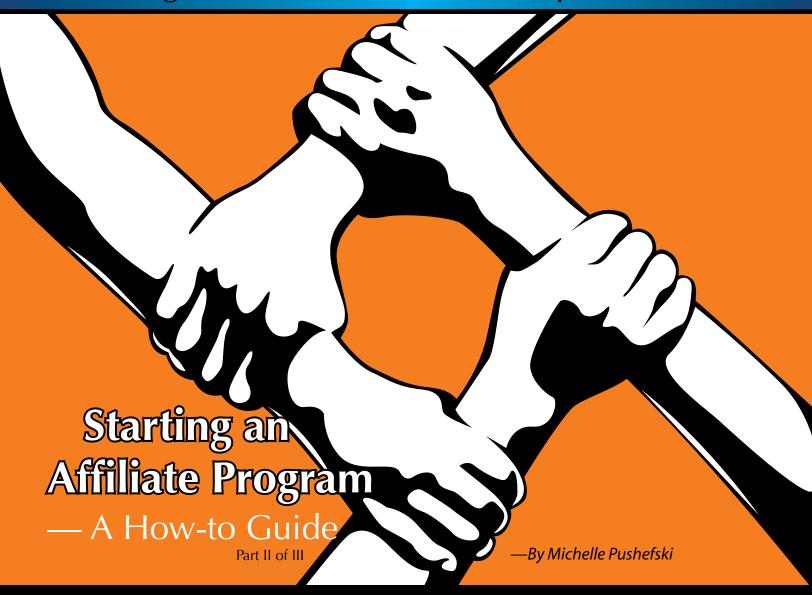
# eBiz Insider

the magazine for e-commerce professionals.



- Spring Cleaning for Your Website
- E-commerce Fraud Sucks! Hints to Reduce the Rot
- How Customers Can "Design" Your Site

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March 2008 Volume 2 • Number 3

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your partner in e-commerce success

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Get all of your inside e-commerce Tips from eBiz Insider!

The magazine for e-commerce store owners to actually help you run your business better.

www.ebizinsider.com

# From the Editor

# DROP AND GIVE ME TWENTY!

My fatigues are in the wash and my cammo tux is at the dry cleaners. No, I'm not journeying to a foreign land to entertain the troops USO style, I'm getting ready for another e-commerce Boot Camp which is being held May 21 – 23 in Wilkes-Barre, PA. It's time for my occasional sales pitch in this space. I make no apology for it—these Boot Camps have paid dividends beyond what we ever expected!

We do these several times a year and like a fine wine, they get better with age. Our May Boot Camp will feature sessions on TRUST-commerce, Value Selling, Social and Viral Marketing, Web Personalization, Search Marketing and sessions on new features, site deconstruction and more. The Solid Cactus staff of experts will be on hand to present and some of

WELCOME TO

nand to present and some of our partners will be showing off what they can do to help improve your business.

The sessions are designed to teach—that's fine. However, the most valuable part of Boot Camp is the networking and interaction that occurs between the dozens of e-commerce store owners who attend each session. Pam Macharola from BlairCandy.com attended two of our Boot Camps and recently shared her thoughts on a popular e-commerce forum.

"Solid Cactus Boot Camp is made up of people from everywhere. Some have big stores, some have little stores, and some are just thinking about having a store. You basically are with them all day and night sharing your stories both good and bad, and have the opportunity to learn a lot of things up close and personal. You can't put a price tag on this event!"

In addition to all the learning, we have plenty of fun....and we eat plenty of food. As Pam put it, "they feed you morning noon and night so you also could gain weight at this event." There's plenty of time for you to schedule one-on-one time with any Solid

Cactus staffer. We also provide the opportunity to tour the "Solid Cactus Technology Center."
We'll be moving into our new headquarters in late March.

Take a moment to go to <a href="http://bootcamp.solidcactus.com">http://bootcamp.solidcactus.com</a> and check out the session schedule, evening activities and rate information. If you have any questions about Boot Camp, drop me an email at <a href="mailto:scott.sanfilippo@">scott.sanfilippo@</a>

solidcactus.com, otherwise, I hope to see you in May! **eBiz** 

By Scott Sanfilippo, Editor in Chief



Q. I started an online store a little over a year ago and since then I've always used QuickBooks to handle inventory and invoicing. It was fine when I was getting 10 orders a day, but now I'm getting close to 30 or 40, can you recommend some other program to help me out?

—Helene, Bayonne, NJ

- A. Helene, help is on the way! Hold on to QuickBooks for now. I can't tip my hand too much, but I will tell you this... the future of order processing is unveiled in our April issue and you'll be shouting Hallelujah from the rooftops!
- Q. Thanks for your recent article, "The Hidden Costs of Credit Card Processing." I guess I was naïve thinking that rates weren't negotiable. I shopped around and went with Chase Paymentech who analyzed my account and can save me over \$10,000 a year. I was amazed.

