



Web sites in business

White Paper

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Abstract

As the demands made by business on Web sites increase, their role in business is changing. The need for brochure-ware is being replaced with mission critical 24 * 7 business tools. Effective Web sites reflect proven business processes and are designed the way customers interact. To realise cost savings and business benefits through the use of Web sites, they need to provide the user with an advantage over existing business methods.

1 Introduction

The role of Web sites in business and in the e-commerce revolution has come under review recently and with the onset of mobile computing, some have even forecasted the demise of Web sites. Whilst the role of Web sites will change, they are already, Web sites are set to play an increasingly pivotal role in business. Not only will Web sites reflect and be involved in every area of business activity but they will also play a critical role in propelling the business optimisation necessary for businesses to handle the e-commerce revolution.

The telephone, fax machine, mobile phone and e-mail provided new business opportunities and increased the number of channels a business used and supported. The same is true of Web sites. New technology did not make the others obsolete; it complemented the existing practices. The same is true with Web sites.

2 Changing role of Web sites

When many businesses first established an Internet presence through their Web sites, the focus was on having a presence and the rendering of existing marketing material as HTML pages. This exercise produced a lot of unused brochure-ware that only the more persistent users would plough through to find the “nugget of information” they needed.

As the popularity of the Internet increased, the role of Web sites began to change. More and more information started to become available to Web site visitors. The Web site was often seen as the store (and the presentation) of all knowledge for an organisation, whether any truly useful information could be found on their site or not. Next came the Web-based solutions that provided transactional capability to companies via the Web and the perceived “Gold Rush” of e-commerce.

This transactional capability led to the replication of systems and to the “field of dreams¹” approach to business. With the fall out from the Dot Coms has come an assessment by business of the role of Web sites in their overall business strategies.

3 Key role in business

Web sites are increasingly playing and will continue to play a key role in business. As the push comes on for cost savings, 24 * 7 services and automated processing, the role of the Web site becomes a mission critical business system, rather than brochure-ware that is maintained as an after thought to other business processes.

As the demands made on a Web site continue to increase and it is considered more as an every day business tool, its role as an agent for propelling the business optimisation will be increasingly recognised. Through using the visual aspects of Web sites, business processes can be optimised. The

¹ The “field of dreams business” describes the “because we can do it on the Internet, just do it and they will come” approach to business that was all too prevalent in e-business.



Web site will become as much part of every day business as e-mail and the telephone. Achieving this will, require a re-alignment of many sites and their content, an educational process and incentives to make people use it as their preferred tool.

4 Reflecting business processes

Every day of the week, businesses of all sizes and types successfully sell products, service customer queries, conduct payments, track shipping and order products and services. Within organisations, sections of a business are devoted to performing each of these activities and use proven processes to accomplish these tasks.

Customer service representatives may have a sale closure rate of over 80% on the phone or in a store but on Web sites this often drops below 30%. Indeed, many call centres now handle disgruntled customers who have tried to buy online and have not been able to complete the transaction (who knows who has given up and not called back).

By mapping proven every day business structures and processes to Web sites, not only is good site design achieved but also the Web site is integrated into every day business processes, Figure 1.

Customer interaction with a business Web site. Customer can be an individual, an organisation, a channel partner or a representative within an organisation.

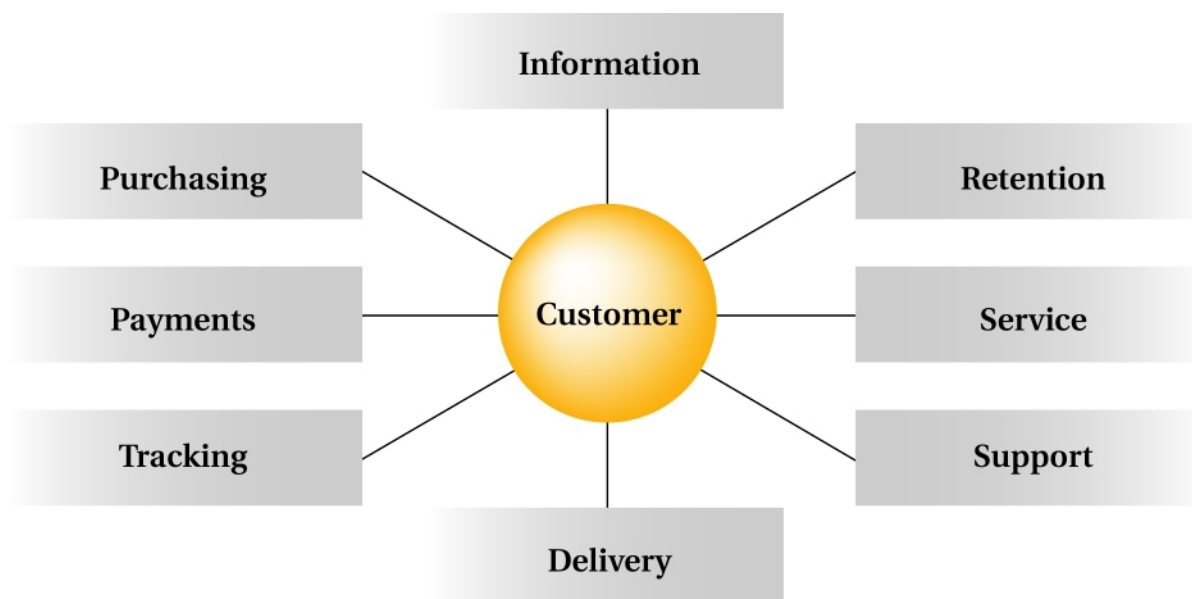


Figure 1. Customer interaction with a Web site.

