

The Small Business

Beginner's Guide To E-Business



The First Steps to Doing Business Online

Joe Ebner

The Small Business Beginners Guide To E-Business

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The first question often asked by small business owners just like you who want to go online with their business is *what do I need to know to get started*. They know people are buying online and they know they need to get their business online to compete in today's marketplace. But beyond that realization, most are clueless as to how it all works.

Who can blame them, really? It's a confusing online world out there. And, many times those who are trying to explain how e-business works are really just trying to sell them something. It's difficult to trust what they are telling you when profit is motivating their explanations.

The best way to avoid costly mistakes when setting out to go online with your small business is to learn the basics about how e-business works. By educating yourself, you'll save some of your hard-earned money and actually have a better chance of making a profit right from the start.

After reading this guide, you'll have a better understanding of how all the parts of the e-business puzzle fit together. You'll learn what you need to know to take those first important steps into the world of e-commerce.

Who Should Read This Guide

This guide is intended for the small business owner who is contemplating going online with their business and know nothing or very little about how to accomplish it. It is not a step-by-step guide. Rather, the Guide explains in plain English the 6 different elements that make an e-business and what functions they perform.

Unlike a lot of other so-called *Beginner Guides* you often find on the Internet, we created this guide without any product recommendations or *get rich on the Web* advice. In fact, we don't even mention any products at all. We did this to avoid giving you the impression we're really trying to sell you on our own products or services.

Now, let's take a down-to-earth look at what the small business owner really needs to know to get started doing business on the Web.

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ELEMENT 1. THE DOMAIN NAME

Even if you've been living under a rock the past two years you know a domain name has something to do with the Internet. You see and hear them everywhere – television, radio, and print. Most domain names you see and hear today are the dot-coms.

The fact is, you are going to have to register a domain name for your Web site. There is just no way around it. The domain name you choose will become your brand on the Internet and give your company a permanent online identity. You can have a business on the Web without registering a domain name, but believe us – you'll be wasting your time and money trying to run an online business without one.

There are many good reasons to get your own domain name, the most important being:

Perception - It doesn't say much about your company if you can't afford to have your own domain name. If you don't have a domain name for your business, no one on the Web will ever take you seriously.

Mobility - No matter where you decide to host your site, your domain name remains constant. If you find a better hosting deal at company "B", you can transfer both your site and your domain name with no interruption in service.

Search Engine Results - Some search engines rely on domain names and keyword match-ups to send search results to their users. Having a domain name that matches what your company does or sells often means you'll turn up higher in search queries associated with your business.

Domain Name Selection

Selecting the right domain name for your online business requires some careful thought. Your goal is to choose a name that's easy for your customers to remember, is as short as possible, unique, and reflects what your company does or sells.

The first name you'll want to consider is, of course, the name of your company. It's easy to check to see if any name you choose is already in use. There is a master database containing all the domain names registered on the Internet. This list can be searched to find a specific name. Since there can be only one registration for a particular name, any matches that are found as a result of a search means the name is already taken and is unavailable.

Many search engines and Web hosting companies provide a tool that will let you check any domain name for availability at no cost. To check a domain name, simply type the name you want to check in the search field. Voila! - You get the results in seconds telling you if the name is taken or not.

If your company name is indeed available, register it quickly. Domain names are being registered at the rate of thousands per week and, the registration process works on the first come first served method. If your company name is not registered, it is open for *anyone* to register it.

If you discover that your company name is not available, you can still register a domain name that reflects what your company does or what your company sells. Use your imagination to come up with a descriptive or unique name. Only try not to make it too long or too cryptic. Your goal is to make the name *stickable* in people's minds - something easy for them to connect your company with.

For example, a small company we know sells ocean tide measuring devices and weather forecasting instruments. Unfortunately, the name of the shop, as well as all the easy domain names associated with the shop's main products, were already taken.

The shop owner initiated a contest promising a prize to the employee who could come up with a good name for the Web site. The winner – tideandweather.com. The name tells you exactly what you'll find on the site, it's easy for customers to remember, it's sticky, and it's different. In short, it meets all the requirements for a good domain name.

