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**Under construction**

## Is your storefront in the know?

**Ready to get in the electronic storefront game? Here are some tips so you don't trip**

*By Lisa L. Sweet*

**W**ith more than 105 million Americans on the Internet, online commerce is a trend you don't want to miss. Zona Research expects the number of online shoppers to grow from 44 million to 81.5 million in the next 12 months. So if you're selling products or services and don't have an electronic storefront, you're missing out on huge revenue potential.

The electronic storefront software market has matured, and where there was once a barrage of packages to choose from, there are now only a few proven solutions. A couple of vendors have dramatically changed their business models. For instance, iCat no longer sells or supports its Electronic Commerce Suite 3.0, but has instead turned its attention to hosting services. Intershop is now selling Intershop 4.0 to commerce service providers. And Yahoo Store, formerly Viaweb, has been the leader in inexpensive storefront hosting solutions and serves as the model for a blossoming market.

If your business is small, you may want to sign on with a hosting service rather than purchase a separate server. Vendors that provide browser-based store-building tools will host your store for varying fees: Yahoo Store ([www.viaweb.com](http://www.viaweb.com)) is priced starting at \$100 per month for 50 items; iCat Web Store ([www.icat.com](http://www.icat.com)) charges \$9.95 per month for 10

items; and BIT Software's Maestro Commerce Online ([www.bitsoftware.com](http://www.bitsoftware.com)) offers a free store with a maximum of 10 items.

If you want to host your own store and you already have a network infrastructure and Web-savvy IT staff in place, you should consider one of the more complete solutions, which are priced starting at about \$1,000. You will need to take several factors into consideration when choosing a hosting solution: your platform, the package's data integration capabilities with your existing legacy systems, and the cost of a dedicated server and OS.

When choosing a software package, look for storefront templates that guide you through the store creation process and scripting tools for site customization. Your storefront should link to back-office systems, provide on-the-fly data integration with legacy systems, assign quantity discounts and special pricing to sale items, and handle sales tax and shipping charges. Your package should also include links to credit card processing systems such as CyberCash or Clear Commerce, e-mail notification, security and encryption tools, and log-file analysis tools to monitor customers' buying habits.

In addition, the key to any successful electronic-commerce venture is a solid infrastructure. For more information, please see the [Test Center Action Plan](#).

### Building blocks

The following three midpriced solutions can provide you with the means to host your own store.

- *IBM Net.Commerce Start 3.12*: IBM offers a number of Net.Commerce versions, and Net.Commerce Start 3.12 is an excellent choice if you're seeking a highly scalable solution that will accommodate your growing pains. Priced starting at \$4,999, Net.Commerce Start is a good choice for multiplatform networks because it runs on Windows NT, AIX, and Solaris. For more information, see [www.ibm.com](http://www.ibm.com).
- *Maestro Commerce Suite 2.0*: Limited to the Windows platform, BIT Software's suite offers everything you need to get your store up and running and includes front- and back-office integration. Prices range from \$995 for the Start Up Edition, which supports as many as 250 items, to \$14,995 for the Enterprise Edition, which supports an unlimited number of items. Maestro requires a Sybase SQL Anywhere Internet Connection License, so you'll need to factor another \$2,000 into your overall cost. For more information, see [www.bitsoftware.com](http://www.bitsoftware.com). See our [review](#) of this product.
- *Microsoft Site Server 3.0*: Site Server 3.0 is a strong solution if you use Windows NT and Microsoft back-office technologies. It comes with a wizard to help you build your store and start taking orders and can accommodate your future plans for business-to-business commerce applications. Site Server also provides useful analysis and reporting tools to monitor hits and shoppers. Prices start at \$4,609. For more information, see [www.microsoft.com](http://www.microsoft.com). See our [review](#) of this product.

**10 steps to setting  
up shop online**

**Build it right and they will spend**

To realize the projected gain in online shoppers, stores must be easy to navigate so as not to intimidate first-time buyers. And because there's nothing more annoying than a poorly built store, here are some tips to help you enhance customer service.

One of the best ways to expand your customer base is through word of mouth -- if a shopper has had a pleasant experience at your store, he or she is likely to tell a friend.

When designing your store, bear in mind that Internet shoppers don't have much patience. A recent Zona Research study showed that if your pages don't load within 8 seconds, customers are not likely to return to your site. So avoid unnecessary clutter, and don't display your entire catalog on one page.

