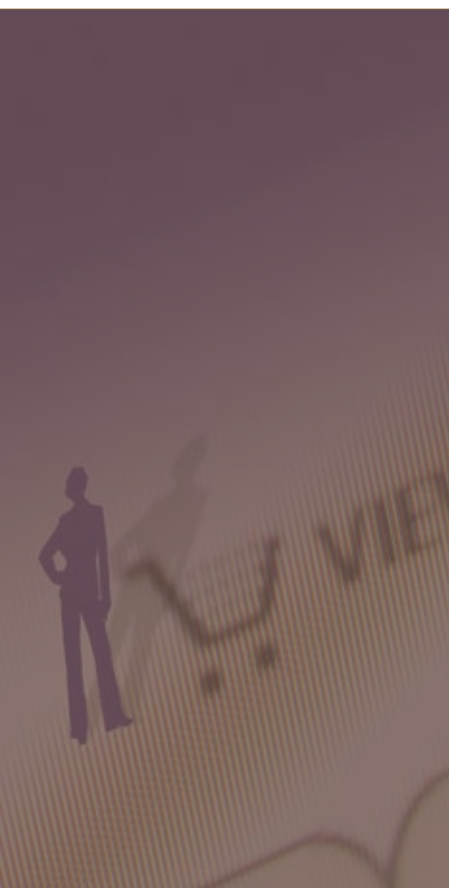


Turn Your E-Commerce Site into a Business



Contents...

Turn Your E-Commerce Site into a Business



2

2 What You Need to Set Up Shop Online



4

4 Enhance Your Web Shop



6

6 An Introduction to Payment Gateways



8

8 How to Protect Your Business Against Cyber Fraud



10

10 Search Engine Optimization Tips



13

13 Decision-Page Metrics: Measuring the Moment of Truth

What You Need to Set Up Shop Online

By Vangie Beal

If you were to look at 10 different retail sites online you'd probably notice small to drastic differences between each of the sites. While they all offer products for sale, the features, functions, and options available to customers will differ.

Regardless of how big or how small a retail Web site is, all e-commerce sites have the same basic fundamental building blocks that enable them to work. From choosing a domain name to accepting and processing credit card payments online, Web retailers have a lot of work to do before they can hang their open-for-business sign.

If you were planning to open a physical store, one thing you would plan early on would be your business name and location. Online, you need to register a domain name, find a service provider to host your site, and you also need to design the Web site itself.

A domain name, is what identifies you on the Web. Consumers will type your domain name (e.g., e-commerceguide.com) into their browser to visit your site. Domain names must be registered with a domain name registrar. At one time there was only one domain name registrar—Network Solutions, Inc.—but today there are dozens of accredited registrars.

Web Site Hosting and Design

The next step is to think about where you want to host your retail site. There are a number of issues to consider when you choose a host, but the best way to choose is based on your own level of expertise.

If you are a business owner and have very little technical know-how, then you will probably want to consider an e-commerce host that provides you with everything you need in one package. This would include site building tools (via customizable templates and an easy wizard-based interface), shopping cart, security, reporting tools and, often-times, the merchant account and card processing gateway.

The other option, if you decide not to use a full-service commerce provider, is to design your own Web site or hire a site designer. Costs will vary and designing your own site may be more expensive; however, the main benefit of doing it yourself is that your site will look unique, it will be customizable, and it will encompass all the features

you want.

Expect to pay a monthly hosting fee. Some e-commerce hosting providers may charge percentage-of-sales or per-transaction fees. Hiring a designer can be expensive, and



If you are a business owner and have very little technical know-how, then you will probably want to consider an e-commerce host that provides you with everything you need in one package.

you may need to bring him or her back for future updates and changes.

If you choose a full-service commerce provider, many of the Web shop building blocks we discuss will be included in your hosting package. Still, you should learn the e-commerce lingo and understand how these e-commerce fundamentals interact and rely on each other.

Making Online Transactions Work

To conduct financial transactions online you need two things; the first is a merchant account, which allows you to accept credit card payments from customers. To obtain a merchant account, most people—provided they are a registered business and have proof of that—can apply for a merchant account at a local bank. If you choose to use a hosted solution then you may be able to obtain a merchant account through the provider.

