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Internet Marketing What Are You Waiting for?

If you do it right, a Web site can enhance your company's image, build customer loyalty, and get information to customers and potential customers quickly and cheaply. If you have a Web site, it makes your small business look big . . . —NATALIE SEQUERA, Spokeswoman for Claris Corporation

O MAXIMIZE ITS POTENTIAL, *every* business *must* have an

online presence. E-commerce is currently a \$54.9 billion industry and growing dramatically. As a modern retailer, you cannot afford not to participate. You need a Web site. Your customers will demand it.

The Internet has become the great equalizer, making it possible for you to reach across town, across the United States, and even across the world and run what amounts to a second business right out of your bricks-and-mortar location.

Not so long ago, a Web site was a novelty. Now it's a necessity. Most new competition within the retail industry has come from products sold over the Internet. Not having a Web site says to savvy consumers:

"This company doesn't care enough to provide us with the convenience, savings, and satisfaction of having an online presence. So why should I shop here?"

Moreover, consumers are using the Web just like the Yellow Pages: "Need to find a product, good, or service across the street or across the country? Let your mouse do the walking." The Web today is used largely as a research tool. "But I deal in retail, not research," you might argue. Sure. But what customers are researching is YOU! Once they have found what they want to buy, they will look for where to buy it. And if you are not available on the Web, they will no more buy it from you than if your store were too far away.

Your challenge is to make sure that customers can find the answers to their questions quickly on your Web site. You want to make sure your site is professional, because, much like the shopping experience in the store, the experience a customer has on your Web site reflects directly on your company's reputation.

The most important aspect of your site is that it must be up to date at all times, showing the latest products and prices. People understand if you are sold out of an item that appears on printed material. After all, a catalogue or even a print ad obviously takes time to develop and cannot always be up to date. The beauty of a Web site, however, is that it never has to be out of date—and people know that.

Of course, it should also be professional in all respects, that is, well designed, easy to navigate, well organized with a directory to help people find what they are looking for, with great pictures of your products, and a clear and simple description of how to order them. In addition to the merchandise you have to sell, on your site you should also include:

• Store name, location, and contact information, including phone number, fax number, and e-mail address

• The company's background, its vision statement, and testimonials about its qualities

• Driving directions and hours of operation of your brick-and-mortar store(s)

• Policies regarding returns, warranties, repairs, and shipping options

· Links to non-competing informational sites

As the Web becomes more familiar to more people, as credit card security becomes even more solid, and as more merchants become known for fairness and reliability, customers will incorporate more and more online searching, and eventually shopping, into their daily lives. Therefore, your competition is no longer just the store down the road. It is any store that sells via the Internet and is willing to ship goods to your customer. This raises the level of competition for you and your store, and you must make sure to provide valuable information and images that will induce your customers to buy from you, not your competition.

As we all know, the younger the customer, the more Internet savvy they are likely to be. So, if your product caters to young people, a Web site is an imperative. But senior citizens are learning fast. Thus, your potential online customer base ranges in age very much along the same lines as the customers shopping in your store.

Internet stores (unlike most brick-and-mortar stores) never close. So you can service your customer no matter what time of the day or night they want to shop. However, while that, and the general convenience of shopping online will bring you added sales, don't expect to become the next Amazon or eBay overnight. Rather, look at your Web site as a local marketing tool that will solidify your relationship with your existing customers and expand your customer base. Attracting responses from customers outside your community is icing on the cake.

Creating a Web site: Why You Should Use a Pro

There are several software programs on the market today that make it easy and affordable to design your own Web site. This is fine for your personal homepage, but for the site that carries your store's reputation and image, I recommend, for at least two reasons, that you work with professionals. 1. **Designing a Web site takes a tremendous amount of time.** You cannot lose focus of the real purpose of your business, which is your retail store. The hours you spend just developing your site could probably be more effectively used to improve your customer's experience in the store. 2. Designing and maintaining a Web site is *all* about the details. Once the site is up, how do customers even know you are there? How do you get listed on search engines? How does your site look on different operating systems and different sized computer screens? These questions, and a dozen more are best handled by a professional Web designer.

