

Chapter 1

Opening Your Own Online Business in Ten Easy Steps

In This Chapter

- ▶ Finding a unique niche for your business
 - ▶ Identifying a need and targeting your customers
 - ▶ Turning your website into an indispensable resource
 - ▶ Exploring innovative ways to market your business
 - ▶ Evaluating your success and revising your site
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Buying goods and services online is everyday practice in modern Britain – many people don't think twice these days about using the Internet to purchase groceries, clothes or music; and booking flights and hotels online is just what people *do*. Meanwhile, online marketplaces like eBay continue to thrive.

That's why starting up an online business is no longer a novelty. It's a fact of life for individuals and established companies alike.

E-commerce – the practice of selling goods and services through a website – is here to stay. Every year it becomes easier to conduct commerce online. Even if you have no business experience, ordinary people like you and us can take advantage of constantly updated software and services that make creating and maintaining web pages and transacting online business easier. Marketing your business is also within easy reach of individuals on a budget, with excellent tools available to help you compete with the big guys and attract the punters.

All you need is a good idea, a bit of startup cash, computer equipment, and a little help from your friends.

One of our goals in this book is to be friends who provide you with the right advice and support to get your business off the ground and turn it into a big success. In this chapter, we give you a step-by-step overview of the entire process of coming up with and launching your business.

Realising That Online Business Is the Norm

Now is the perfect time to start your online business. Did you know that the UK has the world's biggest online economy per capita, worth a breathtaking £100 billion a year? That's according to a 2010 survey by the Boston Consulting Group commissioned by Google (for more cool stats, see www.connectedkingdom.co.uk). Separate the online economy into an industry and it would be the UK's fifth biggest – outweighing the hefty transport, construction and utility sectors.

Nowadays having an online presence is essential, even if your business operates mainly in the 'real world'. In recent years, we've felt the pain of the credit crunch – but the online economy has stayed afloat. More people have turned to the web to streamline their businesses and cut down on costly shop front rentals and other overheads. Apart from operating your own website, eBay is *the* place to set up shop, and we dedicate a whole chapter to getting your business on there.

Other well-known web-based service providers like Google, Microsoft, PayPal and Amazon are helping small entrepreneurs to energise their businesses. Bloggers continue to rule Internet culture, and every business seems to have a Twitter account or Facebook page from which to promote their special deals. Ordinary people who create popular YouTube videos can make money from advertising revenue generated through the site or use it as a platform to publicise their businesses.

Broadband is commonplace and customers no longer have an age to wait for websites to load quickly; so these days you can be comfortable with delivering more snazzy content to your customers such as video and audio offerings (although our attention spans seem to be shorter than ever, so making it straightforward for people to find what they're after is still a good idea!).

Anything is possible, but you may have concerns about the future of e-commerce. We promise your fears will quickly evaporate when you read this book's case studies of our friends and colleagues who do business online. They're either thriving or at least treading water, and they enthusiastically encourage others to take the plunge.

It's still a great time to start an online business. Simply put, consumers and businesses are smarter than they were a decade ago. Sarah-Lou Reekie, an online entrepreneur, says:

There are more experts in the field so that it is easier to make things happen. The world is far more au fait and switched on to the web. The number of people able to access the web and order products and services is

far higher. People aren't as nervous as they were to put through credit cards. After an amazingly short time, the web has changed from an unknown and somewhat scary medium to something as easy as ABC.

Step 1: Identify a Need

The fact is, no matter how good you are, you always have room for improvement. Even those at the top of their business game, like Tesco, Topshop and Innocent Smoothies, are always looking over their shoulder at the competition. But the chances are that someday someone else will come along and do what you do either cheaper or better or both. The same goes for the web, and it's this fact that you should keep in mind when you're coming up with your business ideas.

A hotbed of commerce

The Internet is a hotbed of commerce – and it just keeps getting hotter. Read what the experts are saying:

- ✓ After a short dip in 2008 and 2009 during the credit crunch, Internet shopping is back in vogue. The Interactive Media in Retail Group (IMRG) found that in July 2010, Brits spent an average of £81 per person, an 18 per cent increase on 2009.
- ✓ PayPal, the transaction service run by eBay, predicted that £9 billion would be spent online during Christmas 2010, with more than 30 million people taking the plunge – each with an average spend of £289 during this time! The most popular factor when buying online at Christmas is, overwhelmingly, finding a bargain, with 63 per cent of survey respondents citing this as an important factor. Free delivery and the sheer convenience of shopping online are the other main reasons.
- ✓ Research from credit card company Visa suggests that apart from doing more of our

shopping online, we're looking to the web to find out how to do things more cheaply and doing our research before making a purchase.

You'd be mad not to take advantage of all this consumer activity, but a word of warning: the fragile economy of late means that every penny counts with your customers, and you must be upfront about your costs. Webcredible (www.webcredible.co.uk), a consultancy that helps improve customers' experiences on websites, says that 41 per cent of its survey respondents abandon their transactions if they're faced with hidden charges at the checkout. In addition, about a third of shoppers go elsewhere if they're forced to register on the website in order to make a purchase. Other reasons include no phone number and having to submit unnecessary personal details. Speed, convenience and honesty are what you need to remember!

From an everyday point of view, e-commerce and the web have been around for more than 15 years now. But people are identifying new products and ways to sell them all the time. Think of the things that didn't exist when the first websites were created: MP3s, wireless modems, DVDs, social networking, web-based email, smart phones. Success is never guaranteed. It depends on you – your energy, dedication and enthusiasm; as well as your initial business idea.

Your first job is to identify your market (the people who'll be buying your stuff or using your service) and determine how you can best meet its needs. After all, you can't expect web surfers to flock to your online business unless you identify services or items that they really need. Who are you targeting and why? Is your market likely to splash out on what you're promoting? Is there a genuine need for your product? Ask around and gauge the reaction of your friends and family. Ask them to be honest, or you could be losing real money (how many people pitch their ridiculous business idea on the TV programme *Dragon's Den* genuinely thinking they have a great idea because their mother or spouse has told them so?). Listen out for any constructive feedback that may help develop your site into a better offering.

Getting to know the marketplace

The *Internet* is a worldwide, interconnected network of computers to which people can connect either from work or home, and through which you can natter via email, learn new things from the web, and buy and sell items using credit and debit cards.

The Internet is a perfect venue for individuals who want to start their own business, who can cope with using computers and who believe that the web is the place to do it. You don't need much money to get started, after all. If you already have a computer and an Internet connection and can create your own web pages (which this book helps you with), making the move to your own business website may cost as little as a few hundred pounds. After you're online, the overheads are pretty reasonable too: you can get your website hosted online for as little as £5 a month.

With each month that goes by, the number of Internet users increases exponentially. In turn, this creates a vibrant money-making marketplace for the savviest Internet businesses. To illustrate, the Interactive Media in Retail Group (IMRG) shows that UK consumers spent £4.8 billion in September 2010; that's 24 per cent higher than 2009 figures. Online Christmas sales for 2010 were expected to be 16 per cent higher than in 2009.

