



NATIONAL ASSOCIATION OF
ELECTRICAL DISTRIBUTORS

Executive Guide

*"Strategically Managing Your
Company's Online Presence"*

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Key Questions for an Effective Online Presence

As more and more customers rely on the Internet as their primary source of information, electrical distributors must have an online presence---websites that are easy for search engines to find, offer searchable online product catalogs, and help customers overcome their pre-purchase fears.

Since the supply chain is only as strong as its weakest link, NAED's Strategic Technology Task Force created the *Executive's Guide to Strategically Managing Your Company's Online Presence* to assist distributor executives in understanding the key, strategic questions to ask ("What to do") in order to create an online presence that reinforces their companies' strategic priorities.

Online Presence Only or an E-Commerce Website?

The first question for distributor executives to consider is, "Do we want to have an online presence or do we want to transact business online?" An effective online presence allows Business-to-Business (B2B) customers to: (1. Find your website, 2. Locate products on your website, and (3. Overcome fear of purchasing products online.

E-Commerce, however, necessitates websites with shopping cart capability, cyber-security for payments, and log-in capability to allow customers to easily reorder material and access transaction history. This white paper focuses on creating an effective online presence. A subsequent white paper will provide information on what to do to create an e-commerce website.

E-Commerce: Business transacted over the Internet.

Customers Must Be Able to Find Your Website

Customers must easily find your website. Current customers can be made aware of your website simply by publicizing your URL. In addition, by implementing search engine optimization (SEO) tactics, current and potential customers can find your website through search engines, as the site appears when they search for your company and products. The goal of SEO is to have your website appear near the top of the search results. Furthermore, as we enter the mobile era, customers want to access websites from a multitude of mobile devices. Attention should also be given to optimizing that experience as well as collecting and analyzing data about who uses your website and how they use it.

URL: A Uniform Resource Locator is the address at which specific Web pages can be found.

Mobile device: Portable electronic devices including Smartphones, iPads®, tablet computers, net book computers, and laptop computers.

Key questions for distributor executives to consider:

- How can we promote our website to customers?
- How can we optimize our website for search engines?
- What mobile devices should our website support?
- What analytics can we use to track the effectiveness of our website?

Promoting Your Website to Customers

There are many ways to make customers aware of your website—webinars, direct mail, post cards, etc. Your company's URL should be included on business cards, stationery, brochures, literature, trade journals ads, newspapers, and Yellow Page® listings. Your company's Facebook® and Twitter® accounts also should be linked to your website and vice versa. Your sales force can promote your website to customers too.