5 Audience-Task-Recipe

Proven business processes work with the Audience-Task-Recipe (A-T-R) concept. You know who your customer is (Audience), you find out what they want to do (Task) and you walk them through a series of steps to accomplish that task (Recipe).

Consider the sales process, Figure 2. The customer, whether an individual, a company or a channel partner, is walked through a series of steps to the point of sale. Whilst the process may be more complex, in essence, all that differs is the information presented at each step and how it is presented. Similar processes can be used for billing, order tracking, payments, providing product support, retention and other business activities.



In this regard it is worth noting that the business process on the phone or in the office is step by step with no side distractions whilst that of many Web sites is the inclusion of “clutter” at many points.

By mapping these standard processes to Web sites, not only are you using proven techniques, but also the customer shares a common navigational experience across the site and has a unified interaction experience with your business. Furthermore, the process is intuitive and familiar to the customer.

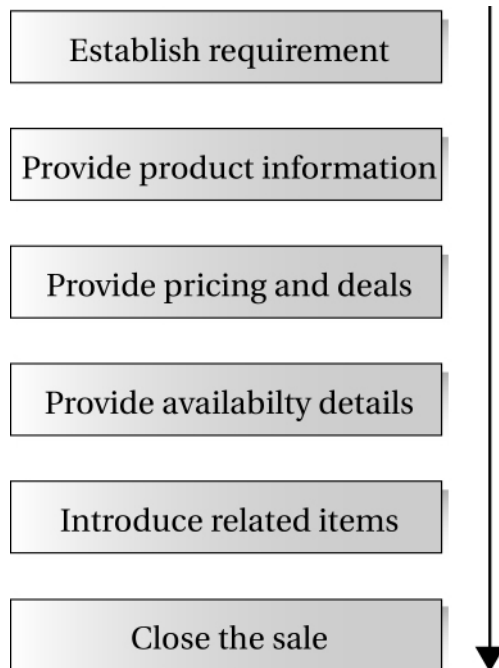


Figure 2. Steps in the sales process.

This process works for both external and internal facing. Customer service representatives operating within a business use the same process as the customer but seeing the opposite side where required. Not only are the representatives seeing the same content as their customer and sharing the same experience but they have the extra information required available to them. At the point of sale they see the results of the transaction rather than the form for conducting the transaction.

Thus the difference between Internet and Intranet blurs even further and becomes one. With role based access and the required security, the need to maintain both Internet and Intranet presences no longer exists and all of the associated problems are removed.

Whilst many customers research online and make the decision to purchase whilst online, many seldom buy online. Compared to other sales channels, poor closure rates are seen in Web sites. Whilst it may be cheaper to sell online, the lower closure rate has resulted in many potential customers being lost and consequently lower profits. Part of this loss is because of the nature of the products sold and part of it is because of customer expectation and interaction.

Products that form stand-alone entities and/or do not have the need for complex arrangements sell well online, as do those not requiring customer interaction (smell and touch).

Whilst an option to buy online should exist, when “buy now” is clicked, the loss of customers can be reduced by the following options. Provide the ability to print out the selected solution and take it to a store; arrange for a customer service representative to call back or visit them at a convenient time; provide calling details so that they will call you or use online chat capabilities.



In comparison to other mechanisms, the Web site experience has to make it easier or quicker for the customer to do business if the Web site is to be used. Many current online processes, e.g. bill payments, are slower and often less intuitive than voice response systems over the phone.

Good site structure becomes a series of common tasks and related steps linked together with informative navigation, tailored for selected audiences.

6 Market presentation

Your Web site presents your business to the online world. For many businesses, the Web site significantly shapes first impressions, as this may be the first contact they have with your business. Many online shops are poorly designed because they do not reflect the shopping habits of customers. Consider the sale of wine. Wine is a product that is very suitable to online sale because it is a simple product (not requiring a lot of components), that is pre-packaged, it is easy to distribute, it is understood by the market and has brand name recognition. Many online wine sites however, assume a uniform market rather than a diverse one and they need to recognise five basic shopping types:

- Customers who are interested in specials, either by price or product.
- Customers who want a wine, red or white, in a price range – shop by price.
- Customers who know they like a type of wine from a given region – shop by type and spatial information.
- Customers who are looking for a wine to go with a meal, food type – shop on food type.
- Customers who are looking for a type of wine, e.g. fruity with a spicy oak taste – shop by taste pallet.

