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Extend Your Brick & Mortar Store's Market Reach

Selling race products online through your company's website can be a rewarding venture and eliminate the need for a 'closed' sign, enabling 24/7 sales across town or around the world.

hile maintaining an Internet presence of some sort has become practically mandatory to doing business these days, many motorsports entrepreneurs have expanded beyond a barebones webpage-or just using social media-to offer a virtual catalog of products for sale through eCommerce.

"More and more people would rather order online than pick up the phone to call," said Joe Francis of Day Motor Sports, Tyler, Texas. "It's also a visual thing; it allows customers to see what they are buying, price check and also do research.

"A lot of things can be done with a website," Francis added. "You have the ability to target certain customer groups, track where they are coming from, what page they are leaving the site from, and it gives a lot of valuable information that can be used to help the business."

Laura Shaw of RaceDay Safety in Dallas, Georgia, said a strong online presence enables her company to expand its potential customer base. "It also allows our customers the 24/7 convenience of browsing our online store or purchasing equipment. However, many customers prefer to call to place their order during our business hours to ensure the part is in stock and confirm delivery timing.

"A decent sized segment of the racing community has no local racing retailers in their area, so their only option is to seek online and/or mail-order suppliers for their equipment purchases," Shaw added.

John Haydon of Pegasus Auto Racing Supplies in New Berlin, Wisconsin, said, "We have worked hard to maintain a useful website because ordering by phone isn't always convenient. If a customer can only grab a minute or two here and there throughout the day, our website lets them shop a little at a time whenever they can

and return later to finish up. It's also handy for customers who need access at night or on weekends when the store is closed. While we're at home working on our own cars, customers from Europe, Japan and Australia are ordering online.

"We also use our website as a central product information database, both for our customers and for our employees," Haydon continued. "The printed catalog works well as an introduction to a product, but we can only fit so many words on a page. The limit on a webpage is much less, plus we have a separate Technical Info section where we post more detailed documents, instructions, and how-to guides. We can also post much larger, fullcolor photos on our webpage, so customers can get a better feel for what they're going to get. We now have so much information on our site; it's the first place we look when a customer asks a question."

We asked a selection of racing retailers with eCommerce experience for their tips on getting started and maintaining an online store, what challenges they have faced and how they resolved them, and much more. Then, in the final section of this article, eCommerce companies will discuss their services and more tips for opening and maintaining a working virtual storefront to extend a brick and mortar shop's market reach.

Racing eRetailers

At press time, Francis of Day Motor Sports told us his company was in the

By Nick Gagala

process of launching a new website, and it seemed to be a fairly comprehensive process. "We had several interviews with several different website companies to decide who could accommodate our needs the best," he said. "After we selected the website company, we started the design process, and then transferring all of our information from our ordering system to our website platform. After that is done, we started editing information, pictures, and testing the site to make sure it worked properly."

As for the challenges Day Motor Sports has faced setting up its online store, Francis pointed to making sure the company has all of the correct Search Engine Optimization (SEO) information, so its search engine rankings are where they need to be. "Also, having all of the information uploaded from our ordering system to our website platform" has been a challenge, he said. In addition to selling parts, the Day Motor Sports eCommerce site also offers a tech blog and newsletter.

After the initial setup, Francis said it should only need updating once a week. To maintain the site, all of the parts information and pictures must be correct, he said. "The homepage needs to be changed at least once a week to give it a fresh look. Shipping information needs to be updated every now and then, and new parts need to be added," he said.

"We sell internationally. As long as it is set up properly and the checkout is easy for the customer, it is no different than a customer buying inside of the United States," Francis said. "Sometimes the shipping may vary, and we will have to communicate with the customer outside of the website. But, other than that one issue, it is pretty simple."

Francis told us he does encounter fraud on both phone and website orders. "Usually we deal with this issue on a case-to-case basis," he said.

When entering eCommerce, Francis advised: "Do your research and make sure you choose an eCommerce company that offers everything you need; don't just settle for a company because you are in a hurry to get a website up and going. It can be a long process trying to choose the proper company, but it will be well worth it. Check references and call current customers to get feedback on their experience with the company."

RaceDay Safety has been offering eCommerce on its website since the company's inception in 2008, starting with a Yahoo Small Business website template. "Initially, we set up our own online store according to Yahoo's template guidelines," Shaw said. "As sales have increased, we have contracted with outside web specialists to enhance the look and efficiency of the online store."