Paying Attention to the Front of the Store

All of the pages of your Web site must be sleek, attractive, functional, and easy to read. But you must make especially certain that the "front" of your Web store convinces customers that they want to see more. Your Web store should have the same look and feel as your brick-and-mortar store so your customers have a consistent experience whenever they do business with you. This involves:

• **Color.** Color is what sets the tone for your entire site. Therefore, you should utilize the same colors on your site as in your store. And you must also stay current with your colors.

• Seasonality. If your store is decked out in an autumn theme, your Web designer should add the same effect to your Web site.

• Fonts. Fonts are the typefaces you use on all of your printed material. They should be consistent in your advertising and mailers. And they should also be reflected in your Web site.

• **Graphics.** Artwork is a major part of every Web site, particularly the pictures of the products you are offering. However, eye-popping graphics may lengthen the time it takes for the Web site to load, a frustration that may cause some consumers to flee the site altogether. With graphics remember the old adage, "less is more."

Choosing a Webmaster or Web Service

When you are seeking a person or company to develop and maintain your Web site, try to find someone who has worked in the retail industry, and therefore understands "sales speak," who is going to be around for a while, and who can become a long-term asset to your business. Don't choose some high school kid, however cheap and brilliant, who neither knows business nor is likely to stay around for long. Also, do not use your ad agency—they will merely subcontract the work so you won't have direct contact with the designer, and the work will cost you more. If you go to any major search engine like www.google.com, www.yahoo.com, or www.msn.com and enter "retail Web site development," a number of pages listing credible Web developers will magically appear. Pick a few and interview them. (Of course, I am biased in favor of the service provided by my company. You can view it at www.dollar days.com under the tab "Open a Store.")

Selecting a Domain Name

A domain name is your virtual address on the Internet. Like eligible bachelors or loft space in Manhattan, millions of domain names are already taken. In an ideal situation, your domain name should be the same as your

store name. In practice, you may have to modify it slightly. Thus, Marc's Men's Store might become www.marcsmenstoreUSA.com. (Remember that you cannot use any punctuation or spaces in the domain name.) There are several sites on the Internet that help you search for available names. Two of the best are www.register.com and www.godaddy. com. Don't be disappointed if your favorite name is already taken. Sit back, set your head into creative mode, and start typing in words and names. Eventually you will find a name that's free. Now, not everyone can spell or type well. So, once you have chosen your name, you may also want to reserve other names that are very close to your own.

Site Options to Consider

Every Web site offers a number of options. Some are standard, like contact information or useful links, others are less common, such as an email newsletter or book reviews. In the following sections I've gathered the most useful and least taxing Web site options to consider as you go about building your site.

Shopping Cart

Though it should always be informational, your Web site should not be merely informational. Rather, it should generate at least enough income to offset its cost, and there's no reason it cannot become an important source of additional income.

Selling the products you carry in the store gives you an additional opportunity to speed up your turns and it may let you increase your buys and so drive down your cost of goods. Beyond that, the Internet gives you the opportunity to test items that you many not normally carry in your existing store.

Everything the visitor wants to buy can be collected at your site in a shopping cart that you can buy and install on your site. The shopping cart lets consumers make a single payment for all the items they want to purchase. Most shopping carts let buyers pay by all major credit cards or by PayPal, the main currency of the Internet. Just make sure you choose and "test drive" a cart that is easy for consumers to use.

Online Catalog

As I discussed earlier, independent entrepreneurs have always had a tough time getting into the catalog business because of the cost of amassing, printing, and mailing the catalog. However, once you have a Web site where you are offering all the products for sale in your store, you can print a catalog directly from the site and hand it out in the store. The adage "a picture is worth a thousand words" could not be more appropriate than when applied to your Web store. You need pictures, and they must do your products justice. You have several options to obtain the right pictures:

• Download pictures from the manufacturer's Web site. Many suppliers have a section on their site where their customers can download images of their products. Many also have pre-written copy about the product that can easily be added to your site. Take advantage of this cost-efficient offering.

• Have your supplier give you a disc with all the products and descriptions of their line. Since most suppliers are printing paper catalogs already, they have their photos on discs that they are usually willing

to send their customers.

• Scan the manufacturer's catalog or have them send you pictures you can scan. Today's flatbed scanners are so inexpensive that every retailer should have one attached to their computer. (If the preceding sentence is Greek to you, enlist your professional Web developer to hook up a scanner for you and show you how to use it or ask your youngest staffer, who can probably do it in his or her sleep!)