Not convinced? Well, how about the fact that despite the difficult budget cuts and the rise in Value Added Tax (VAT), the IMRG predicts that online retailers are better placed to weather the storm – there's simply so much variety online, and consumers are becoming increasingly savvy when heading to the Internet to snap up a bargain. The Internet has become fertile ground for

innovative businesses. Just look at Google; it's become one of the world's largest media companies with a value of tens of billions of pounds.

Many people decide to start an online business with little more than a casual knowledge of the Internet. But when you decide to get serious about going online, it pays to know how the land lies and who's walking on it with you.

One of your first steps should be to find out what it means to do business online and figure out whether your idea fits in the market. For example, you need to realise that customers are active, not passive, in the way that they absorb information; and that the Net was established within a culture of people sharing information freely and helping one another.



Some of the best places to find out about the culture of the Internet are blogs (or *web logs*: they're online journals usually written by people who aren't qualified writers; but that doesn't mean their insights are no less valid), forums where people exchange messages online, the trending topics on the micro-blog service Twitter and reviews on sites like Ciao.co.uk. Visiting websites devoted to topics that interest you personally can be especially helpful, and you may even end up participating! Also visit some leading commerce websites (in other words, where people buy and sell items online), such as eBay.co.uk, Amazon.co.uk, ASOS.com and Play.com, and take note of ideas you like. Pay special attention to the design and the way you *drill down* through the website to find what you're after - think of something you're interested in and see how few steps it takes for you to get to the item you're after. Remember that appearance and function are as important as the stuff you're selling.

'Cee-ing' what's out there

The more information you have about the 'three Cs' of the online world, the more likely you are to succeed in doing business online:

- ✓ **Competitors:** Familiarise yourself with who's already out there. Work out whether space for you exists and how you plan to fill that space. Don't be intimidated by competitors' existence - people will come to you if you do it a whole lot better!
- ✓ **Customers:** Who's gonna visit your website, and how will you get them there? Just like with any business, you must encourage demand for your products and make potential customers aware that you exist.
- ✓ **Culture:** Every demographic has its own culture. If you're selling clothes to teenagers then your online business will look and feel very different than the site of someone selling stair-lifts to the elderly. What's their style? How do they talk? What will they expect to see when they arrive at your site?

As you take a look around the Internet, notice the kinds of goods and services that tend to sell, as well as who's doing the selling. You have to be either

different, better or, at least, more talked about than these guys. Keep the four Cs in mind if you want achieve this goal:

- ✓ **Cheapness:** Online businesses tend to sell items at a discount compared with high street shops in the real world – at least, that’s what shoppers expect.
- ✓ **Customise:** Anything that’s hard-to-find, personalised or, better yet, unique, sells well online.
- ✓ **Convenience:** Shoppers are looking for items that are easier to buy online than at a bricks-and-mortar shop – a rare book that you can order in minutes from Amazon.co.uk (www.amazon.co.uk) or a bespoke item made by a craftsperson selling via Not on the High Street (www.notonthestreet.com).
- ✓ **Content:** Consumers go online to breeze through news and features available free or through a subscription, such as newspapers and TV channels. Some of these news sites exist online only, and many authoritative are blogs dedicated to popular subjects.



Visit one of the tried-and-tested indexes to the Internet, such as Yahoo! (www.yahoo.co.uk), Microsoft’s Bing (www.bing.com) or the top search service Google (www.google.co.uk). Enter a word or phrase in the site’s home page search box that describes the kinds of goods or services you want to provide online. Find out how many existing businesses already do what you want to do. Better yet, determine what they *don’t* do and set a goal of meeting that need yourself.

Working out how to do it better

The next step is to find ways to make your business stand out from the crowd. Direct your energies toward making your site unique in some way. Can you provide things that others don’t offer? The things that set your online business apart from the rest can be as tangible as half-price sales, contests, seasonal sales or freebies. Or they can be features of your site that make it higher quality or make it a better user experience than your competitors. Maybe you want to concentrate on making your customer service better than anyone else (see the nearby sidebar ‘Mama locates her online niche’ on how one mum made that happen and is now enjoying a business with a £120,000 turnover).

What if you can’t find other online businesses doing what you want to do? In this case, you’ve either struck gold (you’ve come up with an idea that no one else has thought of) or struck out (the business doesn’t exist because it’s a bad idea). In e-commerce, being first often means getting a head start and being more successful than latecomers, even if they have more resources than you do. The Internet is crowded, however, and genuinely new ideas are getting harder to come by. But don’t let that put you off trying something new and outlandish. It just might work!

CASE STUDY



Mama locates her online niche

When Christianne James left her job as a city banker and became a mum, she had her hands full and needed a job she could fit around her busy life. In early 2008, when the time came to pay the kids' school fees, she decided to start 4little1s (www.4little1s.com) – an online store selling items she was familiar with: baby products.

With the baby market so competitive, Christianne decided to focus on top customer service and choosing beautiful baby bedding, furniture and other special lines that aren't typically available in high street stores.

'We pride ourselves on customer service and this can be seen in responding to customers' queries and questions even at 11 p.m.; seven

days a week,' she points out to Kim (who knows this is true, because Christianne responded to an email she sent her in the middle of the night UK time – Kim was in Australia having lunch at the time!).

Christianne needed to find the right niche rather than pit her business against the big companies like Mothercare, John Lewis and Mamas and Papas, which target the entire baby market. She explains: 'A small company can be very agile and respond quickly to new products. We can sell before the larger companies have even considered taking on new products. We are right on the edge of innovation and there are lots of mums out there with some great products.'

The screenshot shows the homepage of 4little1s.com. The website has a clean, professional layout with a navigation menu and a main content area. The header includes the company name and a search bar. The main banner features a baby's face and the text: "Nursery furniture, baby bedding sets and great gift ideas for your little ones". Below the banner, there are several product listings with images and prices. The left sidebar contains a "OUT & ABOUT" section with links to various product categories. The right sidebar includes a "FIND US ON Facebook" link, a "LIVE CHAT" button, and a "Bestsellers" section.

Navigation: Home, About, Delivery & returns, Contact us, Feedback, Help

Product search:

OUT & ABOUT

NAVIGATION: Home, About, Delivery & returns, Contact us, Feedback, Help

Product search:

WELCOME TO 4LITTLE1S.COM

Our aim is nursery furniture and baby bedding made with a range from handwoven, Hampshire Corner and Lollipop Lane. Choose from both modern and traditional baby bedding for the nursery with a wide range of coordinated baby bedding sets. For only one little price we have unique baby gifts and a fabulous range of new baby hampers.

PRODUCT LISTINGS:

- Humphrey's Bedtime cot bed duvet set**
Price: **£44.17**
A lovely baby bedding set with matching cot bed and duvet.
- Fish and Chips baby bedding, Lollipop Lane**
Price: **£59.98**
Agree on baby bedding range from Lollipop Lane.
- Unique baby gift box with snuggly robe - pink**
Price: **£22.95**
A beautiful baby gift with a snuggly robe and a rattle.