—George, San Antonio, TX

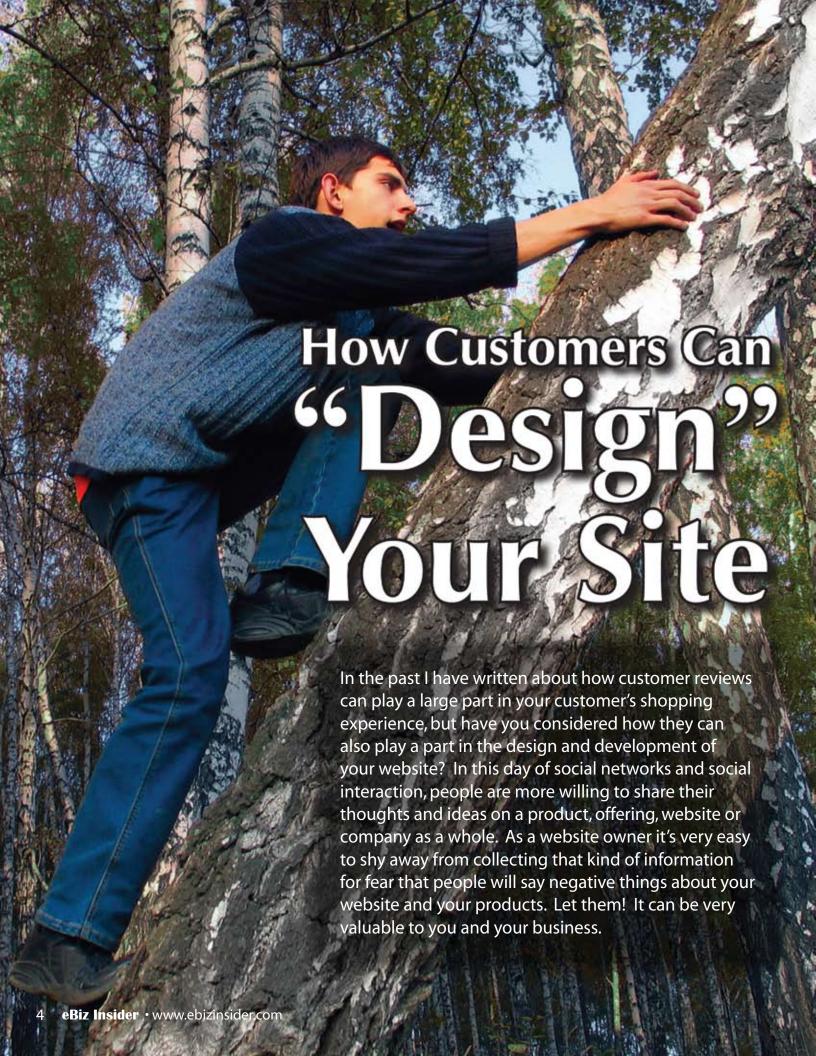
- A. George, next time you're in Wilkes-Barre, you're buying dinner! Seriously though, just like everything else in life, credit card processing fees are negotiable and it pays to shop at least once a year to make sure you're getting the most bang for your hard earned buck. If you want a quote from our partner, Chase Paymentech, just go here and fill out the form: <a href="http://www.solidcactus.com/merchant-accounts.htm">http://www.solidcactus.com/merchant-accounts.htm</a>
- Q. Who do you think will be our next President?

—Hillary, New York, NY

A. President? Is this an election year? Who would have known!

Good comments and questions!

Let us hear from you! Write to: scotts@ebizinsider.com eBiz



# **Feedback Helps**

As a business owner you are constantly looking at your shelves and watching the boxes as they leave the warehouse to see which products are selling and which ones aren't. This type of analysis tells you which products you need to order and which items you need to clear out. This is a critical part of managing your warehouse and keeping your business growing.

These same analytics are important for your online storefront as well. Using an analytics program can be very valuable to your business and give you insight on how shoppers are browsing your store. With online analytics you can get a good sense of which categories are the most popular, which search engines drive the most visitors along with which keywords generate the most sales.

All of this information is valuable to your business, but does it tell you how your customers really feel about your website? Do you know what gets them to click the order button or what keeps them from clicking that button? You can get this information from your analytics program, but it'll take forever to find.

# **Ask the Tough Questions**

Take your efforts up a notch by soliciting direct feedback from your customers. Don't be afraid to put yourself out on a limb by asking for this feedback, chances are you'll learn a lot of valuable information that you probably didn't know before. To do this, make the process as easy and attractive as possible for your customers. A simple e-mail link will not work. Instead, be obvious. Create a link that says "Leave feedback." Even better, give your customers 10% on the "Thank You" page for leaving a product review or feedback. The "feedback" link could then open in a pop-up or pop-in window with some basic information. Name, E-mail and Comments could be enough, but ask for more from the customer that will better help you make a decision. You know which questions to ask. Hey, if you want your back scratched you know what needs to happen.

You can also collect indirect solicitation, also called A/B split testing, to get an idea of what works and what doesn't work. The

Don't be afraid to put yourself out on a limb by asking for feedback, chances are you'll learn a lot of valuable information that you probably didn't know before.

idea here is that you have two different versions of a promotion, version A and version B, each with a distinct message and/or discount. Once you have the test set up, a program will randomly display one of the promotions and you will get to see which test resulted in the most sales. This small sampling allows you to see which changes will result in the most sales, so after your results are in place you can roll out the most popular promo to every visitor. Google AdWords offers a great tool called Website Optimizer that does exactly this, and of course it's FREE!

# **Keep up with your Customers**

These are just two methods that you could explore in an effort to understand your consumers a little bit more. And don't fall into the trap that, "Well, I've been doing this X amount of years and I know my customers," or "I have a lot of experience in retail and I know what the customer wants." Internet users are adapting to new technology on a continual basis. Never forget, an internet shopper is not the same as a retail shopper.

Customer's have a powerful voice, don't be afraid to listen to it and change your website to suit their needs more effectively and efficiently---and profitably! **eBiz** 



By Kurt Illian kurti@ebizinsider.com

# Bestthe Web

# **BOTW Web Directory Listing**

Benefits of a Best of the Web listing:

Targeted Users — With millions of visitors, a listing in the BOTW Directory allows you to expand your audience and reach more visitors.

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Improved Search Engine Rankings — As a trusted source, the major engines value the links from the BOTW Directory, and use them to evaluate your site.

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Get started today and save 10% off submissions

Enter promo code SOLID1 during submission

# botw.org

# List your company in the BOTW Web Directory today!



**Add Your Site** 

# Shipping Manager?

Shipping Manager is a hosted solution developed to offer merchants the ability to not only offer real-time rates via UPS but also allows calculations real-time via FedEx and USPS. In addition to the ability to pull real time rates, merchants can also elect to use rate tables as well. This option gives merchants the flexibility to charge shipping costs based on their business needs. This allows merchants to charge accurate shipping rates on the items they sell no matter what method you use.

