rising.

Theme designers and **developers** want to **build** amazing things for merchants so they can create value for their customers more effectively. Whether they provide fully functional and elegant **themes** for the front-stores or generic/custom-built **apps**, their primary reason to exist in this ecosystem is to help merchants in every aspect of their operations by making their lives easier.

Experts want to be challenged by the most diverse merchants and by doing so grow and generate potential income from **additional clients**. And in the end, every expert certainly deserves recognition and thanks.

The only things that matters to today's potential **affiliates** is their **visibility** to followers and the ways how to grow their **reputation**. Their job requires a relatively high degree of creative freedom. There's nothing an influencer hates more than being put in a box.



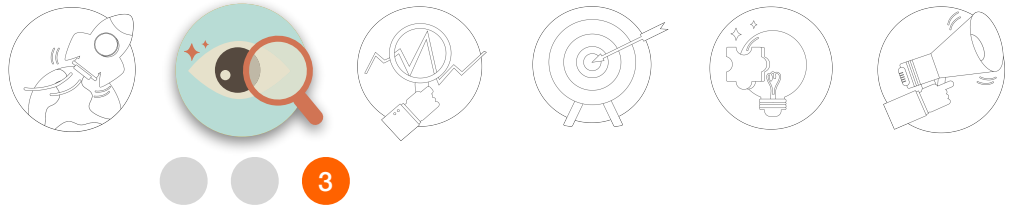
Expert guidance

Sales strategy guidance

Get a website audit and recommended actions for increasing sales and conversion rates

[View experts](#)

See the **Ecosystem Motivation Matrix**



THE KEY RELATIONSHIP.

The value streams mapped in the motivation matrix represent the binding mechanism between the roles. Based on that one can start uncovering interesting potential.

The value streams between **merchants** with **developers** shows attractive potential that is not fully unlocked. Together, they are changing the way consumers everywhere buy, sell, and think about the availability of goods. Theme designers or experts help developers and merchants take away the frictions across borders.

Developers would love to market their **development skills** and **earn regular income** by **building standard solutions** or working **directly** with

clients. Having access to million online stores might help in finding what the next **great app idea** could be. Merchants would typically work together with either an established development company or an **independent** 1-person franchise with **time** and right **tools**.

Developers would love to test their apps in a **development store** before publishing. A **standard solution** can be consumed n-times, working with clients requires great **connectivity**.

The ones that want and have to **stay up-to-date** will have energy and resources to attend conferences, meet-ups or seminars related to their topics.

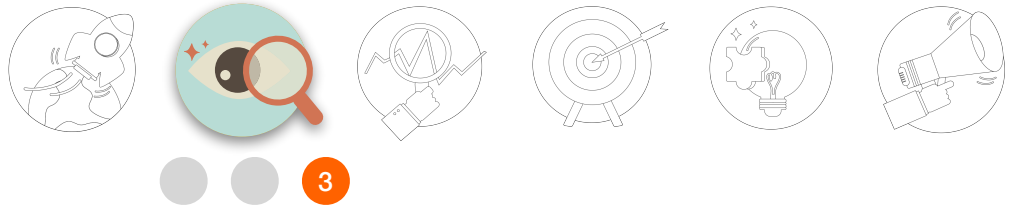
Power the world's entrepreneurs

Build for 1,000,000 businesses that are transforming the world of commerce.

Enter your email [Sign up](#)

Sign up as a Shopify Partner to get a free API key.

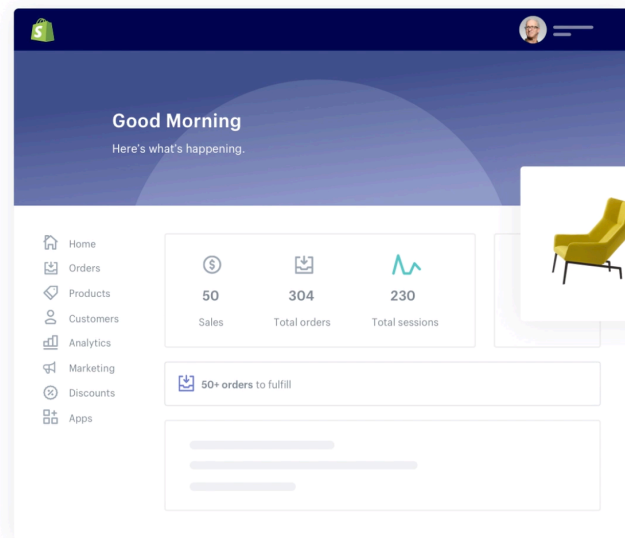
Docs	App development	Custom development
Read our API documentation and step-by-step guides.	Create apps to earn regular income on the Shopify App Store.	Work with clients to get them started on Shopify and solve their development needs.
Explore docs ->	Learn more ->	Learn more ->



Manage — everything

Use a single dashboard to manage orders, shipping, and payments anywhere you go. Gain the insights and knowledge you need to grow.

Explore how to manage your business →



Run your business from anywhere with one dashboard

11

Every **merchant** strives to grow and **increase sales**. The **revenue potential** of an online store is unlimited, because it's determined by the level of productivity merchants can produce, instead of the total number of hours they work. Million merchants bring a million of **unique ideas** along.

Going online used to be a complex process. Today, there is a **solution** for nearly every business need. This makes it easy for more and more merchants to start **running their businesses** from web or their mobile devices and reach a global market, without having to spend all too much time on the technology they use. Shopify is completely **cloud-based** and hosted, which means merchants don't have to worry about upgrading or maintaining software or web servers.

