Helping Your Clients Make The Move to eCommerce

The positions we hold often give the unsuspecting Internet entrepreneur the idea that we are the best initial contact when considering the world of eCommerce. They focus their thoughts on shopping carts, HTML code and Service Level Agreements. Our NEW job is to inform them that they need to first consider marketing, financing, staffing and order fulfillment before worrying about their Internet interface. Knowing the other factors they needs to consider and helping them arrange all aspects of their new venture presents an amazing opportunity for you to move into this market and provide a service that will be very valuable (to you and your client).

eBusiness

Activities carried over computer-mediated channels

eCommerce

Transactions carried over computer-mediated channels that comprise the transfer of ownership or the entitlement to use tangible or intangible assets

I can't participate in eCommerce because I do not know how to create a web site!

Well…did the owner of the corner store do his own plumbing & electrical work?

There is very little difference between starting-up a physical retail location and an e-commerce retail operation

Business Plan

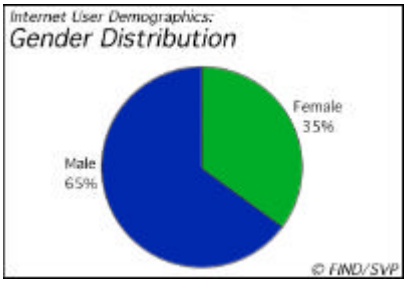
- Expense Forecast
- Revenue Forecast
- Employee Requirements
- Market Research
- Financing

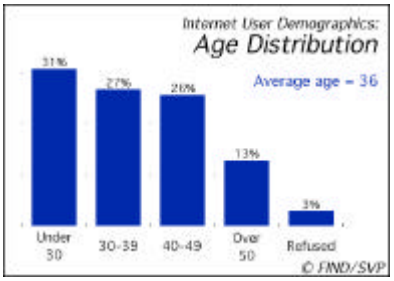
Setting Up Partner Arrangements

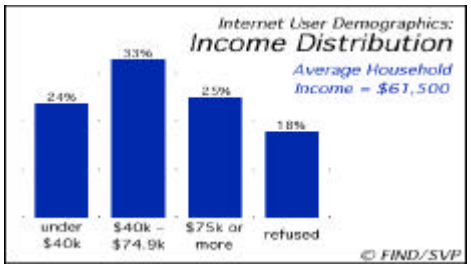
- Advertising Channels
- Banking Arrangements
- Credit Card Merchant Services
- Gov't Registration
- Marketing
- "Landlord" Host for Web Site (ISP)
- Suppliers for stock and supplies
- Shipping
- Broker Service (customs, etc)

"If you take the "e" out of eCommerce and eBusiness we are left with what the concept is really about"

So…who's out there?







Internet User Demographics:
Ethnic Background

White = 83%
Black/African American = 5%
Hispanic/Central or South American = 3%
Asian = 3%
Other = 3%
Refused = 3%

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Internet User Demographics:
Work at Home & Business Travel

- 63% do some job-related work at home
- 49% report travelling for business

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Internet User Demographics:
Type of Area Live in...

City Over 1 Million People = 19%
City of 100K-1 Million = 27%
A Nearby Suburb (within 20 miles of city) = 20%
A distant Suburb (20-50 miles) = 6%
A town or city of less than 100K people = 18%
A Rural Area = 10%

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As the Internet becomes standard for transactions, dollar volume will increase dramatically, growing from $2.6 billion in 1996 to $220 billion by 2001

Considerations for an eCommerce Internet Site

Product Offering

- Can product be sold remotely?
- Can it be shipped internationally?
- After adding shipping, is price still competitive?
- Is it easily “shippable”?

Financial Transactions

- What type of payment options will you accept?
- Does your Credit Card merchant agreement allow non-signature payments?
- Do they require a security deposit from you?
- Can your website accept payments?
- Will you authorize payment immediately on-line?

Marketing

- Marketing budget?
- Search engines will NOT do the job alone!
- Click-thru banners OK, but expensive and not worth money
- Conventional marketing still the best way to spread the word about web site
- Consult a professional marketing firm

Order Fulfillment!

The biggest stumbling block
and #1 reason for failure
in eCommerce

Order Fulfillment

- Dependable Suppliers
- Solid shipping arrangements
- Solid arrangements with Customs
- Guaranteed order turnaround
- Quick reply to email requests
- Fast and effective return policy

Selecting an Internet Host

- Dependable and established hosting service
- Able to satisfy SSL requirements
- Use Apache! :-)
- Knowledgeable staff
- System accessible to you and your webmaster
- Can they handle the potential traffic?

Web Store (Shopping Cart)

- Ensure that vendor is established and reputable (ask around)
- Compatible with credit card interface and web server
- Easily maintained
- Flexible

Example of Costs

Secure Certificate $250.00
Shopping Cart Software $200.00-$500.00

Basic Web Hosting and access $20.00/month
Secure Server Access $20.00/month
Domain Hosting (www.company.com) $10.00/month

PLUS credit card fees, banking charges, etc

There is money to be made! So….go make it!

Some e-stores to visit

- www.amazon.com
- www.chapters.com
- www.iaw.com/ss
- Shopping cart sites have sample stores

Resources for Shopping Carts

- Quik Store www.quikstore.com
- Shop Site www.openmarket.com/shopsite/
- Mercantec www.mercantec.com

Credit Card Authorization Sites

- YOUR BANK!
- www.internetsecure.com
- www.touch.com
- www.lend.org
- www.cybercash.com

Other Resources

- e-com.ic.gc.ca
- www.ecc.ca
- www.nua.i e/surveys
- www.nua.i e/clickonomist/current.html
- cyberatlas.internet.com
- www.isp-resource.com/IncogNETd/0000006.shtml
- www.isp-resource.com/IncogNETd/0000013.shtml
- www.iaw.com/99006.pdf
- http://www.emarketer.com/estats/welcome.html

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