8 Steps to Start Selling Online

WebFX

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In 2006, consumers spent $102.1 billion online at U.S. based e-commerce sites, which does not include online auction sites, travel spending or corporate purchases. That is a 24 percent increase over 2005.1There has never been a better time to be on the receiving end of that spending pattern, and the market keeps improving.

Many people start an e-commerce site as their primary business. If you have a brick and mortar store where you sell products or simply operate a business from home, starting an e-commerce site can provide an additional sales channel for you.

Creating a Web site for the purpose of selling products or services online entails a large amount of research and planning.

When you start an online business, forgetting one simple step can make the difference between success and failure.

Here are 8 steps to help you get started:

1. Create a business and marketing plan
2. Choose a good Web site address (domain name) to help customers find you
3. Select the right e-commerce software with a shopping cart
4. Apply for a business account (merchant account) for processing credit cards
5. Secure your site with to let customer know it is safe to do business with you
6. Design your site to be user-friendly
7. Test the site
8. Promote your site online

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1. Create a business plan
Schedule a time to meet with your business partners or team members. Brainstorm together, and lay out all of your plans in one document. This plan should incorporate all startup and recurring costs. Set up an overall expense budget and sales forecast.

Your marketing strategy should be outlined at this point. This is the ideal point at which you can define your business by the products or services it will offer, create short and long-term goals, research your competitors, and most importantly, profile your target consumer.

If you are the business owner, you are responsible for developing cash flow and financing in addition to a market analysis. Without proper planning up front, your vision and goal may not be clear to you, your business partners and even potential customers.

Key elements of a standard business plan that will help you put together your online business include:

- Company strategy, including major goals and objectives
- Short description of the products you will sell
- Profile of your target customer
- Marketing plan, including how you intend to drive sales with both online and offline methods
- Operational details, involving who will manage the company, who will manage the Web site, resources and costs
- Financial analysis and funding
- Timeline with key deadlines and events

The Small Business Administration offers detailed guides on writing a business plan. (See: http://www.sba.gov/ smallbusinessplanner/plan/writeabusinessplan/index.html).

1 "comScore® Networks Reports Total Non-Travel E-commerce Spending Reaches $102 Billion in 2006, up 24 Percent Versus 2005", January, 2007

2. Choose a good Web site address (domain name) to help customers find you

You will need to select a domain name for the site that accurately represents what you are selling and helps brand your business. However, did you consider that the search engines will also be using your domain name as a symbol of what you sell?

Search engines like Google® and Yahoo!® are a great way to market your site on the Web because many shoppers go to the search engines to look for products and services. If you use a family name or company name as your domain, you may be missing out on an opportunity for promoting the site. For your domain name, you may want to use keywords pertaining to what you sell. For example, if you sell shoes, try to include the word "shoes" in the domain name before the dot com.

It is also worthwhile to consider purchasing the .com, .net, .biz and .info versions of your domain or use multiple domain names to enhance the probability that a visitor who misspells your domain name in the address bar will still arrive at your site. However, you should have one domain name that represents the primary identity of your online business. This will be used throughout the site, in your logo, business description, order confirmation emails to customers, etcetera.

If you choose to have multiple domains, be sure that you have each of the domains pointed to your site through what is called a 301 redirect. This is currently the only search-engine friendly way to point multiple domain names to the same Web site. If the search engines can view your Web site by visiting two or more different domains, they may view this as an attempt to trick them into thinking that you have multiple Web sites. For this reason, in the past, major search engines such as Google® and Yahoo!® have been known to penalize sites that do not employ proper redirects.

We'll discuss more about why the search engines are so important later in this guide. Talk to your hosting company about 301 redirects, if needed, to be sure your site's domain names are configured properly.

3. Select the right e-commerce software with a shopping cart

In order to sell products on your Web site, you have a few options. You can hire someone to develop custom online storefront functionality. However, most small businesses who are looking for more cost-effective solutions purchase e-commerce Web site hosting software. This allows your customers to select products from your Web site, put them into the shopping cart on your site, and then check out using their choice of various payment methods.

Here is a rundown of the many features you'll want to make sure you are getting from the e-commerce hosting company or solution that you select:

- **Near 100% site up-time:** You'll need your site to be live 24 hours a day to process orders.