Many motorsports entrepreneurs have expanded beyond offering a barebones webpage—or just using social media—to include a virtual catalog to sell products on their websites through eCommerce. As customers become accustomed to ordering products online in other industries, they are beginning to expect the same service when ordering their race parts. But this works for the business's benefit, too, as the ability exists to target certain customer groups, track where they are coming from, what page they are leaving the site from, and more.



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Shaw said setting up and maintaining the online store can be extremely timeconsuming. "Once the store is set up, it must be constantly updated with new, discontinued and back-ordered products," she said. "Furthermore, keeping up with search engine analytics and website coding can practically be a full-time job, or you need to subcontract that out to a reputable company."



With the prevalence of Internet shopping, more racing businesses are adding or considering offering eCommerce on their websites. Online shopping offers many benefits, including allowing customers to order online during hours when the brick-and-mortar store is closed. In addition, the eCommerce site can be used to supplement a catalog, allowing more room for additional photos and plenty of text compared to what can fit—and what the budget restricts—into a printed catalog.

In addition to selling parts on its website, RaceDay Safety also provides product comparisons, manufacturers' installation guidelines, sizing charts, explanations on safety equipment certifications, and links to the company's social media pages. The company's site is maintained in-house, on a daily basis.

As far as maintaining the site, Shaw said inventory, product updating, product insertion and SEO are vital. "The SEO guidelines are constantly changing, so it is a never-ending battle to keep up with applying the techniques," she said.

"We sell online to the US and Canada only. We do have quite a few Caribbean and Central American customers, but they will set up their own shipping through an international service," Shaw told us.



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"We do occasionally deal with fraudulent credit card purchases. It is key to identify this type of purchase before sending out any products to prevent charge-backs from credit card processors."

Shaw advised: "Starting an online store without sufficient inventory is a recipe for failure. Customers are now expecting free or discounted shipping rates when purchasing online, and they expect their order to deliver immediately, without delay."

Pegasus Auto Racing Supplies made its first attempt at eCommerce in 2000, through an outside vendor. "The scope was very limited, with about half of our part numbers available online," Haydon told us. "Only a few products had photos and none had any descriptive text at all customers had to refer to our printed catalog to know what was what. When the order was submitted, a copy was faxed to us, and we had to enter the order in our system manually.

"In 2003, we switched to a system that was fully integrated with our inventory management and order-taking software," he continued. "This allowed us to manage product information in-house while at the same time showing real-time inventory status. That change alone nearly doubled our online sales."

All of the company's current website content is managed in-house. "All of us watch for errors or outdated content, but roughly 20 man-hours per week are dedicated to keeping the content current," Haydon said. "This includes adding descriptive text, taking product photos and arranging products into group pages of related items. We have automated reports that list any new products, products missing descriptive text or photos, and products that should no longer be shown on the site.

"We also monitor the search terms that customers use each week," he continued. "If they were looking for something we carry, we add their search term to the product keywords—basically teaching the computer that a 'Nylock' is also called a 'locknut.' This has also helped us to identify product demand that we

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weren't meeting. Because of that new insight, we have greatly expanded our ranges of Facet fuel pumps, Jabroc skid plate material, Mothers car care products, and silicone coolant hoses."

Most of the company's website layout and functionality is now maintained inhouse as well, according to Haydon. "The main project this year has been the conversion to a responsive design layout for easier use on smartphones and tablets," he said. "Responsive design automatically adjusts the page layout based on the width of the device screen or viewing window. The old static layout would just cut off whatever part of the page didn't fit on the screen, but now the text and photos actually move and wrap to fit, so you only need to scroll up and down to see the entire page."

Haydon said one of the company's biggest challenges is online fraud. "We are our own first line of defense—every order is reviewed by a real person before it's released for shipment. If something doesn't look right, we investigate until we are sure one way or the other. Fortunately, honest customers generally appreciate when you check in with them. And when we encounter someone who commits fraud against us or against other online retailers, let's just say that several crooks are now behind bars!"

Apex Performance in Murrells Inlet, South Carolina, started offering eCommerce in 2000, and Clark Hamerly said it's an easy way to get products to the public. "To stay competitive, you have to do it," he said, adding that his business has gravitated from exclusively online to customers also using his site to research products and call to place orders. "A lot of the things we're selling are expensive," he said. "A lot of people want to talk with somebody because there are too many kids still out there scamming people.