RIGHT SIDEBAR:

- FIND US ON Facebook
- LIVE CHAT: Write now... Leave a message. [Send Now](#)
- Backlist: Items: 0, Value: 0, [View Basket](#), [Checkout](#)
- Bestsellers:
 - bestwoven Lullaby cot bed with handwoven border, Hampshire Corner
 - Best hamper - a baby's baby's celebration gift

Footer: www.4little1s.com

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Christianne is very proficient with computers but doesn't call herself a techie, so at the outset she and her business partner appointed an expert company to create a professional-looking website. She says, 'My business partner had worked in IT for a number of years so that helped particularly when dealing with the website company that created our site and ensured we were not being taken advantage of.' She runs the e-commerce side of things using Actinic software that integrates into her accounting system.

Christianne now maintains the site with her husband and as of 2010 the business turned over £120,000 a year – up from first year turnover of £20,000. Running the business herself means she can drop the kids off and pick them up from school and nursery while still managing to keep the business running, although she is thinking about setting up a real-life storefront too.

'The use of mobile technology, such as Blackberry and iPhone devices, has also helped us become more flexible and able to run the business around busy family life,' she says. 'Having a partner that understands the business and the importance of it is crucial to family life too.'

Her other advice is to find a good accountant who can help with company formation and structure right through to dealing with annual accounts and VAT. Another top tip is to keep overheads down. 'Do you really need offices to operate from?' she asks. 'Or can you initially run from a home office instead?'

These days, Little1s has come a long way to simply being a way to pay off those school fees. It's 'growing and providing an income,' Christianne enthuses.

Step 2: Know What You're Offering

Business is all about identifying customers' needs and figuring out exactly what goods or services you're going to provide to meet those needs. The same applies both online and off.

To determine what you have to offer, make a list of the items you plan to sell or the services that you plan to provide to your customers. Next, you need to decide where you're going to obtain them. Are you going to create sale items yourself? Are you going to purchase them from a supplier? Jot down your ideas on paper and keep them close at hand as you develop your business plan.



The Internet is a personal, highly interactive medium. Be as specific as possible with what you plan to do online. Don't try to do everything; the medium favours businesses that do one thing well. The more specific your business, the more personal the level of service you can provide to your customers.

Step 3: Come Up with a Virtual Business Plan

The process of setting goals and objectives and then working out how you'll attain them is essential when starting a new business. What you end up with is a *business plan*. A good business plan should be your guide not only in the startup phase, but also as your business grows. It should provide a blueprint for how you run your business on a day-to-day basis and can also be instrumental in helping you obtain a bank loan or any other type of funding.

To set specific goals for your new business, ask yourself these questions:

- ✓ Why do you want to start a business?
- ✓ Why do you want to start a business online?
- ✓ What would attract you to a website (regardless of what it's selling)?
- ✓ Why do you enjoy using some websites and not others?
- ✓ Why are you loyal to some websites and not others?

These questions may seem simple, but many businesspeople never take the time to answer them. Make sure that you have a clear game plan for your business so that your venture has a good chance of success over the long haul. (See Chapter 2 for more on setting goals and envisioning your business.)

You can link your plan to your everyday tasks by taking the following steps:

1. **Write a brief description of your business and what you hope to accomplish with it.**
2. **Draw up a marketing strategy.**
3. **Anticipate financial incomings and outgoings. (See Chapter 15 for specifics.)**



Consider using specialised software to help you prepare your business plan. Programs such as Business Plan Pro by Palo Alto Software (www.paloalto.co.uk) lead you through the process by making you consider every aspect of how your business will work. If you don't want to splash out on software, take a look at one of the many free guides to business plans out there. Business Link (www.businesslink.gov.uk), the government network that supports small businesses, is one of the best places to start.

REMEMBER



Working at home?

If you use part of your home as a base for your business (and plenty of fledgling entrepreneurs do), then you should get on top of how that will affect your taxes. For example, the rooms you use may qualify for business rates instead of council tax, and you may also have to pay capital gains tax when you come to sell the

property. Get the lowdown in Chapter 15. Better news is that you should get some tax relief on household bills, and you can claim VAT (if you're registered) or capital allowances back on household purchases made in your business's name. For example, office furniture, a lick of paint and stationery may be a bit cheaper.

Step 4: Get Your Act Together and Set Up Shop

One of the great advantages of opening a shop on the Internet rather than on the high street is the savings you should be able to make.

Know your budget

Showcasing your products online instead of in a real life shop means that you won't have to pay rent, decorate or worry about lighting and heating the place. Instead of renting a space and putting up furniture and fixtures, you can buy a domain name, sign up with a hosting service, create some web pages and get started with an investment of only a few hundred pounds, or maybe even less.

You still need to anticipate how much it'll cost to set up shop, and factor in any freelance costs.

In addition to your virtual showroom, you also have to find a real place to conduct the operations and logistics of your business. You don't necessarily have to rent a warehouse or other large space. Many online entrepreneurs use a home office or even just a corner in a room where computers, books and other business-related equipment sit. Why pay for the extra overheads?

Christianne James set up 4little1s on a budget of £7,000, the bulk of which comprised initial stock (for more on Christianne, see the sidebar 'Mama locates her online niche').

Finding a host for your website

Although doing business online means that you don't have to rent space in a shopping centre or open a real, physical shop, you do have to set up a virtual space for your online business. You do so by creating a website and finding a company to host it. In cyberspace, your landlord is called a web hosting service. A web *host* is a company that, for a fee, makes your site available 24 hours a day by maintaining it on a special computer called a web *server*.

Professional web hosts are cheap. The landscape for web hosting has changed a lot in recent years. Previously, a lot of people set up their own web pages using free space provided by their Internet Service Provider (ISP), the company that services their Internet connection.

But the small amount of free space provided by ISPs and the increasing complexity of websites means it's probably a better option – at least in the long run – to find a professional host for your website. These days, many ISPs offer business services and will double up as web hosts too, such as Zen Internet (www.zen.co.uk) or BT (www.bt.co.uk).

Paying for your web space (it doesn't have to be much) will give you someone to complain to should things go wrong too.

Many web hosts provide you with easy starter tools to create and publish your own web pages, but some nifty free tools also exist that you can install on your own web space to help you create great looking pages (for more on this, see Chapters 3 and 5). If you do want some hand-holding, companies like 1and1 (www.1and1.co.uk), Easyspace (www.easyspace.co.uk), and Fasthosts (www.fasthosts.co.uk) are just a few web hosts that provide you with tools that you can use to create an online shop front.

Many hosts also provide you with easy tools to install blog, e-commerce and forum software with a click of a mouse onto your site. It pays to look at reviews, shop around to see what suits your needs and technical ability, and find out how much customer support the hosts will give you – for more, see Chapter 3. Figure 1-1 shows web host 1&1's home page, where a range of hosting packages is available.