Sometimes you absolutely have to have a domain name that is taken. Domain name look up results will also display the current registrant's contact information. You might contact the registrant and offer to *buy* the domain name. There are also domain names that have been registered by speculators hoping to sell them later at a profit. Recently, the domain *business.com* was purchased for \$4 million!

When selecting a domain to register include only the *dot-com* extension. Dot-com is the most recognizable domain extension to the general public. People are used to hearing it and automatically associate it with a commercial Web site.

How Much Does It Cost?

Registering a domain name will cost you \$70, and, this will cover your registration for 2 years. Recently, several new companies have been offering to register domain names for as little as \$20 so a little shopping can save you some money.

The registration is exactly the same. The only difference is how much you'll pay.

While shopping for domain registration you'll often find companies that offer to register your domain for free. This really means that they will complete the registration *process* at no charge. You will still be required to pay for the actual registration.

A good place to start looking for someone to register your domain name is the company that will eventually host your Web site. Hosting providers are usually in a position to offer you a complete package of services including domain name registration. Remember that you should pay a maximum of \$70 for domain registration. If they ask more than this they are tacking on an extra processing charge. Find a company that includes domain registration as a free service if you host your site with them.

ELEMENT 2. THE MERCHANT ACCOUNT

People are making purchases over the Internet and the vast majority use credit cards to complete the financial transaction. It makes sense, then, that to do any amount of business on the Web, your company must have the ability to accept credit cards for payment. To accept credit cards you'll need to have a *merchant account* with your bank.

If you are presently running a small business, you probably already have a merchant account. You can use this account to conduct financial transactions over the Internet just fine.

If you don't have a merchant account and you want to do business over the Internet, you absolutely have to get one. Without the ability to accept credit cards, you're doomed to failure because you will miss sales opportunities and customers. Apply for an account before you begin building your Web site.

The up-front costs of a merchant account can be hefty for a small business, but the long-term savings are substantial. You can contact your banking institution for more information and guidance, or you can look over the many plans offered by merchant providers on the Web. One good resource for merchant account information is MerchantWorkz (www.merchantworkz.com). Here you will find a list of merchant providers and a breakdown of the costs associated with the plans they offer. Links to the individual account providers will let you examine the details each provider offers.

Payment Processing Options

About the only thing you get with a merchant account is a merchant account number. The total cost of your account will depend on how you want to process your transactions. Each method has its own tools and you'll need to buy these tools to use the system.

There are several different systems in use today by online businesses. Among them:

Real-Time Processing is the best choice if your business conducts a lot of transactions over the Web. The system uses a program that runs on your Web site and will authorize credit card transactions directly without any manual intervention. All transactions are conducted in real-time, meaning that authorization is confirmed when the purchase is made.

The up-front costs for setting up real-time processing are a bit steep for the small business starting out on the Web. Unless you have or expect to have a steady stream of customers that justify the added expense, we suggest using one of the other methods. You can always upgrade your processing later when the amount of business you are receiving dictates the need.

PC Software is a processing system that utilizes software running on your personal computer. The computer connects to the merchant provider using a modem and phone line. The result is much like using a cash register.

The system usually costs more than the terminal (see next) but is less expensive than real-time processing. Upfront costs include the software that you must purchase and install on your computer for the system to work.

Terminal You're probably already familiar with this method. These are the little gray boxes you see in just about every store these days. The cashier swipes your card through the terminal to complete the transaction.

Of course, a business operating on the Web doesn't have the customer's card. In this case, the card information is entered into the terminal manually using the keypad. If you run a store or shop that already has a terminal you can use it to process your Web orders. If you do not have a terminal, the cost for getting one is within reason for a start-up Web business.

Touch-Tone Phone Some merchant providers offer this as a low-cost way to process transactions. Basically, you call an automated system that takes the necessary information via the keys on your telephone. The initial cost is very low because there is no software or terminal to buy. Many start-up Web businesses use this option to start out with. When the time comes (hopefully) that you start spending long periods of time entering your transactions, you can upgrade to a more efficient method.

New businesses just starting out can apply for merchant accounts right over the Web. A deposit or processing fee is usually required to complete the application. You can pay for the application fees by – what else – a credit card.