• Use a digital camera to take pictures of merchandise that you want to feature on the site. Digital cameras have also come way down in price and are a great help to complete your Web site as they allow you to take pictures of a new product and instantly place it on your Web site.

Affiliate Program

Many companies pay a commission if a customer coming from your site buys something from theirs. This is known as an affiliate program, because you are serving as an affiliate of the Web site to which you are linking. Naturally, affiliate programs can also work the other way around: you pay another site to send traffic to your site so it becomes your affiliate. To hook up with affiliates, go to any of the major search engines and enter "affiliate programs." Hundreds of different sites will appear. If you build an affiliate program whereby hundreds of other sites direct customers to your site, the incremental business this will drive your way may be an impressive way to expand your business.

To maximize the potential of an affiliate program, you should choose sites that are compatible with the goods you carry. For instance, if you are selling kids' products, contact sites that cater to mothers, families, teachers, or even school administrators.

Once you have sold the potential affiliates on the benefits of the two sites working together, create a banner they can use on their site that quickly explains why someone should click to your site. I've learned that the more you do to facilitate the process, the better the results. Making the banner for the other site to use gives them one less reason to say no. Initially contacting these sites one by one may seem cumbersome, but if you can connect with enough sites that are driving quality traffic to you, your effort will pay off in sales.

Ad Section

Your site should include a section that shows any ads that you run in print media. This is a quick way for customers who missed your ads to keep up to date on the products and deals you are featuring.

Coupons

Coupons (provided they are of sufficient value) can be an effective way of building the number of visitors to your site and, of course, they increase sales. Don't worry about giving away the store: coupon redemptions are generally disappointingly low. But if you get lucky and you achieve a high redemption rate, well, congratulations!, you just built a lot of extra volume.

New Products

Create a section labeled "new products" on the site to feature your hottest current items or to show some new products that are expected into the store shortly. In this way you can create a buzz about new items so customers bookmark your site. It helps if you use language like "updated weekly" or "new items added daily."

Book Review

Giving your personal review of a book related to your industry or the products you carry is a nice touch that establishes you as an expert. After a while, have some of your more bookish employees do reviews as well. This will provide your customers with differing viewpoints, while empowering your employees, especially if you give them bylines.

Bulletin Boards

A bulletin board, a virtual room where viewers can post, read, and respond to messages left by other viewers, can become an active part of your site. Many customers will be experts on a subject, service, or product. The exchange of that knowledge, and any accompanying banter, between customers makes your site an amusing place to go for expert advice.

Feedback

Providing the opportunity for feedback is essential. Customers may think of questions in the middle of the night and, far from being a nuisance, these questions can lead to further sales. As important, the feedback you get lets you know how your site, or store, is performing. If there's a glitch on your site, better to know about it from one customer's annoyed feedback than to lose a dozen customers because you don't learn about the problem. And if there's a problem at your store, a salesperson pushing too hard when you're not around, for instance, customers should be able to complain online. Make sure you answer all feedback honestly and quickly. Eventually, you will be able to hand this duty off to your more experienced and responsible store personnel.

Links

Making it easy for customers to access important related links makes your site a destination for shoppers. Such links should be related sites such as the local chamber of commerce, magazines about the retail industry, or events that affect the products you carry. If you run across a timely article about beauty products or great new kids toys you carry, you should link to that.

Seasonal links are always desirable. For example, you can link to sites that provide seasonal recipes. Holiday poem and story links make your site appear family friendly, while back-to-school links make your site a destination that customers will return to each fall.

Always strive to make your site useful and professional, asking yourself whenever you add a link, book review, graphic, bulletin board, etc., "Will this draw people to my site?" And try to keep your site organized to save your customer's time. If folks like your site, they will forward your pages to friends and family, spreading the word about your site—for *free*!

E-mail Marketing

E-mail marketing is the cheapest and most effective way for retailers to advertise. It has the same effect as sending out regular "snail mail" and it is much less expensive and a million times faster. You come up with a great idea one morning and you can have the e-mail or ad in your customers' hands that afternoon.

In addition to speed, the personalized service e-mail marketing allows is mind boggling. If you know that one of your customers loves a certain brand of clothing, when it comes into your store, you take a digital picture as you are unpacking, e-mail it to your customer, and there you have a personalized, targeted sales message that endears you to your customer—at minimal expense!