"Consequently, people like to pick up the phone, call, and talk to somebody on the other end of the line," he continued. "By the same token, you'll have other people where a sale will come through, and they will order \$2500 worth of stuff online. But, more often than not, people want to speak with somebody."

Hamerly said his wife, Linda Powell, updates the company's website as needed. "She's doing something right now that may take 15 hours," he said, when we spoke over the summer. "It's a grid that she's putting out there for various models of Porsches and BMWs for brake pads. Then, she might go back and not have to do anything for a few weeks. As new products come out, you want to stay current and have the best pictures, which require you to go out and change the stuff all the time."

Hamerly said Apex Performance purchased its current site for around \$500 back in the early 2000s, and the company populated it with information, which Hamerly said took a lot of time. "We had to come up with all the pictures and all the verbiage, but the basis was there, and it was set up to take credit cards," he explained, adding that in today's market such a ticket price could be unheard of. "I have friends who would tell me that they had a website built, and it cost them \$15,000 or something," he said. "You can go in and you can buy a packaged website, and you can have them fill it out for you, put all the pictures in and everything for \$200 an hour, or you can do it yourself. It's worked pretty well considering what we paid for it and what it is."

Because of the preponderance of stolen credit cards in circulation, Hamerly warned against sending out large orders without following up. "We will have orders come in from various places, and we don't just automatically send the stuff," he said. "We get in touch with the people and make sure they are for real. It's very easy to get scammed.

"The system that we have, if the 'Ship To' and the 'Bill To' do not match, we don't ship it," he said. "I mean, even if it does match, we'll get in touch with the person by email or try to talk to them on the phone. If you watch what you are doing, you are fine."

As for resolving credit card fraud, he said that, unfortunately, "You eat it. There's only one loser, and that's the vendor."

He added, "There are a million people





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out there after this business, and a lot of the processing rates are better than others," he said. "Sometimes you have to get in with a company just to get started. Then, as time goes on, find yourself a better situation."

eCommerce Companies

eTool Developers in Grand Rapids, Michigan, builds sites on its eTool Content Management Platform (eCMP). The sites connect dynamically to the data inside the eTool Product Information Manager (ePIM). "In building dynamic websites today, we have to database all the product information and digital assets for the sites," said Luanne Brown. "In reality, adding eCommerce (shopping cart) is really just an online product catalog display that includes 'Buy' buttons."



Keep your customers updated with the latest racing products by posting them on the company's website. Manufacturers can supply photos and text that can be easily uploaded onto the website. These new products can be featured prominently on the home page or in a specific section on the website. Wherever they are displayed, make the new products prominent so viewers can easily find the products and quickly order them with just a few clicks.

The company offers full-service website and eCommerce (shopping cart) capabilities, as well as data management services. "We are a custom software development company specifically focused on the automotive aftermarket," Brown said. "Because we built our own tools, we have the ability to customize a

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solution for any aftermarket company. We get the aftermarket.

"It is a process that we work through with the company," Brown continued. "Every business is different and has different goals. We set up the design of the site, the 'framework' of the home and sister pages. Concurrently, we work with the client to organize their product data and get it ready for presentation on a site.

"It is really a team effort," she added. "My team educates and works with the customer, and they work back and forth working through design and content and product data for the site."

Brown stressed the importance of detailed product data to make an eCommerce site work. "Some racing businesses have their own products and parts, and some sell others' parts. So, whether you sell your own or someone else's products, you need great product data to compete on the Internet. Our industry has adopted 'standards' for our product data. These are called **PIES** (Product Information Exchange Standard). The standards tell us what information is needed and how to organize our product information (data) for delivery. Most manufacturers are working on this, or have already done so, and have it available to retailers. You can also work with the SEMA Data Co-op (SDC) to obtain data as well."

As for the price of eCommerce and maintenance fees, Brown said it depends on how much effort the racing business wants to expend, or perhaps has already spent getting ready to build out the site. "A website is just like opening a storefront," she said. "You have to get all the products on the shelf (shopping cart), and then get the customers to come through the door (visit your site), and pay the price you need to make a profit. You are competing with some pretty established websites: Amazon.com, eBay Motors, Summit, Jegs, etc. They have been online for a very long time, and it is very hard to compete with their pricing.