ELEMENT 3. THE ELECTRONIC SHOPPING CART

The right decision here will go a long way in establishing a trusting relationship with your Internet shoppers and save you a bundle of money when it comes to building and maintaining your online store.

What Is A Shopping Cart?

The electronic shopping cart (e-cart) is a program that runs on your e-commerce Web site. It can be compared to the real-world shopping cart you push around your local grocery or department store.

The e-cart allows your Web store visitors to browse the products you offer for sale on your site. By clicking an “Order” button associated with an item, the e-cart stores data about the item in a temporary holding area. As the customer selects additional items to buy, the shopping cart automatically keeps track of them.

When the customer is finished shopping and wishes to *check out*, the complete order is displayed. The e-cart shows the customer the total amount of the order and calculates any applicable taxes. The cart can even offer optional shipping methods and include those costs too. The customer only needs to enter destination and payment information to complete the transaction.

Along each step of the online shopping experience, the customer is kept constantly informed about the status of his/her order. They have several opportunities to modify and even cancel all or part of the order. The transaction is not finalized until the customer confirms the order by clicking the “Submit Order” button.

The e-cart then notifies you of the order for further processing.

A site with a variety of products should seriously consider using the electronic shopping cart program for two main reasons:

- I. It's the easiest way for your customers to shop your site.
- II. It's the easiest way to keep you product line current.

Customer Ease Of Use

Customer convenience is the main reason people use the Web to buy goods and services. It makes perfect sense, then, to use any tools available that will help make shopping your site easier for your customers. The e-cart's point and click interface is *the* easiest system for your customers to use. If you want to guarantee that you'll receive little or no business on your Web site, then don't bother to use a shopping cart.

Web savvy shoppers expect shopping carts on commercial sites and they are familiar with using them. Compare this to the order form method (see next) and you can quickly see how the shopping cart passes the ease-of-use test. It supplies all the necessary information about your store items including price, shipping weight, and taxes.

Another important function of the shopping cart is security. The shopping cart protects both you and your customer's sensitive information by using encryption technology to hide this information from prying eyes.

Store Maintenance

E-carts are usually teamed up with a product database that eases the work involved with maintaining your Web store. By using this one tool, you control your product categories, descriptions, prices, images, shipping information, taxes, and more. Instead of re-writing individual Web pages each time you want to update your products, you only need to update the product database to affect changes.

Shopping carts not only allow you to have all this control, but they let you make changes from almost anywhere at any time. All the tasks associated with keeping your store current can be accomplished from your home or office because the shopping cart uses a browser-based interface. This means you can use any Internet connection and Web browser to build and manage your store.

Payment

How you handle payment is up to you. Most shopping cart programs are pretty flexible when it comes to processing your orders.

If the orders placed on your site are to be processed with the customer's credit card as a sale through your PC or terminal (see Merchant Account), then there doesn't have to be any connection between your cart and your merchant account. The two will work independently, each doing their part of the job.

If, on the other hand, you would like all of your incoming orders to be automatically processed as the customer hits the submit button, you will need real time processing. Your decision to use real-time order processing requires you to be absolutely certain your shopping cart program is compatible with your merchant provider. The two systems must be capable of talking to one another and exchanging data. Otherwise, nothing will work. Talk with both the shopping cart developer and your merchant provider to insure the two systems will work together.

Order Forms

While they work just fine with mail order, the order form just doesn't work on the Web. They're complicated, clunky, and make your shoppers work way too hard to complete an order. If you opt to use an order form as a purchasing method, you'll chase your shoppers away. Rather than wrestling with an order form, customers will simply click off to another site.

To demonstrate how difficult an order form is to complete, browse the Web and find a shop that uses one. If he/she has a good selection of products, the form is about three screens long with lots of empty fields for the shopper to fill in. To submit an order using this scheme, the customer has two options. The first makes your customer write down all the information that relates to the products they want to buy, then switch to the order page and transfer this information into the appropriate blank order fields. The second way is to open two browser windows, copy the product information and paste it into the order form.

Be honest, now. Do you really think your shoppers are going to do all this work to place an order on your site?

