

HOW TO PROMOTE YOUR PRODUCT ONLINE

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Abstract:

How to promote your product online, online payment processing. Why promote you product online and have an e-payment processor? The most important answer to these questions is 24h/day availability, 365 days a year. Having a website is like having a robotic salesman that can offer limited information whenever he is inquired. And the beauty of selling online is that you can make money even while you're sleeping.

1. Introduction:

The estimated number for internet users in December 2007 was 1,319,872,109 (according to www.internetworldstats.com), approximately 20% of the population on the globe. With such a big market that can access your site from anywhere, it has become a standard to have a website, for organizations of all types that operate in any branch of the economy. And as sites have become compulsory for reputed organizations, e-commerce has made it's appearance. Following the orientation of marketing on the client, the desire for more comfort has given birth to the possibility of paying online. In 2005, credit card and electronic transactions accounted for an overwhelming \$3.4 trillion of total U.S. payments, according to The Nilson Report, the equivalent of 50% of all transactions from that year.

2. Different ways of promoting your product online

A random definition of promotion is "how to raise awareness with your target market". Promotion, also called Marketing Communication utilises tools such as advertising, sales promotion, direct marketing, personal selling, public relations and publicity. One way of making your product and/or services known is promoting them online. Firstly we have building a website and describing the product, it's specifications, the way in which it will satisfy the needs of the potential customers, posting pictures of the product etc. A common solution for the need to see the physical product is the 360 degrees interactive presentation. The 360 degree view consists of pictures made from different angles of the object that are put together into a collage in such a way that enables the viewer to virtually change the angle from which they see the product by using their mouse.

2.1. Adwords

Pay per click or PPC, is an advertising technique used on websites, especially search engines. Pay per click advertisements are usually text ads placed near search results; when a site visitor clicks on the advertisement, the advertiser is charged a small amount. For example, Google's PPC service, Google Adwords, places relevant text-based ads both within Google, termed "sponsored links", and on external sites willing to host Google ads, termed "Ads By Goooooooooooooogle." PPC essentially works in the following way: you set up a maximum bid and depending on the competition (how many people are bidding on the same keywords) you pay an amount ranging from the minimum bid, which is around 10c to the maximum bid you have chosen.

2.2. Web 2.0

This is "the new web" with applications like blogs, social networking, user-generated-content. All of these methods are free and efficient ways of promoting your services. You can create a video about your product, or an advertisement and upload it to youtube where it will be viewed by a lot of people if it's funny, very useful or something you would want to share with your friends. A funny clip with a hamster eating a popcorn on a piano has been viewed 2 million times over the course of a year. This is the promotion power of youtube.

2.3. Blogs

Blogs are a great feedback device which not only promote your offer, using the power of word of mouth (informal talk between acquaintances), but act as a public relations desk. In the blogosphere people are not afraid to tell you exactly what they don't like about your products, as they aren't afraid to genuinely compliment you. Blogs are the best way to know your market and develop customer relationships. You can also leave comments on other blogs/forums and have your site/blog in the signature line. If you contribute useful information, the readers of those forums/blogs will access your site.

2.4. Article e-zines, directories

As in the blogosphere, content is king on e-zines and directories. Write some articles about the benefit of your product or about an issue of consumer interest that your product solves and submit them to article e-zines, directories or to squidoo (a website designed to make it easy for anyone, for free, to set up a single page on a topic he or she knows or cares a lot about. Advertising revenue is shared with these content creators, and some of it is given to charity). Remember to add value rather than to merely advertise your product. To make social media marketing work, you must enjoy being part of the community.

2.5. Affiliate marketing

This is a way to promote your site by offering commissions to affiliates that bring you traffic. Each affiliate has a unique link that contains their affiliate code. They promote your site and when visitors they bring you subscribe to your services or buy an item you sell, they receive a commission. Commission Junction (www.CJ.com) is the biggest network of publishers interested in gaining affiliates.

3. Payment processing

These are the steps of paying online with a credit card, from the merchant's perspective:

1. The customer selects the item(s) he wishes to purchase.
2. He is then lead to a screen where he must enter the name on the card, the number of the card, the expiration date and the authorization number (from the back of the card), after which an electronic request is submitted to the processing network for authorization.
3. The processing network receives your electronic request and determines if the cardholder's account is valid and if the funds are available. If so, a response called an "authorization code" is transmitted, guaranteeing your access to the funds.
4. A confirmation screen appears, asking the client if he wishes to finish his order. After he proceeds by clicking yes, he is lead to a page that represents the invoice, which will usually also be emailed to him/ This is the end of the transaction for the buyer.
5. At the end of the business day, a merchant will electronically submit a final request to the processing network to "capture the funds" for all authorized transactions in a given day. This process is referred to as settlement. Once approved, a response is generated to your electronic terminal or computer.
6. From there, the funds associated with the batch you settled are deposited electronically into your business bank account, usually within 48 to 72 hours. Typically, the rate and any fees paid to your merchant account provider are deducted from your account at the end of the month.
7. At the end of the month, your merchant account provider will send a statement to you, detailing the credit card activity for the month and the associated fees you've been charged.

3.1. There are two basic software programs needed to enable online commerce:

Shopping Cart: A secure series of scripts (or coding) that keep track of items a visitor chooses to buy from a site until they proceed to checkout. On the checkout screen, the shopping cart collects the credit card number, the name of the cardholder, the billing address, authorization number and expiration date. Verisign has recently developed a new digital authentication named "Secure Site Pro with EV: True 128-bit Extended Validation SSL" which has the "extended validation feature", meaning it stores the products in the shopping cart for a longer period of time when you navigate away from the page while in the middle of placing an order.

3.2. Payment Gateway: When the online shopper is ready to finalize the transaction, the information collected in the shopping cart is transferred to a payment gateway for authorization. It is the equivalent of a physical POS terminal used in a retail setting.

Free accounts versus merchant accounts

To set up a payment processor on your site, you can opt for either a free account or a merchant account. Both process credit cards, the only difference lying in the much more serious verification of your business and the entry and annual fee- e.g.: 2checkout actually calls your customers from time to time and asks if the purchased goods have been delivered to them and currently has a 49\$ one time sign up fee+ 45c for any transaction. Both free accounts and merchant apply a fee on every sale which is approximately 5% of the item's value. So it makes sense to set up a free account if you're a small business owner and only go for the merchant account when you have grown enough to afford it.

Paypal- the most used free payment processor, with 100 million accounts in 103 countries and regions

Setting up an account on paypal is easy. All you have to do in order to be able to make payments is to add a credit card. For security purposes, paypal retains 1.5\$ i.e. and requires that you check the bank statement for 4 numbers next to the word "Paypal" that compose the verification code. Upon introducing this code into your account, the 1.5\$ are transferred to your paypal account and you are verified, which lifts your buying limits. One advantage of paying via a payment processor versus paying directly with your credit card is that, as a buyer, the merchant never sees your credit card details, as these are sent by the processor directly to the merchant's bank.

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