A developer can be contacted right at the initial stage of setting up a store. If merchants need more advanced help along their journey, typically they would ask for help from experts.

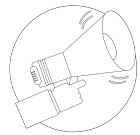
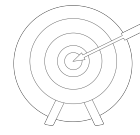
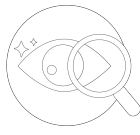
Most of the merchants rely on the features and functionality they can add to their stores with **apps**. This is why it's important that the stores are **customisable**, according to the wishes of each of them.

Developers can provide merchants with smart services to **manage** products, inventory, payments and shipping and **sell** in multiple places, including web, mobile, social media, online marketplaces, brick-and-mortar locations... No matter where they live, today merchants can reach shoppers anywhere and anytime.

See the **Ecosystem Relationship Portrait**



TRANSACTIONING ON SHOPIFY.COM



THE TRANSACTIONS.

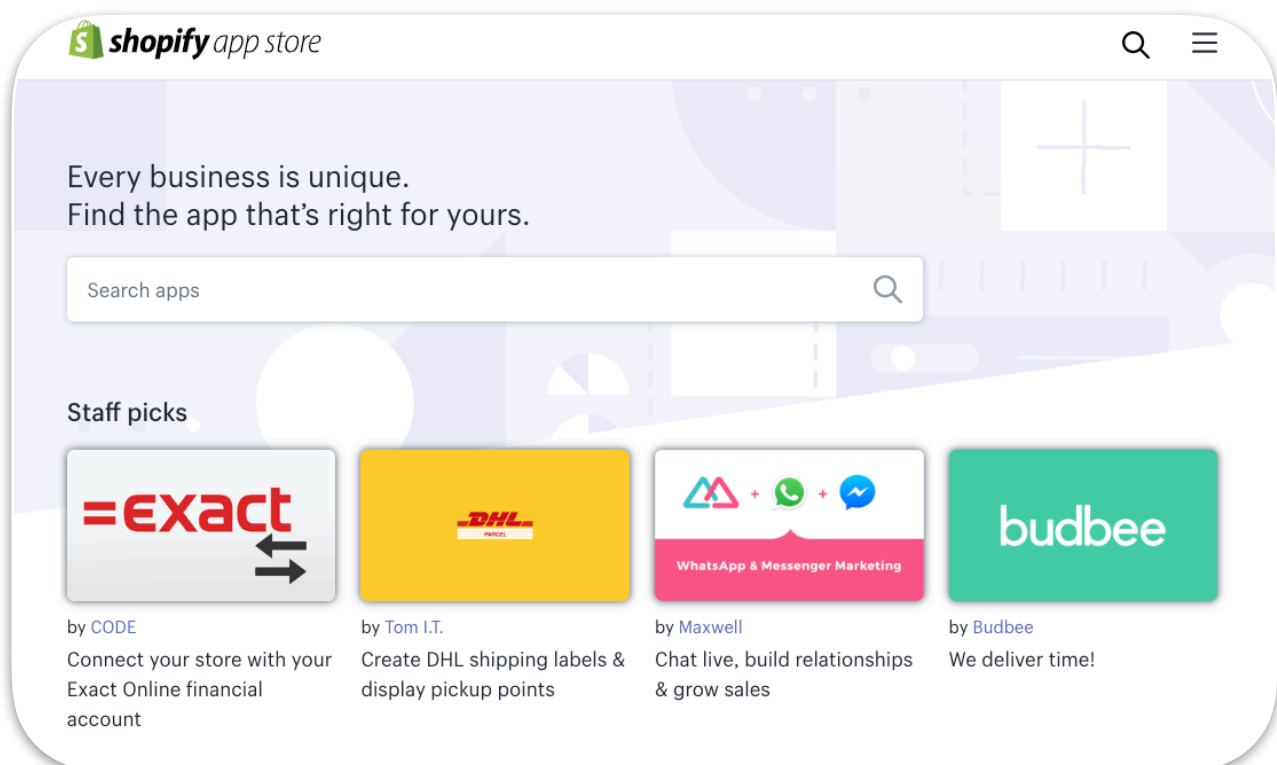
What makes Shopify exceptional is its app store, an app marketplace inviting **developers** to market their latest developments. The architects of Shopify have always believed that a merchant owns their online store and should be able to do whatever they want with it. And *“that’s also why we always had an open platform and an open API”* - Atlee Clark, App & Partner Director.

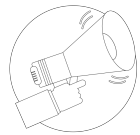
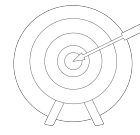
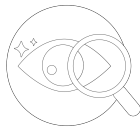
Merchants can choose from thousands of apps that help automate every aspect of their stores. There are only very few merchants on Shopify that aren’t using a lot of **apps**. And there are real people with lives behind all those apps.

“They have families, some people have mortgaged their houses to build these apps.”

In this regards, the app store plays a critical role in matching what a merchant is looking for to how the categories of apps are actually expressed. Once matched, the **interactions** and **value exchanges** between the merchants and developers need to be properly supported.

To accomplish this, the **app store** represents the most important **channel** in Shopify’s **transaction engine**, in which merchants connect with the developers behind their apps.

