

Web mind for Web business success!

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Abstract

This paper is aimed to launch a debate on eCommerce success principles and factors. Our main thesis is that **eCommerce should be approached with a “web mind” or “web mentality”** and then formulating a web business strategy and making the proper business and technology arrangements. Because, when facing any profound change, we have an overwhelming tendency to apply our familiar knowledge and skills. Because, in a fast changing business and technology environment (availability of new tools, constant hardware and software upgrades, . . .), **it is so easy to lose the focus of why we are doing what we are.**

eCommerce is enabled by technology, but it involves much, much more. Technology is only a useful tool inasmuch as it facilitates human communication and interactivity. eCommerce is not about acquiring the latest technology but about acquiring the right mindset to understand the specificities of the eCommerce frontier. eCommerce requires **new ways of thinking** (from that of the offline world) and **new ways to communicate** - by networking, establishing community, and establishing trust through sharing information.

I asked myself the simple question: **What are the key eCommerce success factors and success principles?** I turned to the Web for the answer as I believe it is the best source to obtain information if it is approached with a good searching strategy. The result of this extensive search is this introductory paper that supplements a selection (over 130 links) of some eCommerce success stories, failure stories and case studies which I organized in a new section in eComInfoCenter.com : eCom Success & Failures (<http://www.ecominfocenter.com/smallbiz/success-failure.html>). They can provide endless hours of exploration and discovery but the question itself is far from being fully answered!

We came to the conclusion that the subject not only merits a dedicated issue on its own but a forum should be opened to our growing community of subscribers to “The eCommerce Analyst” to share with us the resources we compiled, extract factors and principles. This should be a continual work-in-progress to keep up with the dynamic nature of the Internet.

Unfortunately, books are either rapidly becoming outdated or focus on “mega-success” stories examples such as found in “StrikingItRich.com”. Analysts tend to focus on these “mega-success” stories too. But what about just everyday netpreneurs that have succeeded and exceeded their goals for example? The subject “On the principles and factors of eCommerce success” is very interesting as it may inspire netpreneurs or would-be netpreneurs and put their learning curve on fast forward.

I present my contribution to you and I’m raising some questions which may stimulate this debate.

1. The **Web** has a lot of **unique characteristics**: Open , Interactive, Immediate, Dynamic, Convenient, Extensive, Powerful, Increasingly authoritative, Extremely competitive market, . . . Those who would like to conduct business online should **keep in mind the nature of the Web**, as this will affect the nature of their business. For example, Internet is an Open Network and this implies a Global Open Market. The Internet is offering an instant and versatile communication across the world, what resources will be allocated and what skills will be needed to that end? The information-intensive nature of the Web requires Web editors and Web masters with not only technical skills but also strong editorial, publishing and excellent knowledge of the company to produce and maintain good content that is organized in a way that customers can use it.
2. Let us **get back to the fundamentals that made the Internet so popular** (which I call the 4 Cs) and see how they translate to eCommerce.

Communication: One aspect is Customer Service. This has been underestimated as a core piece of the on-line business model. Those who use it wisely by ensuring feedback and support mechanisms for their customers will guarantee themselves repeat visits and repeat sales.

Collaboration: The web is gradually **supporting collaboration among people in new ways**. The web is forcing a change in companies from the inside out by cultivating an extended enterprise and a more open, forward-looking corporate culture, and by transforming the social structure from the traditional hierarchical chain of command to a **more collaborative environment**.

Co-operation: Companies need to look beyond their traditional boundaries. Winning in eCommerce often requires multi-company cooperation within and across industry boundaries. New ways to distribute products across the web with affiliate programs or associate programs are emerging.

Community: Cooperative communities are being created among on-line consumers. Unhappy customers can voice their frustrations publicly. What impact this may have on your business?
And this is a "new" concept allowed by the web

Communalism business is to partner up with a company related but not in direct competition with yours. Your business would then sell your partners products or services to your new and existing clients. Rather than simply linking to a site, the idea is to actually try to build a business community of sites and services. This is a form of business communalism.

All these fundamentals should be upheld in the quest of eCommerce success.

3. Let us **get back to the fundamentals of conducting business** and see how the meaning is transformed in the cyberspace. **Success in business** depends on how well it can serve the **self-interest of its consumers, staff and suppliers**. For example, what does consumers self-interest mean in the cyberspace? Quality information but also easy to surf through web sites, good communication but also fast one, reliable goods but also security and clear return policy. Excellent service but human interaction too. **Success in business** depends on **building trust** between different players. The internet facilitates communication. **How to establish trust online?**

4. Change is taking place at a breath-taking speed and on a tremendous scale. However, some principles might be constant. We should then have always in perspective **what is constant and what is changing**.
5. With eCommerce, **the meaning of technology itself is changing**. Technology, is no longer just about automation and cost reduction. It's about information on customers, competitors, suppliers, and partners, and how that information provides competitive advantage in attracting, expanding and retaining customers.
6. What are the changes in **consumers behaviors** as a result of the spread of eCommerce and is it possible to predict such changes? What are the barriers to Internet shopping for consumers? How can these barriers be lowered or removed?
7. eCommerce will require **new organizational roles and responsibilities**. Why not create a position of WEO (Web Executive Officer)?
8. **Conducting business online is an iterative process as the customers, the competitors and the environment are not static**. How to ensure the continuous adaptation of the business to the changing external factors? Model, Monitor, Measure . . .
9. **What services, applications and transactions can be provided only on-line but not off-line**: Example micro transactions will let people pay small amounts a few cents or a few dollars—to access online content or games.
10. **New online measures**, coupled with the standard financial and customer satisfaction measures give you the substance for improvement or corrective actions. These non standard performance data such as traffic analysis tools are now able to assist in capturing feedback data, at least, which concerns Web traffic and customer information. **Loyalty for example can be measured online**, by numbers of re-visits or re-buys. It gives accurate information on advertisements performances, how the people are using the site and where the visitors come from. These measures, coupled with the standard financial and customer satisfaction measures give you the substance for improvement or corrective actions.
11. Why networks are important, what does Internet branding mean? What is information on the internet (people do not read online, they scan!)?

What about using innovative ways to advertise on the web (remember people do not click anymore on banners!). Why interactivity is important in the cyberspace medium to communicate with people?

12. For a business to be successful on the Internet, it should focus on the **long-term vision and on people** (through informing, communicating and networking). **Success on the Web should be measured over an extended period of time. Overnight web success is elusive.**

Conclusion

Although some points in this paper are belabored and certain opinions might be debatable, it is our modest contribution in the debate about eCommerce success principles and factors. Readers and subscribers of our newsletter are strongly invited to participate in the forum that we created specifically for this fifth issue of “The eCommerce Analyst”¹. Please voice your feedback, let us together analyze these success stories and case studies and extract fundamental principles of eCommerce success for the benefit of all.

Also, please remember to visit our Web site : eCommerce Info Center (<http://www.ecominfocenter.com>) as it is now increasingly recognized in the eCommerce community as a major information resource and is being frequently updated.

I hope you enjoyed the fifth issue of “The eCommerce Analyst” .
Thank you for your time.

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