Assembling the equipment you need

Think of all the equipment you *don't* need when you set up shop online: you don't need shelving, a cash register, a car park, fancy displays or lighting . . . the list goes on and on. You may need some of those for your home, but you don't need to purchase them especially for your online business itself.

Figure 1-1:
Take the time to choose an affordable web host that makes it easy for you to create and maintain your site.



Keeping track of your inventory

You can easily overlook inventory and setting up systems for processing orders when you're just starting out. But as Lucky Boyd, an entrepreneur who started MyTexasMusic.com and other websites, pointed out to Greg, you need to make sure you have a 'big vision' early in the process of creating your site. In his case, a big vision meant having a site that could handle lots of visitors and make purchasing easy for them. In other cases, it may mean having sufficient inventory to meet demand.

A fine line exists between having enough inventory and having too much, however. When you first start off, you need to dip your toe in the water – you don't want to end up with excess stock hanging around. Many online businesses keep track of their inventory by using a database that's connected to their website. When

someone orders a product from the website, that order is automatically recorded in the database, which then produces an order for replacement stock or, in some cases, you may be notified on email about dwindling stock levels.

In this kind of arrangement, the database serves as a so-called *back end* or *back office* to the web-based shop front. This sophisticated arrangement is not for beginners so you might want to hire a web developer to do the setup for you. There are also some great all-in-one solutions that allow you to combine inventory management with an online storefront, such as the free osCommerce and Zen Cart or the e-commerce software Actinic, and an increasing number of web-based services can help you get started too. For more see Chapter 5.

For doing business online, your most important piece of equipment is your computer. Other hardware, such as scanners, printers, cameras, modems, backup drives and monitors, are also essential. You need to make sure that your computer equipment is up to scratch because you're going to be spending a lot of time online: answering emails, checking orders, revising your website and marketing your product. Expect to spend anywhere between £500 and £5,000 for equipment, if you don't have any to begin with. (Oh, and you'll need a comfortable desk and chair too, to avoid the strain of sitting for lengthy periods.)



Some equipment such as computer monitors and scanners are worth buying second-hand, especially if they're still under warranty and have been treated well. Computers are cheap, though, and it pays to invest in one that will accommodate the extra use you'll get out of it as you move forward. (For more suggestions on buying business hardware and software, see Chapter 2.)

Choosing the right software for your needs

You can build a website by either doing it yourself or paying someone else to do it for you. The first option is cheaper, but nine times out of ten, the latter produces something a lot more sophisticated. It's also far more practical to work with someone at the outset rather than getting them in halfway through. Try searching for *web design*, and you'll be confronted with a long list of businesses that offer design skills. Pick one that's reputable, has good references and allows you to contact current customers for their views on the service.

However, we see no reason why you can't do a lot of the building work yourself if you're determined enough – but this means you need to put in a lot of extra research and invest in the right kind of software. This needn't cost a lot of money; some solutions are actually free!

For the most part, the programs you need in order to operate an online business are the same as the software you use to surf the Internet. But you may need a wider variety of tools than you'd use for simple information gathering.

Because you're going to be in the business of information *providing* now, as well as information gathering, you need programs such as the following:

- ✓ **A content publishing platform or content management system:** You'll need to design and publish your site, and publishing platforms like Wordpress (www.wordpress.com) make it easy for most people to post articles, photo galleries and news on their sites. It may be a little tricky to install one on your web space initially, but when you're set it's very

easy to log in to the Wordpress control panel to design your site's look and feel. You don't need to be a master of HyperText Markup Language (HTML), either.

If your site gets more complicated than just a few pages on a blog – or you plan to expand it in the future – then you can install a content management system. Technically speaking, Wordpress is a kind of content management system, but fully-fledged ones like Joomla! (www.joomla.com) and Drupal (www.drupal.com) let you add different kinds of content to your site (like videos, polls, forums, a shop front) and keep track of everything that's on it; from photos and videos to articles and inventory listings. You can easily display news, change the layout of your page without losing any of the content and much more besides.

Those of you with basic sites that you don't see yourself updating often could use a WYSIWYG web page editor. Pronounced *wizzy-wig*, this stands for What You See Is What You Get. As you edit your page, the editing screen displays what the final website will look like rather than just its underlying code. In the past, much WYSIWYG software tended to be clunky to use and disregarded web standards. Microsoft discontinued its popular one called FrontPage, and released an improved version called Microsoft Expression Web. Other popular affordable editors include CoffeeCup and NetObjects Fusion.

- ✔ **Graphics software:** If you decide to create your business website yourself instead of finding someone to do it for you, you need a program that can help you create or edit images and logos that you want to include on your site. Image-editing software like Adobe Photoshop Elements or Corel Paint Shop Pro will do the job.
- ✔ **Shop-front software:** Some content management tools include shop-front software elements or you can purchase software that leads you through the process of creating a fully fledged online business and getting your pages on the web.
- ✔ **Accounting programs:** You can write your expenses and income on a sheet of paper. But it's far more efficient to use software that acts as a spreadsheet, helps you with billing and even calculates VAT.

Step 5: Get Help

Conducting online business does involve relatively new technologies, but they aren't impossible to figure out. In fact, the technology has become quite accessible. Many people who start online businesses find out how to create web pages and promote their companies by reading books, attending classes or networking with friends and colleagues. Of course, just because you *can* do it all doesn't mean that you have to. You may be better off hiring help, either to advise you in areas where you aren't as strong or simply to help you tackle the growing workload – and help your business grow at the same time.

Hiring technical bods

Spending money up front to hire professionals who can point you in the right direction can help you maintain an effective web presence for years to come. Many businesspeople who usually work alone (us included) hire knowledgeable individuals to do design or programming work that they'd find impossible to tackle otherwise.



Don't be reluctant to hire professional help in order to get your business off the ground. The web is full of developers that can provide customers with web access, help create websites and host sites on their servers. The expense for such services may be relatively high at first – probably several thousand pounds – but it'll pay off in the long term. Choose a designer carefully and check out the sites he's designed by getting in contact with customers and asking whether they're satisfied. Don't just tell a designer your business plan; send him the document (omitting your projected finances), explaining in fine detail exactly what your business aims are and how the website will fulfil those aims. Web design isn't all about snazzy graphics and bells and whistles: it's all about delivery, ease of use and accessibility.

When planning to employ a technical or design bod, draw up a simple contract that ensures you retain all copyrights to the work he undertakes, and make it clear from the outset that you'll have ultimate control of the site. You don't want a developer to 'lock you out' of your own site, making it difficult to change things around should you need to. For more legalities, see Chapter 14.



Who are the people in your neighbourhood?

Try to find an expert or helper right in your own town. Ask around your school, university or workplace, as well as any social venue you attend. Your neighbours may even be able to help you with various projects, including your online business . . . and your online business just may be able to help them too.

Just like finding a good tradesperson, positive word of mouth is the ideal way to find a reputable web designer.