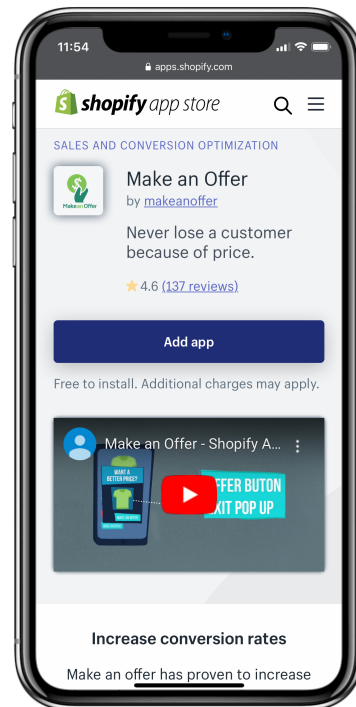




The relationship between merchants and developers is all about apps installed to solve problems. In the **Shopify app store**, every single app has a carefully crafted description that helps merchants get the important information they need when evaluating the apps. Thus already before installing an app, there is a value exchange triggered in the touchpoint “**add app**”: merchants **views** for **app description**.

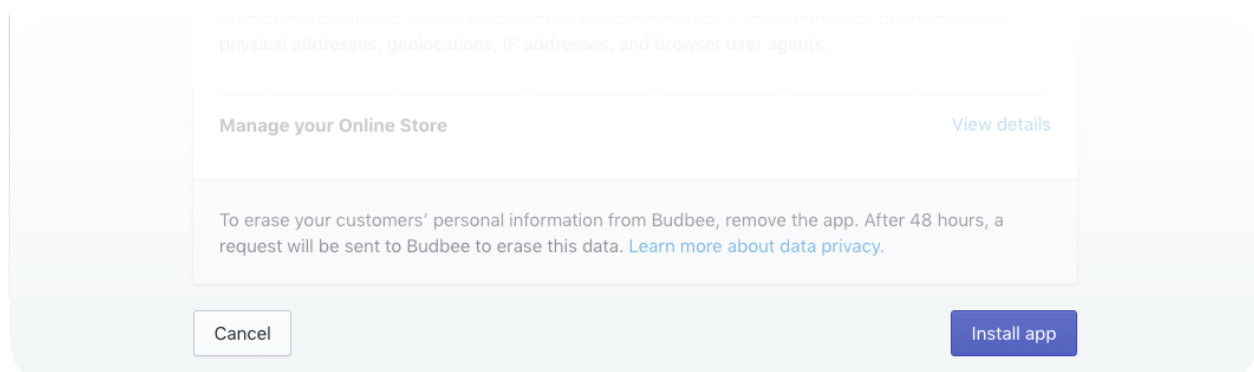
Another touchpoint would happen around **installing** the app. The type of value exchanged will slightly vary depending on whether it is a free or a paid-for app. A developer can eventually add a **new user** to his or her developer’s account and a merchant finds a **new app** in his or her apps portfolio. The touchpoint happens using the online store solution provided by Shopify, which is available in both **web** and mobile **app**.

In fact, some of the transactions could have already been happening before the inception of Shopify. Merchants could set up a website - which would

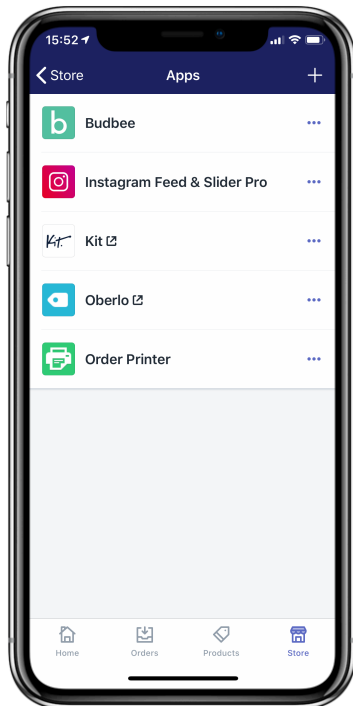
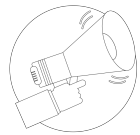
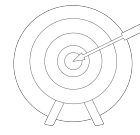
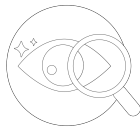


< **add an app in Shopify app store** >

typically require special skills - and then google and install an app that is right for them. Shopify however positioned itself around the weak spot in which merchant’s online store and apps are instantly integrated. Merchants can run their business without having to maintain the backend - commoditised - technology, such as servers, data centres or computing power.



