eBiz Insider

the magazine for e-commerce professionals.

Introducing

CACTUS ON DEMAND™

O R D E R   M A N A G E M E N T

(Or, How To Stop Your Business From Running — YOU!)

—By Jason Longo

◆ Avoid Shopping Cart Abandonment

◆ Low Cost Video Solutions for Your Website

◆ Optimizing Landing Pages for Maximum Results

TURN YOUR E-BUSINESS ON

"Read this issue and enjoy the rebirth of e-commerce in April. Or, skip it. There's a lot to be said for------mud."

eBiz Insider
the magazine for e-commerce professionals.

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your partner in e-commerce success

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From the Editor

By Scott Sanfilippo, Editor in Chief

It's Spring Cleaning time, but frankly we're not big on cleaning. We like to go deeper than mere cleaning. So here at *eBiz Insider* we just wrapped up a complete redesign of the magazine's website. We've turned it into an online community for e-commerce professionals like you. The idea of this magazine is to tackle common e-commerce problems and provide solutions. The new site allows us to take the conversation to the next level and get you—and us—more involved. *eBiz Insider* is moving in the right direction.

In addition to full length articles from each issue, now we have forums where e-commerce store owners from around the world gather to discuss common problems and ask and answer questions on a variety of topics. The forums are moderated by the experts at Solid Cactus. We want professional advice to be just a mouse click away.

In the few short weeks since we launched, hundreds of new members have signed up, participated in the forums and given and received advice to help them better run their business. The next time you're online take a moment to visit *ebizinsider.com* and have a peek around.

Boot Camp Update

I wrote last month about Solid Cactus Boot Camp @ HQ. Well, time is running out if you want to attend! This three day event kicks off May 21st here in Shavertown, PA and reservations are filling up quickly. If you've been thinking about attending, now is the time to make your reservation. Please visit *http://bootcamp.solidcactus.com* to sign up.

We're IN!

Work has finally concluded at the Solid Cactus Technology Center, our new corporate headquarters in Shavertown, PA. Over the past 8 months we converted a former elementary school into a high-tech campus for the Solid Cactus team. Over 30 tradesmen labored long, hard hours doing demolition and reconstruction (and putting up with me every day…!) to meet our move-in deadline of April 1st. It turned out great. The former Westmoreland Elementary School is our new home. The Tech Center is three floors which hold more than 27 miles of copper and fiber-optic cable for data. We have nearly 200 workstations, two break rooms, two conference rooms, five executive offices, a full gymnasium with basketball courts, locker rooms and showers and a company-operated cafeteria.

Our growth has outpaced even our new work space. While 200+ Solid Cactus workers have moved to Shavertown, our original Wilkes-Barre facility will remain as the home to our Call Center and more than 100 customer service reps.

I can finally hang up the hard hat, put the blue prints into storage and begin to enjoy our beautiful new facility. If you're attending Boot Camp in May, you'll get to tour our new digs! **eBiz**

Join Us Next Month to Celebrate Our 1st Anniversary!

Letters to the Editor…

Q. I recently opened an e-commerce store on the Yahoo! platform and I was told that I would be able to have orders faxed to me when they are submitted, however I don't see any option to do this, what am I missing?

—Barbara H., White Plains, NY

A. Barbara, order faxing is only available on Standard and Professional plans from Yahoo!. If you're on the Starter plan ($39.95/mo) this is the reason you're not seeing fax as an option. If you upgrade to a higher plan you will see in your control panel under Order Settings an option called Fax/Email, in there you can set what number you want your orders faxed to.

Q. I just want to let you know that after reading your article on negotiating better rates from the shipping carriers, I did what you said and called my account rep. While my volume wasn't enough to warrant substantial discounts, I was able to save a few percentage points. Like they say, every little bit helps, so thank you for your advice.

—Stan N., San Diego, CA

A. Excellent news Stan! Now keep an eye on your volume, as it starts to increase, get back on the phone with your account rep. If you are using FedEx and have an American Express small business account, you can save even more by having your bill automatically charge to the card, call Amex for more information.
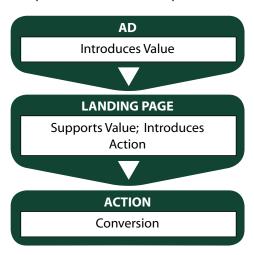
Good comments and questions!

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

Optimizing Landing Pages for Maximum Results

It is easy for e-commerce merchants to monitor pay-per-click advertising to see if people are clicking on your ads. It is easy to see if your website is listed in the first ten results of a search engine. What's not easy is figuring out how to make the most of your pay-per-click advertising or your organic listing. Below are some methods small businesses can use to drive traffic.

The landing page is crucial to the equation. It's where you drive people, answer their questions and hopefully help them fulfill their shopping mission.

MarketingExperiments has done extensive testing with landing page optimization by focusing on how to improve conversions. Their tests conclude the number one threat to conversion is site flow disruption. Simply put, when the message you use to drive people to your website doesn't match the message on the landing page people get disrupted and conversions drop.

AD
Introduces Value

▼

LANDING PAGE
Supports Value; Introduces Action

▼

ACTION
Conversion

Give the landing page the attention it requires. Typically, a landing page requires design and programming work just like a section page or item page, but the results can be well worth the extra effort.

Let's say I'm a lawn and garden supply company and one of my pay-per-click ads says "Get ready for Spring" sending them to the following landing page:

What's the first category that people see? "Winter and Seasonal." Because my general home page has not been updated to match my ad, I have caused a disruption in my intended message. After people saw the Spring ad, they thought they were going to get supplies for spring time gardening. But I didn't deliver. Some people will click the ad and hunt for spring-time supplies, but many won't. MarketingExperiments saw an increase in conversion by over 100% with one controlled experiment!

Do this with your OWN site.

THE AD

Your ad should create the value and give people a reason to click on it and visit your website. Headlines should be compelling but not misleading. Misleading copy can generate lots of clicks and cost lots of money, but the goal is to drive qualified traffic to your website.