The second item you need for online transactions is a payment gateway. This is the system that automates the payment transaction between you (your bank) and the shopper. A payment gateway will process, verify and accept or decline credit card transactions on your behalf through secure Internet connections. Payment gateways should meet all industry standards and regulations, including PCI.

Expect to pay a subscription fee (yearly or monthly) plus per transaction fees to the service provider and the credit card issuer used for the transaction.

Shopping carts, as an e-commerce topic, get a lot of hype—but for good reason. Without a shopping cart it would be quite difficult for anyone to make a purchase at your online store. The shopping cart is basically software that acts as the interface between your Web site and its deeper infrastructure. It allows consumers to select merchandise; review what they have selected; make necessary modifications or additions, and then purchase the merchandise.

Hosted commerce providers may offer customizable carts for your site, but if you are designing it yourself then you need to choose a cart that supports the options you want for your store.

When looking for a cart you have to consider the overall

cost, any caps on the number of products you can list, and make sure it offers standard features such as automated shipping and tax calculations. You also want a cart that offers a range of check-out options for your customers and that supports your payment gateway.

Expect to pay a subscription fee (yearly or monthly) plus a per-transaction fee.

E-Commerce Site Security

One thing that you absolutely cannot overlook is site security and safeguarding your customer's information.

When looking for a cart you have to consider the overall cost, any caps on the number of products you can list, and make sure it offers standard features such as automated shipping and tax calculations.

Since its introduction in 1994, SSL (Secure Sockets Layer) has been the de facto standard for e-commerce transaction security. SSL encrypts data—like credit cards numbers and other personally identifiable information.

E-commerce site owners obtain SSL security for their Web sites through a SSL certificate that they purchase from a Certificate Authority (CA). The SSL certificate sits on a secure server and encrypts the customer's personal data. It also identifies your Web site during transactions.

The SSL certificate helps prove the Web site belongs to who it says it belongs to and contains information about the certificate holder, the domain that the certificate was issued to, the name of the Certificate Authority who issued the certificate and the root and the country in which it was issued.

Expect to pay a yearly subscription fee (or monthly with a hosting package).

Beyond the Basics

These seven fundamentals, the domain name, hosting, site design, merchant account, payment gateway, shopping cart, and security certificate, make up the basic foundation that retail sites are built upon.

However, there is more to e-commerce than just these basic requirements. You need to consider search engine optimization, analytics, tracking, customer support, e-mail marketing, and many other issues to maintain and expand your Web shop to make it profitable. ■

Enhance Your Web Shop

By Vangie Beal

In the previous article we discussed the basic fundamental building blocks of an e-commerce Web site. These include the domain name, site hosting and design, merchant account, payment gateway, shopping cart, and site security.

But retail Web sites need to go beyond these basic elements to be successful. As the site owner, you need to grow your online business and enhance the on-site experience for your customers. You will also want to work on increasing traffic to your site and acquiring new customers.

Let's look at five e-commerce services and solutions that can help you better manage and grow your online retail business.

Web Site Analytics

Web site analytics software provides insight to Web site traffic. The data obtained through a Web analytics program can help you better understand who visits your site, where visitors come from and which pages they visit. You'll be able to see what keywords people searched with to find your site, how long they stayed on a given page or on the entire site, what links they clicked on and when they left the site.

Analytics software also tells you where people leave your site; this can help you identify a problem with your shopping cart or help you understand why you aren't making higher conversions.

Some programs are free while others require a monthly or one-time subscription fee.

Search Engine Optimization

Now that you have an e-commerce Web site, one of the biggest obstacles you face is making sure your site gets a good placement in natural search engine results. This is where search engine optimization (SEO) comes in handy.

In a nutshell, SEO is the process of increasing the number of visitors to your Web site by having your pages rank higher on a search engine results page (SERP). The higher a Web site ranks in the search results, the greater the chance that people will visit that site.