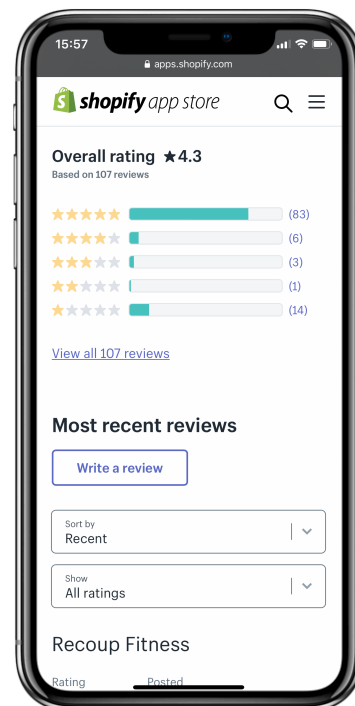
< **install an app in Shopify web** >



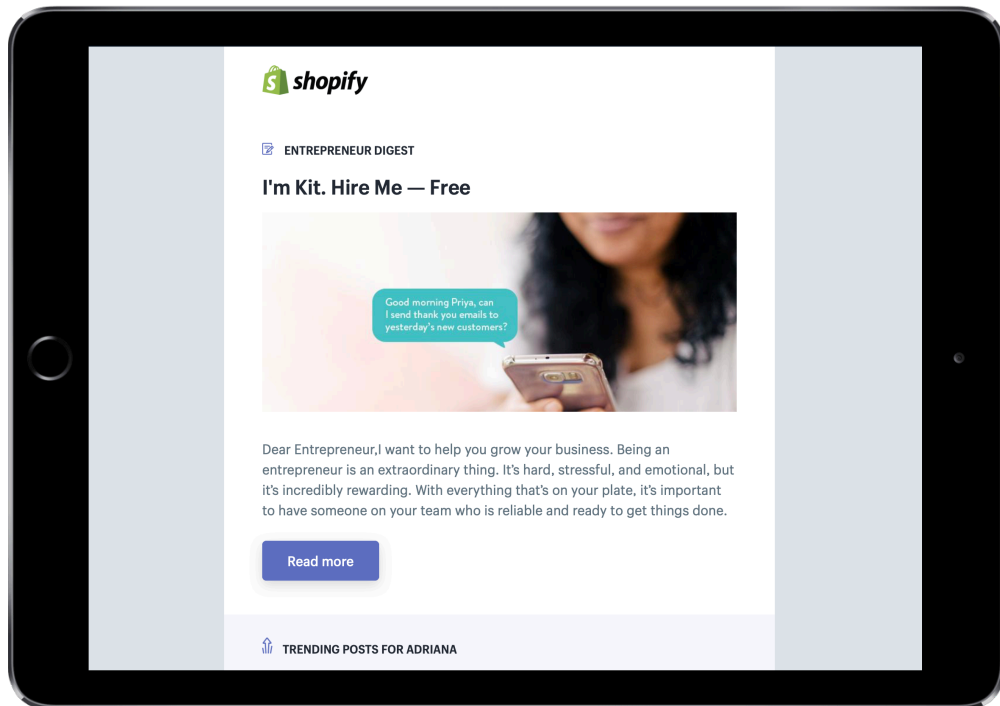
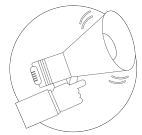
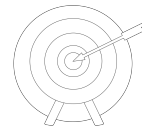
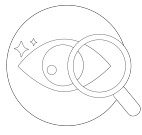
< use app in **Shopify web** >

But merchants getting the real value out of the apps once they start playing around with them. That's why **using** an app represents another touchpoint that triggers a different type of value exchange. Developers continuously collect **insights** from merchant's **utilisation**, which helps in further improving their apps. And merchants, on the other hand, get to enjoy the full benefits of having automated another aspect of their business operations.

Through merchant **feedback**, Shopify identifies the details merchants care about most, including pricing options, support information, and key benefits. This information has been prioritised on app listing pages and Shopify made their format consistent across the **app store**. With clearer descriptions and pricing information, merchants can easily learn more about an app and choose the one best suited to them. This gives developers an opportunity to craft **content** that best showcases what their apps have to offer, in a format that merchants can easily understand. Again a win-win for both.



< review app in **Shopify app store** >



< **update** merchant with **email**, **webinar**, **tutorial** >

In essence, developers act as entrepreneurs themselves when they create thriving businesses built on meeting needs of the merchants. Listing an app in the Shopify app store is just the first step. After the app is live, developers can reach merchants through other channels to promote **updates** of their apps and build trust with their users.

The most common way of reaching out to merchants is sending out blogposts about the latest development via **emails**. Merchants give away their attention in exchange for **news** related to the app they rely on. The inspiration generated from merchant feedback can serve as a basis for the content of such blogposts. Another great way to

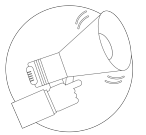
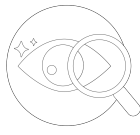
engage with merchants who want to understand a particular feature or ask any questions they might have about the app is hosting **webinars** or publishing **video tutorials** about an app. Developers can upload their tutorials on platforms like Youtube or Vimeo and embed them into their documentation or their social media.

Shopify provides a room for larger community groups like the “Shopify Community **forums**, Shopify **blogs**, or **Reddit**, where developers and merchants can actively engage and provide value to each other. Participating in these forums can help them find whatever they look for and build relationships through continuous conversations and interactions.

See the **Platform Transaction Engine**



**INNOVATING ON
SHOPIFY.COM**



THE INNOVATIONS.

Every business is unique and grows in different ways. **To innovate on Shopify is** to allow merchants, developers and all the other roles to grow, potentially reach their outstanding performance, and even switch their role and interact in many different ways.

Merchants

The **Global E-Commerce Playbook** is designed to help merchants **start out** on the platform, *make their first sales* and break ahead of the competition.

The **help centre** provides answers to all sorts of questions, such how to get a store up and running as quickly as possible, and many others.

The **Shopify App Store** and its corresponding ecosystem of developers has become critical to solving the increasingly complex problems of the merchants that **stand**

out. The app store is equipped with features that are designed for the diversity of merchants to be able to find the diversity of apps that exist.

Merchants **break out** when they begin to build their empires. Shopify introduced **Shopify Plus**, a program helping established merchants become experts. It provides more services, increased functionality and is geared toward larger enterprises.

High Volume Businesses

When a high growth merchant **starts out** on **Shopify Plus**, the platform's exceptionally good Customer Management Solution and Order Management System capabilities are a strong foundation to get started with. It makes managing multiple online stores, fulfilment centres, channels, and relationships easy.



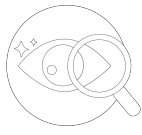
For starters, entrepreneurs, or small and medium businesses

Start free trial



For enterprises, high volume merchants, and large businesses

Learn more now



Shopify allows merchants to establish a direct relationship with their customers.