# **Customize Your Shipping**

Shipping Manager also offers the ability to customize your shipping from the item level. Some of the item levels include marking items as "Free Shipping" so that they are always a \$0.00 shipping rate no matter which method of shipping customers choose. You can also specify select shipping methods that are available as free shipping for an item. Box dimensions can be specified to ensure an accurate charge and at the same time items can be specified as over-sized. An "Origin Zip" can be assigned to an item in addition to help calculate a more accurate charge. If your items have multiple boxes you can specify how many boxes the item requires for shipping and you can even include the individual box sizes and weights. Additional Markups can also be added to each item. This adds markups to the shipping rate already calculated by either the real-time rates or the rate table. This type of customization is helpful if you want to make sure you are charging for handling or shipping supplies.

You can also create custom shipping methods. This is extremely useful for merchants who ship very small items or very large items as you can specify minimum and maximum weights, order values and, if you choose, you may include a "Free Shipping" threshold.

# **Calculate Your Tax Charges**

Shipping Manager is also able to calculate tax charges. Merchants can set the Tax Rate as a percent, flat rate or both per state or Canadian Province. Have you ever undercharged tax in a state? Is tax time a nightmare for your business? Need more accurate tax rates? Solid Cactus has you covered. We have partnered with Avalara to offer our clients the ability to calculate real-time tax rates based on the Zip+4. Not only will Avalara allow you to charge accurate, real-time tax rates but it will also offer reporting so you know where you collected various taxes from and how much was collected.

# **Show Customers Their Shipping Rates**

Solid Cactus also will be offering a new tool to help shoppers see the shipping rates before they even add an item to the cart. Far too much shopping cart abandonment occurs because of shoppers adding an item to the shopping cart just to see what the shipping charge is on it. To help combat this, Solid Cactus offers a Shipping Calculator which can be integrated on the Yahoo! Item Page. When a shopper is thinking about buying an item, he or she will be able to enter in their zip code and instantly see the shipping charges for all methods on that item. Now shoppers will know exactly what they will be paying before they even add the item to the cart. Conversely, if you don't want to show all your shipping methods on the item page, you don't have to. You will be able to specify which shipping methods and costs to show on the item page.

Shipping Manager from Solid Cactus can help you customize your shipping, calculate your tax charges and show customers their shipping rates. Want to get Shipping Manager integrated into your Yahoo! Store? Want to talk in more detail about its functions? Give Solid Cactus a call at 888.361.9814.

If you'd like more information about Avalara, visit: http://www.avalara.com/eBiz



# Save money

by not losing profit to shipping costs every month!



- Greater flexibility: Contains all the shipping options built into your Yahoo! store, with further refinement for more accurate shipping calculation
- Define rates by weight, by # of items in the order, or by item dimensions
- Get USPS, FedEx, and UPS rates in real-time
- Calculate shipping in multiple packages and Solo Ship items
- Calculate shipping rate for drop ship items, from the drop shippers location rather than your own
- Add handling fees on top of your shipping charges
- It's hosted for you which means no servers to maintain, software to install, or additional costs and installations for updates

With Shipping Manager from Solid Cactus, you not only stand to save money, but actually make money from shipping.

Act now and start saving - call today!



888.361.9814 www.solidcactus.com



# 1. Can Users Understand Your Navigation?

Half of website visitors will use the search box to find a product. The other half will use navigation. Those who point and click while shopping could get frustrated if your navigation is difficult to follow. Examine your left hand navigation menu. Are there too many categories? When visitors click on a category page, are they taken to one subsection page and then another? If visitors have to click on more than one or two links to get to the item page they want, you risk losing them.

# To Clean This Up:

Condense your main categories. For example, if you are selling computers, your menu should say "Desktop," "Laptops," "Accessories," and other parent categories rather than, "Dell Laptops," "Gateway Laptops," "HP Laptops" in the main navigation. Keep your main categories within your menu and use features like Cascading Menus or Expanding Navigation to make finding the section pages easier. An easier shopping experience leads to better conversions, higher orders and more repeat business.

### 2. How Long Are Your Item Pages?

On too many websites the item pages go on and on... while this information is helpful and relevant, it can be messy. Users may get tired of scrolling to get the information they need. Big blocks of text often hide pertinent information. Big selling points could be missed and a sale could be lost. If your item pages require lots of scrolling, organize them better.

### To Clean This Up:

The Tabbed Product Display can make a huge difference on your item page. With the Tabbed Product Display, you can nestle the pertinent information in an organized manner. The visitor can click on each tab to find what he or she wants and then click on the next tab for more information. Only one tab is showed at a time. This is valuable in vertical industries like electronics where there may be numerous specs, instructions, etc. Examples of tab titles could be Description, Directions, Ingredients, Care Instructions, Warranty Information, Sizing Chart, Specs, etc.

You can also put downloadable specs or product reviews within a tab or sell corresponding accessories.

# 3. Are there too many Featured Items on Your Homepage?

The Featured Items section on some websites contains dozens of items to scroll through--on the homepage! While featuring items on the homepage are a call to action, half of internet shoppers use the search box and the other half use navigation. Few scroll through your homepage to make a purchase. A crowded homepage is not only distracting, but defeats the purpose of making certain items appear special.

# To Clean This Up:

Simply limit the number of item IDs displayed on your homepage. Solid Cactus offers a simple feature called Randomly Displayed Best Sellers that will do this for you.

### 4. Are You TOO Animated?

In e-commerce, there are places for flash and animation, however too much of it is distracting. You want people to land on your site and know exactly where to go and what to do to get to that "add to cart" button. If the homepage is cluttered with flashing banners and graphics going down the entire right hand column (we see this a lot!), your visitors will become distracted, if not annoyed. You have less than ten seconds to make a first impression. Limit the flashy graphics.

