

## ABOUT ECOMMERCE

ECommerce is one of the hottest topics in business today. It may be very beneficial for your company but it can be tough to separate fact from fiction. With so many retail businesses thinking about expanding to an online ECommerce web site there are some things to think about before you make the decision.

The proportion of small to medium businesses in the UK retail sector that own ECommerce web sites may be as high as 25%. The web provides a marketing tool that puts small businesses on equal footing with the 'big boys'.

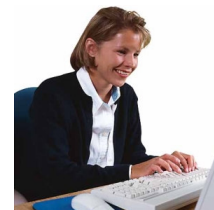
But how do you know whether ECommerce will work for you? Well here are some tips:



**1. What looks good to you is not necessarily right for your audience.** This is the biggest mistake small businesses make over and over again. They come up with an idea, they think it's great. Friends & family give them the thumbs up and they do it. When it doesn't work, they just can't understand why. Do market research and test your strategies on your target

market. Big companies do lots of market research before launching a product or service. An SME doesn't have the resources to match this but that doesn't mean don't do it - online surveys make it much easier and more cost effective these days.

- 2. Make your offer clear** as if they are not clear what is being offered, even for a second, potential buyers have moved on. Don't be cute or clever. Make it simple and clear.
- 3. Make it clear "what's in it for me" (the buyer).** Don't make me guess. Make me want to buy.
- 4. Show me I can trust you.** Can I find out your address, phone number, EMail within 10 seconds? Why should I trust you if all your contact information isn't on your web site.
- 5. Give me an emotional as well as a rational reason to buy.** Make me so excited that I want to tell all my friends.
- 6. Always follow up people** who join your list or buy from you by e-mail, telephone, etc. 80% of sales are made after five or more contacts.
- 7. Any ECommerce website is only as good as the number of sales it makes.** There are products that seem to sell particularly well online, from travel, hotels and books to music and office supplies. If your target market is highly local (for example, you are a hairdresser with one salon) an ECommerce site probably won't be necessary as a brochure site that displays your prices, contact information, testimonials and opening hours would probably suffice - though you might want to take bookings via the web. But if you are keen to expand your reach nationally or globally, have



an easy to dispatch product or service to sell and your competitors are already operating ECommerce sites then this could be the ideal opportunity to grow your business. And if your competitors aren't yet running ECommerce sites, being the first to offer your target audience the chance to buy online could be a great move. If you have a niche product or service (such as the Jane Austen Centre in Bath) or you can segment into one then you also have a major opportunity.



8. **Plan your ECommerce venture carefully** and set realistic expectations for how much you are likely to invest and what you will get back. The shopping cart is what gets the most attention. Far too many people feel that a shopping cart is all that's needed to have ECommerce. While it is a certainly an important part, there is much more to reaping the full benefits of ECommerce. A well designed site is certainly central to attracting prospects and customers and should provide a pleasing shopping experience, assist your customer in finding their desired merchandise, allow them to bump into impulse buys and pay easily and quickly for their purchases but a lot more is required too.

This means an agreed requirement specification must be drawn up as the first stage before anything else is done – any other approach will only lead to confusion and worse.

9. **Don't neglect the basics.** Too many ECommerce sites neglect to consider some very important features, such as:
- a. Does your site have its own or does it easily integrate with your existing stock control forecasting and supply management systems?
  - b. Back-end fulfilment – the logistics of 'picking' and fulfilling orders.
  - c. Does your site integrate easily with accounting systems (e.g. Sage, QuickBooks)?
  - d. Does your site have or integrate easily with Customer Relationship Management (CRM) systems that may be proposed in future?
  - e. The chance to talk to a human being! Do you need a help desk for problems and other forms of customer service such as returns?
  - f. Payments – merchant account and payment gateway: If you are going to invest in an ECommerce web site you have to have your own merchant account and a payment gateway or interface between your ECommerce site and your merchant account.
  - g. Scalability – as your customer base grows, can your ECommerce solution still handle the volumes?



- h. Hosting – are your systems available when they are supposed to be?

10. **Market, market, market your site.** ECommerce marketing is all about enticing web surfers to your site and, once there, to becoming a customer. On the web, visiting your 'store' requires a great deal less effort. A single mouse click and there they are. Unfortunately it also means that the customer has nothing invested in the visit and they can just as easily move to another site with another click.



Just a few years ago it cost almost nothing to bring new visitors to your site. As the competition has increased, however, this has fast become the most costly aspect of having an ECommerce web site so effective search engine optimization is vital. But so is all site marketing so don't forget:

- a. Offline marketing – e.g. in-store. What works most cost effectively to drive traffic and orders via the web from non-web activities.
- b. Site optimisation – how to make sure technical structure, copy, content, back-links and a range of other factors are initially and remain optimised so that as many high search engine placements on relevant searches are obtained.
- c. Pay per click and other online marketing – how to get traffic from advertising against key words and phrases used in search engines and from adverts on other sites.
- d. Enticing appropriate visitor behaviour by establishing brand context, customer flow, building relationships, increasing per customer purchases and values.
- e. EMail – how to grow the EMail list and use it to grow profitable sales.
- f. Site management information and statistics – this is arguably more important than the shopping cart itself. If you do not know how visitors to your website and in the web shop are behaving, what turns them on and what turns them off then it is far, far harder to improve sales and site profitability. Applications such as WebTrends and ClickTracks need to be evaluated for best fit as well as Google Analytics.