Google owns the largest share of Internet searches, so most sites optimize for Google first. Some business owners may invest in hiring an SEO expert, but if you have a small budget to work with, there are many things you can do on your own to boost your rank in search engines.

Remember that while SEO gets a lot of hype, it should not be the No. 1 focus. A search engine can direct traffic to your site, but if you don't have a great design and quality products, people won't stay and shop no matter how much you have invested in SEO. Invest in your site functionality and design first, and then get started on optimizing your e-commerce site.



“ The data obtained through a Web analytics program can help you better understand who visits your site, where visitors come from and which pages they visit. ”

E-Mail Marketing

E-mail marketing is more like a venture all on its own—not just another element of doing business online. When done well, it's an effective way to keep in touch with your customers. By offering newsletter sign-up boxes on your site you can acquire a subscriber list, and then send out promotions and special offers to increase sales.

You need to use good judgment when e-mailing newsletters or you run the risk of spamming your list. Industry reports indicate that the most successful campaigns contain a good mix of knowledge and sales promotions.

Many site owners use an e-mail marketing software package to handle their campaigns. This type of software automates the process, ensures that you comply with the U.S. CAN-SPAM Act with every e-mail you send, handles all unsubscribe requests, plus it will provide you with analytical information—like who clicked which links and who made purchases based on your campaign. You can't easily obtain this data cannot when you do e-mail campaigns by hand.

When looking for an e-mail marketing solution, start-up costs are usually quite cheap, but subscription prices tend to be directly linked to the number of e-mails you send out.

Remember that as your business grows so will your subscriber list. Find out what kind of pricing the provider offers for subscriber lists of 5,000, 10,000, and higher. Also, make sure the solution you choose has features like customizable templates, analytics to see at least click and open rates, and the capability to segment lists and to do A/B split testing.

Most platforms are a monthly subscription fee based on the number of e-mails you send. Volume discounts are usually provided.

Product Reviews

People love to voice their own opinion on a product in a public forum. Product reviews are almost a standard for online retail shops, and savvy Web shoppers expect a retail site to offer product reviews.

Product reviews give customers an opportunity to rate and comment on products they have purchased. Not only will positive product reviews from consumers help boost sales,

the actual text of a product review can help you with SEO efforts, as a review will often have user-generated content not found in your own product descriptions.

A hosted service is the easiest way to offer customer product reviews on your e-commerce site. These solutions will provide you with tools to monitor and filter reviews, display reviews on your pages, and also connect to your customer list so an invitation to submit a review can be sent out in the days following a transaction. Hosted solutions are easy to use, and you can usually integrate them into your site easily with copy-and-paste code.

Small e-tailers can add product reviews to their site for as little as \$20. The initial fee usually allows a set number of reviews (e.g. up to 1,000) then you pay in volume pricing after you surpass the number of reviews in a basic subscription account.

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Live Chat/Support

Live chat, also called live support, is a Web service that lets you chat with site visitors in real time using text-based chat windows. One of the most common uses of live chat software is for customer support.

When a customer has a question, they can click the live chat button on your site and immediately connect with your customer service representatives. Live

chat is used to make customer service more efficient: it is faster than e-mail support, and one rep at your office can manage six or more customer chat sessions simultaneously.

Live chat applications have evolved over the past few years. In addition to using them for customer support, some chat services may offer analytics to help you figure out where a customer is on your site and what product he or she is viewing. In this case your customer service representative can initiate the contact with the customer—like a sales associate in a retail store—to see if he or she needs assistance.

Monthly subscriptions are on a per-operator basis, with pricing starting around \$30 per month. Most services offer a free-trial.

E-commerce services and software build upon the basic foundation of your retail site. Over time you can incorporate new site features to enhance a shopper's on-site experience and gain a better understanding of your customers using analytics. ■

An Introduction to Payment Gateways

By Mark Baartse

Virtually all e-commerce sites accept credit cards as their primary form of payment. To accept credit cards, you need a merchant account with a bank. A payment gateway is simply a service that connects your Web site with the bank. While there's a bit more to it than that, in essence that's all it is – a way to take payments online.

