

Does your website strategy add value?

According to the Pew Internet and American Life Project, 75 percent of American adults are now online. As such, it's no surprise that websites have become an important sales support tool for electrical distributors, as well as a powerful way to communicate brand. In fact, a recent survey by IMARK indicates that nine out of every 10 members have websites.

But having a website doesn't necessarily translate into having a successful website. So how does an electrical distributor develop a website strategy that adds to its value proposition? Start with your customers.

Listen to customers

David Bellwoar, executive vice president of Colonial Electric Supply in King of Prussia, Pa., said his company held a customer focus group to find out what should be included on its website at www.colonialelectric.com.

"We asked customers what would be beneficial to them. Their response wasn't what we thought: They really didn't want to conduct new transactions via e-commerce, as many articles had suggested back then," said Bellwoar. "Rather, customers wanted information about the orders they had already placed. They were specifically concerned with proof of deliveries and the ability to reprint invoices. We established our website to better service the orders after the sale."

Likewise, J.H. Larson Company in Plymouth, Minn., is listening to customer feedback and watching customers' online behavior to guide their efforts in developing content for their website at www.jhlarson.com.

"We are continually asking customers what they want on our website. We go directly to the horse's mouth," said David Porter, the company's webmaster. "Also, we track what webpages are being accessed, so we can see what people are using."

Tom Barker, COO of Mid-Coast Electric Supply in Victoria, Texas, gathers website intelligence for www.mces.com through face-to-face interactions with customers.

"To find out what our customers think about our site, we make a sales call or take customers to lunch. They tell us what they use the website for, what they like about it, and what they don't like," said Barker.

Value-driven functionality

Key to a successful distributor website is offering benefits that customers want and need. "If you don't establish ways of meeting those needs, the site just sits out there," said Porter.

Many distributors have incorporated complex functionality into their websites, providing customers with many self-service features, ranging from reviewing inventory to paying invoices.



First developed a decade ago, J.H. Larson's website attracts many levels of its customer base, including company presidents, project managers, electricians, and a sizable number of owner/operators.

"We're trying to make it easy for our customers to do their jobs," said Porter. "We work in three states and many of our customers are in rural locations. The most important benefit we offer to our customers is the ability to secure specification information, place orders, generate quotations, track shipments, look at inventory, review what they bought, pay invoices, create their own order pads with customized number, and track automatically with the vendor's order," said Porter.

Each customer is associated with one of the company's eight locations, so online orders are sent directly to that branch minutes later. This feature, Porter said, is popular with customers.

“A rural customer can come home at night, sit at the kitchen table, and place an order for the next day’s materials,” he said. “That customer knows that the order can be shipped to him or he can pick it up in the morning.”

Mid-Coast has taken a similar approach with its site, but focuses more on core capabilities. Customers can place orders online and review inventory or invoices.

“We offer unfiltered, real-time information. Our customers can go right to the source. They can find out, is a product in stock? or, when’s that training class?” said Barker.

The company’s website visitors typically include purchasing agents, accounts payable clerks, and engineers looking for product information and training opportunities.

However, with five locations throughout Texas, the company has chosen to keep its offerings scaled to its needs, which means it currently does not offer order tracking or invoice payment.

Colonial has also tailored its website offerings to fit the needs of its 13 locations. The site has changed considerably since it first debuted as a banner page in the early 1990s. Today, it offers customers access to account statements, invoices, proof of delivery, stock checks, pricing, and backorders. Plus, customers can manage their billing options, as well as control the number of users and the content each user can access.



Colonial decided not to offer online order entry. “We believe that the salesperson plays a vital role with order placement, and we’ve found that customers have a lot of questions that need to be answered by a person,” said Kim Paul, marketing manager for Colonial.

According to Paul, customers use Colonial’s website for varied reasons. Owners, accountants, and office managers access statements, make comments about invoices, and check backorders. Engineers check industry links and use calculators. Contractors check stock and learn about new products and specials. On-the-job foremen and contractors look up proof of delivery and find the nearest location when they need to make a pickup.

