



*Connecting
North Carolina
to a Better Future*

Business Connections

**Using Technology to Build Success:
A Handbook for e-Business Utilization**

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| | <u>Folder 2</u> | North Carolina Business Resources Directory Developed by the N.C. Rural Economic Development Center, Inc. www.ncruralcenter.org |

Introduction: The Global Economy & Your Small Business

In a global economy, access to the Internet and other information technologies is as vital to prosperity and a greater quality of life as access to roads, water and sewer, and a good educational system. Advancements in recent years have made technology more accessible to most communities, enhancing local-level innovation in learning, institution-building, community development and delivery of government, health and business services.

In just over a decade, the level of technology use by successful small business owners and entrepreneurs has seen a dramatic increase. In the 1990s, more small business owners and entrepreneurs had access to integrated technology, which allowed better delivery of products and services to customers. But technology was not necessarily a critical factor for operations in all small businesses. Today, it is no longer an option – it is a requirement.

Perhaps one of the greatest benefits to the use of technology in business operations is the opening of new doors. The economic inequalities that have been historically present for rural, isolated communities are no longer a barrier to competing in the global marketplace. For entrepreneurs, the Internet has provided access to the start-up tools and resources required for establishing a new business. It also provides a medium for marketing and selling products and services to customers around the world. Because the Internet is geographically neutral (provided you have access to a high-speed connection), it serves as a constant bridge between businesses and customers. Web sites, e-mail, online research tools, integrated marketing mediums, communication forums and supply chain management functions are all available to small business owners and entrepreneurs, thanks to the Internet.

The advantages of using the Internet are exponential to small business owners and entrepreneurs. Products and services can be purchased and sold through a well-designed and informative Web site, and money can be saved to operate a small business more efficiently. From finding hotel rooms at discounted rates to securing last-minute delivery of raw materials, the Internet affords less expensive means to get the job done. Web-based customer support functions have also reduced costs, resulting in improved customer satisfaction. Integrated marketing campaigns have allowed businesses to reach new consumer audiences in more cost-effective, far-reaching ways than ever imagined possible.

As worldwide connectivity increases, it becomes clear that local economies are an integral part of the global marketplace, making it critical that small businesses adapt to remain competitive. This manual outlines the key aspects of bringing your business online, and provides tips and strategies for your consideration. Keep in mind that all successful businesses must start with a sound plan – technology alone will not make your business more successful. When utilized strategically though, technology serves as a catalytic platform to increase the competitiveness of small businesses.

Upfitting your business processes to incorporate technology may take time, and will likely be done in stages. By instituting an overall business plan that incorporates the following principles, small business owners and entrepreneurs alike can use technology to enhance operations:

- Adapt internal business processes
- Research market data to gain a competitive advantage
- Plan integrated marketing and advertise across multiple mediums
- Identify target customers and plan how best to serve and support them
- Work with key business partners to integrate and share technologies and processes

Chapter 1: Your Business on the Internet

**So how can the Internet help you with your small business or the one you are planning to start?
How can you use technology to build a stronger business?**

For businesses that want to remain competitive, business plans must be adapted to incorporate methods by which technology can enhance operations. Here is a quick overview of areas where you may want to use technology and the Internet to upfit your business for greater productivity:

- Communications and e-mail
- Competitive research and promotions
- Making online purchases
- Selling products online

What e-Mail Can Do for Your Business

One of the most frequently used functions of the Internet, and perhaps the most basic use of technology, is e-mail (electronic mail sent by Internet). The use of e-mail is a powerful way to send and receive near-instant communications with suppliers and customers. Other items such as spreadsheets, graphics, photos, videos and word-processor documents can also be attached to a message and transmitted through e-mail. Having an e-mail address is now as standard as having telephone and fax numbers.

In addition to increasing the speed of business communication, e-mail can easily distribute information to a large number of people at the same time. Most e-mail software will offer a simplified version of this capability. It is important to use this tool carefully however, so that your messages will not be viewed as junk mail (often called “spam”). You can find out more about these services by using a search engine to look for e-mail newsletter publishing tools.

Competitive Research and Promotions

The key to successful marketing is identifying what motivates customers to buy your product or service. The most successful businesses are those that have carved out or discovered a niche market – a group of consumers looking for a unique and highly-specific product or service. In today’s economy, good marketing is determining what customers need and want, *then* fulfilling those needs better than the competition. To do this, you need to compare your own product or service with that of your competition. When searched effectively, the Internet provides a wealth of information about your competitors and how they do business. You can use the Internet to compare and contrast the ways that your product is unique against the larger marketplace. Doing this will help you to develop reasons why customers should choose your product over that of another company. It also helps you identify what the competition is doing well – models for ways that your work can grow or change in the future. An additional strategy would be to develop an affiliation with a trade association that represents the industry you work within. You can often identify an established trade association by using a search engine.

An effective marketing strategy cannot be developed without a thorough knowledge of the competition. To gain this perspective, it is a good idea to look at annual reports, newspaper articles, advertising, company literature and published statistics related to the competition. Start with your competitor’s Web site, and then read third-party information on the company. Often, this can be found on the Internet through a simple search. Some useful sites for this are:

| | |
|------------------|--|
| Dun & Bradstreet | www.dnb.com |
| Hoover’s Online | www.hoovers.com |
| Edgar’s Online | www.edgar-online.com |

In addition to serving as a research tool to develop your marketing strategy, the Internet is a crucial instrument in promoting your business. This concept will be discussed in more detail in Chapter Six.

Making Online Purchases

Another benefit of the Internet is the ability to buy needed products and raw materials online with speed and ease. In offline, traditional transactions, buyers and sellers would typically exchange faxes, compare data printouts, and negotiate over the phone. These fragmented processes and systems create high administrative costs and a potential for human error. The Internet can greatly reduce the repetitive layer of expenditures associated with purchasing supplies, resulting in lower costs to customers and higher profits to your business.

Selling Products Online

Selling your products online can expand your customer base exponentially. This topic is the focus of Chapters Seven and Eight.

Benefits of Buying Supplies Online



- Reduced operating costs
- Increased purchasing control
- Reduced spending due to negotiated volume discounts
- Consolidated buying power across departments or enterprises
- Large selection
- Faster transactions with vendors
- Price comparisons

Good price comparison sites are:

www.buyerzone.com

www.bottomdollar.com

www.mysimon.com

www.pricescan.com

Chapter 2: Internet Background & Basics

Now that you know some of the areas where the Internet can help with your business, here is some background information on the Internet itself – how it came about and what it is.

It is sometimes difficult to remember a time when we didn't have easy access to computers and the Internet. For those individuals still wary of incorporating the Internet into their everyday lives, the tremendous growth of companies doing business online is making it increasingly difficult to ignore! Most businesses now have Web sites to supplement their physical presence – and some companies *only* operate through a Web site!

History of the Internet

So where and how did the Internet begin? The Internet grew out of an experiment in the 1960s by the U.S. Department of Defense, which sought to create a computer network that would continue to function in the event of disaster, such as a nuclear war. If part of the network were damaged or destroyed, the rest of the system still had to work. In 1969, a series of independent research teams began developing packet switching and the beginnings of what would eventually become TCP/IP (the basic protocol, or set of rules), which defines how information is exchanged among networked computers. This new network was called ARPAnet, and became the forerunner for what we now know as the Internet.

In 1985 the National Science Foundation created NSFnet, which was based on ARPAnet and included a series of networks for research and education communication. The NSFnet created a national backbone service that was free to any U.S. research and education institution. Regional networks were also created to link individual institutions to this national service. The service became increasingly popular and large corporations, such as Sprint and MCI, began building their own networks to link to NSFnet. Today these commercial firms have taken over operation of the major arteries of the Internet, and many of the research and education sectors have moved to Internet2. Launched in 1996, Internet2 is a consortium of researchers, educational institutions and service providers working to develop and deploy advanced Internet technologies (www.internet2.edu). By May 1995, over 30,000 Web sites were running on the Internet – a number that was doubling every two months (Computer Networking: Global Infrastructure for the 21st Century/ Vinton G. Cerf, 1995). In 1999 there were a reported 300 million global users of the Internet and as of December 2006, approximately 70 percent of U.S. adults reported being online (www.pewinternet.org).

Just What is “the Internet?”

Now that you have an understanding of how the Internet began, what exactly *is* the Internet? Although the terms World Wide Web (or Web) and Internet are often used synonymously, they're actually two different things.

The Internet is an interconnected network of computers enabled to directly communicate and share services using TCP/IP protocol. The Web is a subset of the Internet – the collection of interlinked materials that work together using a specific Internet protocol called hyper-text transfer protocol (HTTP). In other words, the Internet exists independently of the Web, but the Web cannot exist without the Internet. The term Internet refers to a network of millions of computers and networks from around the world that all work together to share information (www.cnet.com).

Because these interconnected computers share, or “serve-up” the information on them, the computers are called servers. When someone connects to the Internet, they have access to the information and services on those servers.

The Internet is a profound means of communication, collaboration, and cooperation among countless diverse communities, organizations, businesses, and individuals. With the proper tools, Internet users can retrieve documents, view images, watch videos, listen to sound files and access and share information with virtually anyone, anywhere in the world.

And the “World Wide Web?”

Because of its interconnectedness, the Web represents a shared global resource of information and knowledge. By illustration, thinking about a giant library is a good way to understand what the Web represents. Libraries are places where information is stored in the form of books, newspapers, magazines, and other media. Libraries track where the information is located through a standard numbering system. Imagine a picture of a globe with each individual library in the world connected to every other library. The image of all these connections would resemble a gigantic spider web – hence, the World Wide Web.

The Web is an extremely valuable tool for research, conducting business, obtaining professional advice and answering questions that come up in our everyday lives. Need to get directions to someone’s house? There is a Web site that will create a point-to-point map for you. Need to find information about possible drug interactions for a prescription you just filled? There is a Web site for that too. Want to have a live, interactive conversation with a medical specialist? No problem. Do you need to buy a birthday present for someone, but lack the patience for store lines and traffic? Chances are good that your friend’s favorite store has a Web site and is ready to accept your order online. Need to know the capital of Greece? You guessed it...there is a Web site that will provide everything you need to know.

