

Adding E-Business to Your Agri-Business

The purpose of this document is to provide basic information to agricultural entrepreneurs (agripreneurs) who are interested in using a website to promote their agri-business and sell their products via the Internet. Be sure to check other sources of information as well as the links included within this document.

The Internet provides many opportunities for agripreneurs to expand their existing businesses, from educating consumers to selling product to saving time, labour, and money. This document provides general information and links to sources of e-business information. E-business means using the Internet or related technologies for any of your normal business operations - advertising, selling, buying, managing, etc. The term e-commerce typically has a much narrower scope, referring to using the Internet to *sell* goods and services, which may not be the primary focus of many agri-businesses.

Agripreneurs need to define the purpose or objective of developing a website *before* getting started.

- *To distribute information:* promote the agri-business and give information to customers about product availability, hours of operation, location, upcoming events, etc.
- *To transact sales:* set up strictly to sell product. The site must have secure online ordering capabilities.
- *To distribute information and transact sales:* website contains general information as well as generates sales.

Designing Your Website

- *Research other websites:* The Internet can be used to research website design, competitors, products, etc.
- *Website development:* Will you design your own website or contract a designer? The path you take depends upon your expertise, available time and budget. Ask other agri-businesses with good websites for recommendations of website designers. Be sure to check references of the website designer before the contract is signed. A contract should include:
 - Pricing strategy – per page, per hour, website size
 - Timeline for work in progress
 - Payment
 - Clear description of inputs to be supplied by the designer and by the customer (such as written information, graphics, web host, etc.)
 - Use of a “blind” site so that the website can be reviewed and corrected as necessary
 - Website review schedule and updates – set a timeline for when updates will be done as well as who is responsible for doing updates.
 - Responsibility for registering the website with search engines
- *Website costs:* Website development costs really vary. Costs may include:
 - Registering the domain name - \$100 for 2 years

- Domain parking – charged while you own the domain name but don't have a website developed - \$5/month.
 - Hosting the website - \$25/month plus one-time set up fees.
 - Website design including simple graphic work for 10 – 12 pages - \$2,500 - \$4,000.
 - Site maintenance to keep content up-to-date - \$15 - \$50 per hour.
 - *Website content:* According to farm direct marketing guru, Jane Eckert, your homepage should contain the following *basic information*:
 - Logo
 - Address
 - Phone number
 - Hours of operation
 - Web address, e-mail link and phone number on every page
- In addition, make sure your website contains the following *pages*:
- Description or history of your business
 - Directions, including a map
 - Calendar of events (if appropriate)
 - Product availability calendar
 - Tour page (if appropriate)
 - Special programs/events
 - Family page
 - Online newsletter subscription
 - Want ads
- *What does your customer want to know?* Design your website so it provides the information your customer wants and needs.
 - *Use quality pictures on the website:* Including pictures of your farm, the people in your business, how animals are raised, etc., builds a valuable personal connection with your customer. Keep in mind that anything you put on your website is public domain and can be copied by anyone for their personal use. Anything you don't want in the public domain should not be included on your website.
 - *Name of the website:* Choose a domain name (URL/website address) that is short, easy to remember, simple to spell, and sends a marketing message.
 - *Register your domain name:* This ensures you are not duplicating the name of an existing website.
 - Canadian Internet Registration Authority (CIRA) – contact for registering **.ca** websites. <http://www.cira.ca>
 - RSH Web Services – contact for registering **.com**, **.net**, **.org**, **.info**, **.biz**, and **.us** websites. <http://domain.rshweb.com>
 - Register.com – contact for registering **.com**, **.net**, **.org**, **.info**, **.biz**, **.us**, **.tv**, **.ws**, and **.cc** along with 40 country-specific extensions. <http://www.register.com>
 - *Register your website with search engines:* Customers use a variety of sources to find website addresses but they mostly use search engines. Investigate which search engines are used most frequently and how “key

words” can direct hits to your site more often. Use a variety of sources to identify key words:

- Talk to your customers and see what words they use to search for your type of business.
- Search similar businesses on the Internet to find out what key words work for them.
- Create your own list of key words.