- **Email accounts:** Your e-mail should match your site's domain name for branding purposes.

- **Simplicity:** If you do not know Web site coding language such as HTML, make sure the shopping cart software you choose is easy to use so that you won't lose nights of sleep trying to learn HTML.

- **Shipping and tax:** Most e-commerce platforms can automatically calculate the appropriate shipping and tax for you. Since shipping costs are a key part of e-commerce, make sure your platform gives you flexibility (e.g., free shipping, flat rate, pass along rates from UPS, FedEx, etc.).

- **Web site visitor tracking:** Web analytics are programs that will tell you how many visitors you are getting each day and where they are coming from, among other things. Most web site hosting providers will offer inexpensive or free analytics programs.

- **Product quantity limitations:** Make a decision about how many products you are going to need to feature on your site, and be sure that you select software that meets your needs.

- **Discounts and promotions:** Discounts are a great way to drive sales for your business. Choose a shopping cart solution that makes it easy to offer discount pricing and coupon codes to help you drive sales.

- **Technical support:** Imagine running an online shopping site for the first time without technical help. You should be able to find an e-commerce company that offers free phone and email support.

Once you select an e-commerce provider, plan to spend time uploading images of your products and writing descriptions and other content for your site that will give your customers the information they need in order to make a purchase. Writing content for your Web site can be time consuming as well, but it is critical. If you do not consider yourself a writer, look into hiring someone to write the content for you. The information that you write for your Web site is what the major search engines will look at to determine where your site should show up in search results for your products. Also, an informed visitor who can get as many details about your products as possible from your site is more likely to buy.

4. Apply for a business account (merchant account) for processing credit cards
It is critical to give your customers multiple payment options on your Web site. Most customers are accustomed to paying for goods and services online using their credit card. In order to accept credit cards as payment for your products, you must apply for what is called a merchant account. If you do not accept credit cards on your Web site, you are doing a great disservice to your site's potential for success, so make sure you apply.

In order to apply, you will need to have a certain amount of information on hand such as:

- Your federal tax ID number, if registered as a business (e.g., corporation, LLC)
- References from a vendor
- Driver's license numbers
- Description of your services
- Business bank account
- A documented refund policy
- Estimated volume of credit card sales

You also need a "payment gateway" to connect your e-commerce web site to the credit card companies and your merchant account. Make sure that your shopping cart is compatible with your merchant account (or vice versa). The e-commerce software provider that you select should be able to point you in the right direction to obtaining the merchant account and payment gateway that will meet your needs.

On average, those who sell products and services online offer customers 3.5 payment methods, up from 2.1 in 2005.

[2]Being flexible for your customers and offering them multiple options will increase their likelihood to buy.

In addition to a merchant account, you may also consider using PayPal® to accept payments. This is an online service that allows you to send money across the Internet using either your credit card or bank account for funding. PayPal charges a percentage of your transactions, but it does not charge any monthly fees.

It's also common to use "offline" methods. You can accept credit card information over the telephone and use a physical terminal to process the payment. You can also accept written checks and money orders in the mail. The key is to give customers flexibility based on your business so ensure that your shopping cart software gives you the flexibility to provide these options.

Finding the payment method(s) that are best for you depend on many factors. Consider the type of product you are selling, your average ticket, and what type of customers you expect to have. Whatever method you choose, there will always be expenses involved in accepting payment.

[2] "Online retailers offering more alternative payment options", Internet Retailer, October, 2006

5. Secure your site to let customer know it is safe to do business with you
According to recent research performed by Visa®, 61 percent of cardholders said that they would shop online more if they knew their credit card information was secure. Consumers who do not shop online cite fear of putting their financial information online as their number one reason for avoiding e-commerce.

As an online merchant, security is a key consideration for you. If you are going to accept consumer financial information such as credit card payments, you are responsible for ensuring that data is protected and secure and that you meet credit card company security requirements.

Recently, major credit card companies including Visa® and MasterCard® have created heightened security standards for e-commerce sites that are designed to reduce risk for both merchants and consumers. Overall, the programs put into place by these major credit card companies will increase identity theft protection over the Web, an environment in which it is difficult to prove cardholder identity.

As a merchant, it is a good idea to always be adding to the overall security of your site for your own purposes and for the safety of your visitors and customers. Certain security levels and certifications also help with consumer confidence when visiting your site, leading to more sales.

Purchasing a Secure Sockets Layer (SSL) Certificate allows you to use an SSL logo, which should help increase conversions. An SSL Certificate increases security during the checkout process, puts the "s" in the https, and displays the familiar padlock icon—items customers frequently look for when deciding to purchase online.

You might also consider joining the Hacker Safe™ program provided by Scan Alert®. It is currently the only security scanning technology that meets both the FBI/SANS security test and the security standards of all major credit card companies - including Visa®, MasterCard®, American Express® and Discover Card®. The presence of the logo will increase the perceived legitimacy of your site.

Finally, publish your store policies regarding refunds, exchanges, cancellations, and shipping, and make it easy for your customers to access this information. This will also help your shoppers feel more secure about giving you their financial information during a purchase.

The bottom line is: The more secure your customers feel while shopping on your site, the more inclined they will be to make a purchase.

6. Design your site to be user-friendly

Once you have all of the products uploaded to the Web site and you can accept credit cards, it's time to work on improving the site's appearance before you go live with your new online storefront.

"Usability" is a popular term among Web developers and designers because it is the key to earning the sale. Usability is more than just "look and feel." Although it will be important for your visitors to feel that your site is professional, which can add a feeling of legitimacy to their experience, you should note that the ideal e-commerce Web site design is very different from a standard Web site design.

When used correctly, animations and graphics can impress and persuade visitors to buy. But too often, these elements (when over-used) can distract your visitors. Instead, make it your goal to guide your visitors through the sales process. A site's homepage has often been likened to a book's table of contents or a magazine cover. When visitors arrive at your site, ready to buy, help them easily find two things: what they want to buy and what you want them to buy.

You may want to consider hiring a professional e-commerce design service to create a logo and site design that will most accurately represent your product line and encourage visitors to buy.

There will be many factors to consider as you put together your storefront. If you choose to go about it on your own, keep in mind these usability principles:

Colors and design

- Use three main colors.
- Use no more than one to two fonts.
- Avoid patterned backgrounds.
- Prominently display your company's name, logo and tagline.

Links and Navigation

- Be consistent with the colors of the links on your site.
- Make navigation simple and obvious.
- Avoid complex navigation techniques like multiple drop-down bars or flashy navigation.

- Try to use text-based links, as opposed to image-based links, whenever you can. Search engines will find the pages of your site by crawling through its links, and the search engine crawlers can only read text.

Images

- Match your image backgrounds to the site's background. This means taking photos of your images in front of a white background if your Web site's background is white also. This will cause your products to stand out more.
- Use product images with good resolution, and ensure that image sizes are consistent throughout the site.
- Keep images small enough so that the "Buy" or "Add to cart" buttons are near the top of the page.

Content / Text

- Write a good amount of text for your site. Aim for about 100 – 300 words of unique information per page. This will be useful for your visitors and also good for search engine rankings.
- Refresh (rewrite) content regularly to keep recurring visitors and the search engines satisfied.
- Create the following three pages, put a link to them from your site's homepage or header, and fill them with relevant information: "About the Company," "Privacy Policy" and "Contact Us."

7. Test your site
You only have one chance to make a first impression with each visitor, so be sure that you test and tweak your site before going live with it. Plan at least a few days or weeks to do this.

You might try inviting a few friends to help you test. Ask them to visit your site while you watch their browsing behavior. Try not to say anything as they click around. Give them fifteen minutes, and then ask them about their experience.

Watch for the following common areas of concern as you test the site:

- Make sure that the pages are downloading quickly and efficiently.
- Fix all broken links.
- Fix all broken images.

- Double check that the phone numbers are correct.
- Edit your site's text, and review for grammar, spelling and punctuation.
- Test your site's search feature to be sure that it is returning good results. Roughly 80 percent of your site's shoppers will rely on your site search.
- Complete a test purchase to be sure that nothing will prevent a successful checkout.
- Process an order using a credit card to be sure that the payment is processed correctly through your payment gateway.
- View your site's design and functionality using both a Mac and a PC computer.
- Consider viewing the Web site using different browsers, including Internet Explorer®, Mozilla® Firefox®, Opera® and others, because certain design elements may display differently in other browsers.
- Prepare your customer service efforts with friendly email templates and procedures that will minimize response times.
- Create an ongoing Frequently Asked Questions page as you come across common questions.

8. Promote your site online (marketing)
Promoting your site on the Web can be expensive and complex, but taking advantage of search engine behavior to drive targeted traffic to your site can result in a favorable long-term return on your up-front investment, whether that investment is your valuable time or money.

More than 77 percent of adults who research online before making a purchase use search engines like Google® and Yahoo!® to do that research, and 40 percent of them go to the search engines first. [4] You can't afford not to advertise your site in the search engines.

[4] "Study: Search Engines Most Popular for Shopping Research." DM News, October 11th, 2005

![WebFX logo]

Because people are using the search engines to shop, you can find out what product names and descriptions they are looking for. These are known as keyword phrases. For example, if I am shopping for a new pair of running shoes, I will probably search in Google® for "Nike® running shoes" or "women's Asics® Gels" or any other combination of words. I am less likely to simply type "shoes" if I am looking to make a purchase.

When you select a shopping cart software provider, you can ask them if they have incorporated search-engine friendly elements so that your Web site can be easily viewed by the search engines. Some things to look for include meta tags, bread crumb navigation, text links, titles and descriptions. You should also ask them if they offer any search engine optimization services or tools, as it may be more convenient to work with one company for both your e-commerce and search engine marketing needs.

You can get your site listed instantly in the engines by participating in pay-per-click (PPC) advertising. Search engines will allow you to list your site in the "Sponsored Links" section of the search results when a visitor searches for your products, and they will charge you for each click.

The more popular the search term, the more expensive the click. For example, you are likely to have to pay more per click for the word "shoes" than for "saucony® running shoes". Advertisers who pay the highest price for the click are typically granted the highest position within the results.

You can avoid paying on a per click basis by optimizing your site for search terms instead. SEO stands for "Search Engine Optimization."

To optimize your site for the search engines is to try to get it listed in the top rankings when any particular keyword phrase related to your industry is typed into the query box. You first need to find out what keyword phrases in your industry are getting searched, and then use them on your Web site in the content and in the HTML code on your pages.

You can perform SEO on your own site if you have the time and knowledge to make the right changes to its code and content, or you can invest in professional SEO work.

Here is a quick guide to search engine optimization activities:

- Perform keyword research
- Use online tools and software such as Wordtracker® to find out what people are typing into the search engines.
- Choose only keywords related to your site. There is no sense in optimizing your Web site for something that you do not sell.
- Check all synonyms and alternative phrasing such as plurals, singulars and common misspellings.

Write content

- Write paragraphs of information for your site's pages with the keywords that you select.
- Describe your business and what you offer on the site's homepage.
- Give a quick summary of brands and features in your category description, and provide detailed information in your product descriptions.

Get other sites to link to yours

- Major search engines, including Google®, AOL®, MSN® and Yahoo!®, will look at both the number of pages linking to your site and the quality of those pages to determine your site's relevancy.
- Having strong link popularity means that your site has a lot of other Web sites linking to it and that the sites that link to yours are also doing well in the search engines.
- Get as many other sites as possible to link to yours by contacting other Web site owners in your industry.
- Submit your site to search engines and directories, and trade links with related sites in order to enhance your site's link popularity.

Online promotion can mean more than just being found in the search engines. Other methods include e-mail marketing and online press releases. Understanding which method brings you the best results will require some trial and error, and determining whether to use a service or do it yourself depends on your budget, time and willingness to learn.

With your business and marketing plan in place, and with the right e-commerce solution, you can create a strong and exciting presence in your industry. Follow these 8 steps to getting started in e-commerce and you'll find there is no better time than the present to open your online store. If you have questions, please call our e-commerce specialists at 1-888-932-3987

About WebFX

WebFX is a full-service professional web design company. Our core services include eCommerce web design, website development, and Internet marketing services that encompass a balanced focus on the user experience and your business objectives. Our Web-related services include:

- Professional web design
- E-commerce storefronts
- Web hosting
- Internet Marketing
- SSL Certificates
- E-mail services
- Domain name registration

For more information, please visit www.webfx.com