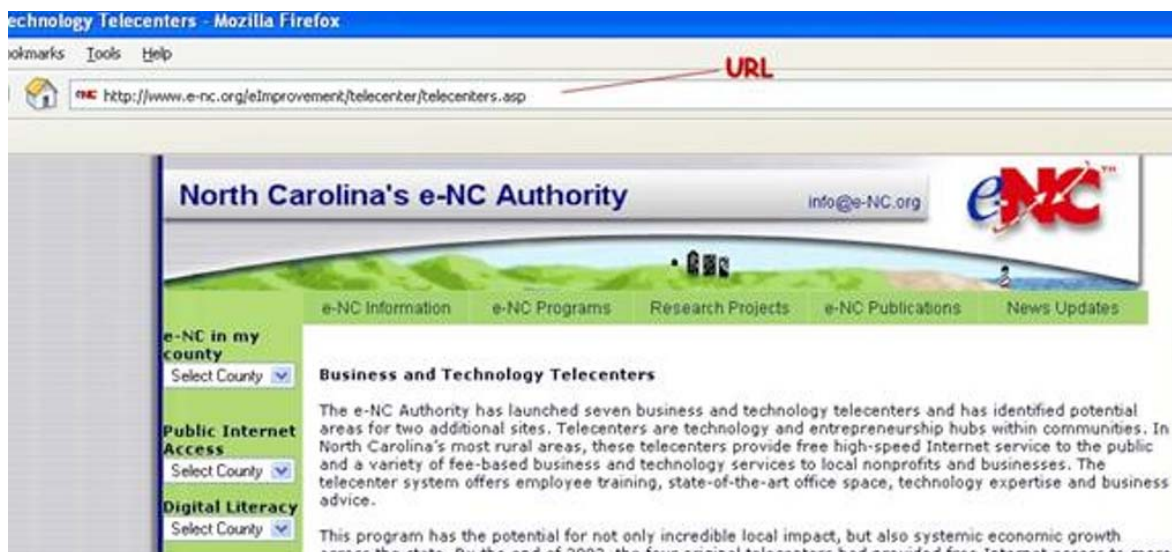
The point is, whether for business or personal use, the Web provides a wealth of information. The key to taking full advantage of the Internet is finding a comfort level in using it and understanding the various means of accessing the information it contains. Finding your comfort level is an individual process and one that usually involves a good deal of surfing, or playing around, on the Internet. By trying out new sites and using different features, you will quickly learn how to access almost any information with ease and speed. Some of the most advanced Internet users understand very little about the technology behind the system; keeping an open mind and trusting your use of the Internet is often all you need to locate the information you are searching for. As far as finding and accessing information, the best and most practical means of doing so is often with the use of search engines and directories. We will discuss search engines and directories in detail in Chapter Four.

What is an ISP?

In order to connect to the Web, you will need an Internet Service Provider (ISP), which is a company that provides access to the Internet. Increased competition between ISPs has provided consumers a range of options. For some customers, price is the main concern. For others, speed of connectivity or additional package options such as Web hosting or online services will determine which vendor to choose. ISPs provide access to the Internet through the use of access numbers according to where their customers are located - these are often called points of presence (POP). We will discuss how to connect in detail in Chapter Three.

How Does Your Computer Locate the Information You Need?

The primary tool for accessing the Web is called a browser. Browsers such as Microsoft Internet Explorer, Netscape Navigator or Mac Safari are software programs that may reside on your computer. These programs are used as the doorway to access and interact with the Web. Every Web site has a unique doorway generally referred to as a homepage. By entering the Universal Resource Locator (URL), or Web address, into a browser – you are telling the browser where you want to go. The browser will navigate the Web and the information from the destination site will be displayed on your screen. Just as libraries have standards that make it possible to identify the location of resources, the Internet has a system for uniquely identifying each page of information stored on the Web. In this browser system, the URL functions as a detailed address that tells your computer which library has the information and how the information is filed. To illustrate, consider the URL found in the address box of the Web site depicted on the next page.



Just as your home address has different parts including your house number, street, city, state and zip code, a URL has different sections as well. Here is how to interpret the various parts of a URL:

Complete address:

<http://www.e-nc.org/eImprovement/telecenter/telecenters.asp>

http:// – This first part of the URL indicates the type of resource. Short for Hypertext Transfer Protocol, **http://** indicates a hypertext (linked) document or directory. This is the most common resource type. Other less-common types include **ftp** (file transfer protocol), **Gopher** for browsing the Web through menus, **Telnet** for remotely connecting to another computer and **News** for accessing newsgroups.

www. – This is generally used to designate the Web site's main directory on a computer. Many Web sites are now registered to be accessed with or without using **www** in the opening portion of the address. Most browsers also allow URL's to be entered without the **http://** section. As a result, the e-NC Authority's Web site can be accessed by entering either **http://www.e-nc.org** or more simply, **e-nc.org**.

e-nc.org – This portion is called the domain name, and is generally acknowledged as the address of the Web site you are trying to locate.

/eImprovement/telecenter/ – This refers to a subdirectory at the address, and is intended to help with organizing materials that are housed on a Web site.

/telecenters.asp – This portion of the address identifies the specific document or information item you might be looking for.

What are Some Widely Used Applications of the Web?

By far, the most widely used application on the Internet is **e-mail**. Fast, cheap (often free) and efficient, e-mail is not just limited to text. You can send and receive graphics and multimedia files, and set up videoconferencing links as well. Often, it is easier and more economical to send an e-mail message instead of a hard-copy letter or fax, since the cost is included in your monthly ISP charge. Just type your message and the recipient address and click a button to send it! Within seconds, it arrives at its destination. Replies are simple as well - click a reply button, write your message, and it is automatically addressed and sent back. Once-upon-a-time, all business communications required written correspondence or individual phone contact; e-mail has now become a critical communication resource and a valuable tool for increasing efficiency and productivity.

Discussion groups are also found on the Web. These groups, known as Usenet newsgroups, are formed around a particular topic such as small business ownership or entrepreneurship. A Usenet newsgroup is a bit like a public notice bulletin board on the Internet. When you send (or post) a message to a newsgroup, everyone who reads that group can see it through a discussion thread. People can then contribute to the message publicly by posting a reply, or by contacting you privately by e-mail. One example of a place where you can find and join discussion groups is <http://groups.google.com>.

Web-casting is sending audio and video files over the Internet through streaming media technology. An increasingly common form of Web-casting involves using the Internet to host live, virtual meetings. Through the use of services from companies such as www.webcasting.com and www.webex.com, business organizations are able to host live meetings and interactive discussion groups, allowing attendance from parties around the globe.

A **podcast** is a digital media file that is distributed over the Internet. Named for Apple's original portable music player, the iPod, the term refers to an ability to directly download media to a portable media player or personal computer. Perhaps the most popular form of podcasting today is in the digital music arena, with the advent of music downloads from sites such as iTunes (www.itunes.com).

Similar to a discussion thread, **blogs** (short for Web logs) are user-generated Web sites where users post messages related to a specific topic. In a user-driven, content-focused business environment, blogs are gaining increased popularity as a means of sharing information and communicating with users on a similar topic.

Social Networking is the creation of Web-based communities, often catering to niche markets or interest areas. Popular social networking sites include www.myspace.com and www.youtube.com, where users can post information about and discuss various topics of interest. Although still relatively new within business environments, companies are beginning to understand the advantages of social networking.

Chapter 3: Getting Connected

You've read about some of the benefits that the Internet can bring to your business, and some basic information about what the Internet is. Now, how can you actually get connected?

There are several different means of connecting to the Internet, and various speeds at which you can sign-on. Unfortunately, many rural or otherwise underserved communities lack the infrastructure that would provide them a choice of connection options. In some areas, dial-up is the only option for Internet access. As we have already established, it is critical that businesses have access to broadband (high-speed) Internet if they are to remain competitive.

If you do not know what is offered in your community, check with your local service providers such as the phone or cable company. Here are some of the technologies used to provide Internet access:

A Digital Subscriber Line (DSL) is a special telephone line that offers the advantages of high-speed access by using the line for both your telephone and Internet connection simultaneously. An inexpensive networking card and a modem designed with DSL capability are necessary to use this technology. DSL technology is most often facilitated through a traditional phone company.

Most cable television providers also provide broadband Internet connections. A **cable modem** hooks into your cable television line to give you high-speed Internet access. In this way, your cable company would serve as your ISP.

Wireless Internet access provides a high-speed connection to the Internet without the use of a phone line. Much like a radio signal, data is transmitted to and from your computer through antennas. The data travels from your computer to a receiver mounted in the vicinity of your residence or business, and then proceeds through a series of antennas placed every three to five miles until it gets to your Internet provider. Hybrid options exist as well, such as using a cable modem for Internet connectivity, then using a wireless modem to transition the cable connectivity into an in-home wireless network.

Satellite Internet access allows for high-speed data transfers from the Internet to your computer through a satellite orbiting Earth. The data signal travels from your computer to the satellite, then from the satellite to your Internet Service Provider where the request is processed. The signal is then forwarded back to your computer in the reverse order.

The oldest and slowest way to access the Internet is through a **dial-up connection**. By this method, a computer uses a modem to connect through a traditional, existing telephone line. Unless a household or business establishes a separate phone line exclusively for Internet use, this method will prevent voice phone calls from being made or received, as the phone line is occupied for the Web connection. To that end, a dial-up connection will cost you considerable time. Most current applications on the Internet will not function or display properly over dial-up connections. A broadband (high-speed) connection is necessary for applications such as videoconferencing, podcasts, on-demand video and live news feeds.

Broadband access technologies continue to evolve, allowing new options for consumers. As communities grow in population and demand increases, it is also more likely that service providers will expand infrastructure and create more connection options for rural and underserved areas. If connectivity growth in your area is a concern, you may wish to encourage state and local leaders and service providers to make broadband access a priority for the economic development of your community. For additional information about connectivity issues in North Carolina, visit the e-NC Authority's Web site.

| Internet Connection | Advantages | Disadvantages |
|---------------------|---|---|
| DSL | <ul style="list-style-type: none"> • Provides high-speed access • Choice of a range of speeds based on your needs and budget • Can be connected all the time | <ul style="list-style-type: none"> • It is currently available only in close proximity to certain telephone equipment • Quality of service may be affected by phone line |
| Cable Modem | <ul style="list-style-type: none"> • Provides high-speed access • Quality of telephone service does not affect Internet service • Can be connected all the time | <ul style="list-style-type: none"> • Connection speed is a factor of how many other subscribers are accessing the Internet (the more using the connection, the slower it will be) • Security can be compromised if you are sharing a line |
| Wireless | <ul style="list-style-type: none"> • Provides high-speed access • Access is mobile • Can be connected all the time | <ul style="list-style-type: none"> • Slow data transfer speeds • Service can be affected by atmospheric conditions • Security can be compromised unless the connection is encrypted |
| Satellite | <ul style="list-style-type: none"> • Provides high-speed access • Not dependent on availability of a phone line • Can be offered almost anywhere with clear view of the sky • Can be connected all the time | <ul style="list-style-type: none"> • Service can be affected by atmospheric conditions • A separate dial-up account may be required to upload and send messages • Set up requires special equipment and professional installation • Often prohibitively expensive |
| Dial-Up | <ul style="list-style-type: none"> • Often inexpensive • Most computers have the necessary modems built-in | <ul style="list-style-type: none"> • Actual speeds may be slower than advertised by the ISP, due to limitations of the system • Slower speeds make it extremely difficult or impossible to take advantage of current Web applications • Calls to dial-up connection may have long distance charges |

Chapter 4: Research for Your Business - Searching the Web

Once your business is connected to the Internet, where should you start your research? Access to the Internet makes available an unimaginable amount of information - right at your fingertips.