If you require customer log-ins and your system assigns a cryptic alphanumeric log-in name and password, let customers select their own passwords. Use cookies to retrieve account information on subsequent visits. If a customer has created an account, it is unlikely that he or she will go through the account creation process again to place another order on a subsequent visit.

Easy navigation is another essential trait of a successful online store. Provide a concise search engine for items in your store. If you want more sales, take advantage of your captive audience, and don't force customers to retrace their steps because of cumbersome navigation.

One of the most important elements that is often lacking online is a phone number. Although online stores are supposed to eliminate human intervention, there's nothing more frustrating than trying to follow up on an order via e-mail. For instance, you place an order and realize after you click Submit that you have chosen the wrong color. Orders move quickly online, so if you don't have a phone number to call the merchant, chances are you won't be able to make the change in time and the incorrect item will be shipped.

Provide buyers with summaries of their orders via e-mail, including items, quantity, sales tax, shipping charges, and anticipated shipping date. Also, verify that the information is correct -- order notifications are sometimes just plain wrong. By providing correct information, you will have happy customers and will cut down on e-mail inquiries regarding orders. In addition, because many gifts are purchased online, you should alert shoppers if you cannot meet delivery dates and should give them the option of easily canceling their orders and filling them elsewhere. Notify customers via e-mail when orders have been shipped, and provide a means of tracking them, if possible.

Those who shop online expect secure sites, and savvy shoppers gain comfort when they see https:// before the URL, which lets them know they are passing along their personal information in a secure environment. Although intentional credit card hacking is rare, it is important to ensure a secure shopping environment by using electronic wallet technologies, Secure Sockets Layer, Secure Electronic Transaction, or Secure HTTP. The products discussed earlier all support one or more of these technologies.

Finally, customers aren't going to wait forever for their credit cards to be processed. Clear Commerce indicates that you have just 10 seconds to process a credit card order and notify the customer before he or she gives up and leaves. As the merchant, you are ultimately responsible for checking the card's validity. Otherwise, you'll be giving away your products, and your credit card merchant-account vendor will slap you with hefty penalties.

By taking all of these suggestions into consideration, you should be able to build an electronic storefront that will attract and maintain customers.

*Lisa L. Sweet ([lsweet@edgewood-group.com](mailto:lsweet@edgewood-group.com)) is president of Edgewood Consulting Group, in Emerald Hills, Calif., and specializes in consumer and business e-commerce technologies, products, and trends.*

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## **Make sure that e-commerce crime doesn't pay**

Many new Internet shoppers worry about credit card fraud. In reality, the Internet is one of the safest places to purchase goods. Consumers are more likely to have their credit card numbers stolen via radio-based scanners when ordering over cordless or wireless phones.

There's a popular perception that hackers try to break into online stores to pirate lists of credit card numbers. According to Clear Commerce ([www.clearcommerce.com](http://www.clearcommerce.com)), a company that specializes in Internet fraud protection, this practice ranks toward the bottom of the list of fraudulent activities. Because stricter security mechanisms such as firewalls are a necessity for any Internet-related implementation, Clear Commerce reports that most of the full-scale attacks it has seen have come from within. Therefore, fraud as it relates to online stores is more closely defined as the use of someone else's credit card.

The basic type of fraud protection comes from an address verification system, which compares the numeric values of the buyer's address to the address on file with a credit card company. This is a good first step in weeding out those using stolen credit cards, but additional security measures are necessary. For instance, Clear Commerce clients report a trend in unauthorized credit card use during school holidays. It seems that youngsters often get a hold of their parents' credit cards to purchase downloadable software. Because procurement of soft goods is practically instantaneous, sellers must take extra precautions before finalizing sales.

Electronic wallets, such as those offered by Cybercash ([www.cybercash.com](http://www.cybercash.com)), are handy for several reasons. They do not require extra software, they are transparent to the buyer, and they contain all of the customer's shipping and credit card information in an encrypted format. However, more stringent fraud-checking mechanisms for setting up the account and monitoring subsequent sales are needed. Cybercash will soon be adding fraud-checking capabilities to its product line.

Clear Commerce lets shop owners set up their own fraud controls by analyzing trends. For instance, if a shop owner has fallen victim to many fraudulent buying attempts from a particular domain name, he or she can put controls in place to force that buyer to call in before the transaction is completed. The host can also put similar controls in place for demographics, preventing purchases during certain hours, for instance. With the right controls, sellers will be able to weed out fraudulent transactions and keep their charge-back and bank fees lower.

*Executive Managing Editor - Kate McLucas  
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