More times than not the order form system is used without any regard for security. This is really a big mistake. The two biggest issues consumers have about using the Web are security and privacy. Not using encryption technology to safeguard your customer's financial information tells them that you are not concerned about their safety and security. They will not give up their financial information to a site that does not use security to protect them.

Asking your customers to call a telephone number to make a secure transaction is another silly mistake. Think about this a little. Your customers are shopping online because it's convenient. They are looking at your products. They want to buy. You stop them, ask them to go off-line, call you, and buy your stuff. Again, this doesn't work. Instead of logging off and calling you, it's much easier for them to just click off to your competitor.

If you are serious about conducting business over the Web, the order form is not an option. Repeat after us...***DO NOT USE AN ORDER FORM!***

How Much Does It Cost?

A few years ago most shopping cart programs were custom programmed and very expensive. The cost of the shopping cart contributed greatly to the final cost of doing business online. As a result, most small business owners found it way beyond their budgets to establish an online store.

Today this is no longer the case. Now, many small businesses are moving to the Web thanks to the affordability of shopping cart programs.

While shopping for a provider to host your site (see Hosting), you may discover that the company offers a shopping cart as part of a hosting package. Some hosting providers even offer this service free or for a small additional monthly fee. If you find that your provider does indeed offer a shopping cart, make certain it also includes a secure server to protect your shopper's financial information.

If your hosting provider doesn't offer a shopping cart, there are many low-cost and even free shopping cart applications available on the Internet itself. Most of these are shareware programs that let you use the program for a set amount of time before you are expected to pay for them. The length of the trial period is usually 30 days, giving you plenty of time to work with the program. Your best bet is to try several and choose the one that best suits your needs.

You can also purchase standard and customized versions of commercial shopping cart programs. At the very high end of the scale is of course, a custom-built program. Custom programs are usually created for large corporations who can afford the cost of development and maintenance of these systems.

What's Ahead?

The electronic shopping cart seems to have settled in to an acceptable and easy way to shop the Web. Soon, Internet users will be able to use this tool almost anywhere as wireless technology and hand-held computers become more affordable and useful. The electronic shopping cart will be modified to be compatible with these new devices.

One thing is for sure – whether desktop or hand-held – the shopping cart analogy is here to stay.

ELEMENT 4. WEB SITE HOSTING

No matter how wonderful and functional your site is, it does absolutely no good to anyone if it can't be seen or used. Your site must be placed on a computer that is connected to the Internet and running Web server software so it can be made a part of the World Wide Web.

Ideally, this computer will be connected to the Internet via a full-time high-speed connection. It will also have to be running any Operating System (OS) for which Web server software is available. This combination of hardware and software is called a Web Server. We won't get into the network technicalities about how all this works. All you need to know at this point is that your site must be hosted on a Web server.

DIY Hosting

It may surprise you to know that you can indeed host your own site. And, you can even do it yourself through a dial-up telephone connection.

The main problem with this scheme is your site will only be available when you are logged onto your ISP. Even then, most ISPs assign a different address to your computer each time you log on to the system. This means that none of your links will work. Your site will also be comparatively slow to load because of the limited speed dial-up connections have. Most ISPs won't let you stay logged onto their network 24 hours a day, 7 days a week. If they will, they will probably soak you for it.

If you're one of the fortunate few to have cable access, you have high speed and you're connected 24/7 with a fixed address. The only problem is that most cable connections are great at pumping data *to* your computer but fail at transferring data *from* your computer. So, you only have part of the problem solved. You're still stuck with slow output.

The only real solution to having a full-time connection that operates at high-speed in both directions is having your phone company install what they call a T-1 or a T-3 line. To do this you'll need lots of cash. Installation costs and monthly connection fees for these lines aren't cheap.

Even if you do decide to host it yourself, you'll have to keep everything running. This means you're the one responsible for all the technical administration of the server and the Webs on the server. And, running a Web server is not as easy and trouble-free as the makers of server software would have you believe. You're also going to have to deal with security issues, back-ups, machine maintenance, and other duties expected of a technician.

You can see that going the DIY route is a lot of work. It's much easier to pay someone else to take care of all this technical stuff while you concentrate on your business.

