

## Why Minority Businesses Need a High-End Web Site

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July 2001

**INTRODUCTION.** One of the key decisions a minority business enterprise (MBE) must make is to decide what type of Web site they want for their business. The purpose of this article is to discuss the reasons for considering a high-end Web site.

A Web site is more than an online brochure. Used effectively, it can be a powerful marketing, customer service, and business management tool. The payoff depends on the type of planning and investment a company makes in its Web site. A high-end Web site works best if it is part of an overall Internet business plan.

**REASONS FOR HIGH-END WEB SITE,** Corporate buyers are sophisticated and expect their suppliers to be equally sophisticated, to include their Internet presence. MBEs can use their Web sites to help differentiate themselves. Specific reasons for MBEs to have a high-end site are:

Customer Service. One of the realities of e-commerce is that Web customers are different from those in the physical world. They have different needs and expectations. Web customers are generally better educated and tend spend more. This means they expect more from a site than just an online brochure. A high-end Web site helps address this need by providing users with customized Web pages when they visit your Internet site.

Users register with the site, answer several levels of questions (which helps pre-qualify them as prospects) and are then provided with tailored Web pages based on their particular preferences. A high-end Web site uses Customer Relationship Management (CRM) software to present specific products and/or services tailored to the needs of each user. CRM also provides reminders for regular orders and special occasions.

Keeping customers is essential to the survival your business, and a Web site can be a big help in this area. The March 15, 2001 edition of *CRMGuru.com* provides additional emphasis in this area by noting: "Win-back and retention efforts need to be seen as part of customer life cycle continuum. In an increasingly competitive market, you need to assume that you will need to re-sell the customer continuously from the moment they are acquired." A high-end site provides an effective tool to implement this strategy. CRM software also includes the ability to create online communities which are essential to building brand identity and loyalty.

Increased Sales. A high-end Web site can help guide your customers through the selling process, which helps prevents them from abandoning their online shopping carts. This provides for better target marketing. A high-end site can also up-sell and cross-sell. The result of all these advantages is more revenue that could be realized from a basic Web site.

Global Presence. The Internet is a global media. This provides minority-owned businesses with unprecedented access to International markets and business opportunities. However this only works if their Web site is up to the task. Success in global e-commerce means a Web site must be have a multi-lingual content, use metric units, and have a translation capability.

The demographics of the Web are changing. Users are becoming more diverse. The June 4, 2001 edition of *The Detroit News* provides the following insights:

There are 216 million Internet users who use English as their primary language and 238 million online users who use other languages as their first language, according to March estimates by the Global Reach marketing company. By 2003 there will be 560 million Internet users with a primary language other than English, and they will outnumber English-speaking Internet visitors by a ratio of more than 2-1, Global Reach said.

Having a Web site that is ready to meet this challenge could mean the difference between successful and failure in the global economy.

Product Demonstrations. Customers process information different ways. Typical text works for some. However, some users need other media. Sound, animation and graphics are elements of a multi-media presentation. These are highly effective for distributing product samples such as software and translations.

E-Commerce. A high-end Web site provides a better platform for an e-commerce “plug-ins” such as shopping cart and electronic payment software. A high-end site also provides a better interface to the emerging e-commerce programming language Extensible Markup Language, also known as XML. A typical low-end site uses hypertext transfer protocol or HTTP. A comparison of the two programming languages is provided below:

XML and HTML look similar, but perform very different functions. Unlike HTML, XML does not create visual representations of data. Rather, XML is a set of rules for structuring data so that it can be read by any computer, regardless of platform. In essence, XML is a medium for transferring data. (SOURCE: The Washington Times, October 16, 2000)

XML is quickly becoming the standard e-commerce language. Not having this capability limits a company's Internet options.

Competition. Competitive landscape on the Internet is changing constantly. There are approximately 1.3 billion Web sites That's why it's important to have a high-performance Web site. A high-end site avoids the “cookie cutter” look which provides a standout presence. Having a professional graphics designer helps ensure essential features are provided such as incorporating the three major advertising colors: red, black and white. Incorporating the above elements helps make a Web site “sticky”

which means longer and more frequently visits. This promotes sales and helps with marketing, e.g., others want to link to your site.

A high-end or second-generation Web site must also be well organized and easy to use. This is a pre-requisite for success. Other key features are described in a recent article titled "Report:: Customer Relationships Key to Dot-Com Viability notes that ". . . interactive features -- such as worksheets, planners, and shopping lists for quick reordering -- to enhance and customize the shopping experience." (SOURCE: *The E-Commerce Times*, May 23, 2000)

**COST ELEMENTS.** Higher end solutions tend to cost more. The cost of a high-end Web site typically starts at \$50,000 and up. Cost drivers are software (e.g., shopping cart & payment processing systems), programming, content development, hardware, and telecommunications. To get additional insight in this area, the author consulted with Mr. Thomas Schroeder, President of Phoenix Technology Group ([www.phoenixtechgroup.com](http://www.phoenixtechgroup.com)) in Schaumburg, IL. He noted there is a six-to-one ratio in development costs. For example, \$10,000 of basic software roughly requires about \$60,000 in customized programming services. He also recommends using the Java programming language for Web site development since it can be used with any operating system, allows multiple users, can grow with a business (scalable), and saves money in the long-run since it is scalable. Readers can also consult the author's site for a tutorial on how to reduce Web site costs ([www.e-mbe.net](http://www.e-mbe.net))

**FINAL THOUGHTS.** A high-end Web site can provide a minority-owned business with a meaningful competitive advantage. Flash and splash are nice, but they are only part of the package. A true high-end Web site helps your business develop more sophisticated relationships with your customers, builds contacts & referrals and generates significantly more revenue than a basic site. Hopefully the above article has provided new insights into the need for minority-owned businesses to have a high-end Web site. Good luck!

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