Selling Over the Internet

- *Website security:* This is critical for building customer trust if you’re planning to sell from your website. Hackers can easily gain access to other files on your computer via your website unless security features are built in and maintained. Speak to your website designer about this as well as different web hosts (such as Yahoo) to see what their policy is on technical support, firewall protection, etc.
- *Market research:* It is imperative to conduct market research to determine the demographics of your e-business target market. Internet customers may have different characteristics than face-to-face customers. Some questions to answer:
 - Who is your customer?
 - Are your customers using your site as a place for information or a place to purchase a product?
 - Are they comfortable making Internet purchases?
 - How much do they know about your product and your business?
 - How much do they want to know about your product and your business?
 - Do they have dial up or high speed service?
 - Are they looking for something to make their jobs/lives easier?
 - Are they trying to solve a problem or avoid a problem?
- *Borderless commerce:* Websites can be accessed by anyone anywhere so you could have sales coming from around the world. Is this your intention? If you only want to sell your product within Alberta or Canada, this should clearly be stated on your website. Depending on what you are selling and where your customer is, you will be subject to different regulations. Use the Alberta Agriculture, Food and Rural Development publication: *Farm Direct Sales – Know the Regulations*, Agdex 845-7, as a starting point. This publication deals primarily with regulations governing sales within Alberta so it focuses on Alberta regulations and applicable federal contacts/regulations. Selling to customers in other parts of Canada may require your compliance with additional federal regulations. If your Internet sales are to customers outside Canada, you must adhere to regulations of the destination country as well.
- *Shipping considerations:* Investigate shipping schedules and transit time for your product delivery. Consider the reliability of your shipper in terms of your location. Build an adequate shipping time into any information you provide your customers. You need to have a method of dealing with

shipments that do not arrive, arrive damaged or simply are not acceptable to the customer and need to be returned.

- *Transaction confirmation:* It is often assumed that a sale over the Internet is immediate. It's wise to build a mechanism into your website to confirm acceptance of the order and/or notify the customer when their order has been filled and shipped.
- *Customer service:* Although ordering over the Internet seems impersonal, it is important that customers have the ability to contact you if they have complaints, special requests, inquiries or comments. This can be done via a 1-800 number or by e-mail as long as you check your e-mail at least daily.

Other points to consider

- A website reflects you and your business. It should be concise and easy to navigate, featuring clearly stated, error-free information. It should be updated frequently and grow with your business. Since a website is another form of branding and name recognition, be consistent with colors, design and type fonts on each page throughout the website.
- *Promote your website:* Include your website address on all business correspondence, newsletters, business cards, brochures, bags, signs, uniforms, etc.
- *Use e-mail to make contact with customers:* E-mail is an inexpensive way to send out product updates, newsletters, receive product orders, etc. It can be used alone or in conjunction with a website. If you offer an e-newsletter to your customers, your website needs an online subscription feature.
- *Timely information:* Review and update your website frequently, especially if you are promoting in-season products. If your business is seasonal, indicate when you'll be back online for the new season.
- *Right to privacy:* If you collect personal information from individuals via your website, they have a right to know what the information is used for and how that information is safeguarded. Check with a lawyer about the federal *Personal Information Protection and Electronic Documents Act (PIPEDA)* and *Alberta's Personal Information Protection Act (PIPA)*. Industry Canada's Strategis website provides some introductory information on PIPEDA.
http://e-com.ic.gc.ca/epic/Internet/inecic-ceac.nsf/en/h_gv00045e.html

Glossary of Terms

The following terms are found within this document. This is not a comprehensive list of Internet/e-business terms.

- **Internet Service Provider (ISP):** A company providing access to the Internet.
- **Web Page:** A document created with Hypertext Markup Language (HTML) that can be accessed on the Internet. Every web page has a unique address called a URL. Web pages can contain text, graphics, and hyperlinks to other web pages and files.
- **Uniform Resource Locator (URL):** The URL is the unique address of documents and other resources on the Internet.

- **Hyperlinks:** These are text or images on a web page that, when clicked with a mouse, cause your browser to load another page of HTML. Because a simple mouse click allows the user to easily go from one page of hypertext to another, these pages are said to be "hyperlinked". Text links are usually (but not always) underlined in blue, while hyperlinks are images that often take the form of "buttons."
- **Website:** This is a group of similar web pages that collectively represents a company. A website may include text, graphics, audio and video files, and hyperlinks to other web pages. Websites can range in size from as little as one page to a vast number of pages.
- **Transactional Website:** This is a website that allows sales transactions to be performed. It includes, but is not limited to, order processing, secure payment processing, supply management, and distribution.
- **Domain Name:** This is the unique name that identifies an Internet site. Domain names always have 2 or more parts, separated by dots.
- **Web Host:** A web host (usually an Internet Service Provider) leases server space and web services to companies and individuals who wish to present a web or e-commerce presence but do not wish to maintain their own servers. Cost is determined by the services offered.
- **Web Master:** A web master is someone who is responsible for providing expertise and leadership in the development of a website, including the design, analysis, security, maintenance, content development, and updates.
- **Web Designer:** This is a person who creates websites, including its layout and graphics.
- **Web Browser:** This is software that allows you to access web pages on the Internet. Web browsers provide a graphical interface that lets users click buttons, icons, and menu options to view and navigate Web pages. Netscape Navigator and Microsoft Internet Explorer are popular Web browsers.
- **Search Engine:** This is a tool that enables users to locate information on the Internet. Search engines use keywords entered by users to find websites that contain the information sought.
- **Firewall:** A firewall is a set of related programs that many companies or organizations have in place between their internal networks and the Internet.