Typically, when a customer enters credit card details on your Web site, those details are sent to the payment gateway, which then does some hard work in the background and processes (or rejects) the transaction. It then tells your shopping cart whether the payment was accepted or rejected. All this happens in a few seconds while the customer is waiting. The money is then transferred to your bank account – when that happens depends on the terms of your service.

It's a diverse industry and the description above is the most common scenario, but there are many variations on it.

There are three basic types of payment gateways. The first is an API (Application Programming Interface). This means that the customer never sees the payment gateway Web site – your shopping cart talks to it seamlessly in the background. This is generally the best option as it's a transparent experience for the shopper, rather than being transferred to

another site at the crucial moment of taking the money.

APIs sound a bit scary, but your shopping cart vendor should have done the hard work to support it, so there's very little work for you, the shop owner, to do. The only catch with this option is you'll need a secure certificate installed on your server. These start at around \$100 per year and work their way up quickly.



The second type is a third-party payment gateway. The customer starts the checkout process on your site, but completes payment on the payment gateway site. While this can be simpler to setup in some cases, the experience is unsettling for the customer, and you'll probably lose a few sales. Some third-party payment gateways allow you to customize the page design.

There are also integrated payment gateways. In this scenario, you don't need a merchant account from your bank – the payment gateway does everything for you. For start-up businesses, this can be an easy start. Generally the fees are higher for an integrated service, but the trade-off is simplicity for the shop owner.

How to Choose a Payment Gateway?

The first thing you need to know about a gateway is whether

Typically, when a customer enters credit card details on your Web site, those details are sent to the payment gateway, which then does some hard work in the background and processes (or rejects) the transaction.

your shopping cart supports it. Unless you want to do some programming, you need to check for support. Most shopping carts support at least a dozen gateways, so check the list on your shopping cart vendor's Web site.

Different payment gateways support different features. The most common features that you might need include:

Fraud detection: If your business is susceptible to a lot of fraudulent transactions (for example, you sell digital goods or mobile phones) then you should ensure your chosen gateway has fraud detection technology. You may pay a little extra for this, but it could be worth it. A shop selling women's fashion will have far fewer fraud problems, so the extra cost (if there is one) may not be worth while. Additionally, if your business is classed as "high risk" – especially adult sites – many gateways won't take your business.

Virtual terminal: This is a place where you can log in and manually process transactions among other things. For example, if you do phone orders, a virtual terminal may be important.

Recurring fees: If you have a service that takes regular payments – a monthly subscription for example – make sure your gateway supports this.

Fees: Of course, the fees the payment gateway charge are important. Be careful as there are a range of fees, and some

services can get pretty imaginative on how to charge you. Fees might include a setup fee, monthly/yearly fee, fee per transaction (fixed or percentage), withdrawal fees (getting charged to get paid – amazing!), chargeback fees (these can add up quickly), fraud detection fees and possibly more. You'll need to have an estimated number of transactions per month before you start to work out the best service for you.

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There are many other issues to consider, such as accepting foreign currency, so you need to look at your individual requirements.

Setting Up a Gateway

Generally, setting up a payment gateway is easy. When you sign up, they'll usually give you a customer ID, API key, or similar. You go into your shopping cart, choose the payment gateway you've signed up for, and enter the details provided. That's it!

There's usually a "test mode." This means the shopping cart will be integrated with the payment gateway, and will talk to it, but won't actually process the transaction. Sometimes they have a special credit card number for test mode (Visa card 4111 1111 1111 1111 is a popular one) – check with your payment gateway for more details.

Choosing a payment gateway can be tricky. But apart from sign-up fees (which can often be waived if you ask nicely), it's not too hard to switch to another if your service isn't performing well. With easy integration and low barriers to switching, it's a buyer's market out there. ■

Botnet herders continuously move the location of a Web site, e-mail source, or DNS server from one zombie computer to the next, never staying in one place more than several minutes. This makes it extremely difficult to locate and shut down illegal activities and sites.

Social Networking Scams

According to Reuters, Facebook and its 200 million customers has become one of the most dangerous places on the Internet, replacing MySpace as the favorite social networking target for cyber-predators.

