

Internet Sale of Wood Products

Promises, Realities, and Opportunities

Presented at SmallWood 2006:

Challenges and Opportunities in Manufacturing
and Marketing of Products from Lower Quality and
Smaller Diameter Forest Resources.

May 16 – 18, 2006, Richmond, Virginia

by Timothy P. Holmes

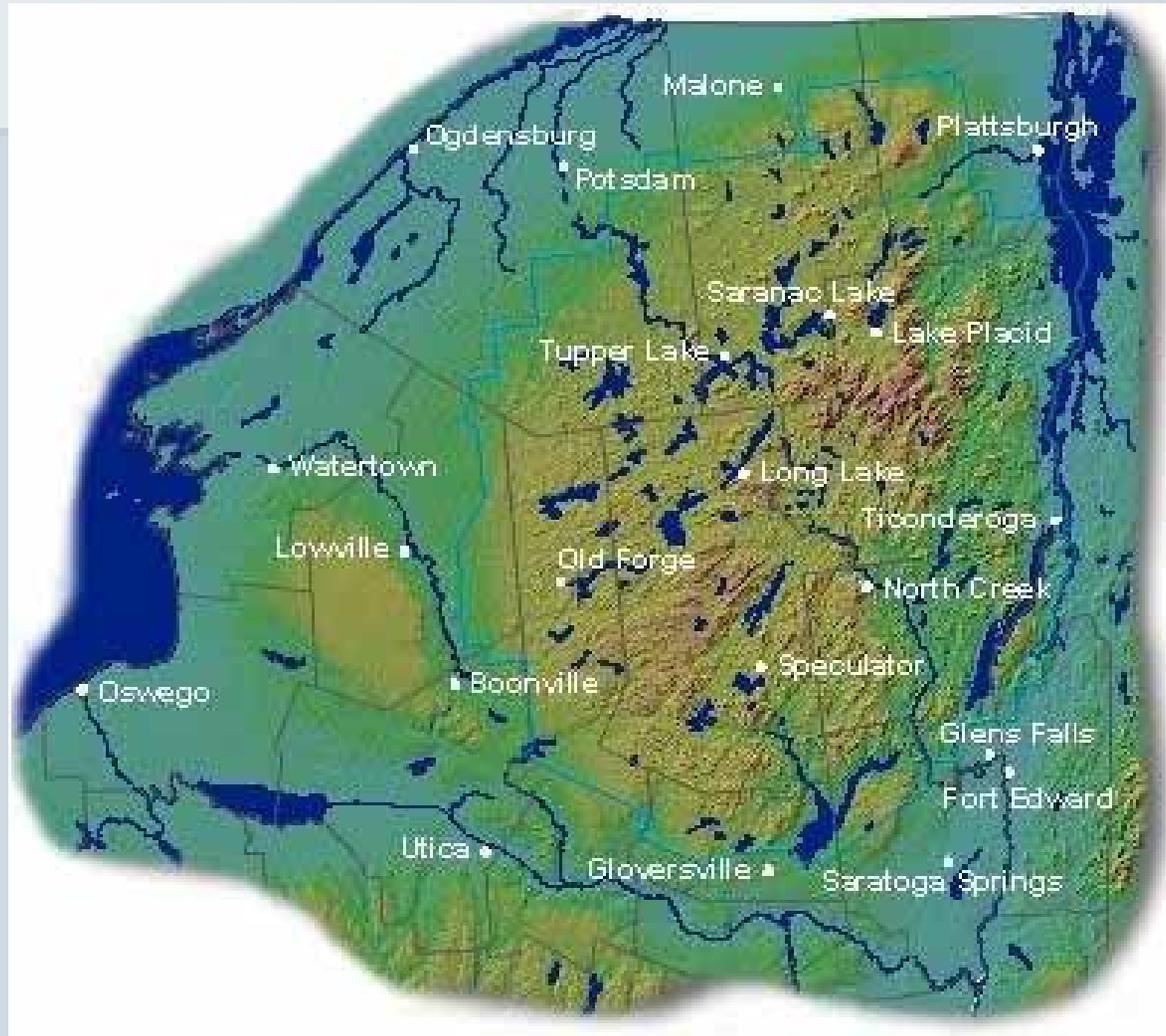


*This project was supported by the USDA Small Business Innovation Research
(SBIR) program, grant number 00-33610-9436.*

Lessons Learned:

- 1. e-Commerce Reality Check**
- 2. Converting Shoppers to Customers**
- 3. Finding a Needle in a Haystack**
- 4. Can You See Me Now**
- 5. Here, There and Everywhere**

5 Years of Online Marketing and Sales Assistance for the 14 County Adirondack North Country Region



AdirondackWood.com

AdirondackCraft.com

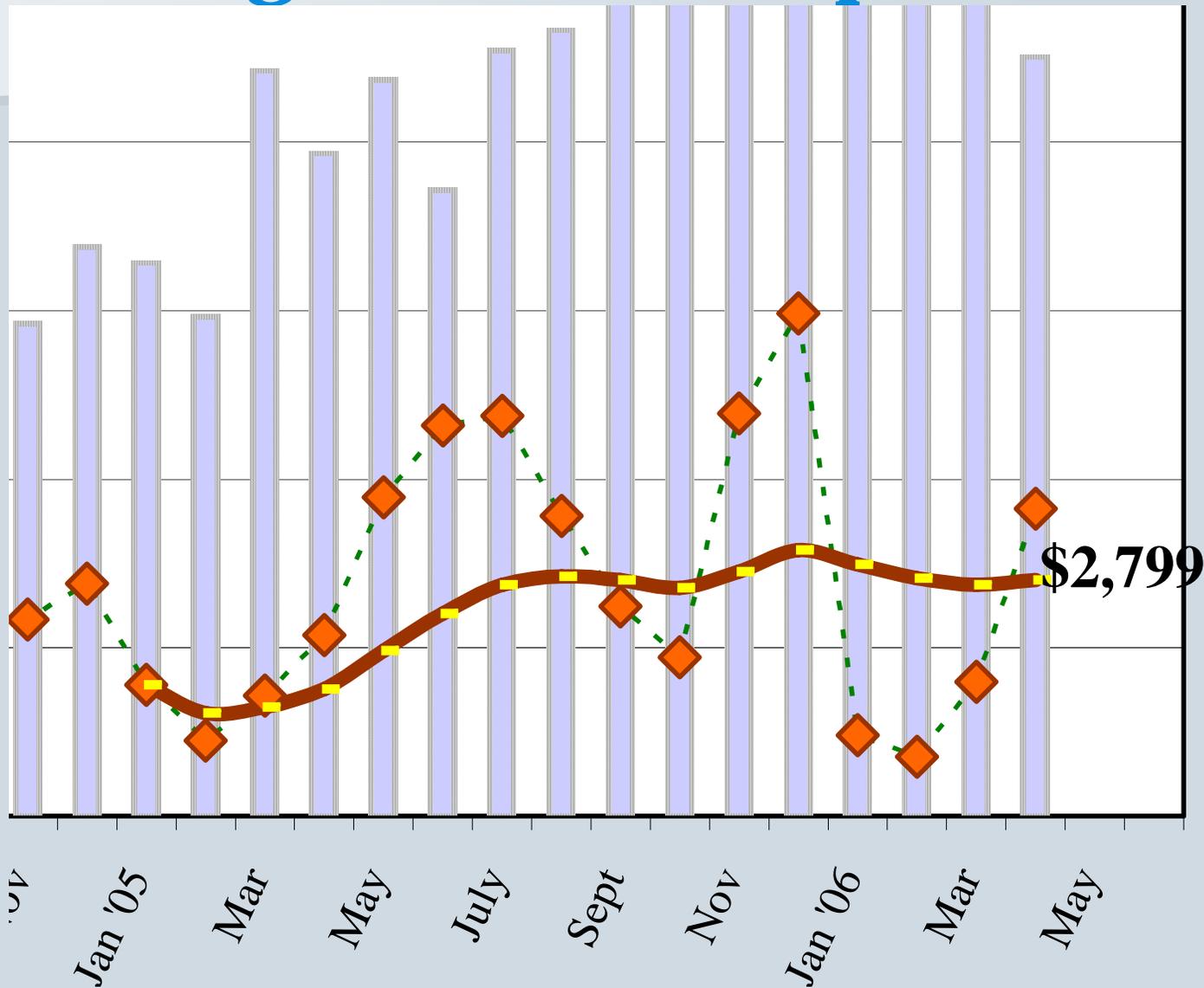
USDA Small Business Innovation Research Awards

- May 1999
- Phase I: Enhancing Commercial Use of the Internet for Rural Wood Products Companies
- AdirondackWood.com
- Directory of over 700 Producers
- September 2000
- Phase II: Using an Internet-Based Program to Build E-Commerce Expertise in Rural Areas
- AdirondackCraft.com
- Online Store for 60 Artisans and Small Manufacturers