If you're stumped and don't know anyone who's had their site built, try looking at some local websites that you like the look of – many

designers will place a small link to their portfolio at the bottom of the site's main page and they may well live nearby. You might be able to find some further examples of the designer's work. Can you find what you're looking for? Does the site load quickly and without errors?

Don't work in a vacuum. Get involved with mailing lists and discussion groups online. Make contacts through these mediums and strike up relationships with people who can help you. Try UK Business Forums (www.ukbusinessforums.co.uk) to start with and go from there.



If you do find a business partner, make sure that the person's abilities balance your own. If you're great at sales and public relations, for example, find a writer, web page designer or someone who's good with the accounts to partner with.

Gathering your team

Many fast-growing businesses are family affairs. For example, Dave Cresswell and his brother Steve started an online comic store, Comic Domain (www.comicdomain.co.uk), and husband-and-wife team Jean and Geoff Sewell turned their successful real-life craft shop, The Cotton Patch, into a successful online store (www.cottonpatch.co.uk).

Early on, when you have plenty of time for planning you probably won't feel a pressing need to hire others to help you. Many people wait to seek help when they have a deadline to meet or are in a financial crunch. Waiting to seek help is okay – as long as you realise that you probably *will* need help, sooner or later.



Of course, you don't have to hire family and friends, it's just that they'll probably be more sympathetic to your startup worries. They'll probably work harder for you and may even lend a hand for free.

If you feel you have to hire someone from the outside world, you must find people who are reliable and can make a long-term commitment to your project. Keep these things in mind:

- ✓ Because the person you hire will probably work online quite a bit, pick someone who already has experience with computers and the Internet.
- ✓ Online hiring works the same as hiring offline: you should always review a *curriculum vitae* (CV; or work history) get a couple of references, and ask for samples of the candidate's work.
- ✓ Choose someone who responds promptly and in a friendly manner and who demonstrates the talents you need.
- ✓ We can't stress how important it is to set timeframes and milestones on when you want things delivered – don't just agree on some wishy-washy dates. That way you'll know whether everything's going to plan.
- ✓ Ensure that you set boundaries before work begins and that you retain ultimate control of your website. The experts are there to help and guide you, but ultimately you're the one paying for the job.

Step 6: Designing and Planning Your Website

Even the most prolific eBay.co.uk sellers (see Chapter 10) usually complement their shop with their own website. Luckily, websites are becoming easier to create. You don't have to know a line of HTML in order to create an okay-looking web page yourself. (Chapter 5 walks you through the tasks involved in organising and designing web pages. Also, see Chapter 6 for tips on making your web pages content-rich and interactive.)



Make your business easy to find online. Pick an easy-to-remember web address (otherwise known as a *domain name* or a *URL*). If the ideal .com or .co.uk name isn't available, you can try one of the newer domain suffixes, such as .biz, but this suffix hasn't really hit mainstream consciousness yet. Plans are afoot for even more suffixes – a potentially limitless supply which means you could have .*yourbrandname* domain names. The impact of this remains to be seen – for now, .com and .co.uk names are still the most recognised. (See Chapter 3 and Chapter 8 for more information on domain name aliases.)

Making your site content-rich

The words and pictures of a website (as well as the products) are what attract visitors and keep them coming back on a regular basis. And the more compelling and useful the content, the higher your website ranks in search engines like Google – which results in more visits.

By compelling content, we're talking about words, headings or images that make visitors want to continue reading. You can make your content compelling in a number of ways:

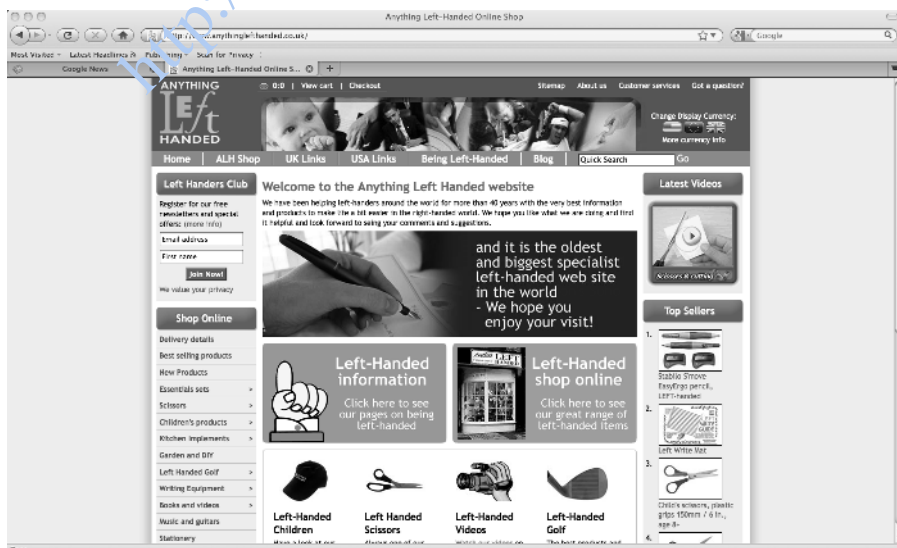
- ✓ **Call to action:** Provide a call to action, such as 'Buy two get one free' or 'Receive special offers. Subscribe to our weekly newsletter!'.
- ✓ **Encourage browsing:** Readers have short attention spans. Provide a link that explains how visiting parts of the site will benefit them. ('Visit our News and Offers page to find out how to win double discounts this month.')
- ✓ **Briefly and concisely summarise your business and its mission:** Make it sound important. Online bookstore The Book Depository (www.thebookdepository.co.uk) clearly and proudly proclaims 'Free delivery worldwide on all our books'.

- ✔ **Pictures:** Use a digital camera to capture images of your sale items (or of the services you provide), as we describe in Chapter 5, and post them on a web page.
- ✔ **Timely language:** Let people know your great deal won't last forever – for example 'Offer expires 30 April' or 'Don't miss out! Act now'.
- ✔ **Keep it 'above the fold':** You hear this phrase a lot in design circles. It refers to the content you see on screen before scrolling down. All your compelling content should be located here to catch the reader's attention. The term originates from the old-style broadsheet newspapers like the New York Times or the Daily Telegraph whose urgent headlines are situated at the top half of the page, above the newspaper fold.



Don't forget the personal touch when it comes to connecting with your customers' needs. People who shop online don't get to meet the shop owner in person, so anything you can tell them about yourself helps make the process more personal and puts your visitors at ease. For example, Keith and Lauren Milsom's left-handed products shop, Anything Left Handed (shown in Figure 1-2), welcomes the visitor by explaining how their online store is the oldest and biggest specialist left-handed website in the world. There's also a link to a popular blog that talks about the various issues, light-hearted or otherwise, that left-handed people (Kim included!) have using various objects. According to a post on their blog, even pencils are designed for right-handed people, because the printing on them is upside down when held in the left hand! This post presents a good opportunity for Keith and Lauren to plug their 'left-handed' pencil, designed to confuse people who hold it in their right hand. The logo on it reads: 'It's a left-handed thing, you wouldn't understand!'