Scammers break into Facebook accounts posing as friends, and then direct them to Web sites that harvest personal information and spread viruses.

Facebook has an advantage over e-mail systems in that once it detects a spam message they can delete it from all inboxes on the site. Still, Facebook issues this caveat among its terms of use: "We do our best to keep Facebook safe, but we can't guarantee it."

Romanian Ruse

Online auction fraud has become a cottage industry in tech-savvy Romania. In November 2006 the FBI declared most eBay fraud traceable to "Romania or Romanians." More than a year later eBay sent detectives to Romania – to no avail as Internet fraud still ranks with human trafficking and drug smuggling as the main crimes in Romania. The fraudsters tend to work out of small towns away from the increased police scrutiny in Bucharest.

The above is just one depiction of the many fraud perils lurking on the Internet. Here are a few precautions you can take to minimize your exposure:

Never pay for anything online by Western Union, money gram, or bank wire transfers as the money is virtually unrecoverable with no recourse for the victim. eBay will not even allow sellers to put the words "western union" in an item description

While many legitimate buyers use free e-mail services that do not require a credit card to open the account, so do scammers. Be wary as the free accounts show a higher percentage of Internet fraud than do paid Internet server accounts or a company e-mail address.

Laws in other countries may be quite different than those in the U.S. Refuse U.S. buyers or sellers who claim they're out of the country and request goods or money sent overseas.

Always try to obtain a seller's physical address rather than just a phone number or post office box. Call the seller to make sure the phone number works.

Google Maps' Street View can help accurately assess the risk of fulfilling a suspicious cc order. If the address looks like an abandoned building, call to determine if the cardholder actually made the purchase.

To fight click fraud, businesses should monitor order velocity for multiple orders placed within the same day, hour or even minute, typically appearing from one device, address, credit card or user ID.

"Friendly fraud" involves a buyer claiming he never purchased or received an item. A delivery confirmation form will establish that an item is delivered for PayPal transactions, but insurance or registration on international orders can be prohibitively expensive. Cast a wary eye on orders from known fraud hotbeds such as Eastern Europe, Russia and China, to name a few, but be aware that fraud gangs now operate out of most every-

where.

Escrow services are not practical for small ticket items. Minimum transaction fees typically start at \$25 and go up to \$63 for every \$1,000 of value for credit cards and \$32 per \$1,000 for wire transfers. But for piece of mind when purchasing big ticket items, it's wise to use a reputable escrow service. Escrow.com is fully licensed and registered, and while there are other services licensed in other states, Escrow.com is the only online escrow company that eBay approves (see the company's fee calculator). Be sure to check services carefully as there are many more that are fraudulent.

Careful spelling is the first step in avoiding typo-squatting scams. Businesses victimized by typo-squatters can seek recourse with the Federal courts, which have increasingly ruled against the cyber squatters for domain name infringement.

A good resource for monitoring the latest scams is Look-TooGoodToBeTrue.com. ■

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Scammers break into Facebook accounts posing as friends, and then direct them to Web sites that harvest personal information and spread viruses.
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Search Engine Optimization Tips

By James A. Martin

A few years ago, John W. Tuggle made about \$19,000 annually giving private guitar lessons. He had to work another job, too, in order to bring in more money.

Today, Tuggle makes \$100,000 a year “and it just keeps going up,” he said. Plus, he no longer has to offer private lessons or work a second job, which gives him much more free time.

How did Tuggle do it? He hired a professional design firm to build a Web site, Learning Guitar Now, from which he sells prerecorded blues and slide guitar lessons on DVD. Tuggle also records podcasts for iTunes and creates videos for YouTube.

And to draw traffic to his site, Tuggle researched and continually refines the keywords he uses to optimize his Web pages for Google and other search engines.

Search engine optimization (SEO) can be a powerful tool to help potential customers find your site. “If you don’t do SEO, you probably won’t be found on Google,” Tuggle said. “And if you’re not found on Google, you’re losing about 65 percent of your potential customers from the Internet.” Currently, 65 percent of all search queries are performed on Google, according to comScore.

So what exactly is SEO? What’s involved in doing SEO? And how can you tell if your SEO efforts are working?