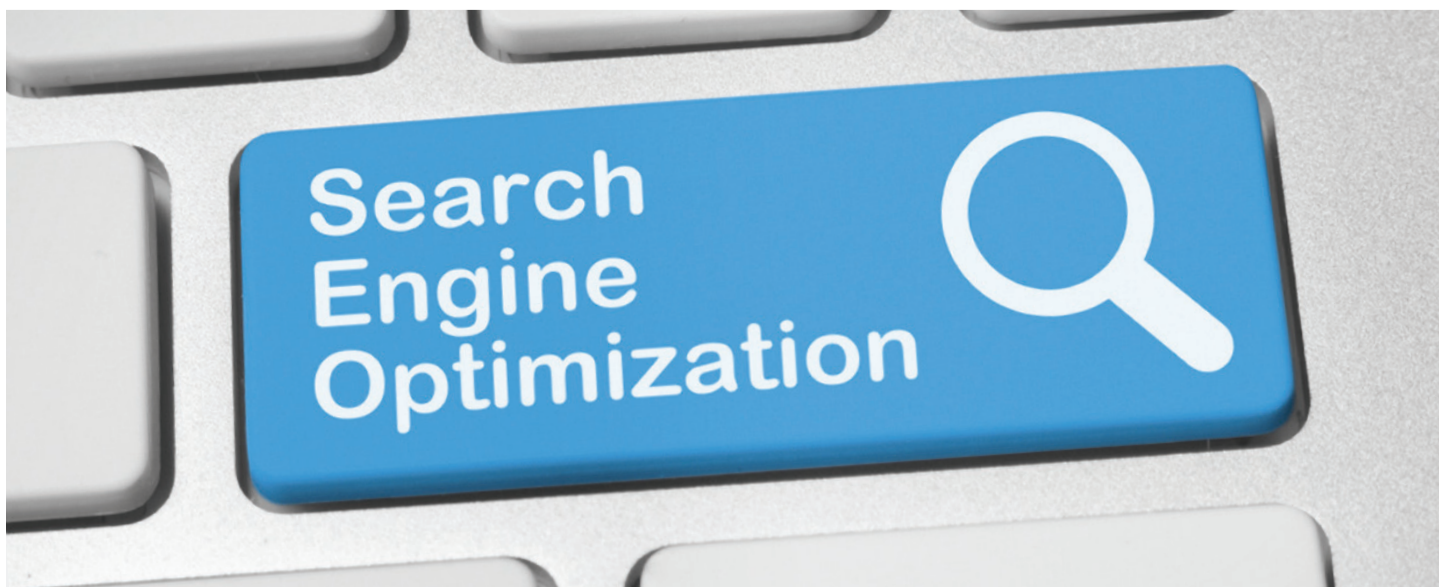


Optimizing Your Website for Search Engines (SEO)

Search engine traffic is crucial for an effective online presence. Because if your website cannot be found by search engines or does not appear in their top listings, you miss out on customers who want what you have to offer. The earlier (or higher on the results page) and more frequently your site appears in search results on

Google®, Bing®, or Yahoo!®, the more visitors your website will receive. Search Engine Optimization techniques include registering directly with search engines, ensuring the keywords used in the web description match keywords used as search terms, linking to other sites, and developing custom content.

Search Engine Optimization (SEO): Methods to boost the ranking and frequency of a website in results returned by a search engine, in order to maximize user traffic to the site.



To find out how well your site is indexed with Google, search site:<your company's URL> and see how many results are returned.

Most search engine users concentrate on the “organic” results of search engines---*those listings returned on the left side of the results*. However, most search engines also employ additional ways to present paid results – which are derived from websites employing search engine marketing (SEM) tactics. The SEM market is currently the fastest growing form of online advertising.

Search Engine Marketing (SEM): Generally refers to any paid placement or inclusion in search engine results.

Supporting Mobile Devices

Mobile devices are changing how, when, and where business gets done. In early 2012, the Pew Internet & American Life project reported 46% of American adults own Smartphones and 29% of American adults own either an e-book reader or tablet computer. Ownership levels are even higher for those living in households earning more than \$75,000, as well as those with higher levels of education. Moreover, mobile internet access is expected to overtake fixed Internet access by 2014. To stay abreast of the latest statistics and trends in mobile devices, visit www.pewinternet.org.

Electrical distributors must address the proliferation of mobile devices by developing mobile web sites optimized for the small screens of Smartphones and tablet computers and/or by developing mobile applications, i.e., “apps.” Mobile apps can boost electrical distributor productivity and responsiveness by allowing customers direct access to commonly requested information—branch locations, product availability, shipping information, etc.—making it easier to do business together.

Mobile Website: A specific website designed for the small screens of mobile devices.



Mobile App: A software application that runs on a Smartphone, tablet, or other portable device.

Analyzing Website Usage

For best success in search engine placement, website professionals use website analytics packages to collect and analyze data about who visits your website and how they use it. By analyzing this user data, one can improve the placement of the site in search engines over time, driving business growth. Analyzing website usage also can boost responsiveness, improve productivity, and drive business growth.

Web Analytics: Measurement, collection, analysis, and reporting of Internet data for purposes of understanding and optimizing web usage.

Web analytics provides information about a visitor's journey once on your website, highlighting areas needing improvement. It runs the gamut from simply measuring the number of visitors to your site to complex analyses of individual visitor behavior, but basic web metrics can include time on site, page views, visitor counts, time on page, click-through rate, and customer log-ins. Top web analytics tools include Google Analytics®, Omniture®, WebTrends®, and Yahoo! Web Analytics®.

Customers Must Be Able to Locate Products on Your Website

Once on your website, customers must be able to quickly find product and availability information. If customers can accomplish specific tasks intuitively and effortlessly, not only will productivity gains be achieved, but also relationships will be enhanced, and it will be easier to do business together.

Key questions for distributor executives to consider:

- How can we educate our customers so they can easily find information on our website?
- How easy is it to find our Site Map?
- How well does our Online Product Catalog meet the needs of our customers?
- What Online Catalog Search capability do we provide?
- What Technical Information should we post online?
- How can we use our website for marketing purposes?
- How much effort do we put toward the design of our website?

Educating Customers How to Find Information

Since website designs and navigation vary, it's important to educate customers on how to find information on your website. Links to "What's New," downloadable brochures, online tutorials, instructional banner ads, formalized classes, and YouTube® videos are just a few ways to inform customers how to navigate your website. However, the most effective way to get customers to use your website is via ad hoc training by your inside and outside sales forces.