Figure 1-2:
Personalise
your
business to
connect
with
customers
online, like
Anything
Left Handed.



Let your visitors know that they're dealing with real people, not remote machines and computer programs.

Sneaking a peek at other businesses' websites – to pick up ideas and see how they handle similar issues to your own – is a common and perfectly legitimate practice. Online, you can visit plenty of businesses that are comparable to yours from the comfort of your home office, and the trip takes mere minutes.



Copying other websites isn't clever and will land you in legal trouble, although no harm exists in gaining inspiration from what other people do well.

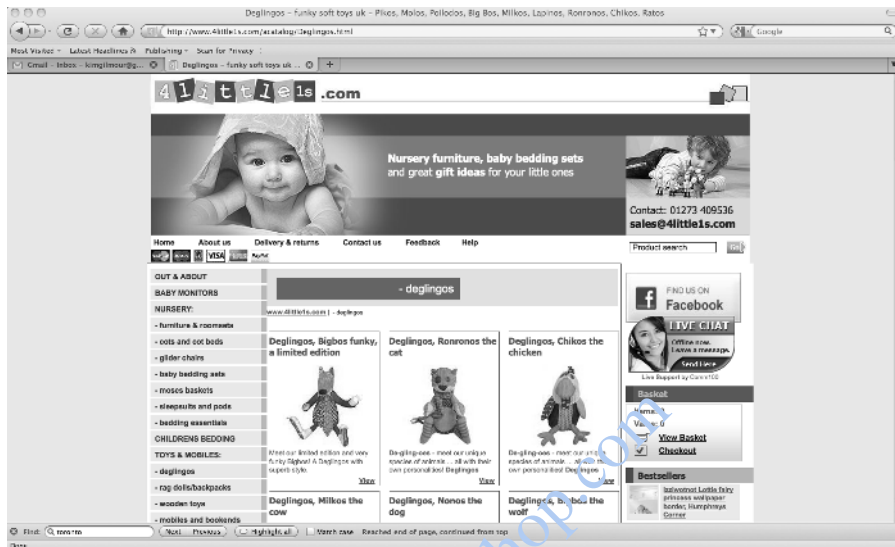
Establishing a brand and visual identity

When you start your first business on the web, you have to do a certain amount of convincing. You need to show customers that you're competent and professional. One factor that helps build trust is a visual identity. A site with an identity has a consistent look and feel no matter what part of the website you access. This is a lot easier to achieve in web design nowadays because of what's known as Cascading Style Sheets (CSS) – this is a file that defines the parameters of the pages on the website such as the column widths, fonts and their sizes, background images or colours, where the banner is placed and so on.

Should you ever decide to update your website's look and feel, you only need to edit the CSS file rather than every individual page. We talk more about this in Chapter 5. For example, take a look at Figure 1-3, as well as the example in the earlier sidebar 'Mama locates her online niche'. Both pages are from the 4Little1s website. Notice how in each the banner and sidebar are consistent in both images. Using these standard elements from page to page creates a brand identity that gives your business credibility and helps users find what they're looking for.

Establishing a brand is also important so your customers can feel immersed in your product. Take a look at a fashion or car magazine and look at the product advertisements. They convey a sense of luxury, aspiration and achievement. Ask yourself what you want *your* customers to feel when they use your product or service. Apart from the content, cool and warm colours, classic or contemporary fonts – these all make a difference. An architect might have a gallery of large photos that show off the buildings he's designed, each taken from a similar angle. And he might include a short bio of himself with a photo working or consulting with a client, as a way of showcasing his professionalism.

Figure 1-3: Through careful planning and design, the 4little1s site maintains a consistent look and feel, or visual identity, on each page.



Testing your website

Unleashing your website to the world without giving it a test run can cause all sorts of issues. How easy is it for people to find what they're looking for? If you're too close to our own product, you can sometimes miss the obvious – for example, you might have categorised a product for sale in an area that makes sense to you, yet customers would never think to look there. Where do you think *your* visitors go?

Then you have the various browsers, such as Internet Explorer, Firefox, Safari and Chrome, that people use to access the web; not to mention the multiple mobile devices like Android phones and iPhones. Can your website display effectively on all these?



Typically, when Kim talks to both web design agencies who work for global clients as well as small businesses who've created a successful website on a shoestring, the only difference in their approaches is scale. Testing is important and doing it needn't be a mammoth effort. For example, a large company might get a number of focus groups to assess a preliminary website design or test-drive an early version of it, whereas you might ask some family and friends to look at a few sketches. Or you could give your site a technical check-up for free on sites like www.w3.org. We explain some low-fi techniques in Chapter 5.

Step 7: Process Your Sales

Many businesses go online and then are surprised by their own success. They don't have systems in place for completing sales, shipping goods in a timely manner, and tracking finances and stock.

An excellent way to plan for success is to set up ways to track your business finances and to create a secure online purchasing environment for your customers. That way, you can build on your success rather than be surprised by it.

Providing a means for secure transactions

Getting paid is the key to survival, let alone success. When your business exists online only, the payment process isn't always straightforward. Make your website a safe and easy place for customers to pay you. Provide different payment options and build customers' level of trust any way you can.

Although the level of trust among people who shop online is increasing steadily, a few web surfers are still squeamish about submitting credit-card numbers online. And fresh-faced businesspeople are understandably intimidated by the requirements of processing credit-card transactions. In the past, many online businesses used simple forms that customers had to print and mail along with a cheque. This arrangement is a pretty rare practice nowadays, because it slows down what should be a lightening quick transaction. Handling transactions in this manner today will raise some eyebrows among your customers and many will go elsewhere.

You can use numerous types of transaction software. PayPal and Google both operate their own, for example, and a host of independent businesses have also set up cheap alternatives. These services take a small percentage of the money you make every time you complete a sale; some are even free to set up – PayPal makes it easy for you to place 'Buy Now' buttons under your products. Customers expect to see this kind of transaction software when they shop online; gone are the days when the majority of e-shoppers paid over the phone or by post.

When you're able to accept credit cards, make your customers feel at ease by explaining what measures you're taking to ensure that their information is secure. Such measures include signing up for an account with a web host that provides a *secure server*, a computer that uses software to encrypt data and uses digital documents called *certificates* to ensure its identity. (See Chapters 7 and 11 for more on Internet security and secure shopping systems.)

The online payment service WorldPay lets small- and medium-sized businesses easily accept online payments, and it works with all major e-commerce software like Actinic or osCommerce. The process goes like this: when shoppers want to make a purchase, they use a *shopping trolley* or *cart* that acts as an electronic ‘holding area’ for items before they’re purchased. Next, people can safely enter credit card and other personal information. The note stating that the payment area is protected by Secure Sockets Layer (SSL) encryption tells people that, even if a criminal intercepts their credit-card data, he won’t be able to read it. Details are authenticated and checked for fraud by a system known as a *payment gateway*, and finally settled so funds are credited to the bank associated with the business’s *internet merchant account*.