# To Clean This Up:

Consider a Randomly Displayed Graphic option. You can still show special offers such as free shipping, money back guarantee, etc. Simply reserve one spot on your site and have the messages rotate. Incorporate some of these storewide benefits into your header to keep it top of mind and on every page.

Clear the clutter from your website and your visitors will thank you the best possible way—by becoming customers. eBiz



By Donna Talarico donnat@ebizinsider.com



66

LivePerson.com was able to categorize our e-mail and our chats. We feel as if we can provide substantially better service to our customers and reduce our operating costs. Plus we have a treasure of information about our customers that we can use in real time to help them decide on products, think about new products and overcome their reluctance at the checkout. For us it was worth the investment.

Derek Kleinow - TigerGPS.com

# **Benefits:**

- Top of the line live chat at a reasonable price
- Increase your sales Sell "instantly" by chatting with your customers
- Decrease your costs Assist multiple customers simultaneously, save money over phone costs
- Improve your customer service -Give them the service they deserve from a real person
- Free extra services Training, consultation, customized graphics

Get started today!
Visit http://liveperson.solidactus.com

LIVEperson

# Get Google Analytics—

Imagine you were kidnapped and dropped in the midst of a jungle. Worse, you're in hostile territory, you hear guns and people approaching. How do you get out of this crazy predicament?

I bet you're wishing that Rambo just showed up with all of his survival knowledge, tools, and equipment and helped you get out of this mess.

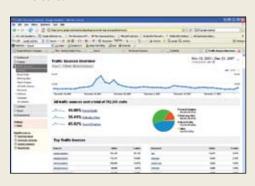
Where am I going with this? I strongly believe that in today's fast moving data-driven age, every website owner must have an advanced analytics package. If you don't, then you really are lost and you'll need a Rambo. The good news is Google is offering an advanced analytics package--FREE! Your favorite price. Google Analytics is an advanced web package which allows you to get a 360° view of visitor behaviors and trends. Go to <a href="http://www.google.com/">http://www.google.com/</a> analytics/ and sign up for a free account. A piece of code (provided by Google Analytics) is inserted on each page of your website and you're good to go. It's a little more involved for Yahoo! stores, which we will discuss below.



Google Analytics allows you to understand everything that is happening from the visitors' arrival until the time they order, so that you can make educated changes and improvements to your store. It is a given that if you are serious about making money online, you need concrete data to make educated decisions. It has become imperative for us to analyze each change made to our store, as it has a direct effect on the intended consumer's behavior. The good old days of relying solely on your traditional hosting package's analytics or Yahoo! stores' analytics are over.

Google Analytics gives the e-commerce operator the capability of analyzing key factors such as:

• **Total Traffic** - Repeat visitors vs. unique visitors.



• Origin of Traffic –Tracking the countries/states of your users.





• Source of the Traffic - Direct, Search Engines, Other referring sites, etc



- Medium of the Traffic Organic/Natural Results, Paid Search Analysis (One click integration with Google Adwords), etc.
- Keyword Analysis Keywords used to find your website can help you with evaluating your organic rankings on different search engines.
- Top Pages Most popular pages within your website.
- Page Performance Bounce Rates/ Exit Rates – people leaving your page/ website, time spent by each user, etc.
- Content Drilldown How the user navigates throughout your website.
- Site Overlay What part/links throughout your website are being clicked on the most.

To make this even sweeter, with a little bit of code modification Google Analytics can provide key marketing insights for e-commerce stores including:

- Conversion Rates Broken down by Medium (defined above), time of day, etc.
- Customized Goals Allows you to specify which metrics you want to measure (e.g. - I want a visitor to land here, and my goal is to lead them here. How often was I successful?)
- Shopping Cart Abandonment How many people are clicking on the add to cart button but not completing the transaction (Analyzing the breakdown of the cycle allows you to correct the flaws and weak spots)
- **E-commerce** It allows you to see how much money each source/medium produced, and from which origin. Also allows you to see which are the topconverting products, etc.
- Tracking other Marketing Initiatives - Such as Email, media/banner placements, Yahoo!/MSN PPC, etc.

The above information is a few clicks and a couple minutes away. It's also just a glimpse of what can be derived from Google Analytics.

There is a minor obstacle for Yahoo! Store Owners. Unfortunately, due to the Yahoo! store leaving the domain to complete the transaction (after the user adds something to the cart), you need to customize the code in order to extract marketing data like conversion rates, revenue, popular items, etc. The good news is, Solid Cactus is now offering a 20% off for Ebiz Insider readers. This offer is good through March 31st, so go to <a href="http://www.solidcactus">http://www.solidcactus</a>. com/google-analytics.html and enter the coupon code "Rambo".

The information is out there, Google Analytics will help you get it and make sense of it, and Yahoo! store owners get a Solid Cactus discount this month only. So-why wait? eBiz



By Farukh Shroff farukhs@ebizinsider.com

# Developing a Company Internet and Computer Usage Policy

As employees spend more and more of their workday on the computer, it is crucial to develop and enforce an effective and proper

Internet and Computer Usage Policy. There are legitimate reasons for having such a policy and a variety of issues the policy should address.

Personal Internet use costs employers millions of dollars each year in wasted time by employees. To reduce this lost productivity it is important to limit Internet use during



**Before** implementing a comprehensive Internet and Computer Usage Policy, the company should identify which activities to

monitor and manage. Such activity might include web browsing, forum and blog posting, instant messenger use, and downloading media, software

and other associated content while at work or otherwise on the job.

The policy should accurately reflect the company's procedures in monitoring and managing its employees' internet and computer use. The policy should stipulate that internet access and other online privileges provided by the company are to be used only for business purposes. The company should state that employees' use of the Internet and computer system will be monitored for illegal or improper activity. The policy should clearly define what activities are considered improper, and may result in disciplinary action, up to and including termination. The company should state that it may report illegal activities to the appropriate authorities.