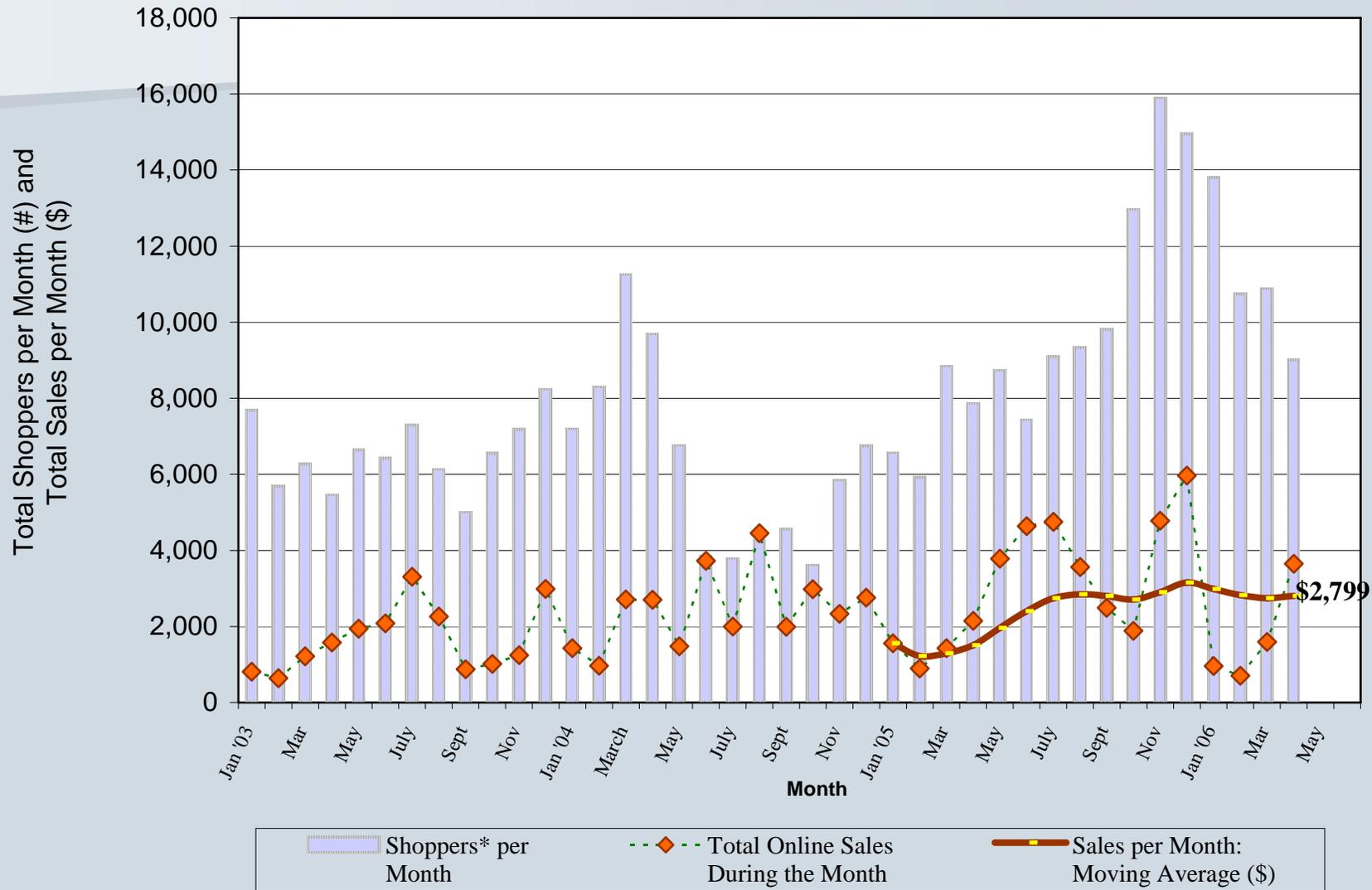
1. e-Commerce Reality Check, 2005 *based on AdirondackCraft.com with 60 Producers and 400 Products*

- # of Shoppers per Month: 9,000
- # of Customers per Month: 32
- Purchase: \$102 (Price range: \$6 - \$200)
- Purchase in July: \$190
- Purchase in December: \$50
- Total Sales/Month: \$2,800
- Sales in December: \$6,000, in July: \$4,500