A good example of how a Web site can build consumer loyalty is a seafood restaurant I sometimes visit. On one occasion, the owner asked me if I would like to be on his e-mail list. Since my life revolves around the Internet, I said, "Sure, why not?" My initial thinking was, "Okay, every once in a while he will send me an ad or a coupon, and every once in a while I will take advantage of it." Next thing I knew, every Monday I was getting these long e-mails about fish, their habits and their history, and delicious-sounding seafood recipes. Before long, I was hooked on his e-mails! This was not a hard sell for his restaurant, just interesting facts for us trivia buffs and (forgive me) fishionados. Included in his weekly e-mail, he sometimes mentions a special, but I do not feel it is intrusive because his e-mails are interesting, clever, informative-and worth reading. As a result, I am now a very frequent customer. So, don't be afraid to ask the customers visiting your store for their e-mail addresses. Similarly, ask anyone who visits your store online whether they would like to receive your newsletter. After all, if they came to you through an affiliate program, they already have some interest in what you are doing. Finally, you *can* go out and buy lists of customers with specific interests related to what you are doing, but I would only recommend this once you have exhausted the other means of getting customers interested in your site.

Sending e-mails to your customers is a modern tactic of retailing that, handled aggressively, can provide a level of service achievable in no other way. Also, by having your staff handle your e-mail during the downtime when they are underemployed, you spend very little. So use it in many ways, including:

· Providing advanced information on sales, special events and new products

• Alerting customers that new products have arrived, especially any that are in short supply

- Informing your customers about the latest trends in styles, looks, colors, etc.
- Updating frequent customers on their status in any bonus programs you run
- · Sending thank-you notes to customers who make a special purchase
- Sending holiday greetings and birthday wishes
- Providing interesting news about your store

However, be careful to ask customers whether they want your e-mail before sending them too much stuff. You don't want to annoy them with a never-ending bombardment of material in which they have no interest.

What about E-mail Newsletters or E-zines?

An electronic newsletter or "e-zine" sent via e-mail to customers who have said they would like to receive it can be effective, as long as it is meaningful. The stories, articles, and editorials you put in these publications must be short and relevant. To avoid your customers becoming annoyed, make sure they look forward to receiving it because it has great information and is well written and useful. The material in your e-mail newsletter might include:

• Articles about your industry, products, or store.

- Seasonal articles that are relevant to your store or products.
- Weekly tips, hints, or time savers that are general in nature and short in length.
- A regular "From the Editor" column.
- Retail, seasonal, or holiday trivia.
- Local news or a calendar of events.

One important note is to try and make the newsletter interactive. Customers should be encouraged to use their e-mail to ask you questions, reserve or purchase a product, make an appointment, leave a message with a salesperson, critique the store, or offer suggestions for improvements.

Whether the e-mail you receive is feedback from your Web site, response to a mass mailing, or comment on your newsletter, the importance of this feature is that it adds a whole new level to your reputation as a progressive, service-oriented retailer—provided, of course, that you respond to every e-mail the day you receive it. E-mails are instant communicators; you or one of your staff must respond instantly.

Common Mistakes Made with Web sites

For every *right* way to utilize the Internet, there's a wrong way. (Trust me, I'm something of an expert in the wrong way!) To help you avoid the mistakes I and other people have made, the following sections give a sampling of the most common ones.

Ineffective Site

Your site should be a marketing document that sells your products or services. But most current Web sites do *not* have an effective sales function. They have dazzling graphics to wow you, but fail to offer you the information you need to make an informed purchase decision. Your site should be designed to make a sale now or in the future by providing your customer with persuasive, informative editorial content, simply and clearly presented. Thus, your Web site should:

• Include a powerful headline to catch the customer's eye

• Use active language such as "limited time only," "special offer," or "exclusive"

• Use copy that explains the benefits of your product or service from the customer's point of view

- Be error free; nothing says "amateur" like typos, bad grammar, or misspellings
- Build credibility with customer testimonials
- List any awards your store or the products you feature have won

• Include a "Call to Action" phrased as an alternative: "Click here to place product in shopping cart; Here if you would like more information."