Free Services

During the last few years several companies have emerged that offer to host Web sites at no cost. At first this seems like an ideal situation for a small business starting out with a Web site. And, many small companies have taken advantage of these deals.

Let's take a look at how these companies work and then you decide if it is really such a good deal for the serious small business owner.

The companies who host Web sites for free still have to pay for the hardware and software to run a Web server. They also have those hefty monthly connection fees to pay.

So how do they do it? In one word, advertising.

Every Web page that gets served up from their Web servers contains some code that will automatically insert an advertising banner on the pages. That means your business page displays advertising for other businesses.

Some free services produce ads in the form of a pop-up – a small page that appears over your site, usually in the upper-left quarter of your visitor's screen. To make matters even worse, the pop-up starts to load *before* your Web page loads.

People generally don't like pop-ups. They're annoying. Your visitors will click the pop-up closed, then quickly click off your site. They'll often leave before your page even has a chance to load.

Most free Web services are notoriously slow which spells disaster for your business site. Today, you have about 30 seconds max for your page to load onto your visitor's computer. If your site is too slow to load, they'll click away faster than you can say *out of business*.

You usually can't have your own domain name when you use a free hosting service either. As we discussed earlier, a domain name is how people find your site among the millions already on the Web. By not having a domain name you don't have a way for people to easily remember your Web site address.

Because every page accessible from the Web has an address, you'll still get one. It will be long and cryptic which makes it difficult for people to remember. Long addresses also appear strange when you use them in printed marketing materials.

And, people recognize the address right away as a freebie Web site. When people see a business on a free hosting service they automatically assume that the owner is reluctant to make a real e-business commitment and is not taking doing business online seriously. You don't want your customers to get that assumption.

Another drawback is that free services generally don't provide the necessary security tools you'll need to do business safely. Today's Web savvy shoppers demand that you protect their sensitive information.

The companies who run free hosting services don't need a reason to shut down your site anytime they want. One day all your hard work can be cooking away and the next it can all be gone. Free hosting providers aren't interested in your business – they're interested in *their* business. That's how they make money.

While the offer at first seems like a marriage made in heaven, it's best to pass on the free service if you want to do business successfully over the Web. You're going to have a tough enough time without giving your visitors the impression your business can't afford a domain name and a real Web host.

ISP

Your Internet Service Provider (ISP) may provide hosting space on their servers for a small monthly fee. Some may even offer free space as an incentive to get you to sign up for other services. Again, this sounds like a pretty good deal.

The main function of an ISP is to provide connections to the Internet for individuals as well as corporate users. Corporate users always take precedence over home users. They may also provide hosting services if they possess and maintain a Web server.

The free or low-cost Web space an ISP may offer is primarily offered to the home user for a personal Web site. These Webs are more often than not, a sub-Web under the main ISP's Web site. You can usually recognize a free ISP site by the tilde that is usually used in identifying the sub-Web (www.ispsite.com/~yoursite). Most ISPs will not permit a business to use the personal space for their activities and have strict rules governing personal Web space use.

If the ISP also offers virtual business hosting it is usually for a larger monthly rate than you can get from a WPP (see next). And, because the ISP is concerned with maintaining connections, Web hosting gets second rate attention. If the company's network is having some kind of trouble, you can bet the Web sites are having trouble too.

Of course there are exceptions to the generalities. It may be best that you start with your ISP to see what services they can offer the small business owner. Usually, you'll do better if you look into a company that exists only to serve up Web sites.

WPP

The Web Presence Provider is in business to host Web sites. They don't build sites and they don't provide dial-up access. They specialize in providing Web space for business and individuals.

The WPP has several advantages over your other choices. The most important advantage is that hosting is their only business. Therefore, WPPs are experts at providing the best connections to the Internet and keeping those connections running smoothly. Most WPPs have invested heavily in hardware and software that is specifically made for continuous service. They also possess back-up power, redundant systems, and special Network Operations Centers (NOC). They know what hardware and software combinations work best. And, they have the technical know-how to keep everything working trouble-free.

WPPs also put few restrictions on what you can and cannot do with their servers. You're pretty much free to do as you wish. And, because competition is fairly stiff among WPPs, you'll probably find the best rates among WPPs for hosting your site.

