

FROM THE CELLAR

In the first of a new regular column Graham Stewart gets depressed by the short-sightedness of larger companies and introduces his plan to set up a commercial web site as a template for small businesses wishing to show the big boys how it should be done.

For anyone passionate about the potential of the internet Stephen Motson's Backlash Chart, featured in our February issue, contained one particularly depressing figure in the midst of the survey. It seems that 54% of UK companies with a turnover of more than 100 million sterling have no intention of developing web sites. Surrounded as this was by figures that seemed to underline the costs and cons of going online this may seem a reasonable position to take. Without doubt, however, this is not simply short-sighted: This is sticking your head in the sand up to your belt buckle.

There is a current IBM advertising campaign on television portraying various business types confronted by the internet. In one ad the punchline is 'I don't know how to do that'. In another, in response to one exec stating that the company must get a web presence, another exec asks, 'Why?' IBM has hit on the two key elements reflected in that survey figure, namely ignorance and ignorance.

It is not the thought of large companies missing opportunities for growth that is so depressing, however, but that what the large companies do so many smaller companies will copy. If our larger corporations, with advertising and marketing budgets to spend, feel they cannot justify a web presence then it is easy for the small businesses operating in their shadows to feel free to follow suit. But if anything is likely to turn today's minnow into tomorrow's pike snapping at the tail of the bloated big boys it is clever use of the web.

Of course not all the top suits are breathing sand. Peter and Michael Freeman, late of sizzling property company Argent are putting part of their fortune into start-up media and technology companies. Their first investment in an area that they believe has great potential is in internet retailing. Other investments will not be far behind. In a later column I hope to talk to the Freeman brothers about their view of the net's potential.

What is it that is keeping the larger companies away from the web? I suppose the major reasons are cost and an inability to perceive any need. Some companies that have bitten the bullet and developed a web presence have felt they have poured a large amount of money into a development that seems to have gained them nothing in return. Others, such as the internet bookshop – www.bookshop.co.uk – have been created specifically for the web and found a profitable niche. Without a doubt, the establishment of a web presence for existing companies which are profitable in non-online environments must be viewed as a long term investment rather than as a source of quick revenue. There are exceptions, of course. Reuters, for instance, is a company that has taken the internet as a challenge to its existing business and rather than wait to see how it will be affected has tried to use the internet to its own advantage. By providing news to sites with heavy hit rates such as Yahoo it is beginning to generate large profits by sharing in the advertising revenue from those sites.

The web as a commercial entity is barely four years old, after all. A common phrase being bandied about boardrooms is no doubt 'Let's wait and see how things pan out.' This, of course, can be translated as 'Let's give our competitors a head start' or even 'We haven't got the foresight to see how we can use this thing'.

Then again, if you're reading this, the chances are your company is already on the web or you're thinking of getting it there. But being on the web is not the end of it. A web presence can be a passive thing, like having a listing in a directory, or it can be dynamic and threaten to become a vital part of your business.

A lot of web sites forget that they are in the business of communication. A fancy logo, stunning graphics and the address and telephone number of the company sales office does not make a web presence. All that does is irritate any potential customer – and all net surfers are potential customers – who have come to the site. Not many surfers will return to a site that has forced them to wait while large graphics files download and then rewards them with a dead end. A telephone number is a dead end. You can judge your page a success by the number of return hits it gets. If your site gets a few hundred hits in the first few days of being up then that is a start. If the page rewards a visit then this number will grow. If the page vegetates then the numbers will shrink, dramatically. Simple. How do you stop the page vegetating? Communication. That means information. Information is the reward. And good information is regularly updated. Even a daily joke is a form of update.

If your business is a small shoe shop in some Surrey town then get hold of all the shoe jokes you know and put them on the web one a day. Encourage visitors to send in their jokes. Put the best one sent in up on the site. Best joke of the month gets a free pair of shoes. Worst joke gets only one shoe. Add information to the site. The history of shoes in Surrey. Famous Surrey shoemakers, wearers, large feet, webbed feet. Anything. Make your site the starting point for all quests for Surrey shoe knowledge. Put on a guide for measuring feet so people can send you orders by e-mail. Soon you've gone from a joke a day site to a national mail order shoe firm. With advertisers paying you for a spot on your site.

If you think I'm being flippant using the shoe business as an example then check out the site I first thought of using as a basis for the above paragraph; www.rogersgroupinc.com. This is the home of the Rogers Group, which operates rock quarries and builds roads. I'm unlikely ever to need their services personally but they are now, for me, the site I think of when anyone mentions quarries or road building. These are not topics that surface a lot at dinner parties or when I'm having tea with the kids but you know what I'm saying. The site tells me about the company but it also tells me about what the company does. It does the latter to such a degree that I feel educated and other people working in the same industry can also stop by for information. That is added value. Will the site make the company money? I doubt it, at least in the short term. But it will get the company's name more widely known. When the time comes, as it will, that people use the net much in the way that they now use Yellow Pages, and a company without a web presence is an *invisible* company, sites like this will be the ones that stand out and get that first call.