A continuum of customers exists, often shopping by one or more criteria at a time and on different days; a single customer may shop by a different technique. A simple A-T-R approach with the appropriate site structure and content would meet these expectations.

7 Product and service delivery

Whilst some products and services can be delivered directly over the Internet or from a Web site, many still need to be delivered via traditional means, i.e. a courier delivers an item, it is collected from a shop or a representative comes on site to install or service. All of these can be initiated from, and tracked from, a Web site. The challenge is supplying the information required by the customer in a format they understand and can access quickly. The delivery of this information is an extension of the A-T-R approach.

8 Relationship management

By its very nature, e-commerce has a tendency to cut out the middleman and shorten supply and distribution chains. Whilst this may lower operational costs, it may not be the preferred business model or outcome because of the time and expense required to automate and rationalise the supply and distribution chains or because of relationship management.

Consider a simple supply and distribution chain, Figure 3, in which multiple manufacturers contribute components to one manufacturer who then supplies wholesale to dealers and retail outlets in a distribution and sales network. If we focus on the “key manufacturer”, then every one in the network needs to be in agreement and be sharing information across common systems. The Web site of the “key manufacturer” would need to support the procurement, distribution and tracking,



servicing and retention processes for all of these players. Just-in-time ordering has shown how this works; the challenge is extending these practices to the Internet.

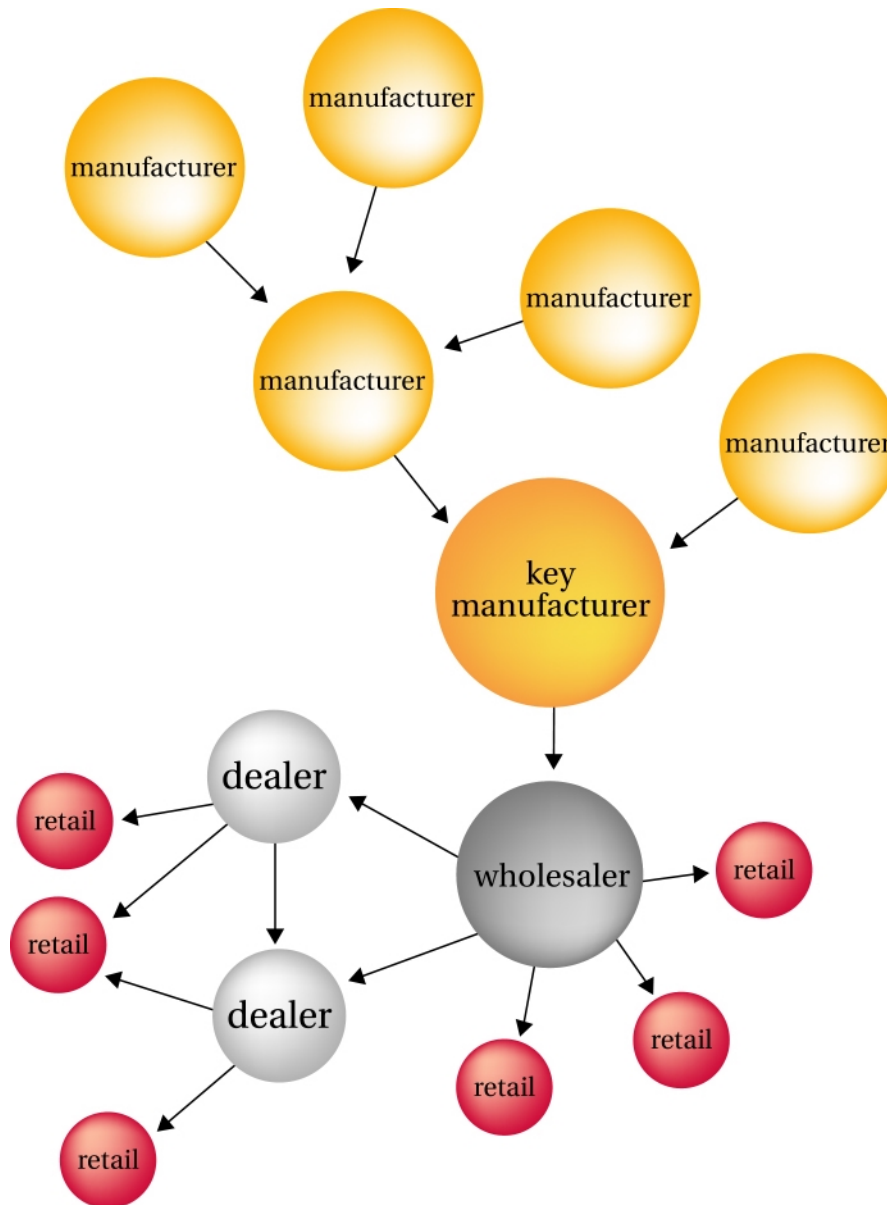


Figure 3. Supply chain management.

9 Summary

E-business is business, the same business principles that apply to any other area of business endeavour, apply to the Internet and Web sites. Good Web sites reflect proven business processes and will become a 24 * 7 business operation that provide a benefit to the customer over other methods.