WPPs often throw in such value-added tools as shopping cart software, secure server access, and site building tools. These are all extra features you can make good use of.

If you're like most small businesses just starting out in e-business you're not going to use real-time payment processing. So, it doesn't much matter who hosts your Web. Shop around for the best deal here. Compare several WPPs to find out what features are added and how much you'll pay. You should also pay attention to the connection speed to the Internet the WPP offers. The faster the connection they have, the faster your site will be delivered.

While cost is an important factor to any business, large and small, don't simply shop by cost alone. You may be able to find a provider for a few dollars a month but have almost no support when you need it most.

One-Stop Shops

A new provider has appeared on the Internet small business scene known as One-Stop Shops. These providers offer to supply you with everything you need to do business over the Web - including a merchant account. One-Stops team up with a bank or merchant provider to arrange real-time processing for you. While it seems on the surface to be just the thing a small business owner needs on one package, be sure you analyze closely all the costs involved. You may find out that you can do better if you obtain your own merchant account and hosting.

ELEMENT 5. WEB DESIGN

Now you're ready to start building your Web site. Many small business owners decide to make their own sites and this is perfectly acceptable. However, if you don't have the time or desire to make your own site, there are thousands of Web Design firms who will gladly take on your project. Some Web hosting companies even provide all the tools and services a small business owner needs to create and maintain a Web store without extra hardware or software.

DIY Web

Because of budget restraints or other reasons you may elect to create your own site. Building your own small business Web site can be a rewarding and successful undertaking. It can also be an exercise in frustration and failure.

By building your own site you have the power to choose any merchant provider or any hosting provider for your specific needs. Doing all the leg work can really save you some money. If you're on a budget, doing it yourself is the most cost-effective way to go.

But, there's even more good news for the small business owner who would like to build his/her own Web site. It doesn't take a whole lot of techno-knowledge to build a pretty good-looking site these days. Today, you can purchase a program for your computer that will automatically build and manage your Web site for you. Some of these programs even have Web page templates for you to use. All you need to do is supply your own images and text. The end result can be an acceptable Web site ready for you to upload to your Web server with just a few hours of work.

The downside is that these pages often look like every other Web site out there. There is nothing special about the design or the look. Sights like this are known as *cookie-cutter* sites because they appear to be stamped out of a mold. Which, of course, they are.

Before you start putting your pages together, though, spend some time on the Web looking at other e-business Web sites to get a feel for what you want your site to look like. To give the best impression for your future customers, you'll want a site that looks professional. What professional looks like is arbitrary indeed. Everyone has an opinion.

There are some basic business rules you should follow:

- Your pages must load FAST. Most Web surfers will give you about 30 seconds before they click off. Keep your graphic files small.
- Be consistent. This means use the same colors, same backgrounds, same typefaces, etc. throughout your entire site. If your menu is on the left on your home page, then keep it on the left for all your pages.
- Don't mix too many typefaces - stick to a maximum of 2 and, use standard typefaces.
- Keep the animations to a minimum – to many can be very distracting.
- Don't use music on a business site.
- Don't try to be cute or *kewl*. This is serious business.
- Go easy on the high-tech. Just because you *can* do something doesn't mean you *should*.
- If you're selling something, don't mask it. Let your visitors know your intentions right from the start.
- Make sure your customers can easily find your company name, address, and telephone numbers easily. Don't hide this information.

Begin by deciding what you want your site to accomplish and round-up all the tools and materials you'll need to build your site. In particular:

- Have all your content materials – stuff like images, text, and other media you plan to use.
- Have at least the two popular Web browsers installed on your computer - Netscape Navigator and Internet Explorer. You'll want to test your completed pages on both. (Your pages will appear differently on each one.)
- Know your target audience and what you expect to offer them.
- Get an idea of the structure and scope of your site.

There are many sites on the Web that give you all the basic instruction you'll ever need to create Web pages. Try searching Yahoo! or your favorite search engine for information about Web site building for beginners.

Nothing helps more than experience. And, a good way to get a feel for what works good for a small business Web site is to spend some time looking at small business Web sites. Take notes about what you like and what you don't like.

Don't be afraid to try different layouts. The great thing about the Web is you can change your pages any time you want and it won't cost you a thing other than some time.