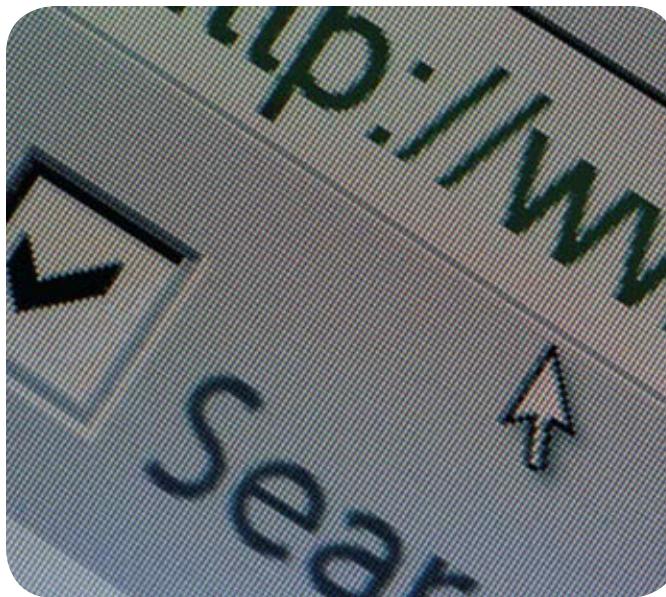
SEO Basics

SEO is an ongoing process in which you proactively use strategic keywords, links, HTML tags, and other techniques to increase the chances a page or site will organically land at or near the top of search result pages.

Organic, i.e., unpaid, search result rankings are not the same as Pay Per Click (PPC) campaigns. In a PPC campaign, you pay Google or other search engines to display a small text ad when someone performs a search using your chosen keyword or phrase. Many people who use search engines give more weight to organic results than they do to PPC ads.

SEO is important because there are billions of Web pages, and “the majority of people don’t click past the first

two pages of search results,” said Matt McGee, a Search Engine Land editor, search marketing consultant and author of the Small Business Search Marketing blog. “In fact, most people only click on the top five or six search results on the first page.”



“Currently, 65 percent of all search queries are performed on Google, according to comScore.”

What's more, search engine sites, in an effort to stay ahead of competitors, are constantly refining their algorithms and features. Small businesses and enterprises alike are increasingly learning and employing SEO tactics, too. Their goal is to push their pages as far up into search results as possible—at your expense.

SEO has its detractors. Some denounce it as a “black art” designed to manipulate search engines and, by extension, those who use them. And certainly there are many who employ dubious “black hat” SEO techniques, such as keyword stuffing—the flagrant overuse of a keyword or phrase on a page in hopes of artificially enhancing the page's position in search engine results.

That said, so-called “white hat” SEO, when incorporated into a larger Internet marketing campaign and employed both judiciously and continually, is essential to success on the Internet today, said Martin Falle, CEO of SEO Research, a search engine marketing company.

“The difference in being seen on page one and page two of search results can mean thousands, even millions, of dollars for a business in revenue,” Falle said. A high “findability” factor is especially important in an economic downturn, he added.

The Elements of SEO

There are many tactics for boosting a Web page's presence in search engine rankings. A few basic strategies include:

Use your keyword(s) in your title tags: Every Web page has a title, which is displayed at the top of the browser when you're viewing that page. The title tag is also shown in search engine results. It's the linked title on which users click to visit a Web site page they find in the results pages for a query. And it's arguably the most important place to use your chosen keywords.

A page's title tag is key to helping Google know what the page is about, said Adam Lasnik, Google's search evangelist. Ideally, a title tag should not just include your business's name, but one or more additional descriptors—things that people might actually search for.

“If you're an Italian restaurant, an ineffective title tag would

just be the name of your restaurant,” Lasnik said. “A better title might include your restaurant's name, plus something like ‘serving late-night pasta in the greater Mountain View area.’”

In addition, it helps to use your chosen keywords in your Web page's headline (known in HTML as an h1 tag) and/or subhead (the h2 tag). You should also use the keyword several times in the body copy of a Web page. For best results, optimize each Web page on your site around one specific keyword or phrase. The more specific your keyword, the less competition you're likely to have for it in Google search results.

