

*If you want to use the Net to sell your goods, here are some tips to help ensure you're in the market.*

Selling online — setting up a shop via a website — is a profitable and useful new way of doing business for millions of businesses around the world.

### Is it right for your business?

Operating an online shop is not necessarily the right choice for every business – it depends on your products, services and how you service your customers. It is important to understand how online selling fits in with your other selling techniques. Refer to *eNote 9: eCommerce Marketing*.

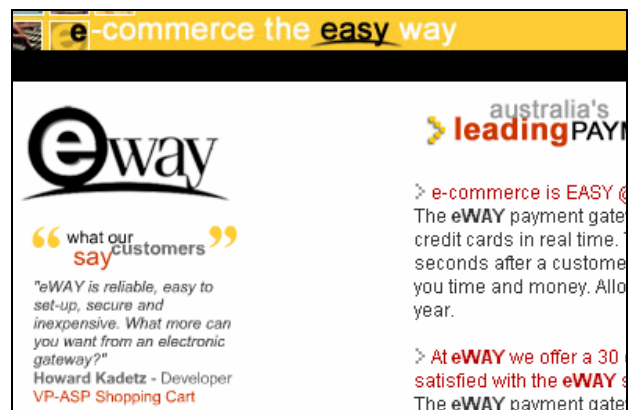
Online shops are particularly suited to small businesses operating in a niche market or offering well-defined products and services which can be set out in a catalogue. An online shop contains three main components:

- A product list or catalogue with information, pictures and prices about all products offered.
- A product selection mechanism, usually referred to as a shopping cart or shopping trolley.
- An ordering and payment mechanism. Orders can be sent by basic email to the merchant. Several methods of payment can be offered, the most common being by credit card. You can also receive email orders while continuing to use traditional payment methods such as cheque payment.

### Getting Started

- Look at how other similar businesses sell online — use the references in this eNote to find examples.
- Specify your online shop catalogue in detail — product information, options like colour and size, pictures, price and other options. (You may not want to put all products in your online shop. You may have special prices for special customers that you don't wish to display online.)

- Outline how you will handle an order — what steps will you go through to process the order and ship it, and process the payment?
- Purchase an online shopping software package, and install and learn how to build your own online shop which integrates or is an add-on to your website.
- Use search engines to find professional organisations selling proven online shopping cart and eCommerce payment solutions.
- Set up each shop component — the catalogue, product selection (email, order form or online shopping cart), ordering and payment.
- If you wish to offer credit card payment, you will need to arrange to become an Internet merchant — you will need to talk to your bank or payment gateway such as eWay [www.eway.com.au](http://www.eway.com.au) or others.



- If you wish to provide online credit card payment checks, you will need to arrange this with a bank, or a payment gateway.
- Be aware that many potential buyers worry about security and privacy when they buy online. Give this careful consideration and explain your security to your customers. Refer to *eNote 16: Security* for more information.

- Refer to *eNote 13: Buying Online* for information on what customers will be looking for in terms of proof of your identity, security and confidence in your products. Refer to the Victorian Consumer Affairs website at [www.consumer.vic.gov.au](http://www.consumer.vic.gov.au)

### Tips For Success

- Learn as much as you can from other online shops before you build your own.
- Start your shop with a small number of items.
- Promote your online shop in other ways.

#### Handy Hint

*Capture customer details for future marketing use. However be mindful of restrictions in the Privacy Act and Spam Act 2003. Refer to [www.spam.aca.gov.au](http://www.spam.aca.gov.au)*

Ensure your online shop contains:

- clear ordering and payment instructions
- information on refunds
- warranties and returns information
- privacy guidelines and security considerations.

As many online transactions are made by credit card, don't forget to factor the merchant expense (cost of the credit card transaction to you as the vendor) into your pricing structure. Alternatively, encourage purchasers to use Bpay or to transfer funds directly into your bank account. Ask your bank and payment gateway about the options and the safest and most practical way to do this for your business.

Refer to *eNote 16: Security* for a detailed summary of necessary security measures.

Exercise caution, as there are cases of overseas criminals that order high-value products and then never pay, and cannot be traced. Ask your business advisor and bank about scams and things to look out for, but beware of the following:

- An overseas person may use Hotmail or a similar freemail address, to purchase high-value equipment that could be purchased in their own country. They may have more than one credit card number, and will be unfazed by paying high delivery costs. Usually, you would not receive a

reply if you informed them via email of a delay or problem with the delivery.

- Be aware that the bank will still authorise the payment, but can reverse it after the equipment has been sent, causing large losses to the vendor. Ask your bank and payment gateway about credit card payment security.

### Where To Get More Information

- *eNote 9: E-Commerce Marketing*
- *eNote 13: Buying Online*
- *eNote 14: Online Credit Card Facilities FAQs.*
- *eNote 15: Online Banking*
- *eNote 16: Security*
- For banks and credit card processing, try the Australian Bankers' Association — [www.bankers.asn.au](http://www.bankers.asn.au)
- Searching for specific information. There are hubs for tourism destinations, industry-specific services, government information and more.
- Refer to [www.ecommerce.treasury.gov.au](http://www.ecommerce.treasury.gov.au)

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