Application Service Providers (ASP)

A number of new hosting providers also provide you with a way of creating your site without any software and a minimum of Web skills. These companies give you a set of tools you can effectively use to build your site while your online.

The tools run on the Web server and often include applications that let you build your Web pages. Many include a database to help you keep track of your products, their item numbers, descriptions, prices, weights, images, and other options. The resulting catalog can be incorporated into a shopping cart and a secure ordering program. The end result is a complete Web store you build yourself.

To use the tools, you connect to the server using any Internet connection and your Web browser. You can build your site right from the browser at home, in your office, or just about anywhere else. We know of people who run complete Internet businesses from remote locations with nothing more than a laptop computer and a dial-up Internet connection. All you supply is the particulars about your products and company. The programs do all the programming to create your e-commerce pages for you.

There are several advantages to using a service such as this. You have complete control over what you put in your Web store and how you want it presented. You can work on your store at any hour. And, the applications are usually so easy to use that you don't need a degree in rocket science to use them effectively. Just about anyone can build an e-commerce site in a few hours. And, when the provider improves the program or adds new features, you usually don't have to shell out for an upgrade as you do with programs that you buy and run on your PC.

The cost for this service is usually paid monthly and rates can be very reasonable for the small business owner. You should be able to purchase a plan that includes the catalog application, shopping cart, and secure server for under \$25 per month depending on the amount of Web space you need.

There are some things to watch out for with an ASP that provides these services. Some may want to charge you extra for the amount of traffic your site receives each month, others may want to charge you a percentage of your sales every month, and you might be expected to pay for additional services. Shop carefully and look for a service provider who will include the tools you need without additional hidden fees. Read the fine print.

Some Web store providers may also include a real-time processing merchant account. Again, read the fine print and be sure you know how much you're expected to pay for the service. You may find that the merchant rates are 1 or 2 points higher than necessary. In this case, you're really not getting a good deal. Consider getting or using your own merchant account and save over the long term.

Professional Developers

We purposely titled this heading Professional Developers because there are millions of individuals calling themselves developers these days. It seems anyone who shelled out \$150 for a Web page editing program is calling himself a designer.

Youngsters who spend long hours browsing the Web often learn how to create pages. Some have even created some pretty impressive work. So, you're thinking that maybe your brother's kid could build you a site. After all, he spends a lot of time on the Internet, knows all the cool sites, and has built his own home page. While you're at it, you can have your niece keep your books too!

The point is, if you want a professional site, hire a professional developer. Don't fool around with this. Your Web site is going to be a powerful marketing tool that exposes your business to the entire world. Your goal is to have a Web site that is professional in appearance, functional, fast, and business-like. You do not want a site that is *kewl* and amateurish.

A good professional designer will ask you a lot of questions, he'll take a lot of notes, and he'll want to meet with you and your staff often. He's going to be a real pain. THIS IS GOOD! For your developer to build a site that best reflects your business goals he's going to need to learn a lot about your business. The more you help him, the happier you're going to be with the end result.

Professionals also may have teamed up with a hosting provider to offer you a complete package including hosting, shopping cart software, and security that will all work together - all for one price. The result – less time spent setting up your site, thus saving you money in design costs.

How do you find a good pro? Interview several. Look at it as if you're hiring a new employee. After all, the company will be working for you. Talk with the company representatives and cut through the hype. Educate yourself about basic Web operation and learn the jargon. Be a little suspicious of the designer who throws around techno-terms and tries to impress you with his infinite knowledge. A good designer will explain what he does and how he does it in plain English. He will want you to understand exactly what you're getting for your money.

ELEMENT 6. WEB PROMOTION

Your site is built. You have your merchant account and payment processing system in place. You've uploaded your site to your Web hosting provider. You've tested your shopping cart and all your pages.

YOU ARE READY FOR CUSTOMERS!

But how do people know you have all these great products and deals? How do you get the word out you have a Web site and visitors can make purchases or get information about your company and your products?

Just having a Web site won't guarantee instant success. The Internet is an unbelievably huge place with tens of millions of Web pages for people to explore. Without the right effort, no one will ever know you exist. With all the choices Web surfers have, getting them to visit *your* site is becoming a difficult task.

