

The Storeowner's Guide to e-Sources

Part 3 of *DRN's* e-commerce series offers a look at resources that promise to get you selling online quickly and easily.

BY HELEN GALLAGHER

Now that you've become acquainted with the core components of e-commerce (Part 1) and back-office fulfillment issues (Part 2), the next step is to explore the various services and resources available for selling products online.

When e-commerce was still in its infancy, would-be cyber entrepreneurs who were looking to expand through multi-channel sales only had two choices: either use complex computer programs or hypertext markup language (HTML) to create a site for posting products for sale on the World Wide Web, or hire an expensive consultant to do it for them.

Thankfully, those days are over. As e-commerce advanced, so did the technology that enabled and empowered retailers. Now, a shopping website can be as simple as purchasing user-friendly software or filling out a template you create online, with a multitude of vendors who promise to handle as much (or as little) of the work as needed. The broad array of resources available today promises to make it easier to create and launch a shopping site, even for tech newbies.

Read on to begin exploring the various options for getting your online sales up and running.

"SHRINK-WRAPPED" SOLUTIONS

In the IT world, "shrink-wrapped" is lingo that designates a preselected package of features or services. Though consumers sometimes get to select their preferences à la

carte, these features are not customized to individual specifications.

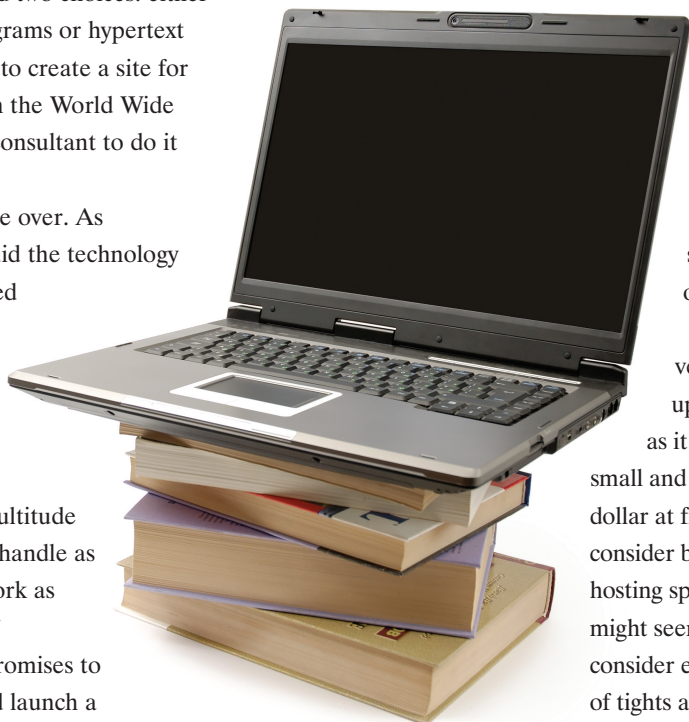
While tech whizzes may enjoy the challenge of designing and coding from scratch (see sidebar "A Word to the 'Technorati'"), others will likely turn to shrink-wrapped solutions to facilitate the work. Most online vendors can handle security for encrypted transactions, along with credit card processing, and many offer these services as

part of their monthly or annual fees. Other features may include catalog software or secure transaction processing, to cut down on the time you spend managing your online presence.

Since e-commerce vendors usually let you upgrade the store capacity as it grows, you can start small and don't have to spend top dollar at first. Even so, you should consider buying extra storage/hosting space. Two hundred items might seem like a lot, until you consider every leotard or pair of tights and shoes you carry, along with their different sizes

and colors, each of which may need its own catalog item number.

