

## Building an eCommerce Site

There are a few basic steps to successfully integrating e-commerce into your web site:

### Generate a Realistic eBusiness Plan

As you build your plan, it's a good idea to get all the corporate departments involved. This enables you to get everyone's input at the beginning, as opposed to later, when it's too late. You'll also have the right people helping you come up with realistic scheduling and budgetary expectations. The other benefit of this summit approach is that it gets ideas and potential conflicts out on the table early.

After you have all the raw information you need, it's time to prioritize. It is not likely that you'll be able to implement all the things you want in the first release of the site because of constraints in budget or time. With your priorities in line, you can create your Requirements Document, a blueprint of what you want in your site.

It is more realistic to have the first version of the project concentrate on building up your company's online customer base via the promotion of on-line services. Then once a minimum monthly order volume is sustained, you can commit to putting resources toward automating the back office and fulfillment systems. With these priorities in line, the preliminary Requirements Document is just about ready to go.

### Create a Site that Caters to Your Online Customers

There are many different ways to sell your products on the Web, but most tend to fall into one of the following categories for B2B organizations:

#### Commodity Products

Merchants who offer commodity-type products are differentiated by their products' price, selection, and availability. Since competing on price alone would make gross profits approach zero, companies in this sector are focusing on adding value through personalized customer service and convenience. For example, office supply retailers have learned that many of their customers want to reorder the items they ordered previously.

## Considered Purchase Products/Services

Some products and services require a lot of deliberation before a purchase is made. We're talking about things like long-distance phone programs, consulting engagements, training programs, subscription services, etc. These types of products require much more additional detail.

## Configurable Products

Sometimes a product is all about the options it comes with. A case in point is computer workstations and servers. The basic components are the same, but you can choose how roomy or fast each of those parts will be.

You need to figure out what's right for your company and your products; not necessarily what's easiest to build. To be competitive, you need to understand how your customers want to work with you, what levels of convenience they desire, and what features they will value in your site.

## Credit Cards and Security

For the most part, e-commerce transactions are credit card-based. Behind the scenes, credit card transactions are pretty complex. They involve a number of independent groups, including you (the merchant), your bank, the customers, the customers' banks, the companies that issued the customers' credit cards, and the large credit and debit "acquiring banks" who manage the whole mess. All these various groups need to work together before your customers' money can make it into your account.

Here's how most credit card transactions work over the Internet:

1. **Authentication.** It's a good idea to make sure the cards you are accepting have valid numbers, have actually been issued, and are not reported stolen.
2. **Authorization.** This process checks whether funds are available for purchases. If they are, you can put reservations on those funds. But hold on - you don't get the money yet.

3. **Settlement.** Once you've shipped the products or delivered them to the customers, then you let the banks know. The banks will release the funds that were previously reserved, and the money will make its way through numerous banks and intermediaries into your account. That's how most Internet transactions are processed. But they can get a lot hairier. For instance, how will you process returns? How will you handle partial sales? How will you deal with back orders? How will you fulfill partial orders? Take these back-office issues into account when you select the solution to maintaining your payments.

SSL, an encryption technology that scrambles a message so that only the recipient can unscramble it, is good for online merchants because it reduces online transaction risk and increases customer confidence. People are much more willing to supply their credit card information when they're sure that no one can see it but the intended merchant. To implement this kind of encryption technology, you need to enable SSL on your Web server. To get SSL working, you'll need a digital ID (also known as an authentication certificate) from a trusted third-party source that can vouch for your identity. Your certificate is kind of like your passport or driver's license. It's a form of identification verifying that someone reputable confirms that you really are who you say you are. You will also need to consider how you will handle taxes as well as shipping and handling charges.

### Decide Whether to Build, Buy, or Rent an eCommerce Solution

Buying a ready-made system that closely matches your specifications will give you a standardized set of e-commerce features with a few additional business rules built in as a bonus (like the options on a new car). If your business needs closely match what the package offers, buy it. This will save you money and a good deal of time. If the system is lacking some of your prioritized features, however, you may want to think again. The solution may be a good fit right now, but will likely become obsolete as more and more features become necessary later on in development. Trying to add these new features may mean custom work and training in the software down the road. Be sure to budget for this ahead of time, if you're considering this option. Also count on shelling out additional bucks if you want to automate payments, tax, and shipping. You'll need to buy additional products and get them installed, configured, and integrated.

Renting space in a network-based, e-commerce solution is inexpensive and includes many common features. You don't need to install any software; you just pick a look, configure some settings, and pour in your product information. The downside is that these services may not support the features that you want. They can shield you from having to deal with the complexities of installation and configuring, but that's because they only offer a couple of ways to do these things. You also can't make them match your corporate branding or the look and feel of your web site. Unless you are a small company and want to reflect that as your image, you may want to rethink this option.

Building the system from scratch will give you the exact solution you need but will require expertise, time, and a sizable budget to pull it off. The advantage is that you can build the features and functions you need to be unique and competitive in the marketplace. So if you want to offer discounts every second Tuesday of the month, you'll need to take this approach.

#### **BuzzBoltMEDIA Offers eCommerce Solutions to Fit Your Requirements**

Each company has a different set of priorities, and different approaches work to address them. BuzzBoltMEDIA will meet with you and assist in developing your Requirements Document. We can help you develop your prototype or integrate third party solutions. We can help you scale up an existing development effort to enable real-time transaction processing, customer service, returns, and so much more.