"What I am trying to say is to do it right and compete; it is going to take a pretty healthy investment," she continued.



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"There will be ongoing costs. Because a site is never done, you will always have to update new products and communicate with your customers regularly. Again, if you opened a store, you would expect monthly utility bills, payroll, health insurance costs. You have costs for ongoing maintenance, but it depends if you have someone on your team or you need to outsource everything."

As for advice, Brown said, "Do your homework. I think the PRI racing businesses should focus on their own niche. They have an audience in the racing circuit that the big eCommerce giants do not have. Most racing companies have relationships with their customers from building out their circle track cars to attending the same races their customers do. Most of these guys bring trailers of parts to the races and help get these guys back on the track. Use those relationships and spread the word your services are available 24/7, 365."

Brian Servatius of eBay Motors in San Jose, California, said, "eBay is a marketplace that brings together buyers and sellers to enable commerce. eBay Motors is a specialized category within eBay that is focused on connecting buyers and sellers of vehicles and automotive parts and accessories.

"eBay Motors is the world's largest online automotive marketplace and understands the automotive enthusiast and industry overall," he continued. "With over 10 million monthly unique visitors to eBay Motors, and over \$2 million in total parts and accessories sales volume in Q1 of 2014, eBay is a destination site and robust marketplace where people can buy and sell almost anything."

The eBay marketplace is an open marketplace and available to all. The steps to register and begin selling are as follows: Register for an eBay account; register a PayPal account; place a payment method on file for monthly invoices (required for a selling account); gather all of your product information, digital assets and related data, including pictures, product descriptions, listing titles, etc.; determine the best way to list/sell on the site, from direct listing through the site to range of selling solutions, many of are free to use. "Once your produc listed to the site, make sure to an questions from potential/past buyers ship quickly with tracking," Servatius s

"eBay doesn't enable seller indiv ual websites, instead offering a quid turnkey solution to selling online throug the established marketplace," he said.

Servatius said his best advice to new sellers is to build their selling program holistically and with a focus on the end customer. "Do your market research and be very focused on what product lines you want to offer and how to best merchandise them," he said. "Focus on the customer with great service, good communication and quick shipping. These are table stakes for eCommerce today, and, through the Internet, your competitors are easy to find if you're not making them happy."

All segments of the racing industry can benefit from using PayPal in Timonium, Maryland, according to Chris Morse. "No matter the size of a merchant, we have a number of business tools and eCommerce services," he said.

A few of the PayPal tools that racing businesses can use to grow their online and offline businesses include PayPal Credit; Invoicing; PayPal Working Capital; PayPal Mobile App (in store); PayPal Express Checkout (online); and PayPal Here (on the go).

"PayPal has a network of 152-plus million active global customers and millions of businesses of all types and sizes that trust us to make fast, safe and secure payments," Morse said. "Between 2012 and 2013, 42.5 million PayPal consumers around the world (11.4 million of whom are based in North America) used PayPal to shop for auto parts and accessories, spending \$11.5 billion globally.

"The racing business is an ideal market to use PayPal, as we can scale for businesses of all sizes, services and products, and millions of merchants have committed to accepting PayPal in store and online," he added.

"A seamless checkout process is a key Performance Racing Industry | October 2014



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part of the success of any online business," Morse said. "With an average online shopping cart abandonment rate of 68 percent—because checkout oftentimes requires customers to type in credit card information, billing and shipping data, etc.--there is tremendous value at stake for businesses to get access to the tools that can help them offer the most seamless checkout experiences. With PayPal, customers no longer need to type in all that information; they simply need to know their PayPal user name and password."



To entice customers to return regularly to a website, Internet experts recommend keeping the content fresh by updating it regularly. For example, Raceday Safety includes a blog and tech tips sections on its website that provides helpful information to racers that can be updated when new safety regulations are announced.

As for advice to new eCommerce users, Morse said: "In order to keep up with competitors, businesses should form strategic partnerships, outsourcing services that they either can't do or don't have time to do. This will allow them to focus on their core business and do what they do best. PayPal is a business partner for merchants when it comes to commerce because we have a vast retail network of partners that can help customize and scale any business. We constantly collaborate within leading companies that have a hand in helping merchants get paid and connect with customers in compelling ways."

He added: "PayPal gives small- and medium-sized businesses the peace of mind to concentrate on their business while we focus on payments, inventory management, security and more."