The key to success is in understanding how to navigate the information.

Although there is a technical difference between search engines and directories, most people use these terms interchangeably. Search engines and directories are tools you can use to locate highly-specific information on the Internet. As you know, there are millions of Web sites on the Internet, and knowing the domain names and locations for every site you may want to visit is impossible. This is why search sites are especially valuable.

Imagine starting from scratch. What do you do when you get to the search engine or directory site? How do you find what you are looking for? There are several different ways you can access the information you're trying to find. One option is through the entry of keywords. A keyword is a term or phrase you can type into a search engine or directory in order to locate Web sites containing the information you are searching for. The keywords you choose should be appropriate to your search and should provide a summary of what you are seeking. For example, if we wanted to find the winner of the 1985 Tour de France, we are likely to receive good results by typing "Tour de France 1985 winner" into the search box. Obviously, your results will be somewhat limited by only typing "Tour de France" in the search, so your keywords should be as specific and targeted as possible.

Keywords are important because they tell the search engine or directory what to search for. The search engine or directory takes your keyword, searches its index for sites containing matches to your keywords, and then displays the results.

Finding the search engine or directory that is right for you is really a matter of opinion and experience through trial-and-error. People tend to prefer search engines that organize and categorize sites in a way that is easy for them to understand and utilize. For example, some users may start searches with the directory Yahoo! because they like the way it categorizes listings. However, because Yahoo! is a directory, and all displayed listings have had human involvement (the sites were hand-submitted by a live person), results may vary widely from those of keyword search engines. In this case, your results may only yield a fraction of sites offering information relevant to your search. This is why it is important to remember that no particular search will bring up all available sources on your topic of interest.

For effective research, always cross-check searches against multiple engines. Over time, you will develop favorite sites. Never end a search if you fail to find what you're looking for from only one directory or engine. Each search site indexes and displays information differently from the others, so your results may vary depending on the engine used and the keyword or phrase being entered.

Sample Search Engines



Alta Vista

www.altavista.com

Dogpile

www.dogpile.com

Yahoo!

www.yahoo.com

Fast Search

www.alltheWeb.com

Google

www.google.com

Lycos

www.lycos.com

Ask.com

www.ask.com

Northern Light (fee-based)

www.northernlight.com

Another way to search the Internet using engines or directories is by typing a question directly into the search field. One site that is specifically geared to this method is www.ask.com, which pulls relevant keywords directly from your question. For example, if you were searching for the capital of Florida, you could go to this engine and type “What is the capital of Florida?” into the search field. Among the results from this search, one is a Web site that lists the capital city, flag and official song for all 50 states. So again, whatever your preference, it is important to try out several search sites until you find one that organizes and displays results in a manner that you find most appropriate.

What to Research?

Obviously there are benefits to using the Internet in everyday life. What about the importance of using the Internet to conduct business-related research? There are countless ways you can use Internet-based research for your business. Where can you find raw materials at a lower price? What is your competition up to? How can you streamline your inventory system?

Using search sites to research the competition is really no different than using the sites to locate any other type of information. When researching your competition, you should look for specific Web sites of actual businesses in the industry you work in. Remember that other companies may conduct business in different ways, so keep an open mind when performing your search. Just because they do not list themselves exactly as you might does not mean that they are not offering similar products and competing for your customers.

Like the other searches discussed, the first thing you should do is to try a few keyword searches in the search engine or directory you have chosen for your search. You can then use your search results to start building a list of Web sites that you will want to return to for further research. Start by typing different keywords or questions into the search box then clicking on a few of the matching links that are displayed. For the sites that look like viable businesses, record the domain name in a Word document for future reference. Once you have compiled a list of 10-20 Web sites, you can then go back to each individually for further review.

Here is an example. Say you are interested in starting a Web-based business that sells handmade invitations and greeting cards. You make your own products, so you have a large inventory that reflects a variety of price points. To scope out the potential market for your product, you would first choose a search site, such as Yahoo!. Type the keyword phrase “handmade greeting cards” into the search field. You could have typed in “greeting cards” alone, but that would have generated matches for unrelated sites such as Hallmark. Remember that the more specific your search, the better. However, this refined search is likely to provide a handful of matches for companies that offer handmade greeting cards and dozens of Web site matches for vendors.

When you have the results page, you should first verify that the links provided are matched to actual Web sites (some addresses are no longer active). You should also confirm that the links match what you are looking for – in this case, that they offer handmade greeting cards. Once you have compiled your list, you can continue searching other engines with your keywords or revise your keywords and perform new queries.

Understanding Your Target Audience

When developing a business plan, you probably identified a target audience after looking at industry research and demographics. You can use the Internet to research ways to get your products in front of this audience.

For example, imagine that you have developed a new waist pack that you plan to market to running enthusiasts. You know of a large number of similar products on the market, and you have decided to promote two distinct qualities that make your waist pack different - the light-weight, moisture-wicking fabric it is made of, and its detachable, diagonal

shoulder strap that allows the runner to re-distribute some of the weight of the pack. You decide your target group will be runners over the age of 50. Here are some questions to consider:

- What are the Web sites that already target this group?
- Are there established social organizations of runners in this age bracket?
- Can you find a discussion group where runners in your target market have discussed problems with current running equipment? Are they discussing the moisture-wicking material that waist packs are made from or are they more interested in a comfortable style?
- When making an equipment purchase, is price more important to your audience than style or comfort?
- What are some related products and Web sites that you can explore?
- Where can you find information about how this target group is conducting product research?
- If a competitor is making a similar product, how are they using the Internet? Have you noticed their advertising on other Web sites you've visited?
- What are the special tradeshow or events you should attend as a sponsor? Can you exhibit your product in advance of the next big race in your region?

Remember to also research the suppliers of your raw materials, such as fabric, buttons, elastics and zippers. Are they carrying modern, cutting-edge materials for the construction of your waist packs? Can you count on them to stay current with textile research? What is the ongoing materials research you can explore at a regional university? Through technology transfer opportunities, you may just acquire the next great fabric for waist packs! According to the 2005 USA Marathon Guide, 40 percent of all marathon finishers are women. It would be nice to have fabric in this season's most popular colors! Above all, your job is to stay ahead of the competition.

You can also examine your industry in a more hands-on approach by conducting market research. Distribute surveys that ask customers what they are looking for in a product such as yours. Would they buy from you? What is your competition doing wrong? What are you doing wrong? Why would they need your product and what would they use it for? Surveys can be complicated and expensive, so use your best creative thinking. Ask your friends and family first. Use the Internet to find stores in your area that offer similar products and ask them about their customers. You don't have to scare them away by disclosing your complete business plan – just tell them about your research and offer to take them out for lunch or coffee if they will agree to speak with you. They may even turn out to be a future distribution partner!

Beyond Search Engines and Directories

While search engines and directories are one of the most common sources for information on the Internet, they are not the only option when conducting Web-based research. There are several Web sites that have built their business by consolidating related information into one location for you. These are great sites for doing research because they provide information and statistics about specific industries, the demographics of online shoppers and facts about Internet usage. Web-based research can help you gain valuable knowledge about your market and its target audience, and give you insight in developing your own business process. Your challenge, as the business owner, is to capture this information in a thorough, positive and creative manner and then to use it in a way to benefit your end result and bottom line. Although researching the

Sample Business Publications

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Entrepreneur Magazine
www.entrepreneur.com

Inc. Online
www.inc.com

Wired Magazine
www.wired.com

Fast Company
www.fastcompany.com

competition is an important part of developing your business structure and product, gathering hard figures will help you prepare your business plan. This will provide a better idea of your target audience so that the development of your marketing strategy will not seem quite so overwhelming.

So where are these research sites and how do you find them? Most business publications and news programs have well-developed Web sites that offer news and information on a variety of topics. You should monitor these sites, but also periodically read other publications. Most of these publishers are attempting to stay competitive with other online providers by offering updated research and business articles that can be very informative to the small business owner. Often, just reading about other businesses will help to retain your focus while inspiring new ideas. Articles with interviews of other business owners can be especially informative because of discussion about issues those individuals have encountered during the course of starting or running their company.

If you are a resident of North Carolina, you also have access to NC LIVE (www.nclive.org), which offers Web-based access to a diverse collection of electronic resources including complete articles from over 16,000 newspapers, journals, magazines, and encyclopedias, and indexing for over 25,000 periodical titles, online print books and audio books. NC LIVE is available free of charge to library patrons, students, and educators from four communities of interest – public libraries, community colleges, the University of North Carolina System, and members of the North Carolina Association of Independent Colleges and Universities. NC LIVE can be accessed from within an affiliated library or from home. Sample resources available within NC LIVE include:

Business Source Premier

Full text coverage in all disciplines of business, including marketing, management, accounting, finance and economics. Additional full text, non-journal content includes market research reports, industry reports, country reports and company profiles. Archived full text for more than 8,800 serials back to 1965 and searchable cited references back as far as 1998.

Find Articles (www.findarticles.com)

Free access to millions of articles from thousands of publications and a convenient method for researching specific topics.

ReferenceUSA (www.referenceusa.com)

Searchable database with detailed information, including addresses and phone numbers for more than 12 million U.S. businesses, 102 million U.S. residents, 683,000 U.S. health care providers, 95,000 technology companies and 280,000 executives.

Regional Business News

Abstracts for 67 regional business publications, with full text for 52 of those available titles.

SearchSystems.Net (www.searchsystems.net)

This public records directory allows users to search for items such as corporate filings, mortgage records, court filings and professional licensures.

