



Online Stores

Do you need an online store? The answer depends partly on whether you are selling bales of hay or jars of jam! But the explosion of online sales has pushed the boundaries of what people expect to buy via the Internet. Do you want wild salmon from Alaska to arrive on your doorstep the day after it's caught? If you have the money, there's someone online happy to sell it to you.

As a local farmer, you need to decide what purpose an online store will serve. Are you looking to expand sales to local customers or gain new ones from all over the country? Are you hoping to grow online sales in order to cut back on market or festival sales, or are you looking for overall business growth? While there are unique technical requirements to creating an online store, the success or failure of an online store is very similar to a bricks and mortar store.



In this tip sheet we will discuss some of the pros and cons of online stores to help you decide if they make sense for your farm. It takes technical knowledge and skills to create and implement online stores, so be sure you understand how they can help your business before you invest time and

money in them. Expect a somewhat steep learning curve and be prepared to hire professionals to help.

Benefits of an online store

Convenient for the customer

There's no doubt that online retailing is exceptionally convenient for the customer, who can order a jug of syrup or a jar of jelly at any hour of the day or night and have it arrive a few days later. Your online store can easily satisfy the impulsive buying habits of today's consumers.

Convenient for the farmer

Who wouldn't want to wake up in the morning and find orders waiting to be filled? Some farmers create stores to reduce their travel off-farm, like Marian Welch of Justamere Tree Farm in Worthington, Massachusetts. "We started our online store so we can be on the farm more."

Potential for growth

A successful store can increase income for your business and help you reduce other marketing venues. "We wanted to reduce our off-farm markets," says Marian. "If we could sell more from our home base it would make a lot of sense. You have to pay a lot for a booth at a fair or festival."

Challenges of an online store

Building the store

In the best scenario your increased sales will pay you back for the creation of your store. But there is a certain amount of sticker shock that happens when you first venture into online sales. Since you are unlikely to have the technical expertise to create a store yourself, you are going to have to find and evaluate someone who can help you. Even the most basic store will cost at least \$1,000. If your primary market is a farmers market, that may seem high. But if you are doing craft shows or festivals you

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know you can easily spend that much on a booth fee and gas to get there—for only two days of selling!

Marketing the store

There is no 'if you build it, they will

come' in the online world. Marketing to your existing customers is a good start, but not the only step. Online stores need online advertising and marketing programs. There are also unique technical requirements to getting people to find your store. Marian is undertaking a significant overhaul of her Web site and store with this in mind. "Online sales have been slower than expected," says Marian. "Even though we have been online for years, we are just getting the hang of getting linked to other sites and getting good search engine placement. It will take time to see results."

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Fulfilling orders

While you know you are not L.L. Bean, your customers expect you to act like it. Items need to be well packaged and shipped promptly. Don't allow daydreams of online sales profits obscure the reality of packaging and shipping your products. Be sure to thoroughly research your shipping requirements and costs before you get started so you don't lose money by under-charging for

shipping. Make sure you have enough hands on deck to ship orders so your customers are not left hanging.

Balancing resources

Like most pieces of farm equipment, an online store is an expensive acquisition, but it can be very useful in the long term. Make sure you have carefully planned what you need to spend and that you have the resources to keep the store going for at least a year so you can measure its success.

Bringing it all together

Taken separately, Web sites, blogs, stores and e-mail newsletters are interesting activities with some potential. When they are well-integrated they can increase your sales. There are numerous examples of online businesses that are very successful at integrated online marketing and sales—and not just Amazon.com. Your blog should drive customers to your store, not just give them free entertainment. Your e-mail newsletter can tell thousands of readers that you are having a monthly sale and give them an easy path to a purchase in your online store. Your online store can offer a simple, efficient way to get a piece of the farm delivered to a customer across town or across the country. Understanding the power of these tools collectively will help you understand how to make them work for you, so you can spend more time doing the work you love.



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