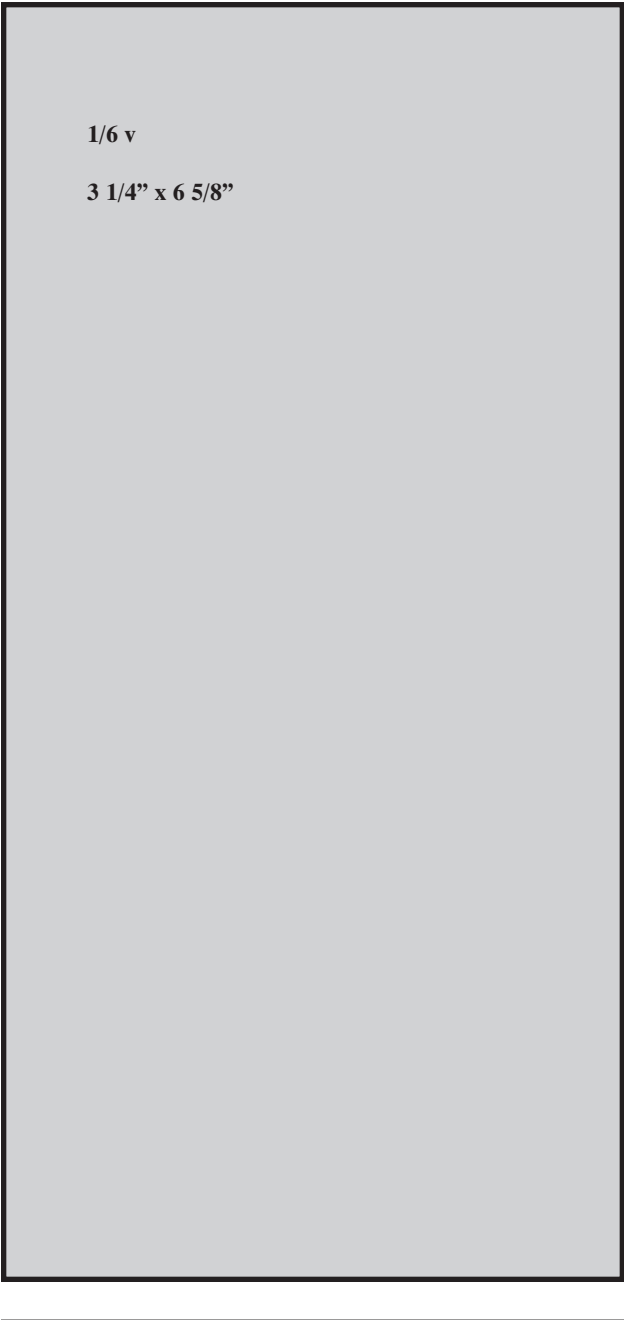
To start evaluating e-commerce partners, take a look at the chart on the next page. It compiles some of the most popular—yet cost-effective—resources on the market, from lesser-known indie vendors to the big daddy of IT, Microsoft Corporation.



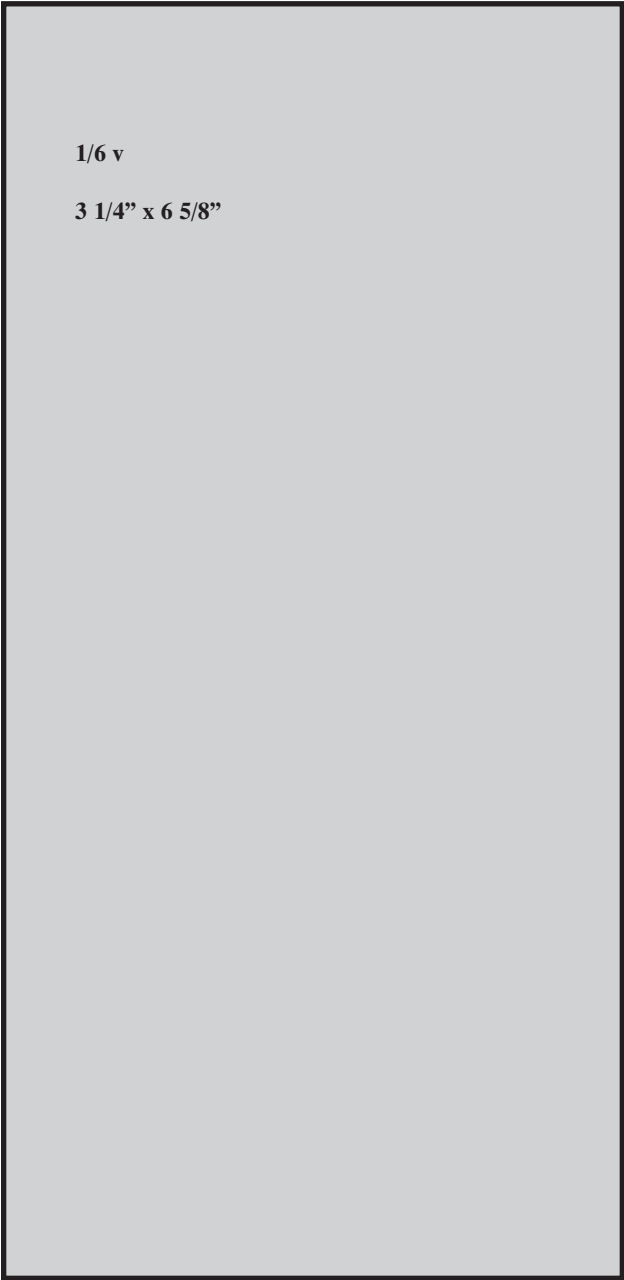
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1/6 v
3 1/4” x 6 5/8”



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At Your Service

Most of these vendors offer a 30-day free trial, so experiment until you find the right solution. Practice loading images, writing text, changing sizes and available quantities; you can even try managing customer info and viewing sales reports.

