

## Should a Small Start-up Business Invest in a Website?



This is one of the many questions SCORE counselors get from their clients or the counselors ask this question as part of the SCORE counseling process. In today's business environment, it seems like a requirement for a start-up business to have a web presence. As with most business decisions however, the question is answered after careful thought and consideration.

To get the best input we could, we spoke with four of SCORE's senior counselors. Peter Fischer, Bob Huck, John Long and Bud Russell have significant experience working with clients on internet issues. Here is some of their critical thinking on this topic.

John Long makes the most emphatic statement about having a web presence. "Every business must have a website. It doesn't need to be expensive; a mere web presence is often quite adequate. We live in a fast moving world where the initial connection between business and a customer is often made by a series of mouse clicks. We see something we really like and we search for it on the web. If your business has a website, you might very well have a new customer. If you have no website, no connection will be made."



These sentiments are also echoed by Bud Russell. "Every business, no matter how small, needs a presence on the internet. Sometimes all a customer needs to know is your address, phone number or hours of business. Sometimes your website can sell your product by answering questions for the customer. If your customer looks online and finds the information they wanted, your business image is enhanced. If they look and find only your competitor, your image suffers. A favorable contact with your website is perceived as good service."

Peter Fischer favors reaching the decision of whether or not to employ a website with a process where the client first defines their business needs for a website. Among the key information he is looking for is the market region in which the business will operate; local, regional, national or international. He is also interested in determining what the competition is doing. This not only gives the client an idea of what his competitors are doing on the internet but also the ability to review "the good, the bad and the ugly" that he or she would like to use - or stay away from - in creating their own site.

Peter also likes to go through an analysis of the primary objectives of the business and whether or not a web presence can enhance the achievement of those objectives. Finally, he looks at the area of professionalism. "Having a domain name, and more importantly, an e-mail address that uses your domain name, conveys a level of professionalism essential for any business."



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Bob Huck relies on using a number of approaches and tools he has gathered over the years in advising a client. Do not invest in a website without thinking about the business name, the business strategy, the purpose of the website, and the cost of maintaining the site. Treat a website as a component of how you will succeed in business. If a website makes sense to help you grow your business, then and only then take action.

All four of our contributors are believers in the power of the internet. They believe in the benefits a web presence can bring to a small business start-up after careful consideration and evaluation of the organization's business strategy. A well thought out web strategy is an essential part of any good, solid business plan.

By Jake Moelk, SCORE Counselor

### *A Checklist that can help you plan for Success.*

#### **1. Website Strategy.**

- a. **Audience.** Clearly define your target audience. Could be customers and or vendors
- b. **Purpose.** To market your services/products, to sell product/service on-line, to provide customer support e.g. service manuals etc., or just to show a professional business presence.
- c. **Competition.** Check out their websites. It is important to understand what you may be up against.
- d. **Size.** From very basic to feature packed and interactive. The more features the greater the development cost and the greater the maintenance costs.

#### **2. Website Set-Up.**

- a. **Domain Name.** Select a domain name that is meaningful to your business. Shop around, you should not have to pay any more than \$15 a year
- b. **Website development.** Do-it-yourself is least cost but takes you time and talent. There are many companies that provide relatively simple "Build your own web based page builders", and will host for a relatively inexpensive annual rate. Caution: Very cheap or free site usually bug your site with adverts. Contracting out for website development can cost from \$2,000 on up
- c. **Hosting.** Your website must be hosted. This can be set-up on your own business server but more commonly on a remote host server, which can be anywhere on the globe. Hosting fees typically start at \$100 annually for shared space, but can be as much as \$500 a month for dedicated services.
- d. **ISP.** You will still need an Internet Service Provider. This just connects you and your business to the internet.

#### **3. Website Content.**

- a. **Flow Chart.** Sketch out the pages and the elements of page content you need. This will help define the Navigation tabs/buttons and map links to level 2 pages or level 3 pages.

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- b. *Home page*. Important. This must capture the attention of your reader in less than 5 seconds, so develop this with your prospect in mind.  
Suggestions: Flashy animation can be distracting; Focus on key sentences that describe what you can do for the reader; a picture is worth a thousand words; avoid having to scroll down; include a “call to action”.
- c. *Features*. The essentials for a basic site will show your products or services and how to locate or contact you. Do set-up all email addresses using the business domain name. Features are virtually unlimited but the most common are: On-line shopping cart; members-only log-in; events registrations with on-line payment; interactive calendars; blogs; video product demo; video sales snips, etc.

### 4. Website Maintenance.

- a. *Important*. A website is the most dynamic marketing and service tool in the business world and requires perpetual maintenance to be effective. A poorly maintained site that is not up-to-date can destroy any benefits gained through this media.
- b. *General*. The more features you have the more maintenance need to be performed, so do not invest in a costly website if you do not also invest in the ongoing maintenance.

### 5. Website Marketing.

- a. *Important*. The existence of your website on the internet will do nothing to market your presence. The site must be pro-actively marketed if you are looking to increase your business through the web.
- b. *SEO*. Is your site ready to be found by the search engines? This means has it been “Search Engine Optimized”? First identify the key words and phrases that relate to your product or service, and then include these in the narrative on each of the pages. Also ensure the Meta tags (name, content, key words) are correctly populated and well as any pictures.
- c. *Tools*. Google provides great resources, but there are many other search engines that you can register with. If you have a physical location you can register this listing (shows up as a map on the search) for free on Google; Pay-per-Click shows up as an ad and brings you site to the top or near the top of the search results page if you have it registered effectively. Blogging used correctly is also a great tool that will improve your web visibility.
- d. *Reporting*. Pay-per-Click will provide you immediate on-line reporting which will help to manage the cost effectiveness of your marketing ad. Also general website activity can be obtained from your host reporting system or with third party free software. Website activity is important to monitor as this will indicate the amount of traffic going to your site, where it is from, when was it made and the trend (improving or worsening).