Safeguarding your customers’ personal information is important, but you also need to safeguard your business. Many online businesses get burned by bad guys who submit fraudulent credit-card information. If you don’t verify the information and submit it to your bank for processing, you’re liable for the cost. Your payment gateway should check for fraud, but strongly consider signing up with a service that handles credit-card verification for you in order to cut down on lost revenue. The Anything Left Handed website (see the earlier section ‘Making your site content-rich’) uses a company called The 3rd Man to do an ‘offline’ fraud check for extra peace of mind.

How not to cook your books

What does *keeping your books* mean, anyway? In the simplest sense, it means recording all your business’s financial activities – in other words, your incomes and outgoings, including any expenses you incur, all the income you receive, as well as your equipment and tax deductions. The financial side of running a business also means creating reports, such as profit-and-loss statements, that banks require if you apply for a loan. Such reports also give you good information about how well business is going, and where (if it all) things need to improve.

You can record all this information the old-fashioned way by writing it in ledgers and journals, or you can use a spreadsheet (like Microsoft Excel), or you can use accounting software. (See Chapter 15 for some suggestions of easy-to-use accounting packages that are great for financial novices.) Because you’re making a commitment to using computers on a regular basis by starting an online business, using computers to keep your books too is only natural. Accounting software can help you keep track of expenses and provide information that may save you a headache when the tax authorities comes knocking.



After you’ve saved your financial data on your hard drive, make backups so that you don’t lose information you need to do business. See Chapter 7 for ways to back up and protect your files.

Step 8: Provide Personal Service

The Internet, which runs on cables, networks and computer chips, may not seem like a place for the personal touch. But it's exactly that.

You might have heard the term *web 2.0*, a buzz word that describes the current socially-focused, collaborative websites that make it easy to communicate and share information and ideas with people around the world. With broadband and smart phones effectively meaning people are always contactable and 'on', don't be surprised if people get impatient if you don't respond within a day.

Technology didn't actually create the Internet and all its content; *people* did that. In fact, the Internet is the perfect place to provide your clients and customers with outstanding, personal customer service.

In many cases, customer service on the Internet is a matter of being available and responding quickly to all enquiries. You check your email regularly and respond promptly; you cheerfully solve problems and hand out refunds if needed.

By helping your customers, you help yourself too. You build loyalty as well as credibility among your clientele. For many small businesses, the key to competing effectively with larger competitors is to provide superior customer service. See Chapter 12 for more ideas on how you can offer great customer service.

Sharing your expertise

Your knowledge and experience are among your most valuable commodities. So you may be surprised when we suggest that you give them away for free. Why? It's a *try-before-you-buy* concept. Helping people for free builds your credibility and makes them more likely to pay for your services down the road.

We talk more about ways you can share your expertise and gain customers in Chapter 6. If you're an accountant, you could post advice pieces to fledgling entrepreneurs on blogs or news sites for free. Why free? Because visitors will remember sound advice down the line when they need to pay for financial expertise.

When your business is online, you can easily communicate what you know about your field and make your knowledge readily available. One way is to set up a web page that presents the basics about your company and your

field of interest in the form of Frequently Asked Questions (FAQs). Another technique is to create your own email newsletter in which you write about what's new with your company and about topics related to your work. You could also set up a Facebook page dedicated to your business – if people become a 'fan' of your page, you can then broadcast updates that appear in their news feed. See Chapter 12 for more on communicating your expertise through FAQs, newsletters and advanced email techniques.



Greg's brother, who runs his own web business, was sceptical when Greg recommended to him that he include a page full of technical information explaining exactly what equipment he uses and describing the steps involved in audio restoration. He didn't think anyone would be interested; he also didn't want to give away his 'trade secrets'. *Au contraire, mon frère!* By and large, people who surf the Internet gobble up all the technical details they can find. The more you wow them with the names and model numbers of your expensive equipment, not to mention the work you go through to restore their old records, the more they'll trust you. And trust will get them to place an order with you. This approach doesn't necessarily work with any business; it often makes sense to keep things simple. But if you're selling a technical service – in other words anything that people are unlikely to understand easily – don't be afraid to let people know just how gifted you have to be to perform the task!

Making your site appealing

Entrepreneurs succeed by making their websites not only a place for sales and promotion but also an indispensable resource, full of useful links and other information, that customers want to visit again and again.

The Anything Left Handed website shown in Figure 1-4 (see the earlier section 'Making your site content-rich') has a comprehensive section on being left-handed – this explains everything from how products such as left-handed scissors and knives work, to how to make things easier for left-handed children. Some blog posts are hugely popular. 'Our left-handed articles are always very well received,' owner Keith Milsom says, 'and end up with hundreds of comments on them, which, apart from increasing the amount of content on our page, usually generates more ideas for new content than we ever have time to create.'



For any online business, knowing the names and addresses of people who visit and who don't necessarily make purchases is a gold mine of information. The business can use the contact information to send members special offers and news releases; the more regularly contact is maintained, the more likely casual shoppers or members will eventually turn into paying customers.

Figure 1-4:
The left-handed site has a comprehensive, free resource to being left-handed.



You will, of course, need to ensure that visitors have *consented* to receive marketing material. Under data protection law, whenever you gather personal information such as a name and email address, you need to give people an opportunity there and then to opt-out from receiving further communications.

The concept of membership also builds a feeling of community among customers. By turning the e-commerce site into a meeting place for members who love Texas musicians, Lucky Boyd's MyTexasMusic.com helps those members make new friends and have a reason to visit the site on a regular basis. Community building is one way in which commerce on the web differs from traditional brick-and-mortar selling, and it's something you should consider too.

Another way to encourage customers to congregate at your site on a regular basis is to create a dedicated discussion area known as a *forum*. You can also display a Facebook 'Like' button on your site or a Google '+1' so visitors can become a fan of your page by just pasting a small bit of code on to your web page.

Emailing your way to the top

Email is, in our humble opinion, the single most important marketing tool that you can use to boost your online business. Becoming an expert email user increases your contacts and provides you with new sources of support too.

The two best and easiest email strategies are the following:

- ✓ Check your email as often as possible.
- ✓ Respond to email enquiries immediately.

Additionally, you can email enquiries about co-operative marketing opportunities to other websites similar to your own. Ask other online business owners whether they'll provide links to your site in exchange for you providing links to theirs. And always include a signature file with your message that includes the name of your business and a link to your business site. See Chapter 12 for more information on using email effectively to build and maintain relations with your online customers.

Note: We're encouraging you to use email primarily for one-to-one communication. The Internet excels at bringing individuals together. Mailing lists, desktop alerts and newsletters can use email effectively for marketing too. However, we're *not* encouraging you to send out mass quantities of unsolicited commercial email, a practice that turns on almost all consumers and that can get you in trouble with the law too.

Step 9: Promoting Your Business

The Internet is a noisy place, and the people who shout the loudest aren't usually the ones who get noticed – or rather, people will make a point of ignoring them because what they're saying is simply irrelevant. What's great about the Internet is that it's so easy to target niche demographics in a meaningful and relevant way.