Vendor	Web Address	Storefront Cost	Merchandise Capacity
Biz Shopping Cart	www.bizshoppingcart.com	\$39.95/mo starter	Up to 100 items
BizLand ShopSite	www.bizland.com	\$7/mo and up	15 on 5 pages
Go Daddy	www.godaddy.com (click “Business”)	\$9.99/mo and up	20 items
GoECart	www.goecart.com	\$79/mo and up (or \$899/year)	Up to 1,000 items
Homestead	www.homestead.com	\$6.99/mo	10 items
Hostway	www.hostway.com	\$19.95/mo and up	Unlimited
Microsoft Commerce Manager	http://www.microsoft.com/smallbusiness/online/commerce-manager/detail.mspx	\$24.95/mo or \$249/year	Up to 10,000 products
ProStores	www.prostores.com	\$29.95/mo (.50/transaction fee) or ProStores Express for 10 products at 6.95/mo (1.5% transaction fee)	Unlimited pages, products and categories. Integrates with eBay storefront.
Yahoo! SiteBuilder	http://sbs.smallbusiness.yahoo.com/merchant/c1.php	Storefront: \$11.95/mo (\$25 setup fee) Merchant services: \$39.95/mo (1.5% transaction fee and \$50 setup fee)	To maximum disk space

A Word to the “Technorati”

Perhaps you enjoy spending your time coding, or have become such a whiz at Java that you can’t imagine leaving the design work to someone else. (They’d probably do it wrong, anyway—right?)

Before you get carried away creating flash animation, downloadable movies or any other bells or whistles for your website, remember the cardinal rule of e-commerce: Simple is better. You are dealing with customers with various internet connections, and not all of them have broadband. As Part 1 explained, clean and easy-to-navigate design should be the goal of any shopping webpage. If you are adamant about putting on a virtual fireworks show, however, consider including two clickable links on your homepage: one for slower connections and another for hi-speed users. While creating two sections of your website may require more work, at least you won’t alienate a segment of your shopping audience from the start.

Also, consider that you will have to contend with some fundamental e-commerce issues that some would-be internet retailers already have prepackaged for them with certain solutions. Arguably, most important among them are an internet-ready merchant account, a payment gateway (to send orders to your merchant account) and a Secure Socket Layer (SSL) certificate, to securely transmit digital information. An SSL certificate will let customers know you have addressed security concerns with the digital transmission of their payment information—a “must” in this current climate of identity theft.

To sell on your site, you will likely still need to employ an outside firm or other vendor to address these payment issues. But at least all the controls are left up to you, and you can ensure that, since your site does not come from a template, it is a unique destination that functions in an innovative and compelling way.

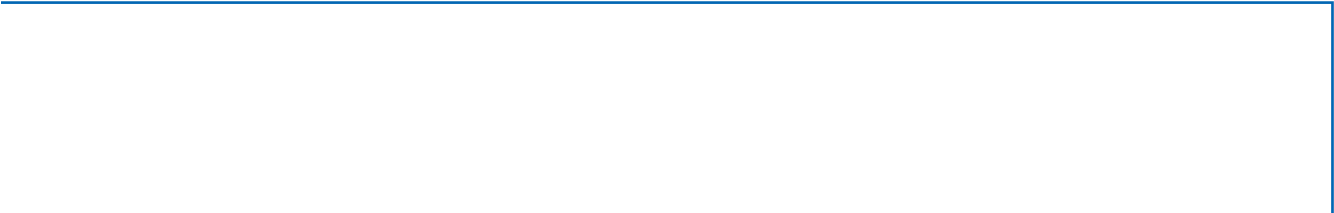
If website registration does not come with your chosen package, you will need to purchase a unique URL (universal resource locator), also known as a domain name. There are many resources, such as www.godaddy.com and www.nsi.com, that allow you to register in just a few moments. Sign up for a small website and begin with the basics: your location(s), contact information, hours and merchandise selection.