THE LANDING PAGE

Spend the time to make your landing page more effective. First, remove as much "clutter" as possible from the page. This includes things like left hand navigation or newsletter sign-up. You want people to focus on one goal and not be so distracted that they lose interest in your page.

Second, examine the heading at the top of the page. This headline should be compelling and support the value. It should use language that is similar to your ad copy.

Third, consider how much information you should put on the page. Should you simply put an "Add to Cart" button or an email form? MarketingExperiments found that there are four factors when determining how much information to put on a landing page:

- Cost
- Perceived risk—anxiety
- Level of commitment (high/low; long/short)
- Motivation Type (rational/emotional; analytical/impulse; want/need)

They found that short copy performs better when the cost to the visitor is low (or none at all), the risk is low (or none at all), the commitment level is low (or short) and the visitor is motivated by emotions, impulse or by a feeling of "want."

Long copy performs better when the cost is high, risk is high, commitment level is high (or long) and they are motivated by rational, analytical or the feeling of "need."

Then, consider the placement of elements like images and the call-to-action area (add to cart or sign up).

THE ACTION

The call-to-action is important, but so is the process when shoppers complete the action--the checkout process. It should be similar to the landing page with as little information as possible. Any information should be supporting, not distracting and should limit any site flow disruption.

Finally, do a test to determine which elements works best with the offer and the different elements on a page. For more information and test results, *visit http://www.marketingexperiments.com*. **eBiz**

By Kurt Illian
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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.

In addition to our educational seminars, we've arranged for exciting after-hours activities to make the most of your Boot Camp experience. Now drop and give me twenty. Just kidding.

"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

MAY 21 - 23, 2008 - WILKES-BARRE, PA
HURRY ! Space is Limited.

http://bootcamp.solidcactus.com

Introducing

CACTUS ON DEMAND™

O R D E R   M A N A G E M E N T

(Or, How To Stop Your Business From Running — YOU!)

For the past decade I have seen more and more e-merchants reach the sad conclusion that their business—runs them. They have become slaves to the technology which should advance their company. They have learned that being a grandmaster at spreadsheets has nothing to do with their skill at choosing, marketing and selling the products which inspired their business. Well, we have put e-commerce operators back in the data driver's seat.

Solid Cactus is delighted to introduce Cactus **ON** Demand™ Order Management. This application was built with Yahoo! Stores in mind and integrates with them better than any other application on the market.

We have simplified the process of importing your Yahoo! Store(s) into the click of a button. You can add hundreds of products to your store and keep your focus on building sales. You can have your store products updated automatically on a nightly basis. As soon as you import for the first time, you'll be ready to receive orders from Yahoo! and even take phone orders. This makes maintaining your Yahoo! Store independent of your fulfillment system.

A store owner's goal is to sell merchandise and whatever distracts from that is essentially a hindrance. So our goal was to minimize integration times and maintenance issues. We started from one basic idea: Why not separate the data you need to sell an item from what you need to fulfill it?

Why should you have to populate information about every product you have when the top 20% of your products make up 80% of your sales? The answer is you shouldn't. Why should you have to add every product to your store and order management system before you have even sold one? Again, you shouldn't.

Cactus **ON** Demand Order Management will need information about how to fill the order, which you can provide in two ways which are both on a "need to know" basis. The easiest way is to supply the fulfillment info once an order has been placed. The order will be held and you will be notified that information is needed for processing.

You can also choose to populate the fulfillment information in bulk at any time. Our data maintenance queue breaks out what items have missing

information for you at all times. You will be able to see what information is needed to update the system.

In addition, we have made integration and maintenance the same process, with all the tools built into the interface. If you have 50,000 products and are doing 10 orders a day, you may want to populate the system as items are ordered. If you do a high volume, you may want to populate all your items first. You decide.

With the data maintenance queue you will never lose track of what items need to be set up for fulfillment in Cactus **ON** Demand Order Management. You can freely add products to Yahoo!, import them into Cactus **ON** Demand and update as you go.

Cactus **ON** Demand Order Management will also automate your order processing to get orders to the right fulfillment agency. The system will automatically charge credit cards and create output for each fulfillment agent, splitting an order into the appropriate parts for each agent. You can also maintain your inventory and purchase and handle customer notifications.

The system puts you back in control. You can change your pick tickets in simple HTML. If you want one employee to be the return address for backorder notices, you can. Review rules that can stop orders before processing are easy to set store by store.

You can choose to process orders immediately and receive the pick ticket as soon as the order is processed, or have them queue up until a scheduled time. You can also choose to batch your orders at any time. You have total control of when to fulfill your orders.

Cactus **ON** Demand Order Management was built with e-merchants in mind. Our goal was to put you back in the driver's seat and make order management easier. Isn't it time your business stopped running you?   **eBiz**

By Jason Longo

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Establishing a Disciplinary Policy

Establishing a disciplinary policy is relatively easy; however you must be the judge of which behaviors qualify for a disciplinary write-up. Once you decide on the sins, choose a sliding scale of warnings which, if not heeded, will lead to termination. I personally like the 5-step method. This gives the employee the greatest opportunity to improve while giving the company ample opportunity to provide feedback and counseling. At each step the policy should indicate what the next step has in store. Employees should always know what is coming next. Remember, it is far more cost effective to bring a wayward employee back into the fold than it is to find someone new.

Sample Policy:

Disciplinary Action Policy/Procedure

Occasionally discipline is necessary and XYZ Company tries to be firm but fair. We maintain a progressive disciplinary action policy. Employees will receive both written and oral warnings for any violation of policies and procedures. Each violation will remain on file for one year. At the end of one year, the violation in question will be removed from the employee file.

Typically, a supervisor or manager will issue warnings in the following manner:

- First warning - oral (Documented)
- Second warning - written (Documented)
- Third warning -written (Documented)
- Fourth warning - written (Documented)
- Fifth warning - termination- Team member is terminated.

Severe policy violations may result in immediate dismissal. The policy above is outlined only to show guidance as to a company's usual practices. Always include a disclaimer that warns of a deviation from practices, at the company's discretion.

How to Fire an employee in 5 steps

No matter what kind of disciplinary procedure you have in place, sometimes it cannot be avoided and you must terminate an employee. Depending on the state where your company is located you may have to follow various laws and regulations. The information below is specifically for an "at-will" state. Check with your local Department of Labor and Industry for the rules in your state.

Step 1:

Document, Document, Document: Be prepared with documentation on the reason for the firing. Examples would be verbal warning documentation, written warnings, performance reviews. Firing should NEVER be a surprise to the employee unless they committed willful misconduct that requires immediate dismissal. Examples would be: Insubordination, Reporting for work under the influence of drugs or alcohol, Drinking or using illegal drugs on the job, Possession of dangerous weapons on the premises and Falsification of Company Records, among many others. Before moving to step 2 be 100% certain that a firing is required.

Step 2:

Have a plan before you meet with the employee. Never meet alone with an employee you are about to fire. Always have a witness present, most commonly another member of the management team. Answer the basic security and equipment questions. Do they have company property they must return? Do you have to change passwords? Have all of the details figured out before you summon the employee.

Step 3:

Don't beat around the bush. Once everyone is gathered and the employee is sitting in front of you get right to the point. Keep the firing short and to the point. If the employee starts trying to talk his or her way out of it, simply say "the decision is final and non-negotiable, this meeting is over." The biggest mistake you can make is to begin talking about the good qualities in people before you get to the point and fire them. This can also come back to haunt you legally.

Step 4:

Announce the firing to other employees by simply saying "John Doe is no longer with XYZ Company." Never give out the details, keep it general.

Step 5:

Document the firing. Again, short and to the point, note the reason in the employee folder. You may need this information in the future.

Make sure you have a disciplinary policy, and make sure everyone knows how it works. Outline the behaviors that qualify for instant termination and mention all other behaviors which the company considers contrary to its well-being. No company wants employee hassles, but every company should be prepared with a plan when they arise. **eBiz**

By Ed Stanchak
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TrickShopMagic.com
Seeing Magical Results with SC Redesign

> " Sir Arthur C. Clarke said, *Sufficiently advanced technology is indistinguishable from magic.* "

That quote from science fiction royalty sums up what happened when technology helped generate financial magic for—ironically—a California-based magic shop.

eBiz Insider profiled TrickShopMagic.com in December 2007. Owner Sam Blankenship was getting ready to launch his redesign. In January he went live and the results have been, well, magical.

Sales are up. Customer confidence is up. Conversions are up.

"Things are better in a number of areas," says Sam. "The most important factor is our dollar sales are stronger than ever. Sales for the last 90 days are up 165% compared to the previous 90 days. Those are 'before and after' numbers, since we launched the redesigned version of The Trick Shop's site three months ago."

TrickShopMagic.com has over 6000 items available, so navigation has always been a challenge. The redesign improved site navigation with cascading menus, dynamic paging and other features.

"The new menu system flies out from the left nav and the paginated item pages are within the section. Our customers can easily page through our section and really dig deep into everything we have to offer," Sam explained. "One of the sections that flies out from the left nav is our 'new item' section. That is the section that we've heard the most feedback about. Customers can hold the mouse over the section and see if we've added any new items since their last visit."

As a part of the redesign, TrickShopMagic.com opted for many of the Solid Cactus features including the log-in feature and the "wishlist" feature. "We've already added the Shipping Manager, which gave us the confidence to ship orders internationally for the first time," Blankenship said.

"One other feature that has really set us apart from our competition is the item page shipping calculator. The customer can easily determine the shipping costs that will apply before they even get the item to their cart. I strongly believe that a big chunk of new conversions have come as result of that feature alone," he said.

Along with the redesign, Blankenship also added a customer service feature, Live Chat.

"The live chat feature is getting rave reviews. Many of our products require a certain amount of technical skill and now, before they buy, customers will be able to ask in real time and not have to call our store or wait for an email response any longer."

Blankenship says the combination of features has had a cumulative effect for driving business.

"From an owner's perspective, my favorite parts are the little things that make the site easy to use on my end," says Sam. "Beth Hartman, my Solid Cactus rep, understood what I wanted to accomplish on my home page. She made sure the programmers provided adequate custom variables that allow me to easily add stuff to my home page without needing to worry about knowing RTML. In my old site, it was very difficult to make any changes without being worried that I'd totally mess up the home page."

Blankenship advises anyone weighing a redesign to consider more than price. "I looked at a la carte options from other companies that could have saved significant money," says Sam. "I even tried add-on features from other developers. But the old saying, 'You get what you pay for' has never been truer than it was with re-designing my website.

"Solid Cactus committed to me, and my website would have never looked this good with out them. Since the redesign Solid Cactus is still my partner every step of the way. I feel with their technology and help, we finally feel like we can challenge our much bigger competitors when we know that we have a resource like Solid Cactus on our side."

What's next for TrickShopMagic.com? What else do they have up their sleeve? It's business as usual, albeit, a lot more business.

"After seeing TrickShopMagic.com come to life, it's tempting to run out and try to start another web retail idea, but we're going to stay focused on this core site and budget some of the new income to pay for future design elements."

eBiz

By Donna Talarico
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SEO vs PPC

Initials are common in the world of internet marketing. PPC, SEO, CPM and CPC are just a few and it's easy to get confused. SEO (Search Engine Optimization) and PPC (Pay-Per-Click) are two which routinely raise eyebrows. Actually, SEO and PPC both fall under the larger heading of SEM (Search Engine Marketing) and both are important to e-commerce.

Search Engine Optimization (SEO)

Wikipedia defines SEO as "The process of improving the volume and quality of traffic to a website from search engines via "natural" ("organic" or "algorithmic") search results for targeted keywords." Every website owner wants good natural rankings—because they're FREE.

Pay-Per-Click (PPC)

Wikipedia defines PPC as "an advertising model used on search engines, advertising networks, and content websites/blogs, where advertisers only pay when a user actually clicks on an ad to visit the advertiser's website. Advertisers bid on keywords they predict their target market will use as search terms when they are looking for a product or service." Pay-Per-Click is one of the hottest mediums of marketing as it allows advertisers a much more controlled and cost effective way of attracting their intended consumers. In addition, it provides the advertiser control and visibility unheard of in offline marketing.

Which Strategy is Best—and When?

PPC and SEO are like Peanut Butter and Jelly, they should go together. Yes, you can choose to separate them but ultimately you know the sandwich will be incomplete.

You should engage these two marketing channels on day one and continue them as long as you're in business. Your ultimate goal (traffic, sales, branding, visibility, etc) will dictate your overall time, effort and investment in each technique, but they are each essential for short and long term success of your business. PPC provides the advertiser with instant gratification, control, flexibility and visibility. SEO is more of a long term strategy that constantly needs refinement due to algorithmic changes of search engines.

A brief side by side comparison is provided (above right) for your reference:

Each of the above strategies, implemented strategically, will feed off each other. If you are a new website then PPC will jumpstart your targeted traffic by giving you precise control over your keywords, advertising

Marketing Method	PPC	SEO
Strategy	**Short Term** and **Continuing**	**Long Term** and **Continuing**
Advertising Cost	**Cost Per Click** – Paying a cost each time your ad is clicked.	**Free** – To some degree. Time and Expertise needed.
ROI Visibility	**Yes** – By putting a piece of code in your order confirmation page.	**Yes** – With a third party tool or an advanced web analytics package.
Control of Keywords	**Yes** – Advertiser chooses the combination of keywords they want to target.	**Yes** - To some degree. Not possible to rank for all targeted keywords
Control Over Positions of Keywords	**Yes** – Advertiser able to control this for the most part by increasing CPC or using advanced tools.	**No** – Can't choose the position of rankings, the engines dictate this.
Control Over Exposure in Engines	**Yes** – Advertiser can choose when and which Search Engines to display their ads on.	**No** – usually hard to rank for all the "Big 3" engines for similar keywords consistently.
Control Over Landing Pages	**Yes** – Advertiser can choose to take consumer directly to a particular landing page which corresponds to the keyword associated with that product/service.	**Yes** - To some degree. Unable to completely control which page may be ranked for a particular keyword.
Forecasting Capability	**Yes** – By having control on which keywords you bid, and historical data.	**No** – Due to algorithmic changes rankings may fluctuate.

copy, landing pages, seasonality and products that you may want to target. Also, by putting in a simple code on your order confirmation page you can determine your profitability for each of these keywords. This makes PPC one of the most targeted, strategic and cost efficient channels.

SEO is challenging and involves an investment of time, but once the results are achieved the time and investment pay for themselves. Once you attain the results the rankings are much easier to maintain—and they're free! PPC requires money. SEO requires creativity and time. Use a blend of both to best optimize your online marketing. **eBiz**

By Farukh Shroff
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No Boundaries for
country toys.com

> *We'd been several years between redesigns. When we finally took the step, we not only got a new look, we ended up with a completely new store.*
>
> —John Di Siena, CountryToys.com

CountryToys.com specializes in wooden toys and games for children. They have more than 300 products including arts and crafts, baby gifts, plush animals, rocking horses and ride-ons. Their toys are old-fashioned, meaning they require children to use their imaginations instead of batteries. John and Melissa Di Siena started the company in 2003 and right away they knew they needed help. "Our store design was a mess," John recalls. "We found Solid Cactus in 2004 and had them redesign our site. We made a hundred grand the first year and we thought that was great for us. It also began our on-going relationship with Solid Cactus."

Fast forward three years and while CountryToys.com had grown, the site was undeniably stale. "The problem is, e-commerce changes so fast," John says. "Two months in this business is like a year in brick-and-mortar. We knew we needed to change and improve to keep up with the times. So we called Solid Cactus for a major overhaul. There were several suggestions they made that we weren't sure we were ready to incorporate, but we trusted them not to sell us on ideas that wouldn't help our business. We were right to trust them."

Solid Cactus gave CountryToys.com a fresh site with better looking graphics, but they also increased the concentration on e-commerce basics like search engine optimization. The redesign also included adding such features as Recently Viewed Items, Cross-Selling, Shipping Calculator, Customer Reviews and a blog. "Most of the new additions were Solid Cactus ideas, of course," says John. "It's hard to know which single one made the greatest impact, but they each added to our bottom line and they all made our business better."

John and Melissa Di Siena, CountryToys.com

On the front end, CountryToys.com customers appreciated Recently Viewed Items. "It shows where they were," says John. "It's easier for them to retrace their steps and not get lost as they shop."

In checkout, Shipping Calculator became a valuable tool for encouraging customers to spend. "They could see how much they'd spent," says John. "They could see that if they'd spent $39 and we give free shipping over $50 that they were pretty close. We noticed an increase in orders above the threshold level."

The blog was a Solid Cactus idea, but John Di Siena says it fit perfectly with the CountryToys.com mission statement. "At a strictly business level we're able to add inbound and outbound links, which are important in SEO, especially with Google," says John. "But more than that, the blog gives my wife Melissa a forum where she can talk with others about what's new in the industry and new in the field of educational toys. This is an issue that is very important to us and the blog is a fantastic way to help get the word out."

Since the redesign was completed in mid-2007 the differences have been apparent. "We've had more optimization and much better search results," says John. "But the one place where people count progress in business is the bottom line and our bottom line has been healthy. Our sales are up 50% to 70% since the redesign."

Another thing which has changed is the Di Siena's view of their business future. "Every single addition we made has helped our business, either directly or, like the blog, in a very important overall sense," says John. "Without giving too much away, we're considering some serious expansions, both with CountryToys.com and with several new sites we have in planning. We're getting close to opening a warehouse for our current business. We feel as if the sky is the limit for CountryToys.com and for our future endeavors. We don't see a boundary." **eBiz**

By Kevin Lynn
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Avoid Shopping Cart Abandonment

When you look at analytics data for your website, do you notice customers dropping out from the shopping cart page before completing checkout? Have you invested time and money but the conversion rate is still lacking? This is a problem throughout e-commerce. However, there are steps you can take to keep those shoppers with you to the purchase. This article will emphasize how to increase user conversions by modifying the shopping cart page.

First, if you don't have analytics, I highly recommend you install Google Analytics to follow consumer behavior on your website. Google Analytics is free software and some sort of analytics software is a must for every merchant. You can learn more about Google Analytics at http://www.google.com/analytics/.

Identifying the Problems

The largest percentage of abandonment occurs at the shopping cart. According to Marketing Sherpa report, the average shopping cart abandonment rate in 2006 was 59.8% and 52.1% in 2007. This means that more than half of all customers adding items to the cart leave the cart page.

The top three reasons why consumers abandoned the cart according to Forrester research study titled "Rethinking the Significance of Cart Abandonment":

1. I didn't want to pay the shipping charges [57%]

2. The total cost of purchase was more than I thought it would be [48%]

3. I used the shopping cart for research [41%]

Shipping Charges

If you offer flat rate shipping or free shipping, display it prominently on your website for consumers to see. Do not hide shipping information on policy pages, display it in a visible area like header or next to the Buy button. Don't expect your customer to search for shipping information; make it easy for them to find. If you are unable to determine actual shipping costs then providing estimates is a good idea. If you charge tax, or if you are offering free shipping based on condition, display that information. Don't deceive your customers. If you offer free shipping over X amount, display it properly on the page. Let them know that free shipping only kicks in at a certain point. This also encourages customers to add more products to save on shipping, which in turn results in increased order size.

If you cannot display shipping information on product level, it is crucial that shipping and tax be calculated on the shopping cart page. If you only need a zip code to display this information then do not ask buyers for their address. Buyers usually resist providing information until they decide to purchase.

Other shipping-related tips to increase conversions:

1. Display estimated delivery dates for the shipping methods on your web pages and/or cart page.

2. Do not tell customers late in the process that shipping and handling charges would be added. No one likes surprises when it comes to spending money.

3. Avoid charging handling fees for products because buyers do not like hidden fees and charges. Instead, add handling costs to the price or the shipping charges.

Cost of Purchase

Online customers expect their final cost for products to be less than brick-and-mortar stores. The Forrester Research survey which I mentioned above showed that 19% of customers abandon the cart because they didn't want to wait for the product and 18% purchased the products offline. This suggests that if consumers can buy easily and cheaply offline, they will. To stay competitive do your homework and offer competitive pricing or some other value that consumers can't resist. If you don't, you will lose out to the brick-and-mortar stores.

Shopping Cart for Research

41% of surveyors used shopping carts to research about the product and it's pricing. We can't stop consumers from researching the product, but we can take steps to encourage people to buy. Present shipping and tax information on the product pages. If the product is shipped free then highlight that information clearly on the product page. If it has special

shipping requirements, display them on the product page. Disclose as much information as you can on the product page so consumers don't have to add a product to the cart just to check total cost.

A customer using your site for research is still likely to return later to purchase some of the products they previously added to the shopping cart. Save the cart information so customers can go directly to the cart page and complete their purchase. Offer features like "wishlists" or "saved shopping cart," which save lists of products in which customers have shown an interest. The wishlist can be used for comparison rather than using the cart. You also benefit when users register to use this feature.

Page Loads

Error-free fast-loading shopping carts have shown to increase conversion. Keep your shopping cart and checkout pages simple, error free, distraction free and fast-loading. To carry your company branding, a smart designer can carry over the logo and color scheme and make it look like your web site but light weight. Emphasize the steps the customer needs in order to complete checkout or to add more products.

If you use a secure cart, make sure there are no security error messages which might cause users to panic and abandon the cart. Secure http calls are slower than a regular http call because of the data encryption technology used. If your shopping cart is not holding user-sensitive data then the cart doesn't have to be secure. Also, avoid distracting pop-ups which open dynamically on the cart page and don't add scripts that disable right click. Most consumers use the context menu to navigate and disabling it will frustrate more than help.

Payment Methods

Display all payment methods that you accept including alternate payment methods like PayPal and Bill Me Later. These latter methods have been shown to satisfy the first time buyer who is not feeling fully secure providing credit card information. From a user's perspective PayPal is a good way to make secure payments to multiple vendors using single account information and without

disclosing credit card information to all merchants. For merchants, PayPal service charges are much lower than credit card charges.

Other Tips to Decrease Abandonment

Call to Action Buttons – Call to Action buttons must be worded properly to describe what they do. They should be placed in visible areas for users to finish conversion. Make the button look and feel as if it is clickable. Also, make buttons leading to checkout larger and bolder than buttons simply directing customers back to the site.

Product Availability – Display product availability on product pages, not on the cart page. The longer you wait, the more frustrated your customers become. If requested quantities are not available then add the available quantity and alert consumers with a user-friendly error message displaying what happened.

Display Product Information – Including pictures and other options like size, color etc. Have a link for users to go back to product pages by clicking name and image.

Make Editing Products Easier – It's much easier to provide a removable link rather than to have the customer figure out that they have to add quantity as zero and then hit update.

Contact Information – Display contact information clearly on the shopping cart page. Encourage customers to call if they have any queries regarding checkout.

Policies – Provide links to policy pages like shipping, privacy, returns, etc. on the cart page. Do not try to hide these links as most consumers want to know this information before they finish the purchase.

Secure Icons – Display security and privacy information to increase consumer confidence in your website. Keep these icons visible but subtle because too much emphasis on secure icons can backfire, too.

Registration – Should always be optional and simple. Still, ask users if they wish to

register somewhere after their shipping and billing information is complete.

Links Back to Store – Make it easy for customers to add more products to the cart.

Related Cross-sells – Cross-sell products related to the products already in the cart. Don't confuse consumers with irrelevant cross sells.

Discounts – If you purchase X product, product Y gets 10% off. This helps conversions. Also, offer coupons by providing them incentives to finish checkout.

Summing Up

The bad news is that more than half of all shoppers will abandon the shopping cart and not make the purchase. The good news is that there are many steps you can take to increase your sales and decrease your frustration. Try them! **eBiz**

By Sunil Lukose

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Starting an Affiliate Program
— A How-to Guide Part III of III

Keeping Affiliate Networks Productive

So your affiliate program seems to have hit a plateau and you're not sure what to do next. You can implement a variety of best practices to increase the activity and performance of your affiliate partners.

Main Principles of Affiliate Program Development:

1. Think Recruitment
2. Provide Incentives
3. Keep it Fresh
4. Stay in Touch

By utilizing each of these four concepts, you can expect overall growth in your affiliate base, their performance, and revenue generated.

1. Think Recruitment

In all stages of a program, recruitment is key. When searching for affiliate partners, look for sites within your industry that draw considerable traffic. Look for sites with extremely targeted traffic not aware of your product where you can gain exposure in front of a completely new audience.

Search out large coupon and loyalty sites like MyCoupons.com or FatWallet.com. They draw repeat visitors who start their online shopping on that specific site. By gaining exposure on a high-traffic loyalty site, you appear alongside, or in place of, your competition. Visitors can evaluate who will offer the best deal on the product they want.

If your affiliate program is managed by an agency, you benefit from their established affiliate contacts. Many agencies deal with multiple clients and have seen the performance of various top and lower level affiliates, so they can judge easily which ones will work best for your affiliate program.

Remember, recruitment never ends. Always be on the lookout for new partnership opportunities. The best way to monitor affiliate performance is to categorize your affiliates by their affiliate model (PPC, Email, Content, Loyalty, Deals). If you are heavy on Search Affiliates, look for more content-focused partners; even the playing field. A well-rounded program will bring consistent optimized results.

2. Provide Incentives

Commission

When establishing the initial commission schedule for a program, leave room for negotiating with higher-level affiliates. Having the ability to offer an additional 2-5% commission on top of your base allows you to have more leverage with Super Affiliates.

Super Affiliates often have the performance and quality traffic to demand a higher payout from their merchant partners, so start by offering a program term with an additional commission percentage. Then, identify network performers who aren't generating activity in your program and offer them a higher percentage. They have cleared the first hurdle and joined your program; now spark their interest to make it worth their while.

You may be tempted to created tiered terms, but some Super Affiliates may feel like you are asking them to prove their worth. Many prefer you offer them the higher commission on a flat level. It's okay; they will prove their worth either way within a few weeks.

You should evaluate patterns to determine which affiliate partners are offering a strategically-targeted audience and will send sales your way. Offer increased commission, then negotiate better site placement or more banner weight if they use rotating ads.

PPC/Search Affiliates with increased margins will be encouraged to invest more ad spend in promoting your site, in turn sending you even more qualified traffic. If they are a blog, negotiate an agreement where they will feature one of your products each month.

Custom Deals & Partnerships

By striking deals with affiliates you can position yourself in the marketplace without losing your shirt. As described in the previous section, begin by identifying the top affiliates overall as well as those who offer extremely targeted traffic. Once you have a list, decide where to focus.

One partnership option is to create a custom coupon code only available to the affiliate's customers. Make a custom landing page branded to welcome customers from that affiliate's site (this is often done in conjunction with Loyalty Affiliate partners like Ebates.com). You can also offer that affiliate a higher commission.

Affiliates offering custom coupon codes and deals often ask that you incorporate their site name into the coupon name. This is a good idea, as it makes for easier tracking on the back end of your store.

The landing page can make or break a sale. Create a custom landing page, especially for loyalty affiliates. Reinforce the affiliate relationship and reiterate the bonus to the consumer.

For example, if Merchant X were partnered with Ebates, they could add a welcome note to a specific destination page mimicking the homepage (figure 1), or they could create a special sale page with deals only for those members (figure 2).

Figure 1, Custom coupon for added consumer incentive.

Figure 2, Cashback reminder.

Exclusive coupons, custom landing pages and increased commissions help forge better relationships with Super Affiliates, improve market placement and turn more profit.

Contests

The two contests most often used within affiliate networks are the sales-based reward and the quiz-based contest.

Each has benefits. Sales-based contests can increase sales of your larger affiliates and your overall bottom line.

The quiz-based model consists of questions pertaining to your product line & site. This encourages your affiliate partners to become more informed about your company. Remember, the better they know your products, the better they can sell them!

Whatever the contest, make the payout monetary. After all, we're professionals here.

3. Keep it Fresh

Your affiliates must have the tools and information necessary to perform. Regularly review sales, analyze data and keep up with market trends in the marketplace to provide your partners with everything they need to succeed.

Keep Your Creatives Up-to-Date & Up-to-Par

Regularly review your creative elements and their performance. If they're three seasons too old, they need immediate revision. Give those links a makeover with fresh content, seasonal elements and products that grab your audience.

If you notice that a banner receives lots of impressions but very few clicks, try to better tailor the ads to that audience. Don't be afraid to do some tweaking.

Remember the four P's of Marketing: Product, Place, Price & Promotion.

Product: What are you selling? What makes it Special? Are people going to want to buy it?

Place: Are your ads being seen by the right audience? Are the right ads being seen by that audience?

Price: Are you overpriced for the marketplace? Be aware of your competition. Are your prices far lower than others? Use price-points in your ad to draw attention and provide incentive.

Promotion: Give the consumer a reason to click! Do you have the best price? Do you offer Free Shipping? How many ads are conveying this?

Make sure that you are on top of your ads, your product catalog is up-to-date and you know what people are buying during any season. Don't promote products you want to sell, promote products consumers want to BUY!

Regularly Check your Program Details

Are you promoting the program the best you can? Regularly review your Sign-up Page, Program Details & Program Key Terms to find new ways to improve those elements.

Your program description and performance history are the two elements affiliates will examine when choosing to become a partner, so be sure they're up-to-date and include contact information. First impressions are vital, so think from the affiliates' perspective.

4. Stay In Touch

Fielding Affiliate Questions

You will find that some affiliates are versed in how programs work; others may need a helping hand. In either case, regular email will become a reality. Respond quickly and informatively.

This is your opportunity to really shine on a one-on-one basis with your partners. Anticipate basic questions like "How do I add your link to my site?" and explain it in a simple concise manner. Provide as much detail as they need to feel reassured in your partnership.

Regular Newsletters

Affiliate newsletters & email can be an essential part of promoting your program. Regular communication with your publisher base keeps you top-of-mind. Newsletters are a great way to blast sale information, product info and program changes to affiliates.

Provide your affiliates with a list of the next full month of sales promotions so they can plan campaigns.

Many merchants have seasonal fluctuations in top products, so be sure to update your affiliates about which products are popular at different occasions and seasons of the year.

Announce program adjustments to your partners; don't assume they're understood. By announcing changes in trademark policies, commission rates or shipping policy you allow affiliates to adjust.

When affiliate marketing efforts plateau, take action. Make strategic adjustments to your affiliate program based on careful analysis of performance data and you can expect significant improvements in performance and overall insight. **eBiz**

By Michelle Pushefski
michellep@ebizinsider.com

Expand Your Marketing Reach

Solid Cactus Can Build Your Affiliate Program With:

- Comprehensive affiliate program management
- Start-to-finish program integration
- Facilitates strategic relationships between managed merchants and top publishers
- Analyzes performance metrics to optimize the overall affiliate campaigns and elements thereof
- Ad & copy development
- Monthly reporting and regular client updates

Solid Cactus Can Help You $ave on Your Affiliate Program

By partnering with Commission Junction, Solid Cactus is able to provide strategic access to the premier online affiliate network.

- Exclusively reduced rates.
- Significantly reduced integration & ancillary fees
- Easier facilitation of merchant integration within the CJ Marketplace
- Solid Cactus merchant clients will have access to a network of top-level Super Affiliates & niche content affiliate sites
- Agency-level consultants & advisors allowing for expedited resolution of any issues

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Nearly any merchant in a vertical market can benefit from online videos with a strategic goal to increase conversions. Amazon.com and Gap.com understand this and have quickly added online video to support their products. Marketing Sherpa cited online video as a contributing factor to raising one DVD Merchant's subscriptions by 40 percent! If you have a physical product, then online video can be used to help drive conversions. It's all just a matter of planning and execution.

In order to use online video to its fullest potential, you will need a few key components. Be sure to read the entire article first as you will be making decisions in the first steps that require an understanding of the steps which follow. Specifically, you should decide how you will deploy your video during the planning stage because the call-to-action you choose may be limited based on the type of deployment you choose. Below are the steps to consider when going online with video. While this article is titled "Low Cost Video Solutions..." the high end will be mentioned so that you are presented with a choice of well-rounded options:

Step 1 - Have a plan

This is the most important step as it outlines the reason for having a video. Many video implementations show a clear lack of purpose (beyond "that's what people are doing now"). Map out the purpose and quantifiable goal for the video. Is it to be used for training to lower support calls, for demonstrations that increase subscriptions, for boosting sales of a particular product or is it merely a viral tool meant to acquire traffic/new customers? Decide first. You don't need to write a Hollywood novel, but you do need to plan the message and imagery that will drive the video and ultimately achieve your goal.

Step 2 - Make your video

The quality of your video will depend on your budget. The greatest videos are typically created by production studios with live models and professional scripts. This works the best, but also costs the most. The low end alternative—the digital camera--is available to nearly everyone. Digital cameras (with video capabilities) or digital video cameras are common now and finding one you can afford is easy. If you are strapped for time, you may consider using online stock video resources like istockphoto.com. However, the likelihood of finding stock video that meets your needs and drives consumers is slim. Also, be aware that these videos (even the

Video has long done what static content cannot. While conveying a meaning via words requires precise communication and a strong command of a written language, video can quickly convey messages using imagery.

Adobe Flash technology expanded online video deployment by making it quick, easy and mainstream. Embedded video technology was quickly abused due to its "wow factor" and just as quickly became an annoyance to those who sacrificed precious bandwidth for meaningless video that should have been simply text. What changed? The addition of interactivity and social networking with online video has turned it into a true marketing and conversion generating medium.

The most widely known viral marketing video website is YouTube.com. They have built a business around serving videos that are generated by the public. The purpose of this website is to showcase new content that is meaningful to viewers. Other websites have been quick to jump on this idea and the result is an emerging industry where you can watch your favorite TV shows and share videos of your new baby.

royalty-free ones) have license restrictions that must be carefully observed. Your best bet is to stick with having unique videos. You'll own the rights and you'll be assured that your competition will not be able to use the same video on their website.

Step 3 - Edit your video

After you have captured the video, you should edit it to strengthen the story's pace and continuity (you followed a rough script when recording the video right? See Step 1 if you haven't!). A production studio can handle the bulk of this work and supply you with the clean final output. The low cost alternative is to download your video from the camera to your PC and edit the video there. Mac's and PC's both come with default video editing software. This software is usually very limited and the compressed output is typically less than favorable, but the price is right. Adobe Flash has simple video editing abilities. For quality editing in-house, consider using Final Cut Pro. Be mindful when adding audio. All videos should have an on/off switch because background music quickly becomes tiresome and not all of your visitors want to be greeted with a voice or music clip while surfing in a quiet cafe. Furthermore, not everyone can hear your videos (due to and impairment, mute, lack of speakers, etc) so your messages should be obvious when limited to visual queues and text.

Step 4 - Deploy your video

Adobe Flash is the number one choice for quality and customizing your call to action. Find a developer who is familiar with Flash and can build an interactive interface flexible enough for you to manage.

In addition, you will need to find a web host to server the video files online. Your web hosting choice should be reflective of the amount of traffic your video will receive. High traffic websites demand high-end web hosting servers. If you choose a low-end package (usually because of cost) the result may be slow video playback, a slow website and annoyed visitors. Be sure to make your intentions known to the prospective web hosting company so that they may recommend a package that meets your needs. Consider an online service which offers pre-made interfaces and provides the hosting for you. These services usually require subscription and hosting fees, but you'll have professional help when you need it.

If you aren't going high-end immediately, the Web 2.0 option is YouTube.com. YouTube.com is not the only web-based video hosting and deployment service, but they are currently the most well known. YouTube.com allows you to upload your video for free. However, the video will carry their branding, they handle the compressions (which can be good or bad) and your ability to insert a call to action is limited to the text you place in the video during the editing phase.

Online Video Hosting Services:

YouTube: www.youtube.com
Formats Supported: .wmv, .avi, .mov, and .mpg

Google Video: video.google.com
Formats Supported: .avi, .asf, .mov, .wmv, .mpg, .mpeg, .mp4, .ra, .ram, and .mod

Google recommends MPEG4 format with MP3 audio or MPEG2 with MP3 for the fastest uploads.

Step 5 - That's a wrap!

Once you have your video in a hosted environment, the final steps are to place the appropriate HTML code onto your web site landing page of choice. The video code will vary depending on how you choose to deploy it. If you are using Adobe Flash, then your developer should be able to embed the video for you. If you are using YouTube, the online website will present you with the necessary embedding code when you upload your video. Be sure to have a developer who is proficient with HTML and who understands your website's coding structure. The code should be strategically

placed where the video will be displayed in an easy to see location.

Have the shopper click to play your video rather than having it play automatically when the page loads. Consider "user initiated" playback akin to politely ask them if you may speak before further interrupting whatever they are doing.

Once the script is in place, review your video with pride, share it with peers and monitor your analytics to see if your shoppers agree. The barrier for entry into the online video market has never been lower, so act now! Online videos have proven benefits to multiple vertical markets. They present your messages in a more intimate manner. Video allows you to convey expression, attitude, excitement and most importantly, allows you to guide your consumers. The question now is, is your first call to Best Buy or your trusted developer?

Here are a few online video samples:

Sample of Demonstrative Videos with a Call-To-Action

http://www.airgundepot.com/

Helpful / Viral Videos

http://youtube.com/watch?v=Apadq9iPNxA

eBiz

By Miguel Younger
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Tech Corner:
Grooming the Next Generation of Computer Experts for Your Company!

Normally I recommend and evaluate different hardware or software technologies that can improve your business, but this month I'd like to widen the focus and talk about where we are and where we're going. As a society, we should be preparing young people to be the computer experts of tomorrow. Are we?

The Present

Bad news – Finding talented designers and programmers isn't easy. Tinker in HTML or read the latest book on "Photoshop Elements" and people think that they can be a professional web developer. Too often, even college computer science majors aren't learning the skills needed to program or design for the web's end-users.

Technology Education

If young people are going to learn about computers, they need the best possible tools and training. Earlier this week I judged a regional web design and programming contest for high school students -- for the second year in a row. Twenty teams from different high schools, 100 students, 14 teachers, 5 judges – the event was a big deal for these kids. Some things haven't changed over the past two years:

• Resources were nowhere near equal between schools. One school used the latest Adobe suite, integrated video in their school's television studio, and had the school buy a server to run their site. Another school's programmer designed and programmed the entire site on a shared, public computer using Microsoft Paint and Notepad.

• About one-third of the schools had a specific "Web Design" class, another one-third had only "computer clubs" and the rest had neither.

• There were clear distinctions between those groups who worked as a team or those who had one or two people doing all the work. Teams lost points when they demonstrated no sense of teamwork or when teams had one person answer all the questions while the others sat with puzzled looks.

• All the finalist/winning teams had self-taught programmers.

Too many schools lack the resources to teach students the skills they need to succeed in a technology-centric economy. In the above contest, even though some schools didn't provide resources like Photoshop, some teams discovered the free image editing utility GIMP and received extra points for ingenuity.

That's the good news. These students were eager to learn, and our judging panel was happy to share our resources with them. Some schools will receive prize money and our judges will also record online classes, taking sites apart and putting them together as part of a resource library of free tutorials.

How can you help?

Invest your time speaking at colleges once or twice a semester. As an entrepreneur and an e-business person, you have an advantage over most college professors… you've actually been there – done that! You'll find students who want internships and part-time jobs with your company. Having done this many times, I can tell you it is an extremely rewarding experience. In fact, after last year's contests, Solid Cactus hired one of the students as a part-time programmer – a Junior in High School!

As you retire old computers, totally wipe them out (for data security) and then restore them to their original out-of-the-box setup using a restore disc. Then donate them to some organization or school that – more often than not – is still running technology slower than the system you're replacing. I often load on Open Office, AVG Antivirus, and Ad-Aware to give them resources to keep them safe.

The Future

Naturally, Solid Cactus enjoys sponsoring competitions and allowing our staff to serve on these advisory committees or guest lectures. It is great for public relations, but more important, it fulfills our corporate responsibility to prepare the next generation of creative, technology-driven young folks. Hopefully, many will apply to work at Solid Cactus.

That's the point. You're not only donating your time and expertise in the young; you're investing in the future. **eBiz**

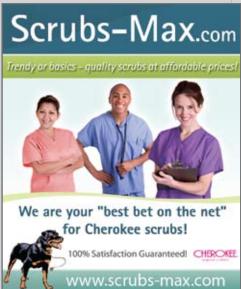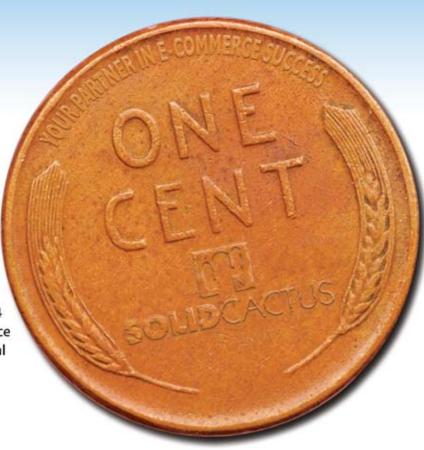*By John Dawe*
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