Research is rarely a quick or easy task, but it is essential to your company and it is something that anyone can do. There are many Web sites you can use to accomplish this research and there are innumerable resources to help you along the way. Your determination is often the best indicator of your company's success. By taking a serious approach from the beginning, you already have advantage over your less-prepared competition.

Chapter 5: Maintaining a Web Presence

The Internet is not just a medium for gathering information about outside people or businesses – you should consider it a key element in your own marketing strategy. Your competition, your customers and the general public will often look to your Web site to find information about your business and the products or services you offer before ever picking up the phone. To allow others to find you, you must start by acquiring and maintaining a Web presence.

Protecting Your Turf and Getting Your Name Out There

By now, most businesses have computers and many are using the Internet. Even if establishing a Web presence for your small business is not something you foresee in the immediate future, it is important nonetheless to take a few necessary steps to protect your business identity by establishing a virtual name. Once you establish a virtual name for your small business (known as a domain name), you will have the following options:

- find a hosting service that will “park” your name so that you can use it at a later time,
- use an inexpensive option such as a template service to develop a basic Web site, or
- create a comprehensive Web site that is fully integrated with your business model.

Think of a Web site as a business phone line and a listing in the directory, except that it also provides a way to communicate with your existing and prospective customers. There are a variety of other benefits as well.

First, people are visiting Web sites to find vendors and compare product features and pricing options. Chances are strong that your competitors have their own Web sites. This advantage creates the opportunity to lure away your potential customers, so it is important your company is capturing an audience as well. A Web site can communicate far more information than any advertisement or directory listing ever could. Full-page advertisements in the Yellow Pages and billboards on the side of a highway cannot display testimonial letters, work portfolios or moving images and sound – but your Web site can.

Second, think of your Web site as an electronic brochure. You can direct people to it from a listing on your business card, a magnetic decal on your vehicle, a sign on your store window and in any print or broadcast advertising you do. Web sites provide updated and extensive information far more effectively than brochures – and without the printing costs! Phone-in customers can see firsthand what you’re talking about if you suggest that they look for information on your Web site.

Third, if you have a service-oriented business, a Web site may allow you to increase your earnings by selling items online to new and existing customers. For example, if you have a catering service that receives constant raves over certain dishes, you could sell an e-book of those secret recipes through your Web site. Furthermore, since the Internet reaches users worldwide, you can offer products to customers that may live outside your local or immediate community.

Fourth, having a Web site means you have a place to refer customers for after-sale support. For example, if you have a

Common Site Extensions

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.com – commercial business site

.edu – educational site (usually a college or university)

.gov – U.S. governmental/non-military site

.mil – U.S. military sites and agencies

.org – U.S. nonprofit organizations

.net – networks, service providers, organizations (also sometimes used if a desired domain name is already registered under .com)

landscaping service and your customer forgets what you told them about watering Australian pines, you can provide detailed information about that on your site.

Finally, think of your Web site as an opportunity to establish a professional and polished image of your company, before, during and after your interaction with customers. Enhance and strengthen your company's image through the Internet by:

- Creating a Web brand
- Enhancing loyalty of your existing brands
- Providing Web-based press releases and event announcements
- Reaching and attracting new business partners since most potential partners look at your Web site before they call you

What is a Domain Name?

In technical terms, a domain name is a unique alpha-numeric name used to identify a particular computer or directory on a computer, such as a Web or mail server, on the Internet. Domain names allow Internet users to type in a name, such as `www.companyx.com`, to identify a numeric address such as `209.67.50.203`. Known as the Internet Protocol, or IP address, this number is a 32-bit integer and is the destination address of the site the user is trying to reach. These numbers are difficult for the average user to remember however, so the Domain Name System (DNS) was developed. The purpose of the DNS is to allow ordinary users to find Web sites and send e-mail to addresses with familiar names such as `www.companyx.com`, without having to memorize the numerical addresses that actually locate the computers or servers on the Internet.

Then what is a URL?

A Uniform Resource Locator (URL) is a way to specify the type of resource and its location. For most businesses, their URL is their domain name. See Chapter Two for more discussion of URLs.

How Do You Register A Domain Name?

Registering a domain name is usually a straightforward process. There are numerous sites you can visit in order to verify that the domain name you have chosen is available. These sites allow you to search, register and lease a domain name, while also offering expert information and advice on all aspects of this process.

Registration fees vary widely from company to company. Some domain registries offer annual fees, while others may offer registration up to a decade at a time. Shop around. You can find sites by entering "domain registration" as a keyword phrase in your favorite search engine or directory. If you do not plan to use your domain immediately, look for a registration site that will allow you to "park" it, usually for free, until you are ready to establish a Web site.

What is a Web Hosting Service?

If you set up a Web site, you will need to use a Web hosting service. A Web host is a third party that sells space on its server(s), where you can post your site. It is important to choose a Web host carefully based on your business needs. If you want a Web presence that holds little more than what a typical business card would show, you should look for a hosting company that offers low rates and ready-made templates for creating your site. If you are truly using a Web presence as part of your overall business plan or for e-commerce, then you should look for a hosting company that prioritizes speed, uninterrupted download times, fast order processing and cutting-edge applications.

Tips for Choosing a Domain Name



Make it Memorable. Your domain name should be easily memorized from casual conversation. Hear it once, and know it forever. Successful domain names stick in your mind, whereas unsuccessful domain names require a lot of advertising.

Keep it Simple. The spelling should be obvious from the spoken word. The domain name should only convey one idea.

Go for the .com Extension. The .com extension is destined to remain the standard default extension for commercial Web sites for years, as opposed to .net.

Market the Benefit. If your company's name is taken, try registering your benefit. One example, a company called Resort Sports Network registered their benefit with a Web address of www.fasttravel.com, instead of their full name or an acronym.

Consider Registering Multiple Extensions. Even though .com is the standard default extension, consider registering other various extensions. People may type in the wrong extension. So, if you own www.boatreference.com, you may wish to also buy www.boatreference.org or www.boatreference.net, and then point one site to the other. This guarantees that you do not lose traffic to a mistaken extension.

Avoid Acronyms or Abbreviations. Acronyms are generally too difficult for most people to remember.

Avoid Numbers. Numbers are also often too difficult for most people to remember, unless they are an integral part of your business name (ex. a restaurant called 100 Clover).

Avoid Free Hosting. Most free hosting set-ups do not allow you to actually use your own domain name. If you use free site hosting, your domain name will be buried under the service provider's domain name (for example: www.isp.com/yourcompany.htm). Spend the money to have your own domain name hosted.

Register Misspellings. People type in the wrong URL all the time. Think of the obvious misspellings of your domain name and consider registering them as well.

Elements of a good domain name:

1. Creates value for the company
2. Reflects the name or role of the company (what your business does)
3. Names that are easy to remember, and therefore easier for visitors to locate
4. Names that are memorable – you may not be able to get the name that you want, so think of other creative names that are memorable. Many companies have built great name recognition with seemingly unrelated names. Think of www.amazon.com – a domain name that has nothing to do with what they sell!

How Do You Choose a Web Hosting Service?

Ask around. A referral makes this an easier process. In looking for a good Web hosting service, here are a few key questions to ask and the answers you should insist upon.

“How reliable is your service?” Surveys show that reliability is e-businesses’ main concern. Look for at least a 95 percent uptime guarantee, and find out what that guarantee means.

“What level of performance do you offer?” An ideal host has one or more T3 lines connected directly to the Internet, not through a different network’s operations center. Servers should be fast, with current, reliable and high-performance operating systems. Let your host know if you plan to use features such as streaming audio and video.

“How good is your support?” Look for round-the-clock support available from a live person, and verify that. Call or e-mail the technical support line at 9 p.m. on a Sunday or 6:00 a.m. on a Saturday and expect it to be answered.

“What will it cost?” Entry-level service with a single domain name, 20MB of hard-drive space, e-mail service and up to 1GB of data transfer (which may also be expressed as hits) should cost no more than \$50 per month. Compare costs with different companies.

“How do you handle security?” Passwords should be required to control the host and manage or modify your site. All files should be backed up daily. Always look for a host that offers secure transactions.

“How much control do I have?” You want to be able to use a variety of background applications, including online forms tailored for your business.

“Can you handle the technology I’m using?” If your site software runs on Microsoft Internet Information Server under Windows NT, look for a host that supports that configuration.

What is a Web Developer?

Integrating a Web site into your overall business plan will most likely require you to hire a Web developer. Suppose for a moment that you have decided to build a physical storefront. You are not going to do the actual construction work yourself because you would hire a contractor, who would design and construct your store for you. When completed, he or she will give you the keys to your new store. A Web developer has a similar function, and will design and construct your Web site for you. This will allow you to focus on the management of your business.

How will the site development evolve? If you were building a store, would you simply say to the contractor, “Build me a 4,000 sq. ft. store – but how much will it cost?” No. Would you leave such things as the layout of the store and other design elements like colors, fabric, textures and lighting entirely to the contractor? No. The same should be true of how you work with your Web designer. Building your site should be a collaborative process.

You know your business better than anyone. It is up to you to provide a Web developer with information about your goals for the site, what it should contain and how it should interact with your customers. Often, the most difficult part of the Web-site building process is the development of content.

The more input you can provide the Web developer, the more effective they will be in meeting your hopes and dreams for a site. How should the site look, feel, react and communicate to others? How comfortable do you want it

Summarize the answers, present them to the candidate and ask, “How would you address these questions?”

2. Have the candidates show you a few examples of Web sites they have created, especially those that demonstrate how they would achieve your objectives. Candidates should be able to provide URLs of previous work. This is the equivalent of a portfolio.
3. Get references from previous clients or employers. Was this person easy to work with? Did they produce a fast-loading, well-functioning site that met the client’s goals and objectives?
4. Verify that a graphic artist is either on staff with the developer or available to your developer by some other means. The Web is a visual medium, and the quality of your site depends on these talents. Technical knowledge alone is not enough.
5. Evaluate the kinds of services the firm or person offers, such as e-business enablement, logo/brand design, database development and content generation. Do they also offer animation, user testing, site hosting and promotions? Make sure they offer the services needed to meet your Web site goals.
6. Protect your property! Your contract with a Web developer should spell out your ownership of the site design, graphics, database design and content.

Once you choose a developer and sign a contract, you will need to provide several items, including your goals and the information you want included on the site. Review their work progress along the way – let them know that you expect a good understanding of what they are doing and how it will make your Web site better. As you build your site, remember that you need to have a clear plan for updating the content! Be clear about how this will be handled.