Established brands that want to drive extra brand loyalty can act in the capacity of this role and easily pair their existing systems with Shopify's systems thanks to its **open API** and **technology community**.

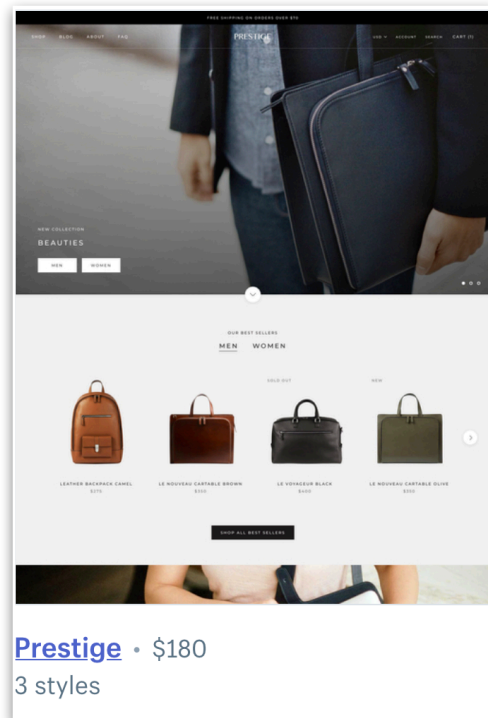
Traffic, sales, and order management are important fundamentals of a healthy online store. The **high volume businesses** that *stand out* use Shopify Plus to leverage e-commerce automation, so their team is free to focus on actual growth and providing great customer experiences, as opposed to spending time performing low-level, repetitive, and tedious tasks.

The spare time can be filled up with **advanced services** that are geared towards strategic decisions, provided by a network of highly skilled **Shopify experts**.

Developers and Theme Designers

Shopify provides access to an abundance of educational resources to help partners *start out* as **developers** and **theme designers**, and later on experts on **Shopify**. These resources include selling guidelines, white papers and development tools and can be found in the **help centre**. Developers can use those **tutorials** to learn how to build an app and **submit it** to the **Shopify App Store**.

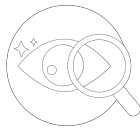
And so do theme designers use theme documentation that provides **examples, resources, and tutorials** to help them build and design a Shopify theme. In order to get the first theme user on board, the designers can **submit** their themes to the **Shopify Theme Store**.



Attracting and dealing with more users and revenue streams from each app and theme sold can be challenging.

Review templates and **real time dashboard** are designed to help developers and theme designers with their challenges.

Those who do or want to *stand out* and maintain profitable businesses can join the **Shopify Partner Program** to get support in starting a journey to becoming a trusted **Shopify Expert**.



The developers and theme designers don't have to only build stuff. They can **break out** and use their expertise to start interacting in completely new ways. Shopify supports the ones that come with an entrepreneurial spirit and invite them to join the **Shopify Partner Program**. The program is filled with designers, developers, agency owners, and creatives of all types.

Affiliates

The **Shopify Partner Program** is also designed to support **affiliates** who would like to **start out** on Shopify in a professional way. Anyone in the world can sign up to get access to tons of valuable resources including in-depth **documentation**, **workshops** and **training**, **private discussion forums**, and early **insights** into Shopify's product roadmap.

The affiliates that **stand out** get a special treatment and an invite to join the previously mentioned **Shopify Plus Partner club**. An affiliate that partners with Shopify can navigate the needs of his or her clients and direct them towards the benefits of Shopify Plus. As a Shopify Plus Partners, high performing affiliates are given **banners** and **logos** to use on their website and support from a **personal partner manager**.

Experts

Those with plenty of experience can eventually break out into a new role and join the network of **Shopify experts**. Maintaining working relationships can be seen as one of the main challenges of experts. Shopify organises **meet-ups**, **Shopify Unite** conferences and provides experts marketplace to connect to clients easily.



COMPLETE Shopify Tutorial For Beginners 2020 - How To Create A Profitable Shopify Store From Scratch

Dan Vas • 687.451 Aufrufe • vor 4 Monaten

A step by step guide, A to Z, on how to create a profitable Shopify dropshipping store from scratch in 2019 and 2020. In this ...



Reviewing 7 Actual Shopify Dropshipping Stores (Real Examples)

Biaheza • 69.933 Aufrufe • vor 2 Tagen

Reviewing 7 Actual Shopify Dropshipping Stores (Real Examples) The Full Biaheza Dropshipping Course: ...

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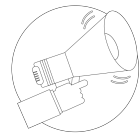
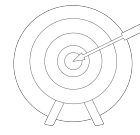
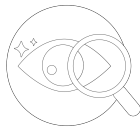
Dropshipping Tutorial Voor Beginners 2019 - Hoe Maak Je Een Winstgevende Shopify Webshop

Floris GdG • 47.486 Aufrufe • vor 11 Monaten

GRATIS 14 Dagen Shopify Trial: <https://www.shopify.com/> Facebook Groep: <https://bit.ly/2SujG2w> Instagram: ...



**EXPLORING
THE POSSIBILITIES.**



THE PLATFORM EXPERIENCE.