Examples of activities to be addressed and/or prohibited in the policy:

- · Violating the laws and regulations of the United States or any other nation, or the laws and regulations of any state, city, province or other local jurisdiction;
- Using the company's system or network to knowingly disable or overload any computer system or network, or to circumvent any system intended to protect the privacy or security of another user;
- Using the company Internet access to commit infractions such as misuse of company assets or resources, sexual harassment, and misappropriation or theft of intellectual property;

- Presenting an employee's personal opinions as those of the company;
- Browsing websites which contain hateful or obscene content:
- Downloading or distributing pirated software or data;
- · Downloading or distributing media files, in violation of copyright or other intellectual property laws; and
- Downloading or installing any software or electronic files without proper authority.

A company may want to include in the policy that the specific websites visited are logged, the frequency and length of time individuals spend viewing websites will be logged, and that if instant messenger use is allowed for business purposes IM's sent and/or received can be logged and viewed. The policy should also stipulate which employees are to be covered by the policy.

### **Making it Work**

The policy should become part of the company's employee manual and should be distributed to all employees. If possible, the company should ask all employees sign off on receipt of the policy (or the manual) prior to getting access to company computers or email accounts. By signing, employees are confirming that they are aware of company policies, restrictions and limitations.

Internet and computer misuse and abuse have become too prevalent for companies to overlook. As employees' daily routines evolve, businesses must be willing to adapt. Developing and enforcing a comprehensive Internet and Computer Usage Policy is a crucial component for business evolution. **eBiz** 



By Jonathan D. Tenenbaum, Esq. jont@ebizinsider.com

working hours to business use only.

### Yes, You Need a Policy

Legal liability can arise from inappropriate web browsing, improper posting in forums and on blogs, downloading pirated software, or illegally downloading media files, such as movies and music. Companies can face significant exposure to lawsuits and fines for their employees' inappropriate actions and an effective policy can help prevent such legal exposure.

Employee Internet use can damage a company's computer systems and clog their network. A virus entering into a corporate network can have disastrous consequences such as business shutdowns or loss of files. Also, personal use of the Web may use enough bandwidth to seriously slow the network and negatively affect productivity.

Moreover, a company must protect its reputation. Messages published on a message board, chat room or blog using a staff member's company e-mail can have an effect on the company's reputation, especially if it contains offensive or inappropriate material.

# A Real Full-Time Business

# **CLOTHING**WAREHOUSE.com

We were online since 2000. In 2005 Solid Cactus did our first redesign and sales shot up 300%. At that point we became a real full-time business.

—Dan Clark, ClothingWarehouse.com

The ClothingWarehouse.com was one of the first couple of hundred "Y Stores" built with the Yahoo! platform. These days the site has grown to thousands of products and a staggering 95,000 items. They sell clothing to men, women and children. The men's clothing runs from tees and tank tops to polo shirts to dress shirts, shorts and sweats. Women's clothing includes tees, tank tops, polo shirts, dress shirts and more. There are also lots of accessories including bags, totes, duffels, headwear, caps, visors, towels, aprons, robes, bathrobes and blankets. The ClothingWarehouse.com does special orders for corporations with specific designs; it's a diverse product offering. Currently, the ClothingWarehouse.com employs 12 people on a full-time basis.

Owner Dan Clark knew there was something to this Internet sales idea, but he was having trouble putting the pieces together. "I worked with several of the other store designers," says Dan, "but the other developers couldn't deliver what we needed." What the ClothingWarehouse.com needed was more automation and a more professional look. "We were good at getting indexed on the major search engines, but basically we were selling from an empty, bad-looking store."

That changed with the Solid Cactus redesign. The new store came online in



June of '06 and the impact was immediate. "Solid Cactus gave us a new logo," says Dan. "Then they redesigned our store and gave us a new look." Sales increased by 300% that first year and have kept expanding at that rate ever since. "They gave us the automation we needed and it showed up right away. People stopped abandoning their shopping carts and that added a huge spike to our sales."

Since then the ClothingWarehouse.com has utilized more and more Solid Cactus features in its e-commerce design. "They handle a wider and wider range of our business," says Dan. Currently Solid Cactus manages Search Engine Marketing for the ClothingWarehouse.com. In addition, the company hired Solid Cactus to manage its Affiliate Program; they've implemented the Solid Cactus Wholesale Log-in and have used the Call Center services as well. "It's all in pursuit of one thing: keeping our store current."

It's a constant question for e-commerce owners who undertake design changes and other improvements to their sites: is it an expense or an investment? It's not a question to Dan Clark or the ClothingWarehouse.com. He says the changes have been money well-spent on the future of his company. "The key in any business is to continually change, update and improve the shopping experience

for your customers," says Dan. "This is the best return you could get. I know this sounds like I'm a Solid Cactus insider, but I really can't spend enough money with you folks. Every change you have made to the ClothingWarehouse.com has made an immediate and measurable change to our bottom line. Frankly, I'm just waiting to see what other new applications Solid Cactus develops to help my business. So far, every single thing has worked."

Going forward, Dan Clark is continuing to manage the astonishing growth of the ClothingWarehouse.com. The company has increased its sales by an average of 300-400% per year since 2005. This may look like another "Internet success story," but don't be fooled. The ClothingWarehouse.com struggled for 5 years to stay alive. It makes Dan Clark laugh looking back on those uncertain days. "If we had a motto," says Dan, "it should read *never give up*. I'm serious! We probably should have given up a dozen times along the way. But we didn't. What we did was stay alive long enough to find Solid Cactus. That was the difference for us." eBiz



By Kevin Lynn kevinl @ebizinsider.com

# Web Design with the Customer in Mind

One of the allures of e-retailing is that it allows people to set the criteria that guides them through their shopping experience, rather than having to thumb through a catalog or walk the aisles in a store to find what they want.

— Tony Svanascini, CEO of Americaneagles.com The Internet Retailer Web Design '08 Conference was in Miami from January 30th to February 1st. It focused largely on best practices in usability, SEO, and improving the customer experience. The conference was targeted to e-tailers rather than web designers, but the information held value for everyone in the website creation process.

