



10 things you really should know about E-Commerce

1. If it was that easy, we'd all be doing it

Making money on the Web isn't easy, or more accurately making significant amounts of money isn't easy. You can earn a few dollars without much difficulty, through affiliate programs for example, but that's about it. You can forget the ideas about thousands of dollars rolling in, while you're sleeping or sunning yourself on the beach. Making money on the Web requires planning, determination and a lot of hard work. If you don't realize this, you won't succeed.

2. Marketing is King

You can have a superb product and the best Web site on the Internet, but if you can't get customers to visit your site you won't make money. Once you've set up your business you'll need to spend the majority of your time promoting your business and trying to attract customers. It won't happen by itself, and submitting your site to the search engines or buying a few banner ads simply isn't enough.

3. You can't sell what they don't want

Fairly obvious you might think, but this is one of the most common mistakes that most businesses make. It may seem like a great idea to sell hand-made candles or herbal soaps from your Web site, and you may be able to find suppliers with great products, but are you sure that there are people out there who will buy these products over the Net? (If there are, you can bet that you will have lots of competitors who will have already spotted the gap in the market.) Before you start any business, you need to be sure of two things; that there's a market for your products or services, and that you have some way of differentiating your business from the inevitable competition.

4. If they can't find it they won't buy it

Customers searching for products to buy typically work their way through a list of possible web sites, especially if they are using a search engine. They may spend only a few seconds on your site before moving on to the next one, unless you can hold their interest. This means you need to make it immediately clear what your business offers and give the user a quick and intuitive way to locate products on your site. If they have to drill down through endless departments and categories, or if your search function simply returns an unhelpful "product not found" message, your potential customers will get bored and go away.

5. Slow Site = Slow Business

One of the great advantages of selling on the Net is immediacy. A customer can find a product and buy it with a few mouse clicks and key strokes. Lots of web sales are impulsive, "let's go for it", decisions. It follows that you want to make the time between deciding to buy and completing the sale as short as possible, to minimize the chance of the customer reconsidering. As many as 40% of shopping carts are abandoned before the checkout process is complete and one of the main reasons for this is the length of time the checkout process takes. If the process is unnecessarily complex, or takes ages between pages, then it is highly likely that the customer will chicken out. (Of course, if your site is very slow your customer may have given up long before the checkout stage.)

6. Simple sites sell successfully

Take a look at the Google home page. Notice anything about it? No fancy graphics, no Flash animations, no clutter. It just works. I'm not suggesting that an E-Commerce site can ever be quite so pared down, but the principle remains valid. Decide what the main purpose of your Web site is and design it accordingly. Form follows function you might say.

7. If you don't know your customers, you don't know your business

Successful businesses understand their customers. They understand how the customers use the products, their purchase patterns, and the other interests they are likely to have. It's difficult to do this if you don't have an interest or enthusiasm for the products or services you are offering. Doing some "market research" for your business plan isn't really enough. The key to successful marketing is getting inside the head of your target customers. If, as I've already mentioned, you need to concentrate your efforts in marketing your business it follows that your going to

spend a lot of time just getting to know your customers, whether by talking to them, listening to them, or just hanging out in the places (on-line or off-line) where they are likely to be.

8. Not everyone is a talented web site designer

The best way to build an E-Commerce site is to hire a competent professional to do it for you. It won't be cheap. Despite everything you may have heard, there is a lot of skill in designing a web site and it takes a lot of practice to become good at it. You also need a certain amount of talent, this about design after all. Professionals keep it simple and to avoid being too creative. It's when amateur web designers start to get "creative" that the problems start.

9. More time on site means more sales

I once read one of these motivational business books where the author raved on about how important it was to be "at bat". (a common baseball term). The idea was that you can only achieve anything if you put yourself in a position to score. For example if you are trying to get a job you are "at bat" if you apply for a job. The more jobs you apply for, the more you are "at bat" and the more likely you are to achieve your objective. Makes sense to me. Selling on the web is a bit like this. You can only make a sale while the user is on your site. The longer you can keep the user on the site (i.e. "at bat") the greater the chance of a sale. It seems reasonable then, to find ways of keeping users on site for as long as possible. Generally this involves adding interesting content or community features such as forums or chat rooms.

10. The "Experts" aren't always right

Especially true for anything to do with the Internet or Electronic Commerce. Remember, these are recent developments. Few people you will meet have been involved in Electronic Commerce for more than a few years and things are still evolving rapidly. It is always wise to listen to advice, but it's your business, and sometimes you've just got to follow your instinct.