External sources of e-business information:

- **The Business Link**
The Business Link is a not-for-profit organization supported by the Government of Canada through Western Economic Diversification and the Government of Alberta through Alberta Economic Development. It is a member of the Canada Business Service Centres (CBSC) network.

Along with the many services offered to Alberta entrepreneurs, The Business Link's E-Future Centre in Edmonton is a source of e-business information. It includes, but is not limited to, one-on-one consultations, educational materials, on-site library, seminars, information on what to look for in a web

master as well as information on what a good web page should contain. The Alberta E-Future Centre is committed to serving entrepreneurs throughout Alberta. It provides regional access to e-business resources through 11 mini E-Future Centres, many of which are located at Community Futures offices.
www.e-future.ca

- **Canada Business Service Centres (CBSC)**
CBSC offer comprehensive information on federal and provincial/territorial business programs, services and regulations. Located in each province and territory, CBSC are available to help Canadian businesses develop e-business plans, expand online markets and explore the potential for export.
www.cbsc.org
- **Alberta Entrepreneurs with Disabilities Enhanced Support Services Initiative**
This initiative is designed to provide value-added services to entrepreneurs with disabilities. Funding for this program is available through Community Futures Development Corporations. One of the services offered through this initiative is an e-business toolkit. Available online at:
<http://www.aedess.com>
- **Strategis**
Strategis, Industry Canada's online site, harnesses the power of the Internet to provide business and consumer information to all Canadians without the constraints of time and geography.
http://strategis.ic.gc.ca/sc_x/engdoc/using_ecom.html?guides=e_com

There are many useful sites under Strategis including:

- ***ebiz.enable***
ebiz.enable is an easy-to-use website designed specifically for small and medium-sized businesses. It is a comprehensive online resource that allows you to explore e-business problems and solutions relevant to your company and its success in the global online environment.
<http://strategis.ic.gc.ca/epic/Internet/inee-ef.nsf/en/home>
- ***Electronic Commerce Branch of Industry Canada***
This branch aims to build on Canada's foundation of e-business to support and facilitate continued growth of e-business in the Canadian economy.
<http://e-com.ic.gc.ca/epic/Internet/inecic-ceac.nsf/en/home>
- ***Retailing on the Internet***
The Retail Council of Canada and Industry Canada publish retailinteractive.ca, a pipeline to practical business information, resources and tools designed especially for Canada's retailers. Used properly, this site can give retailers the competitive edge they need to run their operations more effectively and profitably.

<http://retailinteractive.ca/SSG/ri00006e.html>

- **Business Development Bank of Canada (BDC)**
BDC assists businesses to develop e-business strategies. Depending on your business development stage, BDC may provide financing for website development.
http://www.bdc.ca/en/my_project/Projects/ebusiness.htm
- **Business Gateway**
The Business Gateway provides federal and provincial e-business information on regulations, policies, strategies and guides.
<http://businessgateway.ca>
- **SourceCAN**
This secure online trading environment uses an international tender system to allow small and medium sized Canadian companies to source bids, post opportunities and pursue strategic partnerships with domestic and foreign corporations and governments.
www.sourcecan.com
- **Canadian Code of Practice for Consumer Protection in Electronic Commerce**
This code establishes good business practice benchmarks for merchants conducting online commercial activities with consumers.
www.cmcweb.ca
- **United States Department of Agriculture (USDA)**
The Marketing Services Branch of the USDA provides information for farm direct marketers free-of-charge. One of the publications listed is *How to Direct-Market Farm Products on the Internet*. This publication is available online at:
<http://www.ams.usda.gov/tmd/MSB/publications.htm>
- **Web Marketing Today**
This free weekly e-mail newsletter helps subscribers stay abreast of Internet marketing developments.
<http://www.wilsonweb.com/webmarket>

Note: The information and links provided in this document do not represent all e-business resources available. Listed resources are not endorsed by Alberta Agriculture, Food and Rural Development. They are provided as samples only. Use of this information is at the sole discretion of the user.

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