If you’re uncertain of how to begin, then don’t hesitate to start small. If you jump in headfirst, and discover you can’t fulfill your retail promise or have difficulty handling demand, you may lose customers that you can’t win back later. So, be careful not to bite off more than you can chew.

E-COMMERCE WITHOUT A SITE

Online sales can even flourish without a dedicated homepage. If you’re willing to sell through someone else’s site, internet auctions such as eBay (www.ebay.com) and virtual marketplaces like Amazon (www.amazon.com) may be right up your alley.

Bear in mind that eBay encourages members to post reviews publicly, so take every inquiry or dissatisfied experience seriously. Monitor your auctions (or eBay stores, a feature that allows you to sell through their site at fixed retail prices), and be available to answer questions and follow through on purchases.



User Interface	Website Options	Payment Processing
Browser-based web edits	Offers website for \$450, including graphics, passwords	Secure processing with multiple payment options
15-minute setup with help wizard	Offers website and 500 MB space (Use templates or your own design)	PayPal and credit cards
Wizards assist users with adding a store logo or photos and purchase options. 50 MB disk space. Preview storefront and publish with one click.	Offers 50 GB hosting (\$6.99/mo.)	PayPal or your own merchant account
Web-based administration. Flexible inventory, including custom categories: apparel, shoes, manufacturer names and logos	Design templates available; website not separate from storefront	Credit cards
Wizards for billing, sales tax, shipping and adding products or images	Offers “Setup and Design” wizards to create websites, and 25–100 MB	PayPal and credit cards
Interactive, so you can add Q&A, customer polls, forum and guest book	600 MB web space included with Sitebuilder standard templates	Merchant Manager tool includes secure processing (above Gold level)
Wizards to build catalog, includes free listing in a small business directory	Two-page site, plus catalog. Seller can include “add to cart” feature and track the site’s most popular pages	PayPal
Easy setup and maintenance wizards.	Offers domain hosting, websites and 180 design templates; 5 GB storage included	Complex offerings for payment processing. Integrated shipping FedEx, UPS
Yahoo! SiteBuilder with templates and unlimited changes	20 GB disk space for site, plus product catalog storage	PayPal, credit and debit cards

DON’T SKIP THE DETAILS

Market research shows that close to one-fourth of shoppers who have suffered one bad online experience don’t return to the offending site, even if they’ve been loyal to the brand offline, reports TechWeb.com, an online provider of technology news and trend reports. And approximately 6 out of 10 shoppers won’t buy from a website if they’re not sure how the retailer handles their personal data.

Amazon’s Marketplace also sells products on behalf of other people. The basic merchant accounts stipulate that you can only post and sell merchandise Amazon already carries, so it lists your items alongside its own. (In essence, you’re competing with the company.) This is an unconventional methodology, but one that works for many sellers. They list items for sale on a widely publicized, very popular website and pay nothing until an order is received. While it is possible to post other goods, it requires a little work: Since a product detail page does not yet exist for that new item, you will have to create one.

By registering for the Amazon Payment feature and linking it to a checking account, individuals or businesses can enable direct deposit. Then all the retailer does is receive orders and ship merchandise, but the expense is higher than selling through your own site: The company charges six to 15 percent of the sale price, plus 99 cents per transaction and variable closing fees, which run as low as 45 cents.

Search for “dancewear” on Amazon and you’ll see many national brands offered from various sources.

CONSULTING SUCCESS

If you want to start big, you might decide to use an online-retail consultant or web designer after all. Such experts may not just help launch your product offerings to the market, they may also be able to advise on pricing strategies and recommend methods to handle order logistics. You can find a freelance web designer at places like www.elance.com, where they bid on custom projects. Many e-commerce consultants also focus on increasing your reach by selling search engine and ad placements, something we’ll cover next month in Part 4 of the series.

What does all this cost? You can budget less than \$1,000 per year, but be aware that some vendors’ transaction and credit card processing fees can increase your costs as volume grows over time. But as long as those costs are offset by your profits, you’ll be ahead of the game.

Remember that, no matter what vendor you choose, your e-commerce site can take time to launch. That, too, can be beneficial, though. For many sellers, the ramp-up period for a new online venture gives them time to slowly learn which goods to offer and how to handle the increased business. ➡

Helen Gallagher is a freelance writer and computer consultant living in Glenview, IL. She is the author of Computer Ease and writes for Cheer Biz News, Pages, Training Media Review, Writer’s Digest and other business magazines.

In the next issue . . .

Part 4 of DRN’s e-commerce series will address “must-do” marketing methods for the online world.

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