

## Ecommerce Tips that Drive Revenue

Trendwatching.com recently coined the term “Sellsumers,” suggesting that “if saving is the new spending, then selling is the new saving.” While the term applies to individuals seeking a source of secondary or tertiary income, it is clear that in today’s economy, more and more people are looking to sell online. Whether your online business is your primary focus or you are simply acting on an itch, you want to be successful in your venture. To achieve online success, it is important to understand which solutions and tools will help you thrive in a competitive marketplace. This paper will offer tips and insight that will help you leverage online opportunities.

### Tip #1 – Understand the Customer Shopping Experience

Your online business must appeal to the informed shopper. This shopper browses prices and products across ecommerce sites, keeps an eye out for

discounts and sales and is on the go. She expects more than just a functional cart. Other important elements of the purchasing decision are an intuitive shopping experience, quality product information, a simple and secure checkout process and product reviews.

For instance, the findings of a research study from the E-tailing Group highlight the most important site features shoppers consider when purchasing online. The top five features include product overview (76%), merchant’s guarantee (73%), stock status/availability (69%), image quality (67%) and customer service links (65%). Others in the consideration set were ratings and reviews (53%), zoom (41%) and color change (28%).

Another study from Sterling Commerce and Deloitte reveals website features important to U.S. shoppers. Again, detailed product descriptions made the top of the list. *See Figure 1.*

### Website Features Vital to US Online Shoppers



Source: Sterling Commerce and Deloitte, “What Consumers Want in their Shopping Experience,” August 2007 via eMarketer, Chart: Website Features that are Very Important to US Online Shoppers, June-July 2007

Figure 1.

Fuel your business success and streamline your customers' shopping experience by improving site elements such as the navigation, product descriptions and merchandising content.

Sources: The E-tailing Group, "The Content Dilemma: Consumer Insights and Merchant Execution" sponsored by ARS eCommerce, November 2007" via eMarketer, Deloitte, Most Consumers Read and Rely on Online Reviews; Companies Must Adjust.

## Tip #2 – Utilize the Best Tools for Your Audience

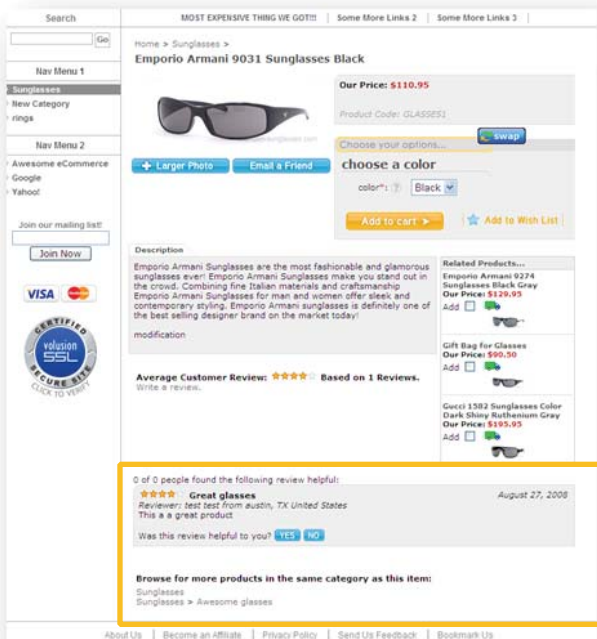
According to the Pew Internet and American Life Project, Internet users between the ages of 33-44 are most likely to shop online. Eighty percent of this group purchases products online, compared to 71% of ages 18-32. Understanding how your customers make decisions, as well as what factors contribute to their decision-making process, is a critical step in creating a successful online business. Take the impact of word-of-mouth marketing and social shopping on the overall shopping experience, for example.

**Capitalize on Word-of-mouth Marketing:** Nothing impacts the purchase process as much as a recommendation from a family member or friend. Recommendations influence consumers' purchases because they are seen as the most credible form of advertising, according to Nielsen. And while WOM marketing can generate business for your brand, do

not underestimate the power of customer reviews. In fact, 62% of consumers read product reviews on the Internet. More importantly, seven in 10 of those consumers share them with friends and family. Creating a relationship with your customers and empowering them to spread the word about your brand is vital to your online success. Consider options such as customer reviews and "email a friend" to promote your products and separate yourself from your competition.

