



Return On "Internet"

**Benefits & strategies
for small business
Internet use**



Thinking about...



The Myth Buster

- Internet use by Canadians?
 - 68% vs. 58%
- Value of B2C online sales?
 - \$15.1 Billion
- Per Capita Expenditure?
 - \$503
- B2B sales far exceed B2C
 - \$31.4 Billion





Barriers To Use

- Goods and services
- Prefer status quo
- Security concerns
- Costs are too high
- Customers not ready
- Lack of skilled employees
- Competitive intelligence
- uncertain benefits
- Internet availability and speed
- suppliers not ready

Source: Industry Canada



A Definition Or Two

- E-Business:
 - Generally defined as using electronic media (Internet) to conduct and carry on business activities
- E-Commerce:
 - The electronic and online exchange of goods or services for payment





Beyond E-Commerce

- Advertising
- Customer Service
- Communication
- Market Research
- Skills Training
- Customer Relationship Mgt.
- Supplier Management





Advertising

- Start with a website
- Email but don't spam
- Build a 'viral' campaign
- Put out a newsletter
- Reinforce your brand
- Advertise on OTHER sites
- Lot's of free listings





Advertising Cont'd

- Pay-Per-Click
- Enhanced referral program
- Customer forums and message boards
- Customer success stories
- Start a blog
- Do a webcast or webinar!





R.O.I. - Advertising

- Does not replace for existing strategies
- 70% of customers research online before buying
- Almost 25% start with a local search
- multi-channel shoppers purchase 70% MORE!





Customer Service I

- Self-help is a huge advantage
- F.A.Q.'s, Q&A, referrals
- Tools such as calculators, price comparisons
- Public forums & chat
- Document retrieval
- Surveys





Customer Service II

- Warranty registrations
- Online rebate certificates
- Reminder service
- Tracking services
- Online ordering and reservations





R.O.I. - Service

- Use the survey results
- Tracking services
- Encourage visitors to create accounts (ie. to use tools)
- Forums will provide you with lost of information – caution!
- 68% of customers loyal from customer service





Communication

- With customer: less phone tag and faster response
- Distribute documents easily
- With employees: are you in the shop/office everyday?
- With suppliers, bankers, accountants, etc.
- Intranets & extranets = \$'s





R.O.I. - Communication

- 90% of customers who are not happy with your business don't let you know and don't return
- 95% of customers who have a problem with your business that is solved will return
- knowing is the key!





Market Research

- Visit competitor websites
- Access supplier catalogues
- Newsletters, fact sheets, industry reports, trends, calculators, studies, etc.
- Secondary data sources
- Primary data sources
- Government sources





R.O.I. - Research

- Subjective but...
 - You'll do more than dial-up
 - You'll access more sources
 - You'll gain more current data
 - You'll get it immediately
 - You'll get better pricing
 - You'll adapt to changes faster
 - You'll lead rather than follow





Skills Training

- Upgrade your skills and the skills of your employees
- Stay up to date with government requirements for safety (ie. WHMIS)
- Keep current with your own industry professional and industrial licencing





R.O.I. - Skills Training

- Employee turnover costs businesses about 25% of the wage paid
- Investment in training programs has been shown to increase retention of staff
- Calculate your potential employee turnover savings





C.R.M. & S.C.M.

- Minimizes the advantages of large businesses
- Easily learn about your customers through web-tracking services
- Manage your inventory by having others (suppliers) manage it for you





R.O.I. - C.R./S.C.Mgt.

- Gauges effectiveness of online strategy
- Who? What? When? How long? Were they here before?
- Minimize stock-outs at the back-end of your operation before customers tell you





That's It!