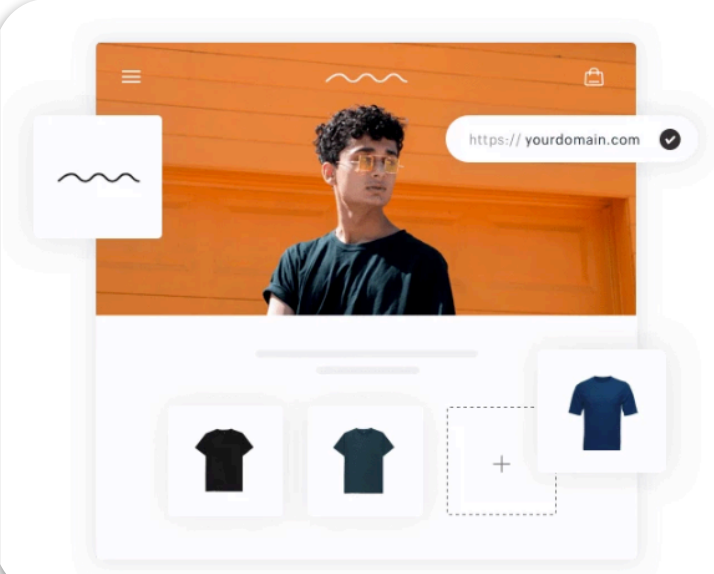
The success of Shopify lies in having integrated **touchpoints** and **services** around what was not good enough and so improving the overall performance of the commerce ecosystem. Merchant's and developer's **platform experiences** are supported by a minimum amount of services that need to be in place in order for the merchants and developers to interact in a repeated manner.

Merchant's Platform Experience:

The majority of Shopify merchants say they rely on apps to run their business. Some wouldn't even use Shopify without apps. In order for a merchant to be able to **add an app**, that app needs to be **browsable** in the **app store**. Shopify is doing everything possible to assist merchants with discovery and decision making when using the service.

The apps are meant to extend the foundations of Shopify online stores with their unique functionalities. In order to be able to search for an app, merchants need to have their **stores set-up** and ready to make the first sales. The **initial setup guide** in **help centre** outlines the most important tasks to get the business up and running as quickly as possible.

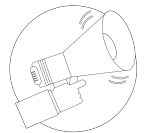
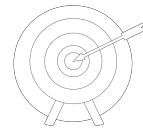
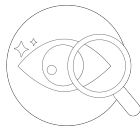
In order to be able to set up an online store, merchants need to **register** and provide basic information about them and their intentions. Before merchants even start their entrepreneurial journey, Shopify recommends a number of **processes to protect** themselves and their customers, such as generating unique passwords or how to defend themselves against phishing.



Start — your business journey

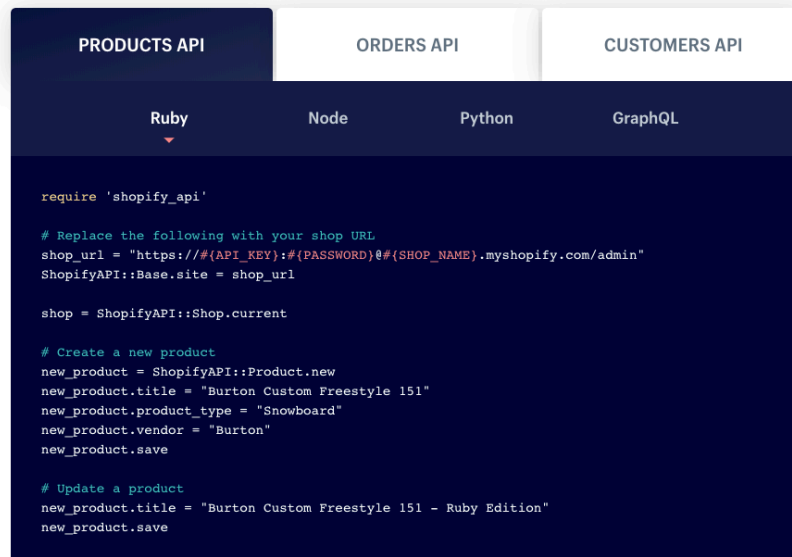
Find a business name, buy a domain, and create a brand with our free tools.

Explore tools to start your business →



Get started with the Shopify Admin API in minutes

50+ endpoints to give you the freedom to build what you want. See examples below.



Developer's Platform Experience:

The Shopify App Store experiences an exponential growth with more than 10M app installs year over year. In order for a merchant to be able to **install an app**, that app needs to be **submitted** in the **app store**. A developer therefore needs to put a description of app's core functionality and features to an **app listing** in the Shopify App Store.

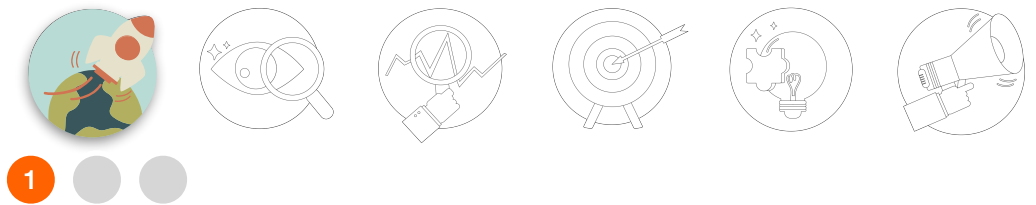
Before an app can be submitted, a developer needs to build it. Shopify helps at every step of the process, from finding a great app idea, reaching customers to learning how to get paid. The **Getting Started guide** explains how to make API calls in minutes. Taking the the **Shopify Development Fundamentals course** helps to learn about the available APIs, SDKs, tools, and resources available to build apps.

In order to get access to all the resources and tools to build apps, a developer **onboards** on Shopify and creates an **account**. Only when having a development store in place, developers can receive permissions to **access** merchant's apps, stores, themes, orders, customers and start innovating there.