Speaking of the Yellow Pages: When you need a service what makes you choose a particular name? The variations on presentation are limited, really, to the occasional title in bold, a box around the name, or a larger box with some punchy (or not) slogan attached. If you're like me you tend to look for the phone numbers that match your own exchange and go through them more or less in alphabetical order. Now imagine you could click on one of those names and be treated to a wealth of information on the business that company was in and what their approach to it was, how long they had been in business, even some details of their staff. All this in addition to their rates for particular products or jobs. Now you can make a judgement based on a larger number of impressions and you could also dismiss those whose prices didn't suit you or whose style didn't appeal. This is not a one way thing. The company does not have to answer all these queries over the phone. They can also check the prices their competitors are offering and fine tune their margins with a swift update on the page.

Too many companies don't work out who their site is aimed at. One of the symptoms of this is a home page that is cluttered and from which navigation to the rest of the site is confusing. If a site is catering for only one sort of visitor, for instance possible investors, then you are effectively selling yourself short and, simultaneously, revealing to those potential investors something about your lack of ability to exploit all available avenues of growth. Likewise, if your site is designed solely as an on-line shop, then you miss the opportunity to educate the casual browser. And a visitor who learns something on a first visit is likely to make a second visit and to become a customer in the future.

So, you're a small business with a big ambition and you realise the importance of the internet in the future realisation of that ambition. But you're busy, you've never come close to HTML, Java or animated GIFs and you don't think you can afford the consultancy fees involved in setting up the sort of site I've just sold you on. What do you do? The choice really does boil down to one of finding the funds for a consultancy or finding the time for intensive self-education. Or.....

You can follow me over the next few months as I attempt to set up and run a fully functional commercial web site from here in the basement with the help of Internet Business editor Tim Wilson. In the light of all I have said above this is not going to be a page with my name on it and a spinning logo and a couple of links to other 'interesting' sites. The site's primary aim is to try out the variety of hardware and software on offer on your behalf and then make recommendations based on our usage and mistakes. At all times the overriding factor will be how a specific product can increase the revenue-generating potential of our site.

At the same time we will be networking a number of PCs in the cellar and building an intranet. This will allow us to test several firewall and e-mail applications and look at the controls you may want to put in place when it comes to separating internal and external net applications.

As we progress through the project we will be covering aspects such as secure transactions, forms processing, database linking for automatic inventory updates, reporting, search engines and keeping up to date with the latest software and technologies. I'll also be having a look at the large number of books that cover the minutiae of the subject. In the first of the columns we need to get started so next time I will be talking about what machine specs and server software you really need. Just how fast and how big does the machine have to be? And how do you register that domain name?

On a lighter note I see that scratch and sniff is coming to the internet. Unilever's new Lynx fragrance Apollo is going to be featured in banner ads aimed at youth-orientated web sites. We've had .WAV files for sound; no doubt we can look forward soon to .NOZ files for downloading and inhaling scents. It is a realisation of the net's power, however, when a company of Unilever's size devotes a whole campaign to selling on the web. The cost against revenue figures for this campaign's results would be worth seeing.

One of the great miracles of the computer age is that people like me, whose knowledge of mathematics and logic is strained by the little puzzles you get in the comics sections of Sunday newspapers, can use the things. In an effort to get better informed I decide to start Simon Singh's book about Andrew Wiles solving Fermat's Last Theorem. The book is an easy and engrossing read, and takes the reader on a potted but never skimpy tour of mathematics from Pythagoras to the present day. The maths is never intrusive but is always well explained and a number of appendices take you through the proofs of a number of key concepts. I almost believed I could do algebra by the end.

A piece of software that is getting great use in the basement at the moment is Info Select v4 for Windows 95. The program is a PIM of sorts and has a cult following. It is new to me, which is why

I've only come to it at version 4. The crucial thing about Info Select as opposed to other PIMs I've tried is its complete adaptability. To be frank it is perfectly suited for any writer or for anyone who has problems filing anything in one place. It allows me to recreate my untidy desk in the program without trying to organise it for me. But then, and this is the beauty of the thing, it will retrieve all the information on any topic I need when I want it. The only category that is important to Info Select is information itself. I love it. It will also handle your e-mail and allow you to link straight to the web from inside the program. Since I got a copy it has remained open on my desktop. My desk is no tidier but I feel less guilty about it. If I have time in the next months I'll have a look at other PIMs and see how their internet capabilities compare with Info Select but for the moment Info Select is my notebook, contact database, URL store, ideas generator and calendar of choice. Info Select is produced by Micro Logic Corp of the U.S. and distributed in the UK by First Hand Software, who are at www.firsthand.net.

Comments on the any of the things that I've talked about are welcome and once we get up and running with the web site I'll be looking for feedback and issues and problems. If you are at a particular stage in the creation of your own web site then suggestions for solutions or things you would like us to test would also be appreciated.

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