The Structure of a Web Site – Design Fundamentals

As your Web developer completes the different stages of building your site, you will provide feedback and approval for the completed milestones. Here are some basic structure tips to keep in mind:

1. Contact information needs to be easily accessible to visitors on each page
2. Navigation should be user-friendly, so that the customer can move easily through the site, control the flow of information and return to a central home page when necessary
3. Pages should not appear confusing or cluttered
4. Ideally, graphics will be simple, well-placed and fast-loading
5. Taglines, missions, mottos and phrases should be well-placed
6. The colors you choose should look attractive on all browsers
7. A site map and a search function should be provided – many experienced Web customers use site maps and keyword searches to find information in one click
8. Hyperlinks to other pages and to related sites should appear throughout the content – the ability to provide good links is often what gives the Web such wonderful flexibility

Tips for Creating a Good Web Site



Set Goals. Know what you want to achieve and who your audience is.

Be Realistic. Consider whether your product or service will work online. The Web works for things that are already selling well, either directly or through catalogues.

Be Committed. Prepare to update your site on a regular basis to encourage your customers to revisit.

Be Responsive. Make your site as interactive as possible so you can capitalize on customer feedback.

Keep it Relevant. Put more than the contents of your company brochure on the Web site. Your text should be short, sharp and easy to understand.

Make It Enjoyable. Make it easy to navigate, easy to understand and visually appealing.

Good Web Site Content

Content can vary widely, depending on your company's image and the products and services you offer. It can be as simple as a company brochure or employee-written articles, or as complex as a multi-layer customer interface with interactive product support services. Here are a few pointers for good Web site text (also called "copy").

1. Focus on benefits first, not features. For example, the specialty pet bed you're selling might have a durable polar fleece lining. That's a feature. The benefit is that it will keep your pet warm, snuggly, and happy on cold nights. Another benefit would be that it saves the customer money because it can withstand considerable wear and tear from your bouncy pet.
2. Focus primarily on the customer – not yourself. Prospective customers want to hear about how your product is going to help or benefit them, and may not necessarily be interested in all the awards you've won.
3. Use emotionally-charged action verbs where appropriate. Strong words that evoke images and emotions are great at getting a prospect to respond to your pitch.
4. Edit out unnecessary text. You want tight copy that leads your prospect to complete an action, such as making a purchase or contacting you for more information. This could also include signing up for your newsletter or filling out a survey.

5. Steer clear of misleading statements. Be honest about what your business can offer.
6. Do not overuse all-capitals and exclamation marks. It looks unprofessional. Use all capital letters or an occasional single exclamation mark for emphasis. In the online world, all capital letters essentially translates to yelling at the reader. Do not provide an opportunity for potential customers to misinterpret your intentions or think that you are over-compensating.
7. Include a call to action. Never assume that your prospect knows what to do next. Tell them what you want them to do – how to place an order, e-mail you, or whatever it is you want them to do.
8. Do not be repetitive. If you have to say something twice, make a hyperlink to where it is already written.
9. Key concepts should be kept within the first 50 words of your site. Many search engines use the first words to load their indexes.
10. Have friends and family members read it for clarity and grammatical errors. Rewrite a sentence if you find yourself using the same words over and over. Potential customers will not be impressed if you don't know the difference between "to," "two" and "too," or "there," "their" and "they're."

Making Your Web Site Interactive

According to In Mind Communications (2007), a key factor to the success of a Web site is its ability to engage a prospect's attention, and then get that person to think about why they need your product or service. Visitors that use interactive features on a Web site generate two-thirds of the sales, despite accounting for only one-third of the visitors. Interactive features help to convert browsers to buyers, encourage visitors to return more often, offer the chance to sell upgraded services, and provide opportunities to collect better data.

- Ask visitors to register their name, add to the blog, or comment about your site. Never ask your visitors to provide personal information without giving them something in return – a subscription to your newsletter or a frequent visitor discount toward purchase of one of your products. Never require visitors to register on your site before being allowed to enter the start page or to purchase products.

- Allow visitors to order a product or service directly from your Web site.

- Offer your visitor the ability to take an interactive test. Make sure that they can receive an instant response with an interpretation of their results. With an instant response, they learn something new and value is perceived.

- Provide a way for people to register and match themselves with others of similar interests.

- Host a Web discussion group on a special interest topic and allow the visitors to decide on the topics. Use a program to automate the discussions and display the threads. This service can be handled for free through a Web-based service such as Yahoo!Groups.

- Use an autoresponder to send quick e-mail responses to simple customer requests. Autoresponders are unique e-mail accounts that serve the purpose of replying automatically to requests for information. Whenever someone sends e-mail to an autoresponder, a reply is generated with a pre-written message. This can be a vacation reply, sales letter, confirmation notice, newsletter, general information, or response to a Web form submission.

- Announce a contest or a poll – allow customers the chance to name the new product, write a tag line or vote on new colors for the next season of products!

- Allow customers to track their orders by providing a shipping number and having an area of your site that links to the tracking page for UPS or FedEx.

Checking the Layout



Use medium-to-large text. Small text is hard to read on computer screens.

Keep colored text to a minimum. For text, black on white is easiest to read. Red makes a good highlight.

There should be **fresh content** at the beginning of the page.

Try to utilize **short pages** that do not require scrolling, which readers may avoid. Write with small screens in mind. Display settings and browser version dictates what a page looks like on your visitor's screen.

Limit layout to two fonts to avoid a patchwork appearance.

Use pale, **subtle backgrounds** that do not compete with your text for attention.

Use white space selectively, and make minor font changes for visual effect.

Evaluating the Success of Your Web Site

You should measure success by determining your site's goals. Most sites have several jobs, such as distributing product info, handling technical support, and selling products and services. Establish your site's main goals and then create metrics that allow you to measure performance along the way.

GOAL: Distribute Company Information

- Log files showing the number of downloads for product information or other parts of your site
- Measure the percentage of users that have viewed a certain page or file
- Track whether distributing information online reduces calls to your support line

GOAL: Improve Internal Business Processes

- Track increases in productivity
- Determine if your site improves timeliness of product delivery
- Measure if your company is meeting deadlines more often
- Track the costs that are eliminated by your Web site, such as printing, overnight mail, or phone lines

GOAL: Improve Customer Satisfaction

- Use Web surveys and other feedback tools to determine customer satisfaction
- Track the number of customer feedback forms generated online
- Measure the number of returning users

GOAL: Promote Your Company

- Track references to your site in online and offline media
- Track the number and type of references by using clipping services
- Use log files to determine traffic and number of visitors, as well as peak times of the day for visitors to the site
- Use search engines to determine your site's popularity, or what other businesses or organizations provide links to your site

GOAL: Increase Sales

- Track revenue generated from online sales
- Measure the increase or decrease in the number of online buyers over time
- Track the percentage of product returns as a measure of whether your site is creating informed buyers

GOAL: Provide Online Support

- Track the total cost of support to see if site reduces other expenditures
- Measure how long it takes to resolve issues with customers
- Compare customer satisfaction with online service to traditional support

As mentioned earlier, if you are selling products online, your Web site should be e-commerce enabled. This means that you should be able to accept credit cards or a money transfer service, and therefore close a sale through your Web site. If you cannot, for whatever reason, at least provide a Web-based shopping cart with detailed product descriptions and photos that will enable your customers to use a printable order form. Also provide detailed

instructions of how to print the order form to send back to you by fax, mail or through contact with a toll-free phone line. If you are providing your customers a true Web-based shopping experience with an e-commerce-enabled site, you need to have the ability to accept credit card payment. In fact, an article in *The Interactive Multimedia Sourcebook* says that nearly 90 percent of online shoppers pay by credit card. This is an extremely important statistic if you are not one of the providers accepting credit cards. You will find more discussion of e-commerce in Chapters Seven and Eight.

Chapter 6: Promoting Your Business Using the Web

Remember that promoting your business through the Internet ties directly into our discussion about your Web presence in Chapter Five. Your Web presence is the starting point for an electronic identity, and any subsequent Web-based marketing. Once you have a Web presence in place, there are many other avenues to consider for enhancing your profile.

Marketing can be a daunting topic because there are often so many different directions your efforts can go. And you may find that many people will weigh in with their opinion of these options! If you were to ask the marketing director of a Fortune500 corporation what their primary marketing strategy includes, they are likely to tell you about a large advertising campaign costing millions of dollars. Posing the same question to another company, such as an online start-up, would yield a very different answer. Businesses, no matter their size, can only market themselves to the extent their resources will allow. To that end, the online start-up is likely to tell you that their marketing efforts are

“necessity-driven,” meaning that they engage in projects that are absolutely vital to the company doing business. A small business may start their marketing efforts with only a small listing in the local Yellow Pages.

The Strengths of Internet Marketing



- Allows direct communication and interaction with customers on a real-time basis
- Ideal for sending specific messages directly to targeted customers
- Allows users to choose the marketing and advertising messages that they want to see
- Provides an opportunity for instant customer feedback
- Web sites can provide far more detailed product information than print or broadcast media
- Web site advertisements can be changed immediately
- Direct online selling is possible – customers can search for, locate and purchase an item all in the same motion
- Because the Internet has a global presence, marketing worldwide is possible

So what is the difference between marketing and advertising? Or are they the same thing?

According to www.dictionary.com, marketing is the “process of buying and selling in a market” and advertising is “the activity of attracting public attention to a product or business, as by paid announcements in print or on the air.” Although these are usually different activities, together they refer to the buying and selling of products and services in a specific market, and the collective efforts to attract customers to those products and services for purchase. Your promotional efforts include everything you do for your business to communicate its brand, image, history, reputation and quality to potential markets. Examples of promotional efforts include traditional and electronic advertising, direct mail, seminars and tradeshow, flyer campaigns, online links and listings and networking. Thinking in a new realm, your marketing efforts can also include blogs, Web-casts and podcasts. Your promotional options are virtually limitless but it is essential that you develop a promotional program that is beneficial to your company while meeting your needs at the time of the campaign.

Where do you begin? You should always start your promotional efforts by developing a plan. Like everything else with your business, this should be taken seriously and should be developed with the help of thorough research. Through the everyday work of running your business, you should already know the answers to most questions that will come up when developing a promotional campaign. These questions include:

-
- What are my products?
 - Why do I need a promotional campaign?
 - What am I trying to communicate overall? What am I trying to communicate right now?
 - What is my promotional budget?