Both the merchants and developers get the most value out **using an app**. The online stores and development stores are equipped with **dashboards** to keep track of how the apps perform. Happy, unhappy or requested merchants **review** their installed apps and **submit** the reviews in the **app store**. Based on the insights generated from using the app, developers might make improvements and **update** their users via emails or tutorials.



DESIGNING THE INTERVENTION.



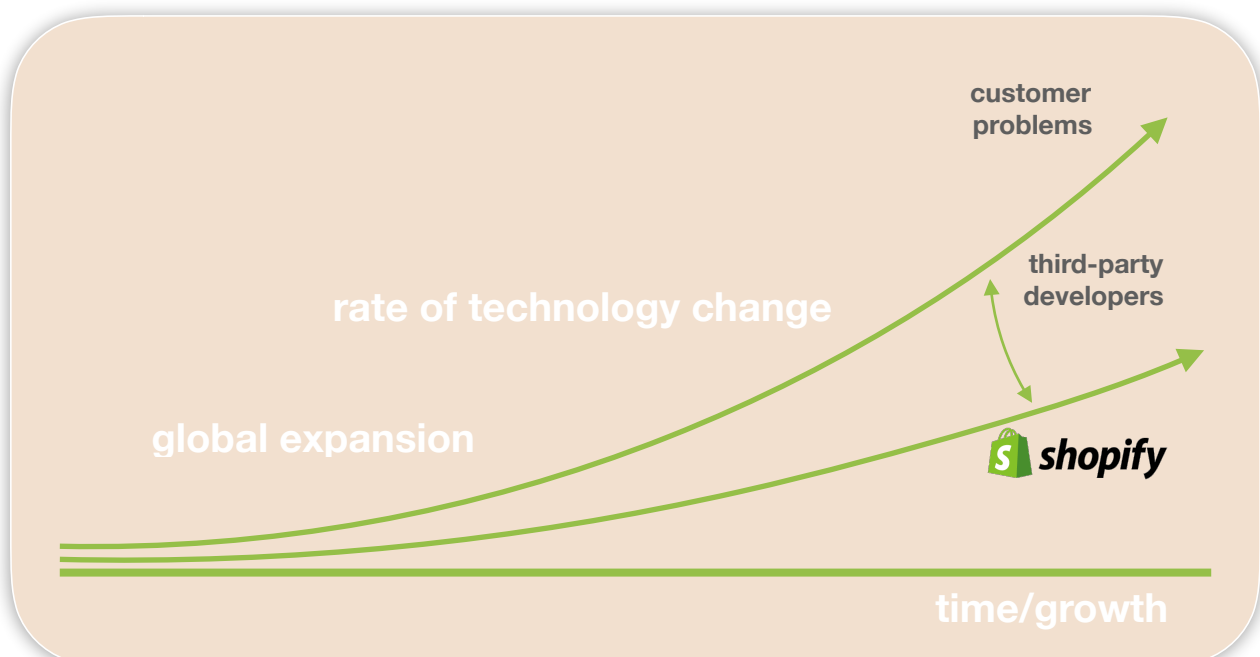
THE BUSINESS MODEL.

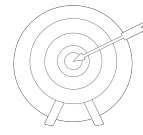
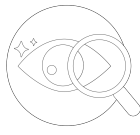
Shopify is home to thousands of passionate **developers** and **theme designers** who are focused on building amazing things for **merchants**. While the merchants enjoy the benefits of the commoditised access to technology to start and run a business, the developers, agency consultants and many others shine to help them along their journey.

The **purpose** of the platform is to make Shopify's solution better, and by doing so **help merchants succeed**. In this way, Shopify is *transforming the world of commerce by encouraging developers all across the globe to power the world's entrepreneurs*.

As time goes by, the platform scales and the rate of technology change accelerates. Also the number of customer problems grows exponentially. No company would ever have the capacity to solve all of those needs at a global scale all by itself.

That is why Shopify is not doing everything on their own: the developers fill the gap between the problems of customers and the capacity of the company to solve them. And the reason why they can solve them is because they are distributed all over the world. They are familiar with niche use cases, culture, languages of the customer, local law...





What's in it for a merchant?

Shopify has simplified what was once an incredibly complex process. Its services continuously broaden the possibilities that are available for merchants from **anywhere** and at **anytime**. Merchants can easily set up **online storefronts** to sell not only locally, but also **globally**. The open architecture of the platform allows a thriving community of app **developers** and **theme designers** to help merchants focus on what they do best: building their businesses.

Merchants can sign up for free and use Shopify for 14 days without entering their payment details. This should raise appetite for one of the paid **subscription plans** later on.

What's in it for a developer?

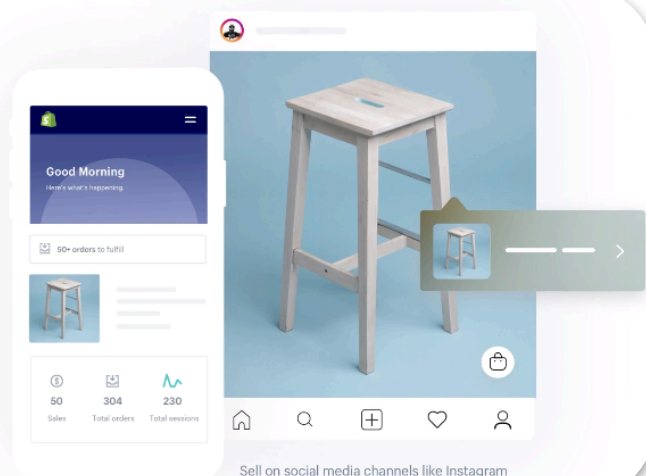
Anyone who wants to build for **millions of merchants** with Shopify is invited to join the Shopify Partner Program. Developers can create public apps to earn **regular income** on the **Shopify App Store**. They can also **work with merchants** directly to get them started on Shopify and help building and customising their stores.