To be successful, small businesses need to get the word out to the people who are likely to purchase what they have to offer. If this group turns out to be a narrow demographic, so much the better; the Internet is great for connecting to niche markets that share a common interest.

The Internet provides many unique and effective ways for small businesses to advertise, including search services, email, blogs, forums, electronic mailing lists and more.

Ensuring you're seen by search engines

How, exactly, do you get a highly ranked listing on the search engines such as Yahoo!, Bing and Google? Frankly, it's getting more difficult.

Getting your site ranked highly is big business, with specialist companies optimising the content on your pages to ensure that search engines place more relevance to *your* page as opposed to someone else's. Your website needs to be in ship-shape: no duplicate content, technically sound, free of bugs, regularly updated, relevant key words and so on. This practice (or art, depending on how you look at it) is called *search engine optimisation*, or SEO, and is a major part of your marketing toolkit. Some design agencies work together with SEO companies; or you could take a look at some great sites and blogs dedicated to search engines such as the long-running Search Engine Watch (www.searchenginewatch.com) and the popular blog of Kim's former colleague Malcolm Coles at www.malcolmcoles.co.uk.

We explain how search engines index your site in Chapter 13. Because the system is open to abuse, the way search engines rank your pages is extremely complex. Google has a free website optimiser (www.google.com/websitewizard) that can help identify problems in the structure of your web page.

Advertising your website

Your website may be the cornerstone of your business, but if nobody knows it's out there, it can't help you generate sales.

The most familiar forms of online advertising are the *banner ads* (which run across the top of websites) and *skyscrapers* (which run vertically down the side of pages).

The sponsored, text-based advertisements that you find when conducting searches online or while browsing the web are affordable ways for you to advertise your website. The advertisements always relate to the type of thing the person is looking for or to the content of the page, so they're likely to be relevant.

This kind of advertising, currently led by Google, is called *pay per click* advertising. You only pay when someone clicks on your link, as opposed to paying just for the privilege of displaying your website. How much you pay depends on how much you're prepared to bid on certain search keywords, such as *holiday*, *Cotswolds* or *bed and breakfast* – it could be as little as £1 a click or as much as £5. The more money advertisers are prepared to pay, the more prominently their ads tend to appear.

Many small businesses put aside a budget to market their websites in this way, but targeting the right market can be hit and miss, so you need to be prepared to do your competitor research and take a look at some of the handy hints on websites such as Search Engine Watch (www.searchenginewatch.com).

You can advertise your website in loads of other places – Google Places lets you list it for free on its maps, and Yahoo! local will also place your business in its directory.

Chapter 12 contains everything you need to know about marketing with email newsletters.

Writing and sending a press release

Alerting the media to your new venture takes a lot of leg work, but if it means coverage in the long run – which in turn leads to sales – then it's all worth it.

Simply writing a release that says you've launched a business is no good. Is there some original research you've conducted with juicy stats that you can tie in to your website? Does your website sell something unusual and exclusive, such as a novelty gift that a journalist might want to feature in a Christmas buying guide?

A number of companies out there will distribute your press release, but it's a good idea to manually collate the contact details of a publication's features or news editor.

Using social media to create a buzz

You've heard all about Twitter and Facebook – and now Google Plus – these are powerful *social media* tools to help you promote your business.

Through these websites, you can communicate to your followers both on a one-to-one and a one-to-many basis. They can communicate back too. Perhaps they want to praise your product or offer up some constructive criticism.

Having your business out there, warts and all, can seem daunting if you know it's going to be a public target. But being on these websites puts you on the same footing as your customers. Look at the thousands of celebrities who have their own Twitter accounts. They often respond personally to fans, making people feel closer to them. Much of the time, negative comments can be turned into positives. If people know you've responded quickly (and as best you can) to any enquiries or complaints, they'll have trust in your brand.

Twitter lets you post updates of up to 140 characters called *tweets*. Thousands of tweets go on every second, so whatever you say should probably be witty, practical, exclusive or smart – that way people can *retweet* what you say to *their* follows, generating a snowball effect. That's what we mean about creating a buzz.

Step 10: Review, Revise and Improve

We go into more details about tweeting and a whole lot more in Chapter 9.

For any long-term endeavour, you need to establish standards by which you can judge its success or failure. You must decide for yourself what you consider success to be. After a period of time, take stock of where your business is and then take steps to do even better.

Taking stock

After 12 months online, web entrepreneur Lucky Boyd took stock. His site was online, but he wasn't getting many page views. He redid the site, increased the number of giveaways, and traffic rose. Now, he's preparing to redo all his web pages with the Hypertext Preprocessor programming language (PHP).



HTML is a mark-up language: it identifies parts of a web page that need to be formatted as headings, text, images and so on. You can use HTML to include scripts, such as those written in the JavaScript language.

By creating pages from scratch using scripting languages like PHP you can make a site more dynamic and easier to update as opposed to the more 'static' HTML pages. You can rotate random images, process forms and compile statistics that track visitors by using PHP scripts, for example (although Google Analytics makes it a cinch to discover these facts and figures by pasting a small bit of code onto your web pages). The best thing about dynamic languages like PHP is that you can design web pages in a modular way so that you redesign and revise them more quickly than with HTML.

Another popular technique used on many web pages is called Ajax. This makes websites faster and more dynamic because they retrieve information in the background without you realising it. Services like Google Maps, where you can seamlessly zoom in to a location as if it's the most natural thing in the world, is one example of Ajax in action.

When all's said and done, your business may do so well that you can reinvest in it by buying new equipment or increasing your services. You may even be in a position to give something back to not-for-profits and those in need. Perhaps you'll have enough money left over to reward yourself too – as if being able to tell everyone 'I own my own online business' isn't reward enough. Who knows, you might even be featured in the next edition of this book!



The truth is, plenty of entrepreneurs are online for reasons other than making money. That said, it *is* important from time to time to evaluate how well you're doing financially. Accounting software, such as the programs that we describe in Chapter 15, makes it easy to check your revenues on a daily or weekly basis. The key is to establish the goals you want to reach and develop measurements so that you know when and if you reach those goals.

Updating your data

Getting your business online and then updating your site regularly is better than waiting to unveil the perfect website all at once. In fact, seeing your site improve and grow is one of the best things about going online. Over time, you can create contests, strike up relationships with other businesses and add more background information about your products and services.

Businesses on the web need to evaluate and revise their practices on a regular basis. Lucky Boyd of MyTexasMusic.com (see the earlier sidebar 'Keeping track of your inventory') studies reports of where visitors come from before they reach his site, and what pages they visit on the site, so that he can attract new customers. These types of statistics should also reveal what page people are on when they *leave* your site, whether a visit converts to a sale and whether they're repeat visitors and much more. Online business is a process of trial and error. The point is that experimenting with what promotions works and what don't needs to be an ongoing process and a long-term commitment. Taking a chance and profiting from your mistakes is better than not trying in the first place.