**Leverage Social Shopping Opportunities:** Integrations with third-party social networks like Facebook and MySpace can be another key component to your success. An entrant of the social marketing mix, social shopping impacts sales by leveraging product reviews. Several years ago, social networking sites such as Facebook introduced 'pages' where businesses could advertise their products. Today, businesses on Facebook utilize engagement advertisements, virtual gifts and social advertisements. Just as brands establish their presence on social networks, store owners like you should incorporate social shopping practices.

With Social Store Builder™, you can feature your products directly on social networking profiles. The products rotate on social networking pages and when a customer is ready to buy, she is taken directly to your secure checkout page.



Also, consider the impact blogs have on customers discovering new products. For every industry, there are numerous blogs dedicated to raise shoppers' awareness of the newest products and services. To build brand awareness and customer loyalty, reach out to bloggers and customers alike. Technorati's State of the Blogosphere 2008 report found that "eight in 10 bloggers post product or brand reviews, and almost nine in 10 blog about brands that they love (or hate)." If they are already talking about your industry and competitors, they should be talking about you. Finally, keep social shopping platforms like Kaboodle, Polyvore and ThisNext on your radar. Here, online



shoppers can share ideas, recommend products and create visual representations of their shopping behaviors for others to see. While social shopping networks have little influence on online sales at this point, the interaction and relationship aspect of this is worth exploring.

Sources: eMarketer, Consumer Interactions: Social Shopping, Blogs and Reviews, Nielsen, "Word-of-Mouth The Most Powerful Selling Tool, October 2007, Deloitte & Touche, September 2007, Technorati, State of the Blogosphere 2008.

## Tip #3 – Invite Customers to Your Store

### Search Engine Optimization

Creating an aesthetically pleasing and easy-to-use shopping cart can be useless if customers cannot find you. Volusion's latest software version offers even more SEO friendly features than before. The cart structure is more CSS based. This creates cleaner code that is easier for search engines to spider. Storefront owners will also have the flexibility to include text in various sections of each page, including home, category and product pages. This kind of flexibility allows for more keywords to be included on a site, improving the chance to dominate search engine result pages.

### Email Marketing

Email marketing is a low-cost, reliable and proven method to reach an audience. However, untargeted emails that do not convey your brand or product benefit can end up getting you blocked by ISPs. That is why Volusion's software allows you to send 20 different, targeted email campaigns. These emails can be sent in simpler text form or html allowing for more branding elements.

### Create a Site Your Customers Want to Visit

Your store's 'look and feel' must reflect the business' personality in a professional way. Your store needs to be easy to navigate, fully functional and be visually appealing. The graphic designers at .NET Magazine point out that website elements cannot be overlooked. The same best practices apply when building a new site or freshening up an existing site.

**Make it Clear:** Create a sense of familiarity by placing key elements in their correct spot. Customers expect to see certain standards, including a logo in the top left corner and top or left navigation. Do not overcomplicate the design. It may confuse your customer and force them to spend more time navigating your site to find what they are looking for.

**Use Strong Color:** Make the right color choices to make distinctions between information. For example, keep your color choices consistent from one page to the next by keeping link, title, price and product description colors the same. Do not confuse strong with bright, as the strongest colors may come in neutral schemes, depending on the site content.

**Have Emotive Imagery:** Imagery should evoke an emotional response. For example, consider the branding elements used on the Tiffany & Co website. The imagery conveys simplicity and sophistication. How does the imagery of your online store come across to customers? Choose the best imagery for your site to ensure that the brand message comes across instantly. Properly crop, size and position each of them to not distract your customer but contribute to their shopping experience.

**Keep it Up-to-date:** Add new products when possible to increase the number of sales and visits. It is a good idea to feature a product or create a 'bestseller' list that you periodically update. Consider differentiating your products by creating specific categories (ex. 'Editor's Choice' or 'Seasonal Favorite').

**Include Bargains:** Persuade customers to buy and get them excited about more frequent purchases with promotions or bargains. When done effectively, buttons with discounts or promotions can grab your shoppers' attention.

### Integrate your Campaigns

Whether you are sending email messages, running display ads or setting up coupons, remember to integrate your branding activities across all channels. Your brand message, product benefit and competitive advantage should be clear to the customer receiving the communication.

### Tip #4 – Guarantee a Secure Shopping Experience

Online shoppers need to be assured that their account information is safe. Provide your customers with a guarantee that their credit card information is securely collected, protected and stored.