Get relevant, high-profile Web sites to link to your site: Among the factors search engines take into account when ranking your pages for relevancy are the external sites that link to your pages. Having lots of highly-trafficked Web sites that are relevant to what you do or sell tells Google you're a legitimate site, and that's bound to boost your findability factor in search queries.

Example: On the Gibson Web site, the leading guitar manufacturer has posted some of John W. Tuggle's tutorial videos along with links to his Web site and YouTube channel.

Gibson is a respected guitar maker with a large, popular, and trusted Web site. So the search engines are likely to consider the Gibson site as highly relevant to Tuggle's Learning Guitar Now site. These factors make the Gibson site's links to Tuggle's site extremely valuable, both in terms of his SEO efforts and in driving targeted visitors—people interested in guitars—to his site, Tuggle said.

Minimize Flash: Search engines have traditionally had difficulty indexing Web content that isn't in text, such as Flash animations, photographs, video, and Javascript.

Google is continually improving its efforts to index non-text Web site content, said Lasnik. Still, in order to direct the largest amount of targeted traffic to your site, you should strive to put the majority of your most important information in text so the search engines can easily find it, he said.

Also, keep in mind that people are increasingly performing searches in mobile browsers on their iPhones, BlackBerrys,

“The difference in being seen on page one and page two of search results can mean thousands, even millions, of dollars for a business in revenue”

and other smart phones. Most smart phone browsers can't display Flash animations. So while smart phone users might find your site, they won't get its full impact.

Start blogging: In most cases, blogs have a simple structure (meaning little if any Flash and other non-search-friendly content), are updated often and, when well written, have lots of links on other sites pointing to it.

"Blogs are literally built to attract search engine crawlers and spiders," writes Rebecca Lieb in *The Truth About Search Engine Optimization*. "Their architecture and design are structured for clear navigation, with every page set up to link back to other primary pages. It is no surprise that in recent years, many successful and profitable publishers have built editorial products entirely on commercial blog platforms."

Don't Forget Your Readers

While there's a great deal of science behind SEO, making your efforts completely transparent to your site visitors is essential. That's where the art comes in.

Ultimately, the ideal is to create great Web content first, with SEO a secondary though important consideration. When you regularly create compelling Web content, you'll soon find that other sites are linking to it. You'll become part of the online conversation, with mentions in blogs and in the mainstream media. You'll generate that ever-elusive thing called "buzz."

Conversely, if you make SEO a priority over your site's visitors, your content will seem "fishy and unnatural," said Lasnik. And that's a sure turn-off to potential customers." However, he added, "if your Web content is good for your audience, it will be good for Google." ■

Decision-Page Metrics: Measuring the Moment of Truth

By Rafe VanDenBerg

With the analytics horsepower broadly accessible to e-commerce marketers today, there's certainly no shortage of metrics to study and interpret. From landing-page penetration to funnel abandonment, and everything in between, there are so many metrics available that it's hard to imagine how anything significant could possibly be overlooked.

However, in our e-commerce optimization practice we usually find that no matter how well-stocked our clients' analytics arsenals might be, they are usually lacking a powerful set of metrics surrounding what we call "decision pages."

What Are They and Why Are They Important?

Decision pages are simply those pages where visitors are presented with an offer. Most often, these pages will describe a particular product or service and communicate its specific benefits and features. On these pages, the visitor is also presented with the price of the product or service and a button with which to "buy" or "add to cart." Sometimes visitors can access even more detailed information about the product or service from these pages, but as presented, these pages represent the "essence" of the offer.



On a typical retail e-commerce site, the decision pages are usually the individual product pages. On other types of sites, the decision pages might be service description pages or sales-letter pages.

Regardless of the specific location, decision pages are where visitors are exposed to the total "package" – features, benefits, price, etc. Decision pages are where visitors really begin to evaluate the whole offer – logically, emotionally, and economically. And as the moniker would imply, decision pages are where visitors formulate an initial purchase decision – deciding whether or not to put the item into their cart, or otherwise move forward to the next step in the sales cycle.