Each time a request for information is made, the customer should be verbally guided to the information, with the lesson reinforced by a follow up email summarizing the steps. While such "hands on" training requires an initial investment of time, in the long run, allowing customers to "self-serve" routine inquiries gives the sales force more time to address complex questions and enhance relationships.

Providing a Site Map

Even if your website navigation is easy, consistent, and intuitive, a site map is still a necessity. It not only helps users understand how information is categorized but a site map also informs search engines about changes on your website, allowing changes to be indexed faster, compared to when you don't have one.

Site Map: A webpage displaying a website's structure, its sections, links, etc.

Searching Your Online Product Catalog

Electrical distributors must provide a product catalog on their website with quality product images, descriptions, standard package quantities, and pricing for stock products. Multiple means for searching the product catalog must be provided. At a minimum, customers must be able to search by product category, key word, brand name or manufacturer, and full or partial manufacturer part number. In addition, it must be easy for customers to sort their search results in different ways and if “logged in,” their specific pricing must be available online.

Providing Technical Information Online

The Internet is about access to information. Providing technical information online allows customers to evaluate product options and make informed decisions. Specification sheets, Material Safety Data Sheets (MSDS), warranty information, installation instructions, and product safety and recall information, etc. must be easy to find and download from your website.

Marketing Online

Your website is a great place to raise awareness and trigger the impulse to buy. Special attention can be given to particular vendors, new products, accessories, items others have ordered with a product, closeouts, excess inventory, as well as various promotional offers. In fact, the only limit to online marketing potential is the creativity of your marketing personnel.

Website Design

The design aspects of your online presence can be as pivotal to customers as any first impression. Design aspects include the site's organization, navigation, page construction and content, overall site function, usability, and even page load time. Stanford research confirms that the design behind a website is one of the most important factors affecting purchasing decisions by site visitors. Make sure your site is well constructed and appropriately designed by following industry best practices, employing experts in the field to build and maintain your website, and keeping up on latest trends and technologies.



Customers Must Overcome Their Fears of Conducting Business Online

Common fears of buying online include “Can I trust the site security?” “Will this product solve my problem?” and “If the product doesn’t work, can I return it?” An electrical distributor can allay customer fears by providing security certifications, multiple ways for customers to interact with the company, online product training, and transparent return/exchange programs.

Key questions for distributor executives to consider:

- What can we do to ensure our data is protected against theft and misuse?
- What can we provide to interact online with customers?
- How can we supply product training online?
- How can we streamline returns and exchanges?

Ensuring Data Security

Businesses thrive on information, much of it confidential. It’s essential for your company to allow access to data for business use while at the same time ensuring data security across all locations and devices---on your website, in apps, and emails.

Cyber-Security: Protection of digital business information against theft and misuse.

Providing Customer Care

Addressing customer questions in the manner the customer desires helps overcome pre-purchase fears while at the same time increasing customer loyalty. Most customer concerns can be addressed through Frequently Asked Questions (FAQs), Live Chat, and providing contact information on every page.

Online Product Training

Another way to help customers overcome their fears is to offer product training materials online in various formats including in print and tutorial videos. Moreover, becoming known as a source of product knowledge increases the value of your relationship by making your website a one-stop choice for all information needs.

Handling Returns and Exchanges

Your return and exchange policy must be widely communicated, and in the event a customer mistakenly orders the wrong product, your return/exchange process must be straightforward, seamless, simple, and easy.

What You Can Do

Don't be left behind! Think about Internet technology in terms of how it can help your company be more productive, generate more cash, and grow sales. Maintain visibility into your company's Internet capabilities. Use the answers to questions in this white paper to better understand your company's Internet technology challenges and opportunities, then create an Information Technology (IT) strategic plan or technology roadmap.

Be on the look-out for additional white papers from NAED's Strategic Technology Task Force, including a companion document to this white paper, to be released in June 2012. The checklist will provide details to help distributor executives take a more active role in using a website as a competitive advantage.

Keep up-to-date on the latest technology trends by subscribing to technology websites such as cio.com, wired.com, and websitemagazine.com

Next Steps

Once your company has an effective online presence, it will be time to consider taking your website to the next level by developing an e-commerce website. In the coming months, NAED's Strategic Technology Task Force plans to release white papers on e-commerce, cloud computing, software as a service (SaaS), and other strategic technology topics.

Visit at www.naed.org/strategictechnology to download information developed by NAED's Strategic Technology Task Force