The Press Release

A good way to jump-start your Web site is to create and distribute a press release to the media. A press release is an easy way to announce to the local population that your site is up and available for use. It's almost like a free ad. And, if you're a national company, a press release can be picked up by the media and spread through out the country in a matter of days.

Press releases must be formatted in a particular way for editors to consider publishing them. If your budget allows, you can contract with a media company that specializes in creating and distributing press releases.

If you're a local company primarily interested in local business, you can create a press release yourself and submit it to the local media. The editors may even help you with the formatting and prose.

Internet Search Engines

You've probably used a search engine to look for information in your own journeys into the online world. If you have, you understand how valuable they are to users looking for sites on the Web. Without them, we'd all be forever lost in a sea of information.

Search engines try to organize the Web into orderly subjects so us humans can find what we're looking for. They fall into two main categories – true search engines and indexes.

The true search engine uses the Web page contents to categorize and index the page. They do this by periodically releasing a software program called a *spider* or *bot* out to the Internet to gather data about Web pages. The spider returns this data to a computer that organizes the data and indexes the page. True search engines are machine driven. There is little or no human intervention involved in the whole process. And, it's all automatic.

Indexes are another story. They are built and controlled by people. A good example of a human-driven Web index is Yahoo!. Web sites must be *submitted* to Yahoo! for review. Only after someone looks at the site and determines what category it belongs in is the site added to the index.

Yahoo is *the* most used Web index, so it's critical that you get listed – and get listed in the right place.

Getting your site listed in an index, especially Yahoo!, can take months to accomplish. And, the site owner has little to say about how his/her site is listed. The person doing the reviewing and indexing has the final say.

Getting your site changed after it is included in the index is next to impossible. So, make sure you do this right the first time. Have a list of keywords, your site title, and other information well thought-out and saying *exactly* what you want it to say.

To submit your site to search engines and indexes you'll have to visit each one. Look on the home page for a link that reads *submit a site*. The link will take you to a page that will let you submit all the important information about your site. Carefully enter all the information and click the submit button to complete.

There are hundreds of sites on the Web where you can learn all about search engines and indexes and how to submit to them to get favorable listings. Some even claim they can guarantee you a top listing if you purchase their program. If search engine placement is a top priority with you, you might consider using one of these companies to help promote your site. Use caution and read all the details before you plunk down your money for search engine promotion.

Other Promotion Methods

Search engines are not the only way to get visitors to your site and a common sense approach will go a long way to helping you get people to your site.

Use your domain name and Web address in *ALL* your company's promotional materials. This includes business cards, brochures, newspaper ads, classified ads, flyers, etc. If you have a real store, make sure your Web address is printed on everything that leaves with your customers including register receipts, shopping bags, and product packaging.

Have a placard printed with your Web address close to every register where every customer can see it. You can even have small business cards printed with your store name and Web address. Place these on the sales counter so customers can take them.

Make sure your Web address appears in EVERY display ad in local publications. Even include it in your radio commercials. Some communities have a local cable channel that advertises local businesses. If you use this media, get your Web address there too.

Look to the Web for more promotional ideas. Again, many sites give out free information and guides that will give you ideas on promoting your e-business both online and offline.

One fact is certain; promoting your Web site is going to be an ongoing commitment. And, the more you dedicate yourself to continually promoting your site, the more rewards you will reap.

CONCLUSION

There you have it. The basic guide to small business e-commerce. On the surface, e-commerce can appear simple once you learn how all the elements work together.

- A domain name becomes your brand on the Web.
- A merchant account allows you to accept credit cards
- The site design presents your company
- Your web host shows your Web site to the world
- The shopping cart takes your customer's order
- Promotion lets the world know about your business

Tackle all these independent components one at a time to insure they all work together to make e-business work. Lets hope they work well for you.

About The Author



J.T. Ebner has been providing small businesses with affordable e-business solutions since 1999. He has also contributed many articles that focus on small business and Internet related subjects. His company, WebSmart Hosting, provides free resources for small business owners who want to migrate part or all of their business to the Web.

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The Small Business Beginners Guide To E-Business

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