Strategies for Promoting Your Business Online

If people can't find you, they can't benefit from your business. Consistent, dedicated marketing will help you to draw interested prospects to your business. Here are a few online marketing strategies.

I. Search Engines. How can your potential visitors hear about you? They might look for you or your product in a search engine or a directory. In order to be listed, you or your Web developer will need to manually submit your site URL by visiting each major directory. If you're able to rank within the top 10-20 sites for a particular keyword search, you'll be treated to a steady stream of targeted traffic.

If you submit your site to the major directories and get listed with one or more of them, then other individual search engines will also pick up the URL that was listed. This means you may not need to do additional work to get listed with them.

Your Web developer should also optimize your Web site for search engines by using extensive metaheaders and creating a separate file (robots.txt) that targets search engine robots. Metaheaders are information tags that describe a document, entered at the top of a Web page and coded to not show up in a browser. Some of the information contained in metaheaders includes keywords for search engines, descriptions of the document, page titles and the date that the document was created or updated. Many search engines use robots to scan the Internet for new or updated Web sites. These robots are programmed to look for files named 'robots.txt,' and then index all directories on the Web site unless they are listed in the robots.txt document. If you do not have a robots.txt file, your site will miss a valuable opportunity for focused indexing in a search engine.

You can improve your search engine rankings if you adhere to the following:

- Load your keyword list with multiple word combinations, common misspellings, plurals, gerunds, and your company name mixed in with related words and phrases. Also, put the most commonly searched words at the front of the list.
- Choose title words carefully. If appropriate, each page in your Web site should have a unique title that includes keywords relevant to the page.
- Vary your content from page to page and submit separate pages of your site. Some search engines only accept the home page or main URL.
- All graphics used in your Web site should reveal relevant text when a mouse pointer hovers over it. Search engines cannot read graphics, so it is imperative that your Web developer enter an "ALT" tag that describes the graphic.
- For comparison, spend some time studying the keywords, titles and URLs of your competitors Web sites.
- Look for specialty search engines in your industry. Many smaller search engines specialize in a specific area.
- Check search engines monthly and re-submit your URL if you do not find your site listed.

- Don't repeat keywords. Many search engines actually penalize you if words are repeated. This is a counter tactic to the early sites that loaded repeated words in their pages.
- Don't add unrelated keywords. This is often called spamdexing (spam indexing).
- Add suggested tags for people who participate in Web 2.0 social bookmarking. Web 2.0 generally refers to applications and services that allow participant interactivity with each other on the Web. These applications include blogs, wikis – such as Wikipedia – and social bookmarking sites such as del.icio.us. At del.icio.us, people register for an account and then add their favorite Web sites to their bookmarks. Along with each entry, they add tags or keywords that describe the Web site.

A good place to learn more about search engine optimization is www.searchenginewatch.com.

2. e-Zine Advertising. Sometimes called opt-in lists because people choose to receive them, e-zines are best described as electronic newsletters. This targeted, active and motivated audience group often yields great advertising results. If you have matched the e-zine to your business products and services, you are sure to reach your target audience. Currently, there are approximately 90,000 e-zines being published every month on the Internet. This means that there is probably an e-zine that will take your advertisement straight to the audience you want to reach.

Here are some tips for successful e-zine advertising:

- Track your advertisements by placing a key or code at the end of your e-mail address, such as name@domain.com?subject=e-zineA. When you receive a reply with e-zineA in the subject field, you will know which newsletter the reader came from.
- Target your audience by using subject categories in any directory to find e-zines that relate to the product you're selling. To locate a directory, type "e-zine directory" into your favorite search engine.
- Once you've chosen a number of e-zines that target your audience, subscribe to them and examine the advertisements closely. If you see an advertisement that is repeated in several issues, it may be that the vendor is getting positive results. This may be a good e-zine for your advertisement.
- Count the number of advertisements in a targeted e-zine. The fewer advertisements you see is often the better. If there are too many advertisements, the reader may tend to skip over them.
- Verify with the e-zine publisher that advertisements for products or services similar to yours will not appear in a shared space. Your advertisement will be much more effective if it's one of a kind in that particular issue or on a particular page.
- Small e-zines can be more effective because they often reach a more targeted audience than larger publications.
- Repeat your advertisements. Research shows an advertisement has to be seen three times before remembering it, and nine times before acting on it. If your budget allows, try to repeat your advertisement at least three times in a particular e-zine. Ask an e-zine publisher about discount packages for bulk advertising.
- Provide an e-mail contact and a Web site address in your advertisement. The advantage of giving an e-mail address is that it allows the opportunity to send a powerful sales letter to the person who responded to your advertisement.
- Offer something free or discounted in your advertisement.
- Keep your advertisement short, even if you're not using the number of words allowed – short and simple advertisements are more likely to be read.

3. Network Through Blogs. Join a discussion blog where potential customers or partners may congregate. Blogs tend to be topic-specific so contributing useful content to the group's discussion can often build yourself (and your

business) as an expert in your particular field. Just be careful – many blogs do not allow the discussion threads to be used for commercial advertising purpose so keeping the content relevant will demonstrate your expertise.

4. Referral Marketing. Encourage your new or current customers to refer others to you, and provide an incentive for doing so. You can offer a discount on their next order or perhaps a free gift.

5. Press Releases. Magazines and online publications are always looking for new and interesting stories. A mention about your site or product in an article within one of these publications can produce new business. The way to be included here is to send announcements and press releases upon launching your new Web site and whenever you have something new that people might want to hear about.

6. Promote your Site URL Offline Everywhere you Can. Every communication – e-mail, invoices, purchase orders, voicemails – should include your Web site address and e-mail contact information in a prominent location. All advertisements, promotions and sponsorships should also list your URL and e-mail address.

7. e-Mail Marketing. With e-mail, you can send messages to thousands of customers at the touch of a button. But be aware that mass e-mail can be regarded as spam, creating the potential for customers to automatically delete it. If you use e-mail marketing, target your audience carefully and effectively. Many companies are successfully maintaining large opt-in mailing lists for customers to provide them with updated information about specific products and services. By letting customers identify specific information requests, you can send only the most relevant information to each individual, thus creating a business relationship of mutual benefit.

Direct e-mail marketing is only successful when the recipient is moderately to highly interested in the mail's subject. It is difficult to capture a person's attention if the match is not right (ex. "Free pet grooming!" or, worse, the vague "Big Discounts!"). For this reason, it's important to begin any e-mail marketing campaign by researching a targeted base of individuals that are specifically interested in your company's products or services. Opt-in mailing lists are widely available for purchase, but you are likely to get even better results in the long run by starting an opt-in mailing list of your own.

Tips on using e-mail marketing software:

- To maximize your chances of being seen by the right people, make each e-mail marketing campaign unique to a set number of recipients. Use e-mail software to filter and send only to those of specified interests, such as customers who have bought a certain product in the past.
- Personalize each message by merging information from a targeted customer's record into their direct e-mail. Go beyond simply "Dear {name}" – insert demographic and other information into each message to capture their attention.
- Be courteous and always provide a way for recipients to unsubscribe from your e-mail distribution list.
- Make your pitch brief and to the point. Pick the most important benefits of your product and let your prospect know how the product will solve their problems. Make sure your advertisement gets directly to the point about your offer. Don't make your prospect guess about what you're offering.
- Include a strong call to action. Make sure your prospect knows exactly what to do if they want more details. You can have them send an e-mail, visit your Web site, call a phone number or any other method of delivery you've chosen – just provide some options.

- Follow up with all responses to increase your sales. An acceptable response time frame is eight hours. Just remember, Internet users expect immediate action and the longer the wait, the greater the chance that a customer will look elsewhere.
- Expect questions from your prospects. No matter how well your advertisements and sales letters are written, you will still get questions. Internet customers generally want detailed information before making purchase decisions. Be prepared to answer their questions and provide assistance throughout the buying process.
- Be patient, and set reasonable and achievable goals. In most e-mail marketing campaigns, a 1-3 percent response rate is considered very good.

8. Paid Listings on Other Sites. One of the most cost-effective and successful ways to promote your business online is through targeted, paid listings on other sites. For example, if you have a hotel in North Carolina, it should be listed on www.visitnc.com, which is a site used by people searching for information on vacationing in North Carolina. These aren't link exchanges because they are paid listings, but they also aren't advertisements. These are often simply a link with a short description of your business or product.

The key here is consistency. Writing an occasional press release or placing an advertisement every few months isn't enough to give you solid, steady targeted traffic. Take some time to think through your options, evaluate your marketing plan to include Internet marketing and then follow through with those initiatives based on your available resources.

Providing Great Customer Service

It's no great mystery that superb customer service is a key factor to gaining repeat business. Have you ever ordered something from a company and felt really great about the customer service you received? The transaction wasn't pushed on you by an overly aggressive sales pitch, and the business owner really seemed to care about your needs. Unfortunately for most consumers, a great customer service experience is rare but when it happens, it stands out and leaves a memorable impression. There are many ways to provide great customer service, most of which are at little to no cost to you.

Each time you communicate with a client – no matter the client – treat them like they are your top buyer and your most important customer. Always be polite, with prompt responses to voicemails and e-mails, while also going out of your way to answer and anticipate the questions they may have. Ask them about their needs, get to know them and above all, provide sincere thanks for their patronage.

Web-based businesses are so abundant that it is vital for you to stand out. Having great products and services is the best place to start, but the customer still has to go through the process of placing an order with you. Make sure that your Web-based ordering system is easy to understand and complete. Early in the ordering process, be sure to include information about payment options, shipping costs and your merchandise return policy. Your customers should not be asked to fill out all their billing and shipping information before finding out your online store does not accept their particular credit card.

If you only accept credit cards through your Web site, but your customer wants to pay by check, take steps to explain why you aren't able to accept checks or offer to hold their shipment until their check is received and cleared by the bank.

Develop a privacy policy and provide a link to it on all sections of your Web site. Some people are hesitant to shop online because they are concerned their names will be sold to other businesses. Be clear in your privacy statement

that customer information is collected for the sole purpose of processing orders, and will never be sold or leased to third-party vendors. Your only job is to stick to that promise!

One additional customer service technique that can prove beneficial to your marketing efforts is called friendly follow-up. There are different ways to follow-up with your customers without appearing intrusive. After a customer purchase is fulfilled, consider sending a friendly e-mail to verify that the order arrived intact and that the product met their expectations. Another friendly follow-up technique is to send the latest brochure or promotional announcement to your customer e-mail database. Remind your existing clients about new specials on your Web site. In all of these efforts, it is important to remember not to overdo it. Although customers need to be reminded of your company and the products and services you offer, you don't want to appear too pushy or sales-driven.

