

## Aspects to Consider When Setting Up an E-Commerce Website

There are many different advantages and benefits of having an e-commerce site on the internet.

There is much to gain for a consumer which will encourage them to use an online store rather than the conventional shopping methods. These advantages are:

Choice - the web empowers the consumer and gives them increased choice of what to buy, when to buy and a greater range of prices.

Vast selection online &ndash; when using the internet to browse for what to buy, products can be reviewed with no cost in money and relatively little time spent.

Quick comparison &ndash; comparisons can be made on a range of areas including price, specification, quality and availability in a matter of minutes from the comfort of their own home.

Potential pitfalls that customers need to consider and therefore fears that need to be allayed by any potential e-tailer include:

- &bull; Customers prefer to make some buying decisions in store with certain products for example clothing, perfume & shoes.
- &bull; Some products require in-store help.
- &bull; Products that can have potential delivery problems.
- &bull; Some website tools to help customers reach decisions are inflexible, designed without considering how people really purchase.

When considering the consumer in relation to an online store, various ideas and notions need to be considered and reviewed.

All consumers are generally risk averse, and will always attempt to try to reduce risk during the purchasing process. This is no different when dealing with an e-commerce customer. Therefore there is a need for the e-tailer to consider and deal with areas that help to reduce risk or perceived risk in the eyes of the consumer.

Guaranteeing customer satisfaction and ensuring that brand loyalty begins to grow will help to reduce the likelihood of a consumer worrying about risks. Also, if a customer is satisfied with all aspects of the service provided whilst they are shopping in an e-commerce store then there is not much of an incentive to risk trying to find an alternative and the customer is therefore likely to return and continue buying from this store. If they can maintain this ongoing relationship with their current provider then their perceived risks of online shopping will drop and they will be more likely to make larger and more frequent purchases from the supplier they are already happy with.

Another important way to reduce perceived risk is to try and build up a marketing strategy and technique involving personal communication and word of mouth recommendations rather than company communication. This can only really be achieved by delivering risk free and quality service to every customer. This will then encourage existing customers to spread the word about the site and this helps to reduce pre purchase tension in new and prospective customers.

There are two models of consumer behaviour that need to be deliberated upon when thinking about strategies and actions to take with the e-commerce site:

Expectancy Disconfirmation model &ndash; Potential consumers tend to evaluate website services by comparing their expectations with their perceptions and if the perceived service is better than or at least equal to the expected service then the consumer will be satisfied)

Perceived Control Perspective &ndash; It has been observed that modern people need to have control over any situations in which they find themselves. The higher the level of control over a website service situation, the higher their satisfaction with the service will be. This is not as simple as it sounds because the e-tailer or service provider needs to maintain control of the service experience.

There are various advantages to the retailer by using an e-commerce site. These include:

Overheads &ndash; overhead costs are comparatively low when compared to that of running a shop (hosting and a domain name can cost as little as £120 a year plus VAT). Obviously storage and insurance also needs to be considered but the difference in cost is still vast.

On-Line Marketing &ndash; by utilising various methods of search engine optimisation including the publishing of articles at online article sites, directory submission and the use of a text rich website many potential customers can be reached on the internet. The resulting good Search Engine Results Placement (SERP) can be used to reach out to new customers who may not have known your website existed before they used the search engine to try and find the products in question. Comparing this to marketing and promotion campaigns needed with a regular retail set up, an e-commerce website becomes an even more attractive idea. This search engine optimisation work can cost from as little as £150 a month.

Global Market &ndash; the internet is obviously by its very nature a global tool. The potential customer base is infinitely bigger than a normal retailer would have. Other than for delivery purposes normal boundaries and travel restrictions are non-existent, which means there is the potential to reach out to many, many more customers.

There are many ideas and customer considerations that need to be considered when setting up an e-commerce store. In order to capitalise on the advantages and opportunities presented by having an e-commerce site various different aspects of online shopping habits and consumer trends need to be considered.

Research has shown that there are two main factors affecting customers when they buy online. These two factors are functionality and trust. Obviously the e-tailer has many chances to influence these two important parts of the online shopping experience.

By making their site easy to use and easy to navigate customers can become familiar with a site and more likely to return due to the efficient and uncomplicated experience they have had. Clear and uncluttered layout would also help to add to the consumer's ease of use and convenience when they are shopping. Also there is a need for good speed of delivery in order to ensure customer satisfaction.

A company using an e-commerce needs to develop a clear and strong reputation for consumer trust by making sure it delivers in the following areas:

Utility: including speed of delivery, convenience, good deals & bargains

Brand elements: Companies need to develop online consumer trust by building a strong reputation for fairness, honesty and delivery of quality products

Marketing and branding within an e-commerce site

There are three main characteristics of a successful online brand. These are:

- &bull; The brand is highly dependent on customer perceptions.
- &bull; Perception is shaped and developed by the online product's added value characteristics.
- &bull; These characteristics must be sustainable over time.

The three characteristics of a successful brand are multiplicative rather than additive, meaning that each one is essential in order for a strong online brand image to be created.

Online customers often interact and experience a brand quite frequently, making the experience more important than perceptions

In order to become strong and successful an online brand should promise:

- &bull; Convenience (better than offline or with competitors)
- &bull; Achievement (help customers achieve their goals)
- &bull; Fun and adventure
- &bull; Self-expression and recognition (by personalisation and customisation)
- &bull; Belonging (to a perceived online community)

When branding online, various aspects need to be considered. These aspects include:

Understand the customer - Requires more thorough understanding of desired purchase and usage experience in an interactive environment

Continually monitor competitors - Competitor ads and activities can be monitored online

Design compelling and complete brand intent - Greater opportunity to customize key messages.

Execute with integrity - Online interactions add concerns of security and privacy

Be opportunistic - Customization, early recognition of changing customer needs requires tailoring of positioning

Invest and be patient - Building brand awareness requires significant investment esp. for later movers; building brand loyalty is quicker if targeting effectively.

As can be seen if planned for and approached diligently and shrewdly an e-commerce site can be both profitable and successful. By choosing the right product, design, marketing and branding strategy an e-tailer can make the most of the opportunities presented by the internet.

To find out more about ecommerce [Contact Us](#)