

A ROADMAP TO TAKING YOUR BRAND ONLINE

Brands sell their products online for a number of reasons: to provide customers with more selection, to offer better prices, and to add convenience, among others. Done right, you can provide your customers with an engaging online experience that is incremental to your overall sales, rather than simply steal dollars away from your retail partners. You can use your website to:



- Share marketing information
- Build brand awareness
- Drive revenue
- Increase customer satisfaction

The most successful brands strategically use their website to do all of the above.

Considerations to Setting Up an Online Store

At first glance, creating an online store seems like a relatively simple and straightforward endeavor. Dig a little deeper and you'll find that it's a fairly complex undertaking. Here are some important questions to ask:

Who's in Charge?

To avoid confusion down the road, it's vital to identify key stakeholders and determine who is responsible for the overall success of your site early on in the process.



- Who is ultimately responsible for driving the business of your website?
- What authority do they have to impact its success?
- Are the key stakeholders in agreement?
- How are you going to handle channel conflict when/if it arises?

On-premise or Cloud-based?

As you decide whether to invest in an on-premise solution or go the cloud-commerce services route, it's important to consider your company's capabilities and goals.



- Can your IT department take on the additional responsibilities of maintaining the ecommerce portion of your website?
- Can you afford the up-front costs necessary to customize your site?
- How fast would you like to get your online store up and running?
- Would you prefer to pay for upgrades over time or pay up front for automatic upgrades?
- How concerned are you about disrupting your customers experience with upgrades?
- Do you have enough in-house expertise for an on-premise solution?

What Do You Want Your Online Store Experience to Be?

The look and feel of your online store directly impacts sales. If you intend to sell your products and services globally, your site's visuals, language, tone, and product sets may have to be adjusted to best meet the different demographics and geographies you serve.



- Do you want your store website to mirror your corporate site or have a unique look and localized experience that changes with your audience?

What Pricing and Promotions Will You Offer?

It's crucial to keep your audience in mind when determining pricing and promotions on your site. Don't forget to take shipping and handling costs, duties and taxes, and brokerage fees into consideration when determining prices, especially on physical goods sold overseas.



- Do you want your pricing and promotions to mimic your corporate pricing and promotions or do you want them to vary based on a specific country's holidays and discounts?
- What pricing model are you going to use?
- What discounts—if any—are you going to offer?

What Analytics Tools Will You Use?

Measuring and keeping track of traffic, click-throughs, abandoned cart rates, average order values and conversions is essential when it comes to documenting what is and isn't working and ensuring your site not only meets, but exceeds your customer's expectations.



- Determine your tools to drive site traffic and improve conversions:
 - A/B testing
 - Multi-variant testing (MVT)
 - Multi-variant testing
- Select the customer engagement tools you wish to use:
 - Email platform
 - Display/re-targeting engine
 - Social media platforms
 - Live chat
 - Customer service

What's Your Strategy?

The success of your online store depends on a well-thought-out strategy. When building your strategy, consider the lifetime value of your customer and the ways in which you can best serve that relationship.



- Do you want to use an internal team to carry out your direct marketing activities and programs or do you want to hire an outside agency that specializes in commerce direct marketing?

What Kind of Digital Commerce Experience Do You Want to Offer?

There are many decisions to make in terms of what you want included in your customer's commerce experience and how you intend to deliver them. You will need to weigh your options regarding content management, hosting, translations and testing.



- What capabilities align with your strategy?
- What capabilities do you want included in your customer's online shopping experience?
- If you decide to provide a localized experience, do you want to offer it via a cloud-based solution or through an outside company (e.g., Translations.com, MotionPoint)?
- Do you want to offer recommendation and personalization capabilities? If so, do they add enough value and incremental revenue to justify the cost?
- How are you going to deliver your commerce experience?
 - Leverage the same Content Management System (CMS) currently used with an integrated commerce experience (seamless to customer)
 - Integrate with a Web Content Management Solution (WCMS) (e.g., Adobe Experience Manager, Sitecore, WordPress, etc.) and a third-party hosting solution (e.g., Rackspace)
 - Choose a ecommerce platform that has integrated WCMS-solution and hosting capabilities

How Will You Handle Order Management?

Order management is the process of handling customer orders and making sure they arrive on time. It involves everything that goes on behind the scenes of a customer's ecommerce experience including order orchestration, physical fulfillment, customer services, tax-calculation software, fraud-management software, inventory management, subscription billing and where-to-buy functionality.



- How will you implement your order management capabilities?
 - With an on-premise solution installed on your servers, and your team responsible for integration into other third-party solutions (Remember: This must be compatible with your other technology and service providers.)
 - With a cloud-based order-management provider who already has the technology integrations completed and up and running and has global capabilities that align with your strategy

What Commerce Management Solutions Will You Use?

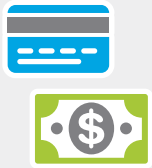
Commerce Management refers to the services and systems your team uses to run your online business, including merchandise control, Product Information Management (PIM), pricing, promotion, user management, Digital Asset Management (DAM), reporting and analytics.



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What Payment Options Will You Offer?

Providing relevant global payment methods for a variety of demographics across geographical regions is complex, but necessary for global success. Many customers can't—and others simply won't—buy from you if you don't offer their preferred local payment methods. Will you offer:



- Local payment options
- International credit cards
- Alternative payment types
- Wire transfers
- Bank transfers
- Online banking
- Mobile options
- Installments
- How will you offer your payment options?
 - Direct from Visa, MasterCard, and other acquiring banks (Note: This is costly and not supported unless your gross annual volume is at least \$1 billion.)
 - Integrate with a third-party payments provider as a gateway service and using your merchant account
 - Use a commerce platform/provider with pre-integrated payment capabilities

Who Will You Designate as Merchant of Record and Seller of Record (MOR/SOR)?

To engage in commerce activities and manage the legal and market-driven risks in any country, you need a business infrastructure. The services you must manage include: legal entities, tax nexus, tax collections, tax remittance, audit defense, tax reporting, legal compliance, PCI compliance, SOX compliance, risk management and foreign exchange.



- How will you implement these services?
 - Hire support staff so your company can act as Merchant of Record and Seller of Record
 - Have your company act as Merchant of Record and Seller of Record, and integrate third parties (most likely the providers you use for payments, fraud software, tax software, consulting services, etc.) into the process (You are still responsible for risk with this approach.)
 - Engage the services of a commerce solution provider that is willing and able to act as the Merchant of Record and Seller of Record on your behalf

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About Digital River, Inc.

Digital River, the revenue growth experts in global cloud commerce, helps companies of all sizes build and manage their online businesses, maximize online revenue, reduce costs and minimize risk. Founded in 1994, the company is headquartered in Minneapolis with offices across the United States, Asia, Europe and South America.