

Prove the Concept before you Commit

The continuing rise of e-commerce sales is getting everyone's attention and causing many to wonder whether the Internet might provide profitable growth for their business. Some store owners are very comfortable with the Internet and already research pricing and shop for vendors online. However, even the most Internet savvy retailer is dealing with unknown territory when putting their business online for the first time. Common questions everyone asks are:

Do I have the right mix of inventory? Will I be forced to cut my prices? How much time will it take to maintain a website? Am I ready?

Before investing serious time and money in building an e-commerce website, why not prove the concept by reaching out to customers online. Then you can decide based on experience whether e-commerce is an investment you want to make. An e-commerce website works well as a hub for promotional channels that you use to reach your customers. However, you can still promote your store online while closing the sale over the phone or in the store.

When a new e-commerce website launches, initial momentum often comes from providing an inventory list to the main wine directory sites. Of these directories, Wine-Searcher will post an inventory listing without requiring the store has a website. Sending them an Excel file update every week will keep your listing current and avoid frustrating some sophisticated wine buyers. WineZap requires that stores have a basic site where they can refer a shopper. But again, a file containing the products you want to promote can be listed at no charge.

Beginning an online newsletter is the next step to conducting your business online. A plain text message is

sufficient to communicate with customers about the value you provide, and doesn't compromise your credibility like a cheap website. If you have the discipline to compose a regular and compelling message to your customers, you will be ahead of much of the competition.

The key to a successful email newsletter is crafting a message that your customers look forward to reading. You need to find a balance between promotion and story telling that mirrors the shopping experience in your store. If you describe activities in your store as community events, and share insights with your customers, they will reward you by reading your emails and responding to your suggestions. If you hammer them for sales, then your emails will end up deleted, filtered, or flagged as spam.

Some stores chose to start with a simple brochure site to satisfy curious shoppers who want to know whether you are legitimate. While this should be a low maintenance option, a simple site should at minimum be able to collect email addresses for your newsletter.

Testing the waters by listing your inventory with the wine directories, and launching an email newsletter, will give you experience selling online and provide a context for a decision on whether to go with e-commerce. Eventually customers will pester you to build a site, but for the cautious storeowner this is a "proof of concept" that makes it a low risk investment. By this point you will have figured out how you want your business to grow online and will be ready to invest in the next level.

To learn more about how the Beverage Media can help with a website for your store, contact Ian Griffith at ian@bevmedia.com, (212) 571-3232, or visit www.bevnetwork.com/retailweb.