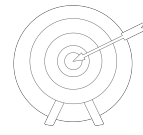
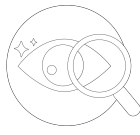
The program is **free** to join and lets developers experiment with the platform through unlimited test stores. A developer is entitled to **80%** of the total revenue from the one-time sale price or recurring subscription fees and all app purchases or upgrades made through Shopify App Store.

Sell — everywhere

Use one platform to sell products to anyone, anywhere—online with your ecommerce store, online marketplaces, and social media, and in-person with point of sale.

Explore ways to sell →





Revenue Streams

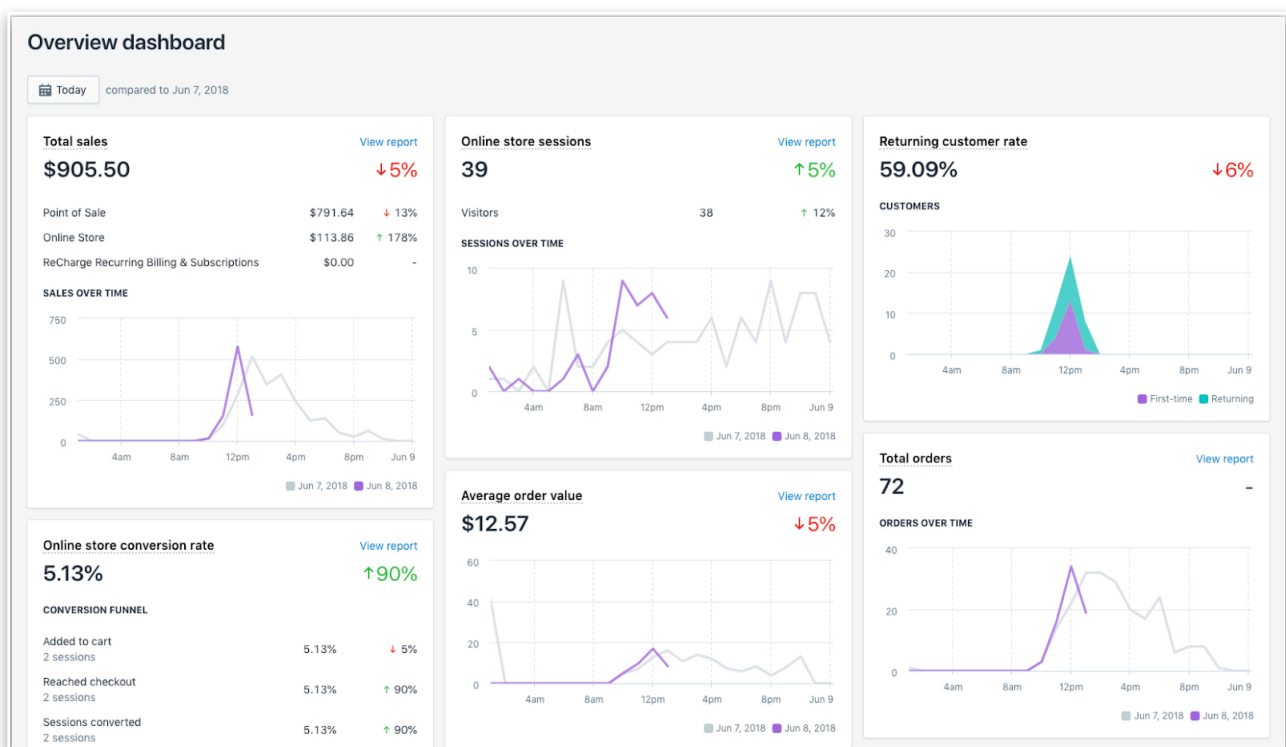
Shopify principally generates revenue through the sale of **subscriptions** to the platform, the sale of **themes** and **apps**, the registration of domain names, and the collection of variable fees.

Another source of revenue is providing additional **services** to merchants to increase their use of the platform. The majority of that revenue is from fees earned from merchants based on their customer orders processed through Shopify **Payments**, other services being Shopify **Shipping**, Shopify **Capital**, other transaction services...

Costs

Shopify's cost of revenues consists of **payments for themes** and **domain registration**, **credit card** fees, **third-party infrastructure** and **hosting** costs, an allocation of costs incurred by both the operations and support functions, and amortisation of capitalised software development costs.

In addition, included in the cost of merchant solutions are costs associated with credit card processing, and the cost of POS hardware, maintenance costs, advertising costs, income taxes, personnel, contractor and consultant fees...



PLATFORM POSITIONING SET

The Platform Position Set puts platform design in your hands. You can even build a facilitator's box set, containing all materials you would need to start facilitating high-energy platform design workshops and to get platform thinking embedded in your organisation—small or large.

- What is in the box?
- The workshop facilitator's manual
- The workshop instruction deck
- 8 workshop instruction cards
- 7 workshop design canvases
- 6 example design canvases
- The Platform Design Masterclass flyer

The box and its contents are distributed under the CC BY-SA 4.0 license, and are also available as a free download. Get it at <https://f-a.pub/pps>:

