

Websites: Whose buying online and what should retailers look for in a website.

The internet has been developing steadily over the past decade with its biggest growth being over more recent years. Since the beginnings of online advertising that provided simple directory listings through to today's elaborate web stores internet sites have been developing to become sophisticated sales vehicles to satisfy 24 hour customer demand.

Australia has been an early adopter of the internet with surveys indicating household internet penetration as high as 80% by 2007. Even more recently a 2009 consumer survey reflected 98% of its respondents had purchased over the internet. These trends and the Australian Government's plan to build the biggest ever Australian infrastructure project for a broadband network indicate that the internet is now, and will forever be, a significant aspect of every household.

Having decided that people are actually shopping online there are alternatives for retailers to participate ranging from internet directory listings, basic websites through to e-commerce web stores. Directory listings are simply that, a listing of the business name, category type, physical, telephone, fax and email address. A basic website will often be an extension of a listing but with its own web address containing more information about the store, location, products and services. This might consist of a number of pages of text and images of products available in the store, blogs, forums and other customer discussion facilities; but without the ability to actually sell products. Finally an e-commerce website is a site that as well as advertising the business can actually sell the products on the internet. Full functioning e-commerce websites do not need to be overly expensive, but if people have gone to the trouble of finding you on the internet and they are buying, then I suggest you utilise every opportunity to sell

to them. After all as a retailer that is your core function.

There are a myriad of web designers willing and able to provide all aspects of internet facilities for retailers. There are also a number of suppliers offering website facilities for the use of retailers. The difference between the two is generally related to the ownership and independence given to the retailer. When a retailer obtains their own website, with their own domain name, they maintain ownership and control. Whereas in many instances of supplier offered websites the retailer has a portal into the supplier's site, or they have a site as an extension of the supplier's name which is theirs to use whilst adhering to the supplier's terms. These terms may mean that the products offered through these sites can only be that provided by the supplier, and in a

The Internet – Are people shopping online and what are the issues for Newsagents?

way make the retailer an exclusive agent of the supplier through that site. If the retailer subsequently chooses to establish their own site and add other supplier products they may have to create a new unique web address. The customer visitation to that past address may then remain that of the supplier or be redirected to another supplier agent and lost to the retailer. The ownership and identity of the retailer could be critical considering some recent statistics indicate that only about a third of internet shoppers' use search engines to find their products. This suggests that more purchases are actually coming from targeted sites, or pages identified to, or known by the consumer. This potentially tells us that being able to direct consumers to a particular website has gained the most

traction to date. In other words online shoppers tend to purchase from trusted websites, or sites that have been communicated to them as safe. So if retailers are going to the expense (time and money) of convincing their customers that a website is safe, secure and convenient then they want to own that website. Especially as marketing will be the most expensive through life cost associated with many websites.

Newsagents need to use or lose their customer's increasing demands for convenient online retailing, especially as we all become more time poor. If 80% of Australian households have internet access, and a majority of these people are shopping online then Newsagents must be mindful of this need. Indeed from a personal perspective my online stores today reflect approximately 10% of shop sales and are growing. A big advantage the Newsagent has against the purely virtual online stores is their local physical presence and loyal customer base. But do not take this advantage for granted and guard your customers fiercely in this new dimension. To give away your customer interface to any third party is to potentially give away your customers and future business. Be bold, participate and maintain control.

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