Sample Privacy Policy Statement



(Your Business Name) considers your privacy a high priority. This privacy statement explains what information we gather from you through our Web site and how we may use it. If you have any questions, please contact our Web master.

The only individualized information that **(Your Business Name)** obtains about you through our Web site is information you voluntarily supply. We will only use that information to fulfill the purpose for which it was supplied to us.

(Your Business Name) obtains non-individualized, generic information about your visit to our Web site through the use of cookies. Cookies are small pieces of data which are sent by a Web site to your Web browser and are stored on your computer. Data derived from the cookies is aggregated and used by **(Your Business Name)** for statistical tracking purposes. We use this information to understand general traffic patterns on our Web site and to gauge and improve the Web site's effectiveness.

Cookies are also employed to recognize you and your related access privileges on our Web site. Subscribers who choose not to accept cookies from the domain **(Your URL)** cannot access most areas of **(Your Business Name)** Web site. When you initially sign on to our Web site, a cookie is set that identifies you to our site as a registered user. Every time you go to a page on our site, the system verifies this cookie to see if you are registered. If your browser is set to not accept our cookies, the system cannot determine if you are a registered user and will not allow you full access to content. Consequently, you must accept cookies to enter and peruse our entire site.

If you choose to correspond with us through e-mail, we may retain the content of your e-mail messages together with your e-mail address and our responses. We provide the same protections for these electronic communications that we employ in the maintenance of information received by mail and telephone.

We do not share, sell, lend or lease any of the information that uniquely identify a subscriber (such as e-mail addresses or personal details) with anyone except to the extent it is necessary to process transactions or provide services that you have requested.

By using our Web site you consent to our collection and use of your personal information as described in this Privacy Policy. We reserve the right to amend this privacy policy at any time with or without notice.

Chapter 7: The Benefits of e-Commerce

Using the Internet to move your business forward is not limited to communications, research and marketing. Businesses that will truly benefit from the networked world are those that add e-commerce to their portfolio. By allowing on-line transactions, businesses are opening their market up to millions of potential customers.

Although e-commerce, the process of managing online financial transactions, is still gaining popularity with small businesses, electronic transactions have been occurring in the online business world for years. Over two decades ago, large companies started using Electronic Data Interchange (EDI) and financial institutions began moving assets electronically. These first-generation electronic systems had one major drawback – they were expensive to use and to operate. The success of e-commerce today is due to the success of the Internet – a low-cost, worldwide network that connects millions of individuals and businesses, thus creating a truly “global” marketplace.

Today’s businesses can use the Internet across all their operations to accomplish the following:

- attract new customers
- manage existing customer relationships
- streamline supply chains, procurement and manufacturing systems
- automate business processes
- refine raw data into valuable business intelligence

As part of your overall business plan, e-commerce can provide a way to instantly satisfy each individual customer’s demand for products, services, and information. It offers your customers convenience, variety, cost savings, and anonymity. Essentially, e-commerce allows you to do business with anyone at any time, either as a merchant or as a customer.

You can enable your business or organization to reach larger numbers of customers over the Web, seeking out potential markets that were once outside the traditional boundaries of your business. Because small businesses can use the same technologies as their larger counterparts, e-commerce is a means of leveling the playing field for these smaller businesses. Transactions over the Internet can be made without face-to-face contact, thus allowing businesses in rural areas to compete on a global scale.

What Are the Advantages to Selling Online?

Use of e-commerce has become increasingly standard in the way we all do business. Many new companies are using e-commerce to develop more rapidly than their traditional competitors. Companies can gain many advantages from selling their products online.

1. **Reduces Costs.** Using e-commerce can reduce costs for traditional marketing, advertising, printing, information distribution, and order processing. It can also reduce staff and overhead costs since your storefront can be wholly or partly electronic, with no need for additional outside office space or a large sales staff.
2. **Increases Customer Intimacy.** By providing service 24 hours a day, 7 days a week, 365 days a year, your customers can learn about your company and purchase your products at their own convenience. You may also be able to get instant customer feedback by encouraging customers to send their questions or concerns by e-mail.
3. **Faster Transaction Time.** Traditional catalog sales take more time to complete and receive than with e-commerce. Your business will also receive payment faster than the traditional methods of mailing in an order form.
4. **Eliminates Errors.** Electronic selling virtually eliminates processing errors, which in turn makes online selling cheaper, faster and more convenient.

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5. **Reduces Physical Space Limitations.** Your business can offer more products than would normally be capable for shelving within a store.
 6. **Increases Your Sales.** You can reach potential customers in new geographic markets and expand distribution channels into untapped markets.

Why Do Customers Like e-Commerce?

As a small business owner, you understand the value of good customer relationships. Pleasing your customers, meeting their needs, and providing an enjoyable experience within the walls of your business or organization will grow a large customer base and allow your business to expand. Two types of e-commerce customer relations are business-to-consumer (B2C) and business-to-business (B2B). B2C typically occurs when your business sells its goods and services to an individual consumer. B2B is when your business sells its goods and services to another business, which is widely considered the fastest growing sector of e-commerce.

Consumers, both individuals and businesses, are turning to the Web more and more to buy and sell products and services. Research has shown that customers enjoy the online shopping experience because of the following.

1. **Convenience and Ease of Use.** Consumers can literally shop in the convenience of their home or office at any time of day or night.
2. **Variety and Larger Selections.** With the Internet, consumers have access to companies around the world offering products or services, allowing them access to a wider variety of choices.
3. **Cost Savings.** Consumers can compare and contrast products faster, which ensures that they will receive the best value for their money.
4. **No Sales Pressure.** Customers who dislike dealing with a salesperson can avoid the experience completely.

Chapter 8: Selling Online

You have heard about some of the benefits of e-commerce, but what else do you need to consider in making plans to sell online? Keep in mind that deciding to add e-commerce to your business will require updates to your overall business plan. The process may sound simple, but you should plan carefully before jumping in.

Your business will need very little equipment and in-house expertise to enter into e-commerce. Essential equipment includes one standard computer and an Internet access account. Expertise is widely available from a variety of sources including consultants, software suppliers and ISPs. Your local chamber of commerce can provide advice or direct you to someone locally who can offer help and guidance. This chapter will help you to develop an understanding of the e-commerce process, and what you will need to get started.

Picking Software for e-Commerce

There are three main software options for businesses wanting to sell their products online.

1. Buy a ready-made commercial solution
2. Rent space in a network-based e-commerce solution
3. Build a system from scratch with components and parts

If you set up correctly now, you can add on to the original foundation without wasting your previous efforts. When your company grows and expands, this will save you precious time and resources.

For most small businesses, finding a ready-made commercial solution is the easiest and least-expensive way to begin selling online. The software you choose should allow customers to browse through your stock, place items in a virtual shopping basket, search for specific products, total the cost of their purchase, choose a payment method, receive an order reference number, and determine any required taxes. These programs can be linked to your company's existing databases and stock-control systems.

It is critical that you set up your Web-based product catalog with pictures, descriptions and prices of your product selection. Make the online catalog a prominent feature that is easily-located on your Web site. You want the customer to be able to purchase with ease! Typically, when a customer shops in your online store, products are put into a shopping cart. These product selections are then stored in a database so the customer can review their selections before checking out and providing payment. The customer should also be able to change the quantity of items or to even delete items in their cart.

Sound privacy and security practices are critical in protecting customer information. Clients are more likely to provide return business if they feel comfortable and secure in their transactions with you. Many consumers are still wary about entering their personal information into a Web-based form. No matter the amount of security technology you implement, you will still need to give your customers a sense of safety within the transaction. For example, some

Effective e-Commerce Solutions...

- Are easy to use by simplifying business operations and processes
- Are affordable, including software, personnel and network costs
- Are accessible anytime and anywhere, ideally leveraging the Internet for more efficient e-business capabilities
- Provide real-time access to complete business information, for better decision-making capabilities
- Create integrated solutions that eliminate redundant business processes

sites provide a graphic link to VeriSign's verification service. When a customer clicks on the link, VeriSign will indicate whether the site is secure.

Finally, the e-commerce software you choose should allow for instant verification of accepted payment. This can involve credit cards, electronic cash, gift certificates, merchandise credits or purchase orders. The e-commerce solution you choose should support third-party shipping modules and tax calculation packages.

Does Your Security Software Include the Following?



- Authentication – assurance that the customer is who they claim to be
- Privacy – personal details cannot be disclosed or accessed by third parties without consent
- Integrity – once information is sent to the vendor, it cannot be altered
- Confidentiality – transaction details, especially sensitive ones, are not disclosed
- Non-repudiation – an order or payment, once provided, cannot be denied

Collecting Money

After your customer has ordered a product, you will need to be able to collect the money. There are many categories of payment services for transactions through the Web, although establishing a merchant account is by far the easiest and most common. If you have a merchant status, you can take credit card payments over the Web. No system will be perfect, but consider the following points about a merchant account.

Advantages:

- Consumers are familiar with credit cards
- With credit card transactions, consumers do not have to download and install special programs
- Credit card sales lend easily to impulse buying
- You will have customer contact information for follow-up after the sale
- Transactions are real-time, so you know immediately that the card is approved and the money will be deposited

Disadvantages:

- Some consumers still have concerns about providing financial information online
- Not everyone has or uses a credit card, although debit cards are becoming more common
- You will inevitably have to deal with charge-backs and refunds
- Most credit card transaction companies charge a small percentage fee to every order, which may affect your monthly overhead expenses

The Order Process

The next step in e-commerce is processing the order. To process orders effectively, you will need to consider each stage along the way. More than just inventory – you need to provide quality customer service and have an efficient processing system that quickly and accurately fulfills orders. You can automate the ordering system but fulfillment still involves the human touch.

- Inventory. Are you only willing to supply items in stock or can you afford to order additional items from a supplier?
- Out of Stock. When should you inform customers if an item is out of stock or if the delivery is expected to take extra time?

- **Back Orders.** When should you notify visitors of a back order – when they are checking out or after they have placed an order? Or would you prefer to recommend an alternative solution?
- **Controls.** If your inventory is at a minimum, will you put up a barrier and say that products cannot be offered? Will this policy apply to all products?
- **Partial Orders.** What will you do if part of an order is returned to you?