Ineffective Advertising

The typical consumer is exposed to nearly 3,000 marketing messages per day! In fact, Americans are so bombarded by advertising that they have learned, by necessity, to tune out a majority of it. The situation on the Internet is no different. There are huge amounts of e-mail, banner ads, and Web sites competing for attention. To cut through the clutter and maximize the exposure your site gets, you can:

• Buy relevant keywords from the major search engines. The easiest site from which to quickly buy keywords relevant to your business is www.google.com. Another good site is www.overture.com, which

services several search engines. Go onto these sites and sign up in their advertising section. They have an easy, step-by-step tutorial on purchasing keywords that will drive customers to your site. Start out by bidding low (\$0.10 to \$0.20 for each click that brings customers to your site), and then measure the cost to the sales gained. This is a fascinating new way to advertise and, if you can hone in on words that convert from click to sale, it may become the cheapest advertising you have ever done. • **Get "spidered" by search engines.** Submit your URL to every search engine you can find. If you don't have time or an employee who can handle it, there are inexpensive services to do the work. One way or the other, to be seen you must be listed, and that is what search engine spiders do. They "crawl" your site and relate what you are doing to keywords being searched by their customers. Make sure before you appoint someone to build your site that they know how to get you listed with search engines.

• **Buy advertising at favorable rates.** In most instances, the price of Internet advertising can be negotiated; never pay list price. Who am I kidding? This book was written for entrepreneurs: *not* paying full price is in your blood!

• Offer incentives to visit your site. Rather than merely running a banner ad, offer customers something in return for visiting your site—a monthly sweepstakes or a free sample. To enter the sweepstakes or receive a sample, customers obviously have to tell you their names and e-mail addresses. The resulting list will enable you to educate the customer about your product or service and, ultimately, convince them to buy. Of course, most people will ignore what you are offering; that's the nature of the overcrowded Internet. The people who do accept are clearly interested in you, and therefore, are excellent potential customers.

Incorrect Promotions

The Internet offers you an inexpensive, effective, and fast medium for transferring a large amount of information, but it must be used respectfully. To that end, you must respect its culture, its intolerance of blatant ads, obvious come-ons, and that great technological sin known as "spam." Unfortunately, spam does work for certain types of products, notably pornography. Otherwise, it wouldn't exist. However, unless you are in some very "specialized" kind of retail business, spam won't work for you. The best way to promote your business on the Internet (and avoid any hint of spam) is to change from an advertising frame of mind to a publicity frame of mind. Here are a few ways to do that: • Instead of mass promotions, define as precisely as possible the target market or, better yet, an actual *person* you wish to reach. Then direct everything you do at that imagined person.

• Instead of an ad, write an article, or offer free tips.

• Invite reader responses with short story, letter, or other "interactive" contests; post winners on the Web site each week or month.

• Instead of pitching a new item you have for sale, pitch a new contest, event, or free offer.

No Follow-up

Creating repeat customers is crucial to your success on the Internet or in your store. However, with so much talk about getting hits or generating traffic, very little attention has been focused on bringing customers back for repeat visits or purchases. This is a big mistake because this "back end" is usually nicely profitable since you have already spent the heavy money needed to gain a new customer, "the front end." Following up is the key to attracting repeat visits and sales. The methods for doing this include:

• Using a newsletter to reach your clients and prospects regularly without annoying them

• Making your follow-up e-mails personal by having them address individuals and focusing them on the products or interests of particular recipients

• Having special promotions just for prior customers (list these on your site and announced them in your newsletter)

Parting Words

Once you have a Web site that follows the suggestions and avoids the mistakes I have outlined, tell the world about this in as many ways as you can imagine. Here are a few places to try:

- Shopping bags
- Register receipts
- Business cards
- Direct mail
- E-mail
- Newspaper and circular advertising
- Signs in the store
- Yellow Page ads
- Help wanted ads
- Promotional flyers

Don't "over dream" what will happen to your site. Whereas you can count your competitors in your brick-and-mortar store, on the Internet your competition is worldwide. And many competitive sites have full-time employees getting them placed in all the right places.

The Internet is a constantly shifting target, so you can't always keep up with the latest and greatest way to promote your business. However, even if you are not doing thousands of dollars a week on the Internet, do not view this as a failure. Remember that the Net is just another marketing tool to keep you in touch with your customers. Any business beyond that is *gravy*.

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