In 2001, Visa created CISP (Cardholder Information Security Program). In 2004, CISP gave way to a joint effort among the credit card companies now known as PCI DSS (Payment Card Industry Data Security Standard). PCI DSS (or PCI) developed industry standards for providers and merchants to ensure that cardholder data was being protected when stored and transmitted. Merchants using a non-PCI certified provider can face some grave consequences. Class-action lawsuits can be filed, fines of up to \$10,000 a month and \$500,000 per incident can be imposed. If a merchant is found to be non-compliant, their ability to process transactions can be revoked. Bottom line, you need to make sure that your provider is not going to jeopardize your business.

Volusion is the most robust PCI certified hosted solution on the market. This certification means small business owners will not have to worry about customer lawsuits, fines and bad press associated with a data breach.

### Tip #5 – Make It Easy to Buy

The statistics behind shopping cart abandonment vary from one research study to the next, but there are

multiple causes that make the top of most research reports. A study from PayPal and comScore showed that 43% of shoppers abandon their cart when faced with unexpectedly high shipping costs. Other reasons for abandonment include a complicated and/or lengthy checkout process, a high total cost, site registration requirements or an unreliable site. Along with these reasons, the customer may be browsing the site or saving the items for later purchase when they abandon the cart.

Marketing Sherpa suggests seven best practices to reduce shopping cart abandonment:

- 1) make the cart easy to use
- 2) optimize product pages
- 3) reduce price "surprises"
- 4) identify volume/time-based discounts and special offers
- 5) display the running total in the cart across pages
- 6) offer alternative payment methods
- 7) move registration to after the purchase

Finally, make it as convenient as possible for your customers to make an online purchase by having a merchant account and gateway solution to accept all major forms of credit card payment.

Source: Marketing Sherpa, 2009 Ecommerce Benchmark Report

### Tip #6 – Choose a Platform that Meets Your Business Needs

In the ecommerce industry, there is no shortage of platform options. From open source, licensed solutions and hosted solutions, it can be difficult to weigh the advantages and costs of the one for you.

### Open Source Options Offer Flexibility But Require Upkeep

Open source solutions offer extreme flexibility. After all, if you can build it, you can use it. You are not restricted to code limitations. As you would custom-build a home, your shopping cart can be built from the ground up. Developers can access the source code without having to pay for it.



Although open source software is free, it does not come without expense. Much of the functionality that comes in licensed and hosted solutions will have to be built from scratch in an open source solution. There are no free upgrades and no support. Those using open source solutions will have to pay for PCI scans and provisions on their own, which are very costly and time consuming. In the words of Ecommerce Guide's Kerry Watson, "When we consider the full costs of running an online open source ecommerce store, only a few, highly technical people can run a store that is truly free (the value of their own labor notwithstanding). The rest of us need to be realistic about the true, full costs, because we will invest a good deal of cash into developing the online open source store of our dreams." Watson put the costs of an open-source cart at thousands of dollars per year.

### Licensed Solutions Are Feature Rich Yet Costly

Licensed solutions offer many of the features of hosted solutions, while still giving developers access to the code. The expense of a licensed solution depends on the number of features it offers and the support that comes with it.

Many store owners think they can purchase a licensed solution and not depend heavily on a developer. However, purchasing a solution outright with the features offered in most hosted solutions is very costly. Anticipating development costs with licensed solutions can be difficult. Upgrades can also be cumbersome, as custom code will break with every upgrade. Hosting is also not included and merchants are responsible for maintaining PCI standards themselves.

### Hosted Solutions Are Affordable & Require Little Maintenance

Hosted solutions do not come with the maintenance of open source and licensed alternatives. Although merchants do not own the code, they also do not have to pay developers, worry about upgrades or take measures to host securely and reliably. The infrastructure behind a fully functional ecommerce site is taken care of by the solution.

At times, developers claim that hosted solutions are a "one-size-fits-all" solution to ecommerce. However, a hosted solution with an API allows merchants to not only use the features available in a particular shopping cart. The features in other programs can also be connected with that shopping cart. Consider the time and expense of building features from scratch. Think of the expense of hosting data securely and reliably and the upgrade hassles involved. A flexible, hosted solution provides a lower total cost of ownership for small- to medium sized store owners.

The less time an online business owner spends hassling with the tools it uses to sell, the more time he or she can spend acquiring, innovating, and marketing products. Volusion's shopping cart offers the most robust, reliable, and secure set of tools at the lowest cost of ownership in the ecommerce market. Sign up for a free 14-day trial today at [www.volusion.com](http://www.volusion.com).

To keep up to date with research articles and best practice resources from Volusion, email [research@volusion.com](mailto:research@volusion.com)

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