

Title:

Can Your Small Business Afford Not to Have a Web Site?

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Summary:

I've been accused of being opinionated by more than one person in my life, but try as I might to work on that part of my personality, it remains pretty much the same. So, in this article, I'm going to discuss my "opinion" on one reason why, even if your target market is strictly local, your small business can't afford not to have a web site.

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Article Body:

I've been accused of being opinionated by more than one person in my life, but try as I might to work on that part of my personality, it remains pretty much the same. So, in this article, I'm going to discuss my "opinion" on one reason why, even if your target market is strictly local, your small business can't afford not to have a web site.

A few statistics from Statistics Canada to start us on our way-. In 2003, there were about 12 million households in Canada, and of those 8 million had regular access to the internet from work, home and/or school. Around 60% of the total households had a computer and internet access at home.

Ok, so now we know how many households had access to the internet, but what were they using it for? Almost 90% used the internet for browsing, but more importantly for our discussion- 34% used the internet for purchasing goods and services, and by the way, that's almost double 1999 figures for purchasing goods and services on the internet.

Industry Canada reports that in 2000, Canadian ecommerce sales were \$7.2 billion, a whopping 73% increase over 1999 numbers. And no, it's not a typo, it really is \$7.2 BILLION! I'd say there's a pattern brewing-internet usage and sales are increasing rapidly.

And, according to Industry Canada, Canada captured only about 4% of global e-commerce in 2000. Now, numbers may not be my strong suit, so feel free to

correct me if I'm wrong, but doesn't that mean there was 180 billion dollars spent globally in ecommerce?

Let's look for a moment to the United States. www.tamingthebeast.net reports statistics and forecasts collected during December 2001-157million online users forecast to spend \$47.8 billion in online retail revenue in 2002. By 2006, the forecast is 210 million users spending \$130 billion in retail revenue.

The numbers alone will probably convince many people to invest in a small business web site, particularly if they're in an industry where their target market isn't restricted to a purely local one.

But, you say, my business is just a little local shop. Why should I get a web site for my small business? What good will the internet do me? I've heard that one before. In fact, the guy I've heard it from most is David.

He's the guy with the auto shop in my article "I Don't Need a Business Plan-Do I?" Long story short, his mother in law finally convinced him to write a business plan and his business is making some money, but in my opinion, it could do better with some marketing. I'd really like to convince him to spend some marketing dollars (he's a little cheap sometimes), but so far, no dice. Anyway I digress.

Let's use David's business as an example. So, his business is in Saskatoon, a city with a population of just over 200,000 over five years of age and almost 90,000 households in 2001, according to Statistics Canada. Nearly every household has at least one vehicle in Saskatoon, so that means there are around 90,000 potential vehicle problems for David's shop.

Of course, not every vehicle is going to break down in a year, and David isn't going to get all of them to use his shop, but you get the idea. And mind you, some of them will break down more than once. A certain 1988 Jeep YJ comes to mind...

In Saskatoon, 72.5% of households had access to the internet in 2003, so around 65,000 households had internet access. And that's not including the rural population surrounding Saskatoon who also have vehicles that need a mechanic from time to time. Now, let's say David goes marketing-crazy and spends \$2500 for his web site (which in my opinion is way too much money for a static small business web site).

But it does no good to have a web site if it isn't found. Statistically, when people enter a word or phrase into a search engine, they'll stop looking after

the third page. That means, that in order for your web site to be positioned so people will actually click on it, it needs to be in the top 30 web sites for your particular key words or phrases.

So, lets assume that the \$2500 David spent includes some good search engine optimization. His web site copywriter makes sure to research and find relevant keywords, and uses them well in his site.

She adds his site to small business directories, and does more of her seo magic, and low and behold, three months in, David's site comes up #2 in a Google search for "auto repair Saskatoon". Now there are a potential 65,000 clients for David's business because they'll find it in a search engine.

If he only reaches .1% of those 65,000 (not 1%, but point 1%), he could have 65 new clients, and you know your bill is going to be more than 100 bucks every time you take your car to the shop, but assuming just \$100 for an average bill, he'll gross \$6500, making that \$2500 web site money well spent. I'd be willing to bet he'd make that much on maintenance alone, never mind repairs.

Now that I think about it, I've never approached David about a web site from this angle. I think I might show him this article. He's a logical sort of guy, and it just might convince him to get one.