

Hosted vs. Licensed Shopping Carts



Source: <http://www.websmith.com>

If your website requires a shopping cart function, there are two basic types of shopping cart solutions available. Hosted shopping carts allow you to integrate a shopping cart with your website's e-commerce function, but the cart itself is hosted and maintained on the shopping cart vendor's server. Licensed shopping cart solutions are purchased or obtained from a vendor, but customized by you (or your developer) and maintained on your web hosting server. You would generally purchase a license shopping cart, but there are a few free, open source solutions available as well. Your decision to select a licensed or hosted cart should be dependent on your business type, your budget and the technical resources available to you.

IMPORTANT: Prior to reviewing shopping carts, you should have a list of all of the features that you need to include on your website (ex: gift certificates, coupons, inventory management etc.).

Here are a few pros and cons of Hosted vs. Licensed shopping carts:

Hosted shopping carts

- Pros:
- * Maintenance free solution. The hosting company is responsible for server backups, server/application maintenance, upgrades and troubleshooting.
 - * Generally quick to setup (depending on the # of products)
 - * Hosting solution will include ecommerce web hosting

- Cons:
- * Hosted solutions generally incur monthly fees (\$9.99/month and up depending on provider)
 - * Generally not as flexible if complex customizations are needed.
 - * With some hosted carts, your customers will be transferred to another domain for payment processing.

Examples of Hosted Shopping Cart Providers:

- * Paypal Website Pro
- * Homestead Storefront
- * 1ShoppingCart
- * 2Checkout

IMPORTANT: Shopping carts provide the interface for customers to select/update the items they wish to purchase. The shopping cart transfers the ordering details to the payment gateway when the customer is ready to CHECKOUT.

Licensed shopping carts

Buy your own cart and custom to your specifications

Pros:

- * No monthly fees for hosting the cart (generally)
- * Highly customizable layouts
- * Greater Flexibility in altering features/functionality and integrating 3rd party tools

Cons:

- * Requires higher upfront costs (fee to purchase the cart + license, SSL certificate, costs to customize/setup the cart to work on your website)
- * Requires technical expertise to setup and integrate with existing website and database(s)
- * Web hosting solution (operating system) will determine the shopping carts that can run on your web server.
- * Requires technical expertise to troubleshoot if problems occur.
- * Technical support may not be readily available for open source, free carts.

Examples of Licensed Shopping Cart Providers:

- * WebAssist eCart
- * ProductCart
- * ZenCart
- * Miva Merchant