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Launching an Ecommerce Site with Social Networking: 7 Takeaways

SUMMARY: Generating traffic and customers for a new ecommerce site can be difficult. That's why two New Zealand-based marketers built an online community of potential customers before they launched their etail store.

Read how these baby clothing retailers developed a social media presence before they started selling products, and the lessons they learned about making the transition. Includes advice for migrating from socializing to selling, and stats on the community's contribution to revenue.

Two marketers from the New Zealand-based baby clothes retailer Earthlings planned to start selling products online within a year. But they didn't want to wait that long to start building traffic.

"We thought, why not start a community? We can have the ball rolling even before we get our products online," says Hannah Shone, Co-Owner, Earthlings.

Working with Tim Thickpenny, Co-Owner, Earthlings, Shone and the team launched a basic Web-based parenting forum in 2008 and maintained it for a year. About eight months in, they integrated a social network that enabled members to form groups, instant message and share multimedia. Four months after that, they launched an ecommerce site and closed the initial forum.

Now, the free social network parentBook is fully integrated with the team's retail site, Earthlings. Traffic from parentBook accounts for almost 25% of Earthling's total traffic and increases by about 7% per month, Thickpenny says. Visitors from the social network also are good customers:

- o 65% of the team's total marketing list is comprised of parentBook members
- o 20% of their total revenue is attributable to parentBook
- o 26% of customers who are parentBook members have purchased more than once

So how did they make the transition from socializing to selling? Here are seven key takeaways from Thickpenny and Shone's unique strategy:

Takeaway #1. Give it time

The team started with a Web-based forum called Earthlings Communities in 2008 -- a full year before they launched their ecommerce site. The forum needed time to capture enough attention and members to foster the rich community the team needed.

The team launched parentBook, their social network, about eight months after the forum. They hoped an upgraded platform with more features would encourage more engagement. This gave the social network four months to grow before the ecommerce



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site's launch.

The shorter time span was acceptable because parentBook was not starting from scratch. It was able to build on the existing forum.

Takeaway #2. Integrate the sites seamlessly

The team made sure each new phase resembled a growing Web destination rather than several independent websites. When they launched the social network, for example, the team created buttons on the forum to visit the network, and vice versa.

When they launched the ecommerce site, the team structured its navigation to make the social network appear to be a part of the site. For example, the ecommerce site's top navigation remained consistent when visitors browsed the social network, making it easy to return to the ecommerce site.

Technically, Earthlings and parentBook are two different sites, but "we're trying as hard as we can to not just link to it, but to make the site one [entity]," Thickpenny says.

Takeaway #3. Be member-minded

Before launching the Earthlings retail site, the team needed to eliminate either the forum or the social network. But they did not want to leave their audience behind.

To select which one to keep, they ran a poll on the sites asking the community for its preference. The social site won the poll and the forum was dropped. The team then launched the ecommerce site and integrated it with the social network.

- Member benefits

The team offers email subscribers and parentBook members a 10% discount on all purchases, and frequently has prize and giveaway contests to reward members.

"That's one of the key techniques to keeping the site going," Thickpenny says.

Including members in the decisions around the site, and rewarding members for their participation helped keep the community strong.

Takeaway #4. Manage cross-platform promotions carefully

ParentBook is a hub for visitors to meet and chat, and it's also a channel through which the team helps boost their ecommerce business. The team has advertised major Earthlings promotions on parentBook with banner ads.

However, they manage their cross-promotion strategy carefully to avoid upsetting social network members. Two key elements:

- Separate email lists

The team kept its parentBook members email list separate from their Earthlings email list



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to prevent over-promoting to the social networkers. Promotional emails to the social network members can help boost a campaign, but the team did not want to irritate members expecting content on parenting.

- Integrated advertising sales

The team sold ad space on parentBook shortly after its launch. About 20% of the team's total revenue is attributable to parentBook: 13% is from ad sales, and 7% is from purchases by parentBook members.

Ads were displayed on only the parentBook portion of the team's website. When users clicked from parentBook to Earthlings, the area reserved for ads switched to images of the team's certifications and media mentions. (see creative samples below)

Takeaway #5. Keep promotional content out of social discussions

The team promoted and sold advertising on parentBook, but left promotional content out of the discussion area. This area was reserved for community members to discuss parenting topics -- not for marketing.

The team maintained a list of moderators who helped enrich and monitor discussion on the site. But the moderators did not promote specific products.

"That's not what it's for," Thickpenny says.

Takeaway #6. Remember the search engines

Another benefit to having consumers socialize on your site is the wealth of content their interactions generate. This content is great for attracting search engines, especially if the content surrounds a specific topic, such as parenting.

The team left member content, such as blogs and status updates, open for visitors and search engine spiders to read, but restricted posting rights to registered users.

"They arrive here not even thinking about baby clothing. But all of a sudden they're on a site which is part of a baby clothing site. Our brand is all over it with logos, right at the top left-hand corner," Thickpenny says. "So that's building brand awareness from someone in our target market."

You can only reap the benefits of user-generated content if your platform is designed to be easily read by search engines. If you build a social platform, work with an SEO expert to make sure the search engines can find and index what people are saying.

Takeaway #7. Look for business partners

If you build a social network, it is likely to attract businesspeople trying to connect with an audience that's similar to yours. Rather than seeing them only as competitors, realize these businesses can represent great partnership opportunities.

In addition to attracting relevant consumers, parentBook also attracted relevant



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businesses. The team has partnered with several community members who have their own retail sites. The partners might sell Earthlings' products, or might promote Earthlings to their lists.

Useful links related to this article

Creative Samples from Earthlings' social network and ecommerce site

<http://www.marketingsherpa.com/cs/earthlings/index.htm>

Adding Social Media Features to a Website: 6 Tactics to Enhance Traffic and Retention

<http://www.marketingsherpa.com/article.php?ident=31446>

Expand Social Features to Boost Engagement: 6 Steps to 33% Lift in Time Spent

<http://www.marketingsherpa.com/article.php?ident=31265>

SocialGO: Powers the team's social network

<http://www.socialgo.com/>

parentBook

<http://www.parentbook.earthlings.co.nz/>

Earthlings

<http://www.earthlings.co.nz/>



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