“The most important benefit our website offers to our customers is an easy way to manage all of their Colonial transactions from their home or office, 24 hours a day, seven days a week,” said Paul.

Looking ahead, distributors expect the generational shift to increase the importance of their websites. According

to Barker, his younger customers are already more tech-savvy—used to doing business on the Internet. Similarly, Paul noted that Colonial’s younger customers ask for an online account when they see the added convenience.

“The biggest challenge is figuring out what content is important to our customers,” said Paul. “In today’s workforce, there could be up to four generations of people working for one company. Each person’s needs and wants are vastly different. To find the happy medium is always the difficult part.”

Increased efficiency and productivity

In addition to saving customers time and money, websites can also bring increased internal efficiency and productivity. Distributors find that their websites can save time, reduce errors, and support sales and marketing efforts.



Mid-Coast first created a Web presence in 2000. Since then, it's been a convenient source for basic information about the company, but it's also been a useful tool for promotion.

"We sell training to our customers, so our website is a place for people to go to see when courses are being held and download materials. We can update the website instead of printing paper," said Barker.

Barker also appreciates the website's online order capability. "We encourage our customers to use the online order entry, rather than submitting it by calling or faxing. With online orders, inside sales doesn't have to hand type the order. It takes out one step in the process that could increase errors."

According to Porter, J.H. Larson's website always backs up the sales and marketing plan. "If we're going after specific market share, the website helps meet those goals with

additional information for the customer."

For example, he said, the company is growing its market share of the "green energy" and compact fluorescent lamp segment. To support that effort, the website features energy calculators that show customers the savings and pay-

back when they replace their old lamps with energy-efficient ones.

Colonial uses its website to provide cost savings both internally and for its customers.

"Our website is an extension of our company and our salesforce," said Paul. "We use our website to improve our customers' efficiencies and effectiveness through back office capabilities. Plus, we use our site to promote our new products and specials, training, events, locations, and the Colonial story."

Paul added that the Colonial website is a timesaver for everyone, with less document handling and fewer errors. "We can direct customers to the website to access product information, statements, and invoices. Our employees don't have to spend time faxing or taking as many calls. Ultimately, it makes our customers more efficient," she said.

Development and maintenance

The process distributors use to develop and maintain their websites is as individual as the companies that build them. Some develop their websites internally, while others hire outside consultants. However, the consensus is that content should be updated regularly.

"We add small bits to the website all the time, at least once every week. And, on the order entry side, it's hooked to our business system, so it's updated constantly," said Barker, whose company worked with a Web consultant to develop the initial website, but makes updates in house.

J.H. Larson also updates content daily or weekly in house. The site was developed, in large, using its staff. However, the company relied on outside consulting to help build the e-commerce section, said Porter.

According to Paul, Colonial updates product and account data every day, while events and specials are refreshed monthly. The company developed and continues to maintain its custom site and ERP system in house, relying on six programmers, a graphic designer, and Web-trained marketing staff.

Although companies aspire to freshly updated websites, reality comes with challenges. According to Barker, the toughest challenge with maintaining the website is that it can be out of sight, out of mind. "Every-one in charge of the website has

other jobs, and the website is not going to call you when it's out of date," he said. "You have to make sure you make the website a priority. It's out there and it needs timely data."

Words of wisdom

With more than 216 million Internet users in the United States alone, website usage will continue to grow—especially in the business-to-business arena. To meet the growth,

our road-tested website veterans offer some simple but sage advice:

"Have timely information on your website," said Barker. "Invest in the technology to make your website stable. If you use an outside Web company, find a good fit for your company and your workload."

"Listen to your customers. They are your best resource," said Paul. "Don't go overboard on the fancy stuff: Keep it simple, with fast graphics."

"It's important to talk to your customers, your salespeople, and watch industry trends," said Porter. "Find out what needs customers have and establish ways of meeting those needs."

Bottom line: To make your website work for you, make it work for your customers.

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