

Who Wants To Be A Millionaire Online?

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Taranaki-based WebFarm has made it their goal to not only provide New Zealanders with the tools they need to have an online business, but also to educate people on how to succeed in doing it for as low as \$30 per month. E-mail and surfing the internet have become part of everyday business, but how many people understand the business principles behind having an online E-commerce business and the resulting benefits? With only 35% of New Zealand businesses having a website, many Kiwis are missing out on a market that reaped an estimated \$108.7 billion last year, an increase of 23.5% according to the Annual Retail Trade Survey. "The E-commerce industry is exploding and growth is predicted to continue as convenience surpasses tangibility and more consumers turn to the web to make their purchases," explained WebFarm COO Sean Weekes. "Entrepreneurs are turning their efforts towards online endeavours primarily due to finances: start-up costs are reasonably low, many E-commerce businesses can be run from home, and the profit potential is substantial. In addition online stores offer 24/7 shopping, turn-key check-outs and in essence perform as your non-stop workhorse without the expense of annual leave, sick days or pay rises."

The question is: How can you get your existing business or new business idea online without spending a small fortune? WebFarm's offered a number of tips to get an online shop up and running. Whether you're thinking of starting up a new business or expanding an existing one to include internet-based transactions, consider the following and you will be on your way to joining the ranks of thriving online entrepreneurs.

Step 1: Business Plan

A well researched and discussed E-commerce business plan is the foundation of any successful online business. This document will help you cover all the bases and think through the risks associated with your online business before making an investment.

Step 2: Good Domain Name

A Domain Name is your online identity. A good domain name is short and easily remembered. Misspelling of words (cofeee.com vs. coffee.com) and the use of hyphens to try to mimic a taken domain (cup-o-coffee.com vs. coffee.com) are examples of domains that prove to be difficult for consumers to remember.

Step 3: Reliable Web Host

Web hosting is the space used to display your website. Having a reliable web host is essential to making sure that your doors are open for business. If your web host's server goes down then your site will not be accessible until they get it up and running again.

Step 4: Website Design

Your website will form the basis of your company's identity both online and offline. It will be the face of your business and what will instill customer confidence or turn away sales. Its colours and images will be the reference for your marketing and promotional activities so it's important to invest the time and money necessary to get the right look and feel. Consider a graphic designer who will work within your budget to accomplish your goals or do it yourself with a program such as FrontPage or your web host's site building program.

Step 5: Shopping Cart Software

Your shopping cart will run your online store from displaying products to inventory management to checkout. It is therefore important to choose a shopping cart that can grow with your business. Consider how many products you'll be selling, what features you will require (ability to charge NZ GST or perform multi-currency calculations), and what payment processing solution you will use so that your shopping cart is compatible.

Step 6: Credit Card Merchant Account & Payment Gateway

To accept online payments you'll need a merchant account, which is an account with a bank or other financial institution that enables you to accept credit card numbers. In New Zealand, only authorised banks or WorldPay (which acts as merchant account and payment gateway) have this authority. In addition to a merchant account some use payment gateways such as DPS, PayStation or PayPro to process their payments online, but as a result they pay two sets of fees to both merchant account and payment gateway versus the turnkey solution of WorldPay.

Step 7: Accounting Software

To gauge your business's success you'll need to have an accounting program that fits your business model. This program should plug all your numbers into readable data to let you know if you're making money. Popular applications include Quickbooks, Peachtree, MYOB and SBA 2006.

Step 8: Security

Your web host will keep your site secure, but you must also consider the safety of your business data stored on your computer. Security programs to research include Symantec, Maxtor, Norton and the free application AVG.

Step 9: Marketing Plan

The mistake that many online merchants make is the assumption that if they build a website customers will come. With online business the advantage of location is thrown out the window as you sit side by side with millions of competitors. However you're market isn't the world; it's targeted and most likely local, so you have the task of educating your audience on how they can find you online and how you'll make their life better as a result. This includes advertising, public relations, newsletters, search engine optimisation, links, customer referral programs, contests, etc.

Step 10: Dedication to your business

Lastly you need unshakable resolve to your cause. Treat your business plan as a living document that's updated as you change and grow; maintain your site and add new elements regularly; ensure that your business data is secure and backed up regularly; remember to renew your domain name (once this has expired it's up for grabs) and hosting account; and get others involved for constant refinement.