The Delivery Process

In most cases, consumers will buy products from your site if you offer a secure and reliable transaction service. Managing customer expectations is vital. The following issues are crucial to making your new customers into loyal, repeat business.

- **Payment.** Do not charge the customer's card until the products are shipped or delivered. In the mail-order business, the merchant is not allowed to move money immediately unless the product is delivered or shipped on the same day.
- **Manage Customer Expectations.** Make promises you can keep, and keep the promises you make!
- **Delivery Charges.** This fee should correspond with what it costs you to deliver a convenient customer service, including the actual shipping charge as well as any handling or packing.
- **Timing.** Give your customer an option about when they want their product to be delivered, and clearly communicate the various charges associated with this.
- **Allow the customer to include a note card, gift wrapping or special instructions if they choose.**
- **Your e-commerce transaction must allow customers the opportunity to return a product for exchange, credit or refund.**

What Kind of Legal Issues Will You Encounter?

Legal issues that apply to your current business practices will also apply to your Web-based business. There are, however, issues that must be looked into since e-commerce does not limit your business to certain times of the day or any specific geographic areas.

- What policies and disclaimers must be made available to customers?
- What is the return policy?
- Will guarantees or limited warranties be offered?
- Are there geographic locations where a retailer or customer cannot legally purchase your products?
- What is the structure for charging taxes?

To ensure that all state and local laws and regulations are met, legal issues should be discussed with an attorney specializing in e-commerce. Call your local law association or chamber of commerce for references about attorneys with experience in e-commerce.

How Do You Make a Site Secure?

In the fast-moving and virtual world of e-commerce, it may be difficult to convince potential customers that you can offer a reliable and secure service. In the physical world, customers can see the goods, interact with a salesperson and easily develop a sense of whether they want to buy products or services from a particular business. In the e-commerce world, customers must place an added amount of trust into the credibility of potential vendors, physical goods un-seen.

To address these security issues, you will need to use a merchant interface that performs address verifications and checks each customer's information against what a credit card processor has on file. You will have to provide a secure server that offers encryption – the conversion of data into unreadable code – that allows customers to enter credit card data safely. If you are using a hosting company, be sure it offers 128-bit encryption and has the proper firewalls in place. And most importantly, you will need to let your customers know about the security measures you have taken so that they will feel secure.

Chapter 9: Your Web Site - A Critical Platform for Success

As you have read, it will take hard work and dedication to effectively add e-business and e-commerce concepts to your business. Your Web site is not the only factor in implementing these strategies, but it is a critical platform for success. And you may find that having a successful Web site may in large part determine the future success of your business. Consider the following reminders as you make plans to move forward.

It is true that the Internet levels the playing field. Large companies have always had the advantage with physical businesses because they had the money to invest in a fancy office building full of equipment and a budget for large advertising campaigns. The Internet equalizes this world because your storefront is now a Web site and your small business can look just as big as the multi-national corporations and you have just as much access to customers. But is your product or service itself appropriate for the Internet? Can you build an effective Web site around what you offer? Will your customers find you online? Any business can benefit from the Internet. What you need to determine is if you want your Web site to enhance your physical business or if you want your Web site to be your business.

If you want a Web site to enhance your physical business, then your product offering is probably local and community-based. It may not be feasible for you to offer your products on a global level at this time but you should still build a Web site for your customers. For example, the owner of an automobile garage in a rural community may not have much need to offer services on a global basis because their customer base is likely to live within 30 miles. In this case, a Web site would still enhance the physical business because it brings added value to the company and its services. You can use a Web site to provide information about your business and to run special promotions. Once the customers reach your site, you can then “up” sell other products or services they may not have realized they need. This same garage owner could commit an entire section of his Web site for educational purposes, such as reminding customers why oil changes are necessary, explaining a particularly common repair or showing the product differences between different tire brands. By this point, it would make perfect sense to provide a Web-based coupon!

If a Web site is to serve as your entire storefront, the product or service being sold must be solid enough to the entire business. Refine and perfect the product so that you can position yourself as a leader in the market – and push this product into the most targeted group of potential customers that you can find. Quite simply, this is how you will be successful. There really is not a definitive list of products that won't work on the Internet. But having a good product, great customer service and the right marketing can sell just about anything.

Ultimately, if you can sell it then it is a good idea. What you need to decide is if you can sell it on the terms that you want and in a timeframe that meets your expectations. More important than the idea is how you establish that idea into a business. Research your industry and research it well. Establish a strong business foundation. Build a Web site and build it well. Consult the appropriate professionals and commit yourself to the fullest degree. What remains are the smallest details that will inevitably be sorted out as you move your business along.

So how do you ensure success? Again, there are no guarantees, but hard work will be required. You will have a lot of competition. You cannot simply build your site and then do nothing. You need to bring visitors to your site who will purchase your products because you have provided exceptional quality with incomparable customer service. This will ensure that customers will return, and that their friends hear about you as well.

Also, remember that good site design is essential. The average Internet user only views three or four pages per site visited before moving on to another site. This means you have a very small window of opportunity in which to capture their attention and make them want to stay and, hopefully, buy your product. While your site should be

unique enough to express the personality of your products and business, it should also follow some simple rules of a well-designed Web site.

1. **Do Not Require Visitors to Register** in order to view information or to enter your site. You will lose customers.
2. **Steer Clear of Bells and Whistles.** Flashy graphics, unnecessary animation and the newest technology are not necessarily appropriate for an e-commerce Web site.
3. **Make Your Site Easy to Navigate.** Every page should have links to the home page, the products page and other important pages within the site. You never know which page your visitor will come to your site through so it is important to be able to navigate easily throughout the entire site. And always make sure your customers know how and where they need to go to place an order!
4. **Ensure Security and Privacy for Your Customers.** If customers feel that their information and privacy are being protected, they are much more likely to choose to use your site.
5. **Emphasize Service.** Customer service is one of the easiest, cheapest and most important things you can offer your customers! Your site may offer the same products as a thousand others but providing better customer service will ensure your place ahead of the competition. Internet shopping is incredibly convenient and popular, so every advantage you can gain will increase your chances of success. All customers should be treated with the respect and attention they deserve. Phone calls and e-mails should be answered within one business day (sooner if possible) and orders should be sent out immediately. Questions should be answered and if you do not know the answer then you should provide your customers with other resources to help them. Superior customer service can literally mean the difference between a happy customer and a lost customer.
6. **Let Your Customers Know Who You Are.** Customers love to use the Internet to comparison shop. Even if you are a well-established business, putting information about your company and expertise on your Web site lends more credibility to your products and allows shoppers the opportunity to do additional research.
7. **Change Your Site Often.** A fresh Web site with new content will show your customers that you are not a stagnant company. Remember that your Web site will do everything from provide a corporate image to push individual promotions. It is important to use your Web site as the wonderful tool it can be. Rotate promotions, update content and make continuous enhancements to your site. Make your customers want to come back to see what is new. Remind them that you are the best in your category because you are always fresh and in constant revolution with your customer's needs.
8. **Be Patient.** A Web-based business can take months or even years to become successful so it is important to remain patient in the process. Success on the Web, just like at a physical storefront, does not happen overnight but this should not discourage you. Even search engines take six to eight weeks to register your Web site. Consequently, customers may not even be able to find your site in the beginning. Keep working hard and never lose sight of your goals. Your dedication and commitment will speak for itself once you begin accepting orders and moving toward profitability.

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9. **Fulfill Orders Immediately.** Your customers have found you. They liked your site enough to stay on it and check out your products. It was easy enough to navigate through and they actually purchased some of your products. Now you want to make them wait? If there is a delay in the fulfillment of business, you can almost guarantee that they will not be back for repeat business. The beauty of the Internet is that customers receive immediate gratification. They can log on and immediately find companies offering a product or service that they desire. One click on their mouse button and the order is placed. This is what customers want and this is what they expect. If you have delayed order fulfillment then tell your customers immediately and explain the situation. If you are offering products for orders that you can not fulfill, then remove them from your site. Only offer what you can provide and then follow through with what you have promised.

 10. **Keep Marketing!** This goes along with patience. Marketing is the best way to get your Web site and company known to the world but you must stay persistent. Not a day should go by that you fail to contact a publication to review your product, make a sales call to a company needing your products, handed out your business card to a stranger while running errands or pursued free or paid listings for your company somewhere on the Internet. Marketing does not always refer to large, expensive advertising campaigns. Sometimes the economical, seemingly small campaigns provide the best results! Never underestimate the power of word-of-mouth! Every communication – e-mail, invoices, purchase orders, payment receipts and voicemails – should include your Web site URL and e-mail address in a prominent location.

Next Step – Updating Your Business Plan

Remember, a strong Web site is not the only factor in implementing successful e-business and e-commerce strategies, but it is the critical platform from which to launch. As you move forward, these concepts need to be thought out carefully and added to your overall business plan before getting started. It is perfectly acceptable to start out with small changes – just be sure not to take on more than you can manage. But remember – businesses that adapt to changing times are the ones that will survive. So update your business plan and make sure it has a strong e-business component. As technology changes occur, you will have to stay on top of the curve to ensure your place in the global marketplace!

About the Kellogg Entrepreneurship Development System

In 2005, the Rural Economic Development Center, Inc. was awarded a two-year grant from the W.K. Kellogg Foundation to create a comprehensive development system to serve rural and minority entrepreneurs in low-wealth areas of the state. The Business Resource Alliance is a collaborative network of business service providers serving North Carolina's entrepreneurs. The Kellogg Entrepreneurship Development System, in conjunction with the Business Resource Alliance, is working to strengthen business development and assistance resources across the state. The e-NC Authority, as a partner in this project, has refurbished its original e-Business manual to make it available for entrepreneurs and small businesses to help them in understanding the critical need for technology as a way to strengthen and grow their work.

www.ncruralcenter.org/entrepreneurship

About the e-NC Authority

Devoted to connecting North Carolina communities, citizens and businesses with high-speed Internet and a more prosperous life, the e-NC Authority works in all 100 counties with a special focus on rural and distressed areas. The e-NC Authority was created by the N.C. General Assembly, and is dedicated to growing local-level wealth and educational opportunity through technology-based economic development. In this capacity, the e-NC Authority is also the primary Internet-planning body for the state of North Carolina.

By legislative mandate in S.L. 2003-425, the e-NC Authority is housed and staffed by the N.C. Rural Economic Development Center in Raleigh, N.C. The e-NC Authority operates statewide and is supported through contributions from foundations, nonprofit organizations, and public and private entities.

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