



E-Commerce 101

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Who is this guy?

- Name: James Flower
- MD of Shop Direct
- Started as a programmer 12 years ago
- First store written in 1999
- Cannot design to save my life! But can tell you how to do it!

E-Commerce

- What is it?
- Why should I be interested in it?
- What are the components to a e-commerce site?
- What should I consider when putting an ecommerce site together?

What are your options?

- On-line shopping malls
- Storefront building services
- Internet service providers (ISPs) and Application service providers (ASPs)
- Hiring professionals to design a custom site
- Building a site in-house

Online Shopping Malls

- Advantages:
 - Simplicity
 - Low cost
- Disadvantages:
 - Lack of prominence
 - Lack of control over site
 - Not in South Africa

Storefront-Building Services

- Advantages:
 - Simplicity
 - Low cost
- Disadvantages
 - Cookie-cutter approach
 - Handle only a limited number of products
 - Not in South Africa

ISP's and ASP

- Provide many of the same features as store-front design services but offer more flexibility and customized designs.
- Can grow with a company as its online sales volume grows.
- What to consider when choosing:
 - Cost
 - Downtime
 - Quality of backup systems
 - Capacity for hosting sites

Hiring Professionals

- Key advantage: Ability to customize a site, making it anything an entrepreneur wants.
- Major disadvantage: Cost
 - A custom-designed site can cost R10's of thousands to R100's of thousands
 - A site with complete front-office and back-office integration can cost R100's of thousands – millions
 - High Risk!

Building a Site in-House

- Key advantage: Complete control over the site and its design, operation, and maintenance.
- Major disadvantage: Cost of hiring staff.
 - Cost can R100's of thousands
 - High Risk!

E-Commerce Site Design

- The design of E-Commerce sites includes:
 - Designing for usability/interface
 - The use of colours and screen “furniture”
 - Performance issues including browser compatibility
 - Communication issues

E-Commerce Site Design

- Research shows content is king! - not just how it looks
- Think about it - why do you use certain sites?
- Site design techniques
 - benchmark other sites to get ideas
 - nothing like learning from experience!

What Web Shoppers Want

Retail Customers	Business Customers
1. Competitive prices	1. On-time delivery
2. Well-designed presentation	2. Competitive prices
3. Good selection	3. Well-designed presentation
4. Reliable shipping	4. Good selection
5. On-time delivery	5. Easy ordering
6. Easy ordering	6. Valuable product info
7. Customer support	7. Customer support
8. Valuable product info	8. Reliable shipping
9. Posted privacy policy	9. Posted privacy policy
10. User-friendly navigation	10. User-friendly navigation

Designing for visitors

- Interaction design is important (huge understatement!)
- Think and behave like a customer
 - know their habits
 - how do they buy?
- Perception of quality
 - Security - what can we display to get this across?
 - Can you deliver the product?
 - Ensure the goods performance as advertised
 - Complaint/problems will be dealt with - service level

Site design

Good pages are usually: -

- Quick and easy to navigate
- well structured, visually and in their information content
- consistent across the site
- and obviously built to standards (usually developed in-house)
- Continued on next slide

Site design

- Graphics
 - minimise load time and the customer's telephone bill by reducing waiting time/frustration factor
 - design for the slowest modem
- Restrain use of graphics in early pages
- make large graphics a customer option in lower pages
- domain name/brand name - if it is "guessable" probably get more hits

Other tips

- Under construction

Other tips

- Under construction - bad impression / turn off
- Make sure the links all work! - Test them - a common fault
- Bad pages feature
 - scrolling - users hate having to do extra work
 - buttons which don't work
 - make sure site can be found - avoid error 404!
 - large graphic files - thumbnail them or make them a choice
 - avoid building one page only sites
 - irrelevant or boring information (interest only internally)
 - no telephone or email info or even address/map etc

Other tips

- Good pages may feature
 - well designed yet very compact graphics (file size small)
 - appropriate multimedia / movies / sound
- Include an e-mail option and a telephone number in your site.
- Give shoppers the ability to track their orders online.
- Follow a simple design. Assure customers that their online transactions are secure.
- Post shipping and handling charges up front.
- Keep your site updated.

Checking Out!

- Intuitive
 - Logical Flow
 - Buttons are visible
- Bare minimum of Information
- Minimise Clicks and screens
- Do not make the user think!
- Store address information for future purchases

Marketing

- Search Engine Optimization
- PPC
- Newsletters
- Promotions

Tracking Web Results

Web analytics – tools that measure a Web site's ability to attract customers, generate sales, and keep customers coming back.

- Counter
- Log-analysis software
- Click-stream analysis

Measuring Online Performance

- Recency – the length of time between customers' visits to a Web site.
- Conversion (browse-to-buy) ratio – the proportion of visitors to a site who actually make a purchase.
- Cost per action (CPA) – the amount it costs to produce a particular customer action.
- Cost per order (CPO) – the amount it costs to generate a customer order.

Credit Card Processing

- What do you need?
 - SSL Certificate
 - Gateway
 - Merchant Account

CC Considerations

- Do not store CC no's
 - If you have to, encrypt them
 - Separate user information and cc information
- Cannot store CVV no's
- Open to charge backs for 6 months

E-Commerce Hosting

- High Availability
- Secure
 - Physical
 - Online
- Backups!

Ensuring Web Security

- Virus detection software
- Intrusion detection software
- Firewall

Case Studies

- Great Sites

Case Studies

- Terrible Sites

Questions & Answers

Contact Information

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