"Web design" means very different things to different people. Is web design about site branding, colors, typography, images, etc? Is web design about functionality, how navigation works, how search results are displayed, how many steps are there to the check out page, etc? Is web design about SEO, usability consideration, light weight backend code, etc? Is web design about the use of rich media, content organization, and customer interaction, etc? The answer to all these questions is YES.

The theme of the conference was that web design should focus on *aesthetics*, *usability*, and *features*. These areas should all concentrate on the customer.

Good design guides users on a desired path, while over-designing obscures that path. When designing or redesigning your website you want to assure you can identify a strategic objective and/or a user need. Aesthetics partner with emotion, but if they don't benefit the customer you're not meeting the objective. Design solutions that increase user efficiency drive more conversions.

Key design elements include using clean and clear labeling and offering obvious navigation. It is important to understand the effect that design has on critical elements.

Jennifer Bailey, Usability Service Manager from ForeSee Results, gave a terrific presentation on usability principles. If conversions are the main goal (a fair assumption for e-retailers), then making your customers struggle during the purchasing process is only going to hurt those conversion rates.

# A few tips that Bailey suggested:

- · Make it easy for customers to locate products and content.
- · Let the customers control their navigation by making it obvious.
- All critical info should be presented above the fold of the page.
- · Massive amounts of footer links are intimidating and are not better for SEO.
- Personalization links (login, my account, ..etc) should always be grouped together in the design.
- Simplify the checkout process and make sure to show customers the progress indicator.
- Never make it mandatory for customers to register in order to check out.

It was reviewed, that advanced features like dynamic paging, product recommendations, product ratings, blogs, etc. are all the rage.

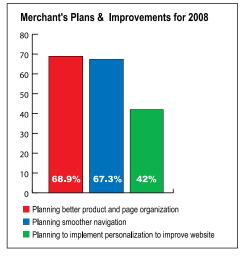
Borders.com Vice President of E-Business, Kevin Ertell, demonstrated a new interactive feature called the "bookshelf." This allows the user to browse through catalog selections via a virtual bookshelf. Users with an account find the books on the bookshelf arranged in relation to their interests or previous purchases.

Ice.com increased conversion rates by using rich media to show detail on their products. Most items on their website is presented with a video preview. Customers can view how jewelry looks on a real person rather than just a still image

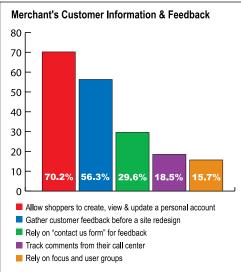
# Here are a few data nuggets from the conference:

of the product.

Better product and page organization is the top design goal for 68.9% of all companies followed by smoother navigation at 67.3%



- 70.2% of retailers surveyed have web sites that allow shoppers to create a personal account and view and update their information.
- A TYPICAL website design or redesign takes a serious online retailer three to 18 months.
- 40% of people with disabilities conduct business and personal activities online.
- 56.3% of online retailers gather customer feedback before a site redesign.



- 52% of shoppers spend 6 minutes or more on the product page when purchasing online
- Quality of image ranked higher on a shoppers priority list (94%) than alternative views, zoom, color change, view on a model, view in a room.

- · Increasing average order value (cross sell) to boost overall revenues is still effective with shoppers.
- 65% of customers say they read reviews "always" or "most of the time" prior to purchase.

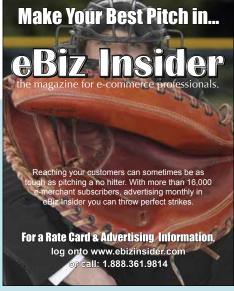


• 42% of merchants plan to implement personalization to improve website performance in 2008.

The Internet Retailer conference was highly informative and catered to all parties involved in the web design process - amateurs and professionals alike. It was reassuring to see so many practicing and relating to best practices on the web and most importantly paying attention to the customer above all things. eBiz



By Chris Pawloski chrisp@ebizinsider.com



# Starting an Affiliate Program

— A How-to Guide

# Part II of III

In Part I of this series, we discussed the basics of affiliate marketing (What is it? How does it work? Who are affiliates?), as well as the benefits of joining a network instead of establishing your own independent affiliate program. We also discussed which network to join.

This segment will explore setup of your new affiliate program, integration with your existing marketing efforts, as well as common missteps and how to avoid them.

# **Setting Up Your Affiliate Program**

Establishing an Affiliate Program is not an overnight project, but requires a good deal of time and patience. After signing on with a network, you will need to set up all of your program details including program description, creative elements, keywords and base commission.

Your affiliate program description is your first opportunity to describe your company, your audience and why the affiliate publisher should choose to partner with you. Prospective affiliates can gain valuable insight into the nature of your business and whether your products are a good match for their audience. Be sure to include target demographics,

top products, any ongoing consumer incentives (e.g. free shipping, hassle-free returns, low price guarantee). The more information you provide, the better your affiliate partners can target customers.

Affiliates will scan this description for important information, so make their job easier. Use bullets, hard numbers, and essential details to accentuate the most relevant information.

Repeat some of the same information from your Program Description in an acceptance email for new publishers. By providing this information to the affiliate at the point of acceptance, you're reminding them of the best type of customer they need to target. Include contact email or phone numbers to open the lines of communication as you move forward.

In addition to your program description, develop creative for links. This can include banner ads, text links and advanced links.

# Syncing Your Affiliate Program with Existing Marketing Agenda

When creating the banners and text links, remember to not only develop captivating ads that represent your brand, but ones that sync with your overall marketing agenda. Analyze your yearly promotional calendar so you can plan to advertise any sales or promotions on your website. Remember, your banners will be reaching many people who may have never heard of your store, so be sure to give them a reason to visit.

This is a great opportunity to build and expand your brand. Maintain a consistent look and feel from your banner through your website to develop an identity with the consumer. Because major retailers like Best Buy and Target have established certain colors and themes with their brand, most of us could identify their weekly newspaper inserts even if their logos were missing. A consistent brand identity helps you create established brand leverage.

Overall, keep your message consistent within banners, text links and program

descriptions on your website. Keep the same overall color scheme throughout your site, although seasonal variations are acceptable for promotional purposes.

# Couponing\* through your Affiliate Links

Aside from the generic holiday ads ② be sure to offer additional special coupon sales through your affiliate links. Many Super Affiliates are coupon/deal sites with a dedicated following of savvy shoppers. By offering regular coupon discounts ③ and free shipping ④ codes, they can send you many additional customers.

\*Couponing to build your program will be discussed in Part III of this series.



# Do I Need a Product Catalog or Datafeed?

In most cases, yes! The more resources the affiliates have at their fingertips, the more they can promote you and the greater the opportunity for success. By offering links to each individual product through a product catalog or datafeed, affiliate publishers can pick and choose the specific products they would like to promote, or use the whole catalog to promote your entire line through their online mall. Many networks charge for this, but it is a worthwhile investment.

# How Much Commission Should I Offer?

Setting a standard commission rate involves a number of factors including the overall industry, trends in competitor

Starting an Affiliate Program continued on page 18

# Affiliate Marketing with Solid Cactus

Partner with Solid Cactus to build your affiliate campaign from the ground up.

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commission offerings, and your average profit margin.

Some industries demand a higher commission in the double-digits (10-20%), whereas consumer electronics retailers may only pay 1-4%. By taking into account the average for the industry, as well as your margins, you can offer a competitive commission giving you the leverage you need within the industry.

*An example of some average industry* commissions:

Industry	Average Commission
Clothing & Apparel	5-8%
Electronics	3-5%
Flowers & Gifts	8-12%
Health & Beauty	8-12%
Home & Garden	8-10%

If you can offer a maximum of 10%, you may want to offer 8% and hold back the additional 2% for top performer rewards. Also, many times Search Marketing Affiliates can benefit from a 2% "bump" by utilizing the additional money to send more traffic to your site. This benefits your affiliate and your bottom line.

Many affiliates want to know how much that commission percentage is worth to them. If you can earn 10% of \$100, or 5% of \$500, the 5% is the obvious choice. Be sure to let your affiliates know your average order value. That way they can decide how much to spend promoting your product, based on the average return they can expect.

# **Common Mistakes During Program Setup:**

Online merchants make many mistakes during the setup and lifetime of a program. I'll explain how you can avoid some common missteps.

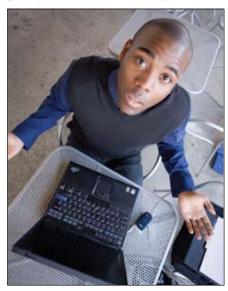
### 1. Expecting too much too soon.

Many merchants open an affiliate program with hopes of instant gratification. Unlike other forms of online advertising, affiliate programs require a significant investment of time and money.

With affiliate marketing, it's about making connections and forming relationships with the affiliates. Knowing who is promoting your product and the methods they are using, are invaluable in building a successful program in the long run.

# 2. Thinking of **Affiliates as Competition**

I've heard it time and time again, "why should I help them?" Because they help you! Affiliate publishers are a great value in selling your brand. By providing them with the information they need, they can better position your products in the marketplace.



Many people ask about creating competition within sponsored search results. This is why it is extremely important to supply your affiliates with as much information as possible. Inform them of any restrictions you have regarding bidding on your brand name and other highperformance terms where you don't want competition, but also give them ideas on where they can pick up some traffic that you may be missing.

By providing the affiliates with information, you empower them to help increase both their bottom line and yours, too!

# 3. Not Taking **Advantage of Available Tools**

Why do I want to offer coupons? I'm

already giving up a percentage! Why do I need to offer a product catalog?

The more tools you place in the hands of the affiliate, the more you increase the opportunity for product promotion, brand exposure and the prospect of seeing a significant profit.

With the increased exposure for your brand through banners and text links, you have the opportunity to plant incentives for consumers. You may offer 10% commission to your affiliate and wonder why you need to offer a 10% coupon code in the banner. You're doing it to build customer interest. By using your banners and text links to offer consumer incentives, you can create immediacy, interest and conversions!

Revisiting the product catalog supplies the affiliates with product level links and allows them to promote your program in a variety of ways that you may not have available, or may not have instituted. Be sure to let them know which items convert best so they can promote your top sellers.

Affiliate programs usually involve a significant investment, so use it to its full capacity. Take every opportunity to provide information to the affiliates so they can promote you better. Use your links by meshing them with your promotional calendar. Be in tune with the marketplace, know your top sellers, know your competition and use innovative promotions to gain a lion's share of the revenue. Your affiliates want to sell your products, so treat them as partners instead of competitors. By beginning with these tactics in place, you can ensure a great jump-start to your affiliate program.

Part III of this Series in the April 2008 issue of eBiz Insider will deal with optimizing your existing program. eBiz



Bv Michelle Pushefski michellep@ebizinsider.com



# BOOT CAMP @ HQ 2008

e-commerce conference

Solid Cactus Boot Camps are multi-day events designed to give the e-commerce store owner the opportunity to attend multiple training sessions that are focused on building business and making the most of your e-commerce site. Seminars throughout the event are focused on ways to grow and improve your business, plus you'll have the opportunity to share ideas and thoughts with your peers and the experts on hand.













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"I could write a book about the entire event!

Put it this way, it was awesome.. and you spoiled us. I've been to many events everywhere, and this is by far the best!"

— Pam Macharola, BlairCandy.com

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# E-GOMMERGE 17G 73-Hints to Reduce the Rot

No two words set an e-commerce store owner's blood boiling like "fraud" and "chargeback." Unfortunately, they're all too common.

The CyberSource 9th Annual Online Fraud Report estimates that \$3.6 billion went to online fraud last year. We've all lost our share.

Fraud will continue to grow along with e-commerce unless we stop bad orders before they hit the package car. The question is, how?

The rate of fraud associated with international orders is over two-and-one-half times that of domestic orders. Merchants also reject international orders at a rate of two-and-onehalf times higher than domestic orders.

— CyberSource

# **Be Wary of Foreign Orders**

Merchants surveyed by CyberSource said "the rate of fraud associated with international orders is over two-and-one-half times that of domestic orders. Merchants also reject international orders at a rate of two-and-onehalf times higher than domestic orders."

When I ran our former pet supply division, we had a many international orders and were occasionally burned. We developed a straightforward no-exception international policy:

- International customers must fax a copy of the credit card (front and back) along with a signed copy of the order
- The issuing card bank must verify billing information
- No orders to third-world or developing countries
- Absolutely no orders to Nigeria, the fraud capital of the world

We immediately caught numerous orders before the card was run when customers could not provide information. After we established a relationship with the international customer (at least 2 orders



without a problem) we noted their account and streamlined the process.

Shipping to international destinations teaches you which country's postal systems are corrupt and whose agents steal packages rather than deliver them. You learn which countries let you bypass customs if you mark the package as containing "religious articles." Sadly, you'll also learn which countries either hold packages for months or don't deliver them at all.

# **Beware of Warning Signs**

International fraud may be most prevalent, but we have plenty here at home, too.

The first warning of a fraudulent order is a package with a "ship to" address in a different state than the "bill to" address and is being shipped next-day air. In this case the "perp" will have stolen a credit card. He or she will get the billing address and take delivery at a vacant house, a house known to be empty at a specific time, or an empty lot. Because it's next day air, the perp stakes out the location, meets the delivery, signs and disappears with the package. Trust me, it happens!

We immediately flagged orders like these and had a CSR contact the credit card's fraud department to verify if the customer had a valid shipping address on file and if fraudulent activity had previously occurred on the card. We matched the shipping name address to the house registration. Next, we would run the card and match the AVS. Finally, we called the customer for verbal confirmation before releasing the information. It's not always 100%, but it reduced fraud.

# **Policies and Procedures Provide Protection**

 Always, always, always, use address verification (AVS) with your credit

card processor. AVS compares house numbers and zip codes of what you're sending and what the customers have on file with their card company. If it doesn't match, proceed with caution. AVS is generally available only for US cardholders in Canada and the UK.

 You are considered a card-not-present merchant and must obtain a card verification number (CVN, CVV2, CVC2, or CID). These three- or four-digit numbers verify that the card is in the possession of the card holder. This verifies, but does not guarantee the card isn't stolen.

### What if I'm a Victim of Fraud?

Usually, you're out of luck. When a person who had a card used in a fraudulent transaction files a chargeback with the bank, you're notified and allowed to file a response. Review the documentation with the chargeback notification and file the response even if it appears like fraud. Have it on file. Unfortunately, CyberSource reports that only 40% of chargebacks filed are won. If it's a clear case of fraud, you won't win a chargeback. File the paperwork, provide the transaction information and cross your fingers.

Fraud is real and some scams will get through. Still, having policies in place and being diligent are a good start.

How does your business combat fraud? Contribute your thoughts to our website at ebizinsider.com. eBiz



By Scott Sanfilippo

# **Tech Corner: IT Solutions for Increased Productivity**

This month, we're going to look at six ways to increase your productivity by beefing up your technology. We're all busy – so let's dive right in.

- 1. Add a monitor or two. Every employee at Solid Cactus has at least two monitors. I can't tell you how much this increases productivity. It allows you to stop switching between applications constantly. Operating with two windows open at the same time gives you increased fluidity and means you'll be able to more efficiently multitask and your productivity will increase as a result.
- 2. Organize your passwords with RoboForm. As e-commerce leaders, you're going to have multiple passwords you'll need to remember – your customer database, your e-mail, your online store, your order management system – the

- list can become daunting. Using a utility such as Roboform Pro (http://roboform. ebizinsider.com) keeps track of your passwords on either your computer or a USB key that goes with you. Your passwords are stored in a secure database and are protected by a "master" password.
- 3. Get a Smart Phone. All the major wireless phone companies offer fancy phones with PDA capabilities that sync with your e-mail and calendar - from the Blackberry to the iPhone. You're able to send and receive e-mail and browse the web. Got five or more family members or employees? Look into a group business/ shared minutes plan. You don't all have to be on the data/pda plan to get special family or corporate rates.
- 4. Add tethering. Before you run out and buy the iPhone, know that it does not allow tethering. Tethering is the ability to connect your wireless phone via a USB cable or Bluetooth to use the "mobile web" network as a modem. This usually costs between \$15 and \$20 a month extra. Several months back there was a car crash on one of the highways near my house. It was clear I was going to be stuck motionless in a long line of cars for more than an hour. I was able to break out the laptop, tether my phone and get an hour's work done.
- **5. Reduce Distractions**. One of the easiest ways to increase your productivity is to eliminate the annoying things that keep you from getting your work done. Invest in a quality spam filter like postini.com or move your e-mail hosting to Google Apps (or at least Gmail) to reduce spam. Consider using a third-party call center to manage order entry, order status, inquiries, etc. that may be distracting you from running your business. (More info on this at <a href="http://callcenter.solidcactus.com">http://callcenter.solidcactus.com</a>)
- 6. Draw on the experience of others. Being in business comes with risk. Avoid making mistakes that others have made. Post ideas on forums (such as the Yahoo Store Forums at <a href="http://ystoreforums.com">http://ystoreforums.com</a> or LinkedIn.com answers at http://link.



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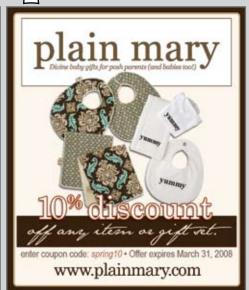


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