

COAST TO COAST

Selling on the **WEB**

By Jake Rishavy

Is an online storefront right for your shop?



Rob/Harris Productions

IN A CHALLENGING economic period, many *brick-and-mortar* restyling shops are turning to online retail management systems to create virtual storefronts and target multiple selling channels to attract additional sales.

Maybe you've been wondering if this move is right for your small- to medium-sized shop?

If the answer is *yes*, there are a few things you need to know before dedicating the considerable time and money required to sell your products on the Web, says Dana Citron of CORESense, a retail management system provider.

When first exploring the world of online retail, there are a number of desirable qualities shops should require of their online management system, and a number of not-so-desirable ones to avoid, she says.

Included on the *desirables* list are traits including the flexibility to meet the evolving needs of a retailer, real-time inventory management, a high level of automation [thus diminishing the need for additional staffing], multiple shipping capabilities [including drop-ship, just-in-time and in-stock shipping], as well as a large number of self-service features that allow customers to follow their order through the system.

In addition to Web site sales, many shops will prefer a system that allows them to utilize the popular online site eBay, says Citron, as that sales channel often provides an easy venue to liquidate overstocked items.

Regardless of your specific business goals, however, the trait that is arguably at the top of the list, says Citron, is *flexibility*.

"For a business, the most important thing is to find a system that will enable them to branch out into new channels without any additional effort," she says.

"They should think about the channels they may want to sell through in the future, even though they may not need those capabilities today. If that is something they would like to do down the road, they need to have a system that can accommodate it."

With the help of modern software designed to take much of the workload off of the business owner, expanding into those new selling channels is becoming easier by the day. The latest technology enables a traditional shop to utilize customer databases to get the word out on new promotions and increase marketing effectiveness.

While there are a number of systems available, it's advisable to do your homework before investing time and money into any one system, says Citron. Some systems require extensive information technology support, and others aren't able to handle the complex products involved with the automotive aftermarket.

To find which system would be best for you, start by checking out demo programs offered by many of the provider companies. That will allow you to familiarize yourself with the products and the terminology, and will better equip you to determine what goals you have for your business, and what products will get you there.

Of course nothing beats firsthand experience, so we contacted three specialty aftermarket shops that sell their products on the Web as well as to walk-in customers. Here are some of their thoughts on what it takes to get a physical shop online... *and keep it there!*

Greg Hill

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"We've done it backwards compared to what your typical shop would do. We

started with a virtual site and have involved into a physical presence. We now have one physical location in Boxborough.

“Getting established online enabled us to gain a national audience, rather than just purely a local or regional one. I basically started with some small [online sales] vendors that were really unprofessional and difficult to work with. There’s nothing worse than taking the time to set up a system, only to find that you have to change to another vendor. It’s very costly to do that and very time-consuming.

“Our current [CORESense] system was a little pricy up-front and we were nervous about spending that much money, but ultimately I think we’ve done it as inexpensively as possible. We would’ve spent more doing it with someone else and not had the ability to grow that we do with this system.

“It’s hard to get a sense of what is out there before actually taking the plunge. You really need to use it on a daily basis because it’s hard to determine how appropriate it will be for your business.

“My general goal was to try to use technology to minimize the number of staff members I needed. For each employee, even at minimum wage, you’re looking at spending \$20,000-\$25,000 minimum per year. And trying to hire anyone with any skill at minimum wage these days is like trying to find a unicorn.

“We figured that we could spend extra money on technology to save us from

spending a lot on employees. When we tried some of those first systems, we realized how labor-intensive they were. When we started, we were only shipping a few orders a week and it would take several hours. I came to the realization a year or so later when we became busier that we wouldn’t be able to handle the order flow.

“The other problem we faced was that we knew we wanted to be able to reach the eBay channel. While we had a product that sold really well on eBay, we knew we weren’t using eBay as a strategy, but more as a way to eliminate overstock items or dated items. To do that with the old system, we would’ve needed to maintain two separate databases of product. When you’re dealing with hundreds or even thousands of products, maintaining one database can be incredibly difficult. Trying to maintain two was ludicrous, so we looked at software that enabled us to use one database for multiple channels.

“Our system has enabled us to deal with all three types of fulfillment methods, whether it’s drop ship, just-in-time or out of inventory. Basically I can create a purchase order with only a few clicks of a mouse and email it to the vendor. There’s no printing, faxing or waiting for cover sheets. It’s really quite instant.

“The other thing that was really important to me is when a customer sends an email, that email reaches us with the order information and customer information. If you’re getting dozens, or

hundreds or even thousands of emails a day without enough information, it can be a huge problem. It can create a huge amount of research daily.

“With our system, when an email comes in the system reads the customer’s email address and assigns it to the customer record and the order. When it comes in it will show you that information. If you have a customer-related inquiry, you can go to the customer record by clicking it on the screen or go to the order just by clicking on it. Everything is really at your fingertips with this program and it’s a huge time-saving feature.

“If you’re going to get involved with selling online, the main thing to look for is capabilities. The overall key is that as your needs change, they’re able to accommodate those needs at a fairly reasonable price by adjusting the software and adding capabilities.

“All in all, I would definitely suggest online selling to other shops. The key is that you need to be fully committed to it. It’s going to be tough to dabble in it because you’re just going to be burning through money.

“You have to allocate marketing dollars to that endeavor and pay for people to learn the system. If you don’t do both of those things, you’re going to fail. You can do it very cheap and sell a little stuff, but it’s not going to be a profit center. Or, you can just jump in and do it.”

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