



Commercial Benefits of the Internet and WWW

We read some reports recently about SMEs and the internet / www - they make fascinating reading.

The internet and world wide web [www] are acknowledged as a highly cost-effective and flexible business tool, but research by Dynamic Markets for internet service provider UK Online found that small companies in the UK are not using the internet for business as much as the general population.

They found that barely a third of UK businesses with one to 10 employees have an internet subscription compared to over half of the UK population as a whole. Of those, over a third uses a consumer rather than a business account. Of those with internet access nearly one in five is using dial-up. Just over one in five have a business email address and fewer than half have a website at all.

"I was surprised by the low level of internet use," said UK Online managing director Chris Stenning. "I was expecting the figure to be nearer 70-80 per cent. It does show that the smallest businesses have not grasped the benefits of the internet."

However, research late last year for Microsoft by Burlington Consultants and by Institute of Directors (IoD) for Dell suggested that for the 85,000 UK medium sized firms with 25 to 1,000 employees, 84 per cent see the internet and www as a vital enabler. Alastair Edwards, senior analyst at research firm Canalsys, said that while small firms tend to be more concerned about hardware, mid-sized firms concentrate on software and the internet /www because as they grow they realise that these are the most important to their business and success.

Jim Norton, senior policy advisor on IT IoD, said the key to understanding mid-market firms is that many are in a state of transition. They have demonstrated the ambition and ability to grow from a small start-up into something more substantial, possibly involving diversification into new products, markets or regions. Now they face the challenge of creating or improving internal processes and management structures to support and build on this success where IT and the internet / www were central to this.

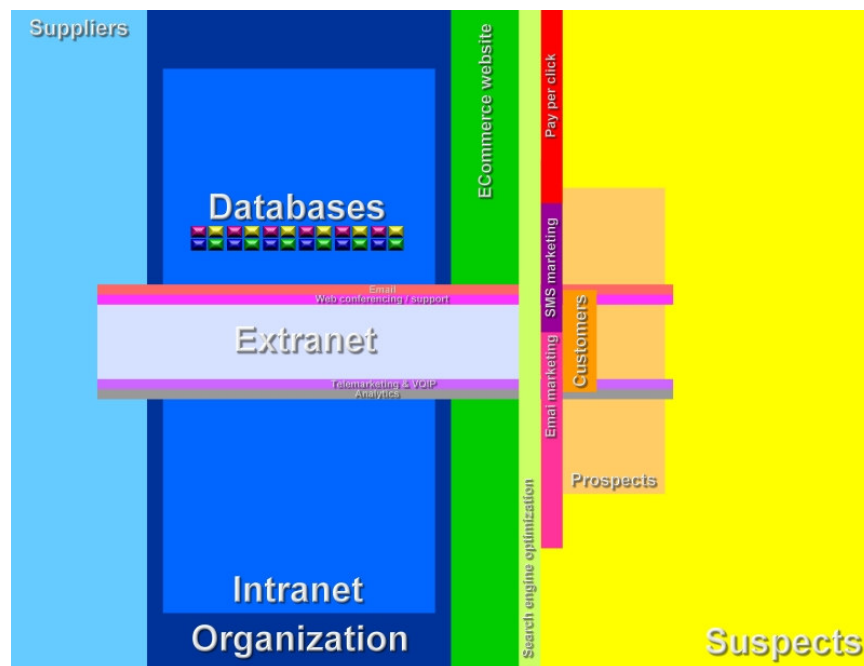
However, many medium-sized firms are losing revenue because they do not submit their web sites to search engines and are therefore missing potential visitors and custom, according to new research by web hosting firm Fasthosts.

In a survey of 2,094 small and medium-sized businesses, nearly half said they did not submit their sites to any search engines, according to Fasthosts' SMEs On The Web report. And two-thirds of internet users said they only look at the first two pages of search results. "The principal issue is a lack of knowledge about search engines," said Fasthost's chief executive Andrew Michael. "There is still a misperception among SMEs that elevating your web presence and optimising your web site for search engines is some kind of black art."

Meanwhile, another survey has highlighted the growing importance of the web to medium sized firms' marketing strategies. According to WebTrends' CMO

Web-Smart Report, most organisations plan to increase their investment in web marketing. WebTrends questioned 250 executives and more than 50 percent said the web was either at the hub of their organisation's marketing strategy, or would achieve this position in the next year. More than 80 percent said they planned to increase investment in the web over the coming year, but most rated their firms' collective knowledge of the latest web marketing trends and technologies as poor.

So, hoping to make life easier for everyone we designed this simple diagram and provide these simple definitions and list some of the benefits of using the internet and www.



[CLICK HERE TO ENLARGE THIS DIAGRAM](#)

The big wide world:

- **Suspects:** people or organizations, known or unknown, who make up the market.
- **Prospects:** suspects that 'tell' the organization they are interested in learning more about their products or services.
- **Customers:** people or organizations that pay for goods or services.
- **Suppliers:** people or organizations that supply a product not manufactured by the company.
- **Internet:** network of computer networks which operates world-wide using a common set of communications protocols.
- **World wide web [www]:** information and resources available through the Internet.

The organization:

- **Organization:** a group of people who work together with a common purpose.
- **Emarketing:** identifying, anticipating and supplying customer's requirements efficiently and effectively using the internet and www.
- **ECRM:** all aspects of interaction an organization has with its customers, whether sales or service related using the internet and www.
- **Databases:** collections of information that have been systematically organized for easy access and analysis.
- **Intranet:** a network within an organization that uses Web technologies for the sharing of information internally.
- **Extranet:** a network that uses Web technologies to link organizations with suppliers, customers and others outside the organization.
- **Ecommerce website:** conducting business online via a website.
- **Search engine optimization:** increasing visitors, prospects & customers for a Web site by improved ranking in the results of search engines.
- **Email:** exchange of electronic messages & computer files between computers connected to the Internet or some other computer network.
- **Web conferencing / support:** enables two or more logged in users to have share screens and even access each others computers.
- **Email marketing:** marketing via email with the results being completely measurable.
- **Pay per click marketing:** advertising where one pays depending on the number of times the published ad is clicked on.
- **Telemarketing:** sales and service using the telephone.
- **VOIP:** using the internet for telephone conversations.
- **SMS marketing:** sending messages of up to 160 characters to mobile phones.
- **Analytics:** programmes that help organizations analyze data to create information for making decisions.

Some of the benefits

- Increase sales
- Decrease costs
- Increase profits
- Expands the size of the market from regional to national or national to international
- Contact the market
- Customization of products



- Increases productivity
- Improve customer service
- Reach out to new and existing audiences
- Build relationships and gather information about what interests and motivates them
- Drive action by using that knowledge to communicate with them in a personalized and cost-effective manner that drives higher response
- Develop loyalty by communicating regularly and rewarding audiences for their involvement
- Run business applications from anywhere
- Cost reductions in printing and document distribution
- Reduction of time spent on looking and searching for information
- Empowered and better educated staff and improved internal communications, access and retention of company knowledge
- Enabling collaboration to speed up the development and approval processes and reduce the need for meetings
- Track who is using what information, and how they are using it
- Providing a single user interface between organization and suppliers
- Improved business relationships with key suppliers joining up the supply chain with online ordering, order tracking & inventory management
- Improving customer service by giving customers direct access to information and enabling them to resolve their own queries
- Improving the quality and security of communications with suppliers and distributor