Decision-page dynamics are so important to understand because they are where almost everything comes together in the shoppers' minds. Decision pages are the critical pivot-point in the whole purchase cycle. As such, decision-page

dynamics represent the moment of truth – tactically and strategically. It's really pretty simple: dropping the ball at the decision page means losing the order.

In our consulting practice, we leverage a number of powerful decision-page metrics to help with everything from conver-

“ Decision-page dynamics are so important to understand because they are where almost everything comes together in the shoppers' minds. ”

sion ratio improvement and order-size maximization to pricing optimization and strategy formulation. We can't cover everything in this article, but we'll outline the basics for you.

Are Visitors Reaching Your Decision Pages?

The first thing to understand is whether or not, generally speaking, your visitors are even reaching your decision pages in the first place. Depending on the depth and breadth of the product line, and the complexity of the product selection process, it's not uncommon for there to be a huge amount of fallout before the decision pages. This isn't good, of course, but it's not uncommon. Obviously, it's important to minimize this fallout and get as many visitors as possible into a position to view and evaluate your offers.

In measuring this first aspect, you'll want to use a funnel metric rather than relying on individual page traffic reports. The multiple-counting in page traffic reports can be very misleading.

A certain amount of fallout is expected, but there are a number of common strategic and tactical causes for more significant pre-decision-page fallout. Strategically, lead generation efforts may be poorly targeted; the product line may be lacking; or the initial vendor impression being conveyed may be giving visitors pause. Tactically, entry pages may be far too heavy and slow; category and product navigation may be confusing; or tools such as product search may not be functioning properly or as expected.

Are Decision-Page Visitors Taking The Next Step?

The next thing you'll want to understand in a general sense is whether or not visitors who reach your decision pages are taking the next step in the purchase cycle, to the shopping cart, for example. Visitors to your decision pages have demonstrated a solid interest in the product being offered and, as such, they are somewhat qualified prospects. Using a funnel metric to understand these prospects' willingness to take the next step at this stage is extremely valuable and actionable information.

This particular ratio can be quite revealing. Remember, visitors at this stage are evaluating the whole package and essentially voting with their mouse-clicks.

Low next-step conversion ratios are often telling you that your offers are not strategically sound in the eyes of most prospects. Often this means that the pricing or investment level is all wrong; that the overall value isn't being communicated fully or clearly; that the products are lacking some cru-

cial feature or benefit; or that some important vendor-criteria just isn't being met.

How Are Specific Decision Pages Doing?

In our optimization practice, we often find that e-commerce marketers are lacking a true understanding of how demand is actually breaking out on their sites. Of course, these marketers understand very well how their sales are ultimately breaking out. But demand and sales are very different things, and, understanding demand is by far the more important of the two.

By visiting decision-pages, your prospects and visitors are once again voting with their mouse-clicks and telling you what they are interested in, regardless of your ability at that point to actually sell it to them. This demonstrated interest is a reflection of demand. Sales, on the other hand, are merely a reflection of your ability to satisfy some portion of that demand – sales are not necessarily an accurate reflection of the overall demand itself.

In other words, while you may get a lot of sales for widgets, actual demand on your site may be much, much higher for gizmos. By understanding this dynamic, you can take action to better-align your offerings with true demand and tap into this ready source of profitable growth.

By analyzing page traffic reports and identifying the most popular decision pages, you're gaining solid insight into how demand is really flowing on your site. You can then compare this demand-side perspective with the sales-side reality and begin to understand the most meaningful gaps between the two. You can even quantify the gap between demand and sales – revealing the tremendous profit-impacts of just getting your offerings into better-alignment with existing demand.

Measure Your Moment of Truth

Of course, we've only touched on a few of the basic applications of decision-page metrics in this article, but we hope we've been able to illustrate for you just how powerful this set of relatively obscure measurements can be for driving more profitable e-commerce growth.

And while adding more metrics to your already overflowing arsenal may not be that appealing, we encourage you to make room. For the purposes of improving e-commerce profitability and growth, we've found that measuring the moment of truth is hard to beat. ■