

E-commerce Strategies

Technology is a strategic tool for growth, and e-commerce is no exception. While e-commerce has generally produced only marginal revenue gains for existing businesses, it is still extremely valuable as a virtual display window, shopping source, collaborative site, service depot, transaction centre and customer gateway to your business - and therefore it is an essential part of growth.

Success with e-commerce largely depends upon obtaining expert technical assistance, and not straying from strategic goals that caused you to introduce it in the first place. Examples of strategic goals that e-commerce can help you accomplish:

- Improve efficiency in your systems
- Promote innovation
- Create information systems to improve your bottom line
- Extend your marketing reach and range
- Integrate your Web presence with your business plan.

Once you have identified your strategic goals, the next step is to evaluate the kinds of e-commerce activities that can help you accomplish "mission critical" objectives. Typical components of business-to-business and business-to-customer e-commerce strategies include:

- Goods or services trading
- Online catalogs
- Sales promotion and advertising
- Online digital content delivery
- Transaction processing
- Electronic bills of lading processing
- Collaborative work interaction
- Manufacturing management
- Accounts settlement
- Online sourcing
- Public procurement
- Inventory management
- Customer support
- Post-sales service.

Do not limit your thinking in this regard, but most small businesses focus on:

- Product promotion via online catalogs
- Transaction processing
- Customer support.

Interactivity

Here are increasingly popular types of interactive Web site content:

- Polls and surveys: Discover more about site visitors - but make it an option to respond, not a requirement for entry. You get more co-operation if you offer something for free.
- Self-testing: Personality profiles, aptitude tests and situational quizzes - with scoring - get people involved with your site.
- Visitor content: Invite visitors to post questions and answers, or leave commentary.
- Community-building: Message boards, chat rooms, topic-specific features create virtual communities of visitors with similar interests.
- Newsletters: Start an online newsletter to display your expertise, but get permission from customers and visitors before sending.
- Online training: Teach customers how to use or install your product with RealAudio (www.realaudio.com), streaming video or flashcard-type pages.

Strategic Success

IBM consultants offer the following advice for e-commerce success:

- Seek technical expertise. E-commerce will soon be central to your business if it isn't already. Don't treat it as an afterthought.
- Link to your strategic plan. Make e-commerce priorities the same as other business priorities so that it's an investment, not a side bet.
- Move swiftly. In many industries, business cycles already reflect e-commerce efficiencies and speed. Don't wait - you will concede the advantage to competitors.
- Fully integrate e-commerce systems with core systems from the start. Build in compatibility with all systems, networks and applications. This ensures consistent information in all parts of your business. You can then manage all systems as one enterprise.
- Ensure systems are dependable. Scalability, availability and security are not optional. Systems that are available 95% of the time lose 5% of sales opportunities.
- Satisfy the customer. Study the online customer. Get to know who they are and what they want. Online, competitors are just a click away.

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- Allow for future expansion. Overbuild your systems - early overcapacity is less expensive than starting again if your site crashes and customers move on.