How to sell your products online and make money

Plus our interview with a business owner that's done it!

Introduction

Times are changing - consumers don't always go in to stores to buy things any more. Now more than ever, they are buying online. In fact, 54% of Australian internet users say that they have purchased a product online in the last three months, according to a report released by the Australian Communications and Media Authority (ACMA) in late October 2008.

So how are you tapping in to this lucrative market?

Even if you are a bricks and mortar business with a physical store, you can still sell your products online...and get your share of the $50+ billion that is spent online each year.

But how do you go about selling your products online? Here's an overview of the basics from the team at Bloomtools. If you would like more information on anything covered in this ebook, please give us a call.

Also check out the interview with Ben Martin, owner of bricks and mortar retailer Just Watches who has achieved amazing success selling his products online.

And remember – we have a great offer on our shopping cart system so call us today so you don't miss out!

Step 1
Do your research

Everyone in business has heard that old saying 'if you fail to plan, you plan to fail'. Yes it's clichéd and overused, but it's definitely true when it comes to selling your products online. An online shop can be a great addition to a bricks and mortar business but it can be a wasted venture if you don't do it right from the start. So choose a good internet partner who has the tools and experience to get you going in the right direction.

First you need to think about your products and whether or not they will transfer well to online sales. The types of products that achieve the most success in ecommerce are specialty items, like pyjamas, watches, travel accessories or vitamins because online shops can offer a wide range in one location. For example, if your business is a general store, selling online won't work for you because your range of products is too varied and customers can easily find them somewhere else. However, even if you do sell a wide range of different products on your shop, you may have one particular type that would work really well online – for example, a tobacconist wouldn't do too well trying to sell cigarettes on their website, but their range of speciality lighters would be a great niche online.

Also, check out if there is a lot of competition for your particular products online. If there isn't, you've got a niche market and can potentially be very successful. If it is competitive, you will need to work hard to make your website stand out and promote it on search engines and through alliances etc.

While selling online is a great way to access a large international market, it could also assist your local customers. Around 80% of Australian consumers research products on the internet, so your online shopping cart enables them to view what you have to offer before they come in. Because this makes the selection process easier and faster, it will help you attract more customers. So read about what is working online for other businesses and find out what markets they are selling to – you may be surprised at where your customers come from.

Step 2
Choose a good shopping cart system

If your physical store is cluttered, confusing and messy, customers won't come through the door. The same applies on the internet. If you don't have a quality, reliable, user-friendly shopping cart on your website, you won't make any sales online.

The key to this is partnering with the right website developer and choosing the right ecommerce software. You will need a shopping cart system that has been built in-house and meets international development standards, such as those set out by the World Wide Web Consortium. This will mean less chance of problems and easy access to ongoing support.

The shopping cart should be part of a content management system so you can easily edit it yourself, without waiting or paying for the developer to do it for you. As well as saving you money, this will give you complete control over the shopping cart so you can always keep it up to date. You should also choose a shopping cart that has built-in inventory control and can notify you when you are running low on stock. This function will also keep your customers happy - there's nothing worse than progressing through an online checkout only to get a call from the company telling you the product is actually out of stock.

So make sure you shop around and choose a shopping cart that works for you and is user-friendly for you and your customers as well - the results will speak for themselves.

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Step 3
Make it easy for your customers to buy

While online shopping is growing, some consumers are still a little wary about buying through a website rather than face to face. Therefore, you need to make the whole process as smooth and stress-free as possible for them. Promote your shopping cart on the homepage of your website so they know how to find what they want. A great idea is have some featured products on your homepage to immediately catch their attention.

Before they buy they will want to find out more about you, so make it easy for them to see your terms and conditions, privacy policy, returns and exchange policy, shipping costs etc. Also, if you have a physical business and address, promote this big on the site to give them added peace of mind. All this information will reassure them and answer their questions so they don't get half way through the checkout process and suddenly leave because they need more details.

Security is a big issue with shopping online, so you should give you clients peace of mind by showing how secure your site is. Use logos of the financial organisations your site is linked to which will make your site look credible and will help build trust with your customers.

Also, internet users are usually time poor so you need to make the sales process as simple and fast as possible - make the 'buy now' button big and noticeable so it's encourages them to click, only ask for the details you need for the purchase (send them a survey after the purchase if you want to find out more about them), and have as few clicks as possible to get to the end so they don't lose interest or get frustrated.

Upselling ("you might also like...") is also a great addition to your shopping cart because it helps the customer find other things that might interest them and helps you make more money from the sale.

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Step 4
Promote your online shop

That saying 'build it and they will come' unfortunately doesn't apply to an online shop. You can have a great shopping cart with great products but if you don't promote it, no one will know it exists and you won't make any sales.

The first step is to let all your current clients know that you know have online shopping available. This is a great value-adding service for your clients and because they already have a relationship with you, they could be more than happy to buy over the internet with you and refer you to their friends. The best way to let them know is through an email newsletter, promoting it over the phone when you talk to them or even adding a small flyer in with their next invoice. You should also update all your business branding (business cards, letterhead, signage, uniforms, email signatures etc.) to include your website address.

Another great strategy is to give discount vouchers to current clients and alliances to draw them to shop on your site. You can also get your alliances to send out a voucher to their own database so you get access to a new database of potential customers. Alliances are a great resource for your business so get creative about how you use them – for example, offer your local chamber of commerce or a charity 10% of the proceeds of every sale that comes through them and get them to send a link to your website out to their database.

The next best way to get traffic to your shop is through search engines. Around 235 million searches are conducted on Google every day (Comscore, 2008), so if you don't have a presence in the search engines, you are missing out on customers and profits.

We recommend that you sign up for Google AdWords, which is a Pay Per Click advertising system. To use AdWords, you simply choose keywords that relate to your shop (eg. ladies pyjamas, scrapbooking accessories) and place a bid on those keywords. When a person searches for one of those terms, your ad will appear on the page (if yours is the highest bid it will be at the top and so on) with a link to your website. If the person clicks on your ad, then you pay the amount that you bid for the keyword - so basically, you only pay for the people that actually click through to your site, making it one of the most cost-effective methods of advertising available.

Then you should combine this with a search engine optimisation program to get your site to the top of the free listings. The free listings are very competitive, so unless you know how to do it yourself properly, we recommend that you find a professional SEO company to help you choose they right keywords, make your website search engine friendly and build backlinks to your site. The traffic you will get from the search engines will make this a worthwhile investment.

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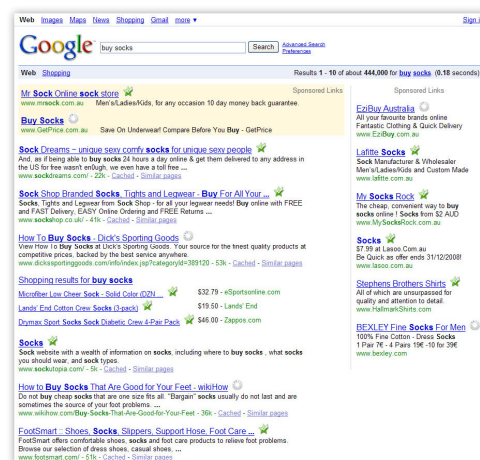
Step 5
Keep building profitable relationships

No matter how good your site is, not everyone will make a purchase the first time they visit. Therefore, you need a way to capture the details of these people so you can draw them back to the site and get them to buy in the future. You will need to offer them some kind of incentive to get them to give you their name and email address - competition (everyone loves something for nothing), email newsletter ('sign up for news updates and latest offers'), free downloads (ebooks, reports, checklists) or free gifts are all great incentives.

Then it's simply a matter of setting up a simple form on your site that links directly to your database so everyone is added automatically - you will get the best results if you ask them for only their name and email address, because people will be reluctant to share their personal information with a business they don't know. Once you've got their details, you can send them regular emails to keep your business top of mind and encourage them to come back to your site and make a purchase.
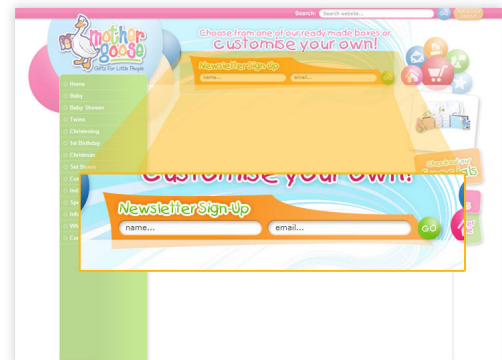
One of the most important things you can learn in business is the importance of building ongoing relationships with your customers. Don't just forget about them once they make a purchase because current customers are a valuable asset in your business - they already like and trust your business, so it's much easier and cheaper to get them to purchase again than it is to attract a completely new customer.

So once they've made a purchase on your site (and in-store), add them to your database and send them a series of automated messages (eg. day 1 - thanks for your purchase, day 10 - feedback survey, day 30 - new products you might like) and subscribe them to your email newsletter so they are constantly aware of your business and excited to come back to your site.

Interview with a successful online retailer

To give you more insight into how bricks and mortar businesses can make money selling online, we sat down with Ben Martin, owner of watch retailer Just Watches who has been selling his products through his website for only a few months and is already achieving great success. Check out the website for yourself at www.justwatches.com.au.

Bloomtools: Why did you set up an online store?

Ben Martin: We set up the online store just to test out the internet and see if it would work for us. We wanted to be able to target a wider audience and give more people access to our products. I've read the statistics about how many people buy online and also research online before coming in-store so I though it would be profitable to sell online. I've always been a believer in the power of the internet for businesses, but I'm just amazed at the success we've had with the website already.

What are some of the successes you have got from the site so far?

We launched the online shop in May with the aim of paying it off from website sales in about 12 months, but we have covered our costs already and now it's a major profit centre for our business. Our sales are up each week and the website is contributing to more than 5% of our overall turnover. On our biggest day, we made 6 sales online in one day and we've even had a $4000 sale that was completely online – the customer never even set foot in our physical store. Also, we've seen more people coming in store as a result of the website because they do their homework online first then come in to buy.

What have you found most surprising about selling online?

Well we initially thought that most of the customers coming through the website would be people from rural areas that don't have access to physical shops, but so far only about 30% of our sales are from rural areas. Surprisingly, the vast majority of customers come from Sydney and Melbourne – they are surrounded by shops but they choose to buy online because it's so fast and convenient. This has really made me realise how powerful the internet is and that it is essential for businesses to be online.

How long do you spend on administration for the site?

We only spend about 2 days in every 3 weeks on adding new products and updating the site which is so great for a small business like ours. The administration time is negligible compared to the amazing results we've gotten from the site. Because it's hooked up to a content management system, it's so easy to edit – I'm no computer whiz and I even taught one of my

team to update the site as well. So apart from the initial set up of the site, the time spent on it is minimal because the whole sales process is automated and it's so easy to use.

How do you promote the site?

I definitely don't believe in that old saying 'build it and they will come'- you have to get out there and promote the site if you want it to work. We've put a lot of effort into marketing the site, such as putting it on all our stationery, telling all our existing customers through email marketing, capturing the details of people that visit the site for our database then sending them promotional emails and I've also got my team telling everyone they talk to on the phone and in-store about the site. I'm also a huge fan of search engines because I know that's how consumers are looking for products and services these days – a huge percentage of our traffic and sales come from Google. One of my favourite strategies for marketing the site is Google AdWords because it's so easy to do and you are only paying for qualified leads that actually come to your site. I recommend that all businesses build a presence in the search engines.

What do you attribute this success online to?

Marketing has played a huge role in the success of the Just Watches website. I'm really into trying out new things and being proactive, especially when the media is all doom and gloom about the state of the economy. I also think a good website developer is essential to getting results from the internet. Bloomtools have been a great internet partner for us because they understand the business side of the internet and their shopping cart software is so easy to use – for me and our customers.

What advice would you offer to other bricks and mortar businesses that are thinking about selling online?

The key is to offer the same level of service as you offer in-store. Online shopping can be daunting for a lot of people, so you need to make it as comfortable as possible for them by telling them our policies and what we are about up-front, staying in regular contact with them throughout the process and just overall offering a high level of customer service. It's also important not to take website customers for granted – give them the same focus and value as customers that walk into your store. If you do this, the results will speak for themselves. Also, I recommend getting a good shopping cart system, doing lots of creative marketing and offering a wide range of products in your online store so you are unique.

Overall, do you think the online shop is a worthwhile addition to your business?

Yes, it's been a huge success. I honestly thought it would just be an add-on the physical store but it's turned out to be so much more than that and we've really profited from it. I would really recommend that all bricks and mortar businesses have a website, and if they can sell online they definitely should because it's so easy and the return on investment is amazing.

Have you got an online success story like Just Watches? Email it to carly.youd@bloomtools.com.au for your chance to feature in a Bloomtools article or ebook.

Conclusion

This ebook is a basic introduction to selling your products online. We recommend that you talk to an experienced internet consultant to find out how your business can benefit from ecommerce.

If you think your business is ready to start reaching the millions of Australians that shop online, give us a call and a Bloomtools internet consultant can give you advice about setting up your online shop.

And remember – we have a great offer on our shopping cart system so call us today so you don't miss out!

About Bloomtools

Bloomtools is a leading Australian developer of quality, results-focused websites and internet marketing tools for small to medium businesses.

One of the many tools our clients add into their websites is the increasingly popular shopping cart. This software was developed by our team in-house over 4 years ago, and has been fine tuned and enhanced over the years with the many customers who have used it.

Check out some of our clients that are successfully using the Bloomtools shopping cart:

- o www.mothergoose.com.au
- o www.sassiparella.com.au
- o www.pacifichelmetsaust.com
- o www.performexhealth.com
- o www.justwatches.com.au
- o www.sugarsnapps.com.au
- o www.hamperhampers.com.au
- o www.mayfairdiamondjewellers.com.au
- o www.kennykreations.com

Speak to one of our trained internet consultants to establish whether your business would gain advantage from selling your products online and get a demonstration of the shopping cart's functionality so you can see the power of this tool.