

Specialty Retail & Wholesale

The key to all products and services pages is to provide comprehensive information in an organized, intuitive, visually appealing fashion. A few specialty retail (wholesale) site considerations follow.

Price needs to be addressed in an up-front manner. Allow users to add items to their shopping cart and make it clear that they're under no obligation until the final checkout screen is approved. Be careful about shipping costs and price. The web has a history of sites that offer low prices then make their margins on 'shipping and handling'. The most frequent abandonment of shopping carts occurs at the checkout page when sticker shock and 'stick-it-to-'em' shipping charges are introduced. Offer information on shipping from any page, and consider free shipping for orders of certain amounts.

Consider offering terms for large orders, just as you might for off-line sales.

Auctions are a good idea. Specialty retailers should consider a presence on eBay, in addition to their own site. As of October 2000, twenty-five percent of eBay's online sales business actually came from medium to large corporations like IBM. The eBay auction model works, especially in conjunction with a "buy it now for \$____" pricing model that augments the auction model.

Community input is a great (and potentially, extremely low-cost) addition to specialty retail pages. Amazon.com's reader reviews offer incredible content to viewers at a phenomenally low cost. Like any retail environment, up-selling and cross-selling on the web are of paramount importance. Build in cross-selling and up-selling suggestions on your product pages as well as through the checkout process and in follow-up emails.

Sales operations should consider many of the resources discussed above. More considerations follow.

Perhaps the most fundamental retail resource is complete store location and contact information for sales and for service, including hours of operation. Offering an instant online sales and customer service function is increasingly important. Be certain the assistance offered comes from a knowledgeable customer service person with better than decent communications skills.

There are still franchise store operations that do not sell via the web on a corporate basis

because “corporate” doesn’t want to offend local store owners - fearing online sales might cannibalize local store sales. This is easily remedied. Give store owners a cut of the sales based on the location of the purchaser.

Smart franchise operations will actually make a web presence part of the franchise, thus ensuring proper treatment of the brand and providing local flavor. In addition, the e-commerce engine can be shared among many sites. Sales do not have to be at the corporate site; sales can take place on any and all of the local store sites, pulling the sophisticated corporate database/transaction backend into play locally.

Corporate operations can also provide relatively low-cost sales support for any and all local store sites by “manning” them with live, knowledgeable online help. The economies of scale for the corporate parent, coupled with the local presences and distribution channels of individual stores are ideal for web marketing. Enterprises cost-effectively extend the reach of the corporate brand while encouraging the intermediation (tangible shopping and delivery) of local outlets via the web.

Local, individually owned and run retail and wholesale outlets have a different challenge. These stores are much more likely to rely on a special knowledge of the local - or specialized, vertical - market (versus the greater price leverage likely with a chain). Local owner/ operators’ sites need to be imbued with that special knowledge that allows them to survive and thrive offline.