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Selling Online: Four Easy Ways

Setting Up Online Shopping Can Be A Great Convenience For Customers, Entrepreneurs

by Wendy Gauntt

After all the dot.com bombs, most people are skeptical when it comes to online sales. There's good reason for this—unless you know how to get potential customers to visit your site, the odds of making megabucks are almost as good as your chance of winning the lottery. With millions of websites out there, can you be sure yours will stand out in the crowd?

On the other hand, it is fairly easy to set up online shopping these days. It can be a great convenience for your customers, as well as a timesaver for you. Add a little online and traditional marketing, combine it with a healthy dose of realism and some savvy Internet strategy, and you may find new customers and a new revenue stream.

So how do you get started? Let's take a look at four simple options you can implement quickly and easily.

PayPal Merchant Tools

PayPal is an online payment service that's been around for years. It was so popular for Internet auction payments that eBay bought it back in 2002. The big advantage? You don't need a merchant account to accept credit cards, and transaction fees are pretty reasonable. The downside? They want your bank account number. The site is secure, but many people don't like to give out that information.

In recent years, PayPal has developed a set of merchant tools that make it easy to add online shopping to your website. The only cost is the time it takes to update your website. The only cost is the time it takes to update your website and credit card transac-

tion fees on any purchase. For individual items, you can add a "Buy Now" button that automatically takes your customer to a PayPal payment screen, prepopulated with the item and the price. If you have a larger inventory, try the PayPal Shopping Cart. In either case, you can customize the PayPal screens with your logo and color scheme to create a unified look.

eBay Sales

eBay is widely known as the No. 1 online auction site. Did you know that many merchants have created their online storefront at eBay? This is akin to setting up shop in a very popular, very large mall—you will get traffic from people who went there looking for one thing, but happened to find you while they were in the area.

Start small: list a few items for auction and see how they do. Try different variations in your listing to see what sells best. Make sure you give and receive positive "feedback"—on eBay, people will trust you (or not) based on previous feedback given by your customers. Avoid negative feedbacks at any cost, since these can torpedo your reputation and your ability to sell.

Payments on eBay are generally handled through PayPal, which is tightly integrated with the eBay checkout process. There are a few payment alternatives, but PayPal is by far the most popular and widely used.

If your initial tests are successful, consider setting up an eBay store, which gives you discounted listing fees, more space to market your business, cross-selling tools, reports, and many other resources. There is a small monthly fee to take this step, but for high-volume sellers it is a terrific investment.

Shopping Cart Software

If you want the flexibility of your own shopping cart on your own website, there is no need to write it from scratch—buy one that's already written, tested, and proven to work, like Miva Merchant or OS Commerce. Miva Merchant charges a license fee, whereas OS Commerce is free; but either way, you will have to get it installed on your website. Some web-hosting companies will install it for you for a small one-time or monthly fee. Since it's on your own site, you can customize it any way you like, and it is highly integrated with everything else on your site.

Shopping cart software does not do it all—you need a "payment gateway" like Verisign and an Internet merchant account so that your site can instantly check for credit card authorization when your customer makes a purchase. And don't forget—you will need a security certificate so that payments can be made securely.

Installing shopping cart software gives you the most freedom of any solution listed here, but it's the most complex since you have to coordinate and integrate several different services.

Hosted Shopping Cart

Don't want the hassle of installing your own shopping cart? No problem. For a recurring monthly fee, many companies are ready to host your shopping cart—services such as Yahoo! Merchant solutions make it easy to set up your inventory and take orders. Your customers begin shopping on your website, but they actually make their purchases from a hosted website which handles the payment details for you. You

still need an Internet merchant account, but the best services streamline the setup, keeping things simple for you.

Because you are linking to a third-party website, customization is usually available, but limited. The shopping area may or may not look like the rest of your website. If you like the choices and the appearance of the hosted shopping cart, that's great; otherwise you may want to find another provider.

OK, I'm Ready To Sell Online. What Next?

If you decide to sell online, first you'll need to decide what to sell and which shopping cart option will work best for you—PayPal, eBay, shopping cart software, or a hosted solution. If you want to test the waters before you make a big investment, start with PayPal or eBay.

Most important: decide up front what your goals are. For example, you might choose to focus on increased convenience for current customers, reduced order processing costs/time, or growing your customer base. As you set up your store, make sure you think through what it will take to achieve these goals. Then you'll need to do some savvy marketing—we'll have to cover that in a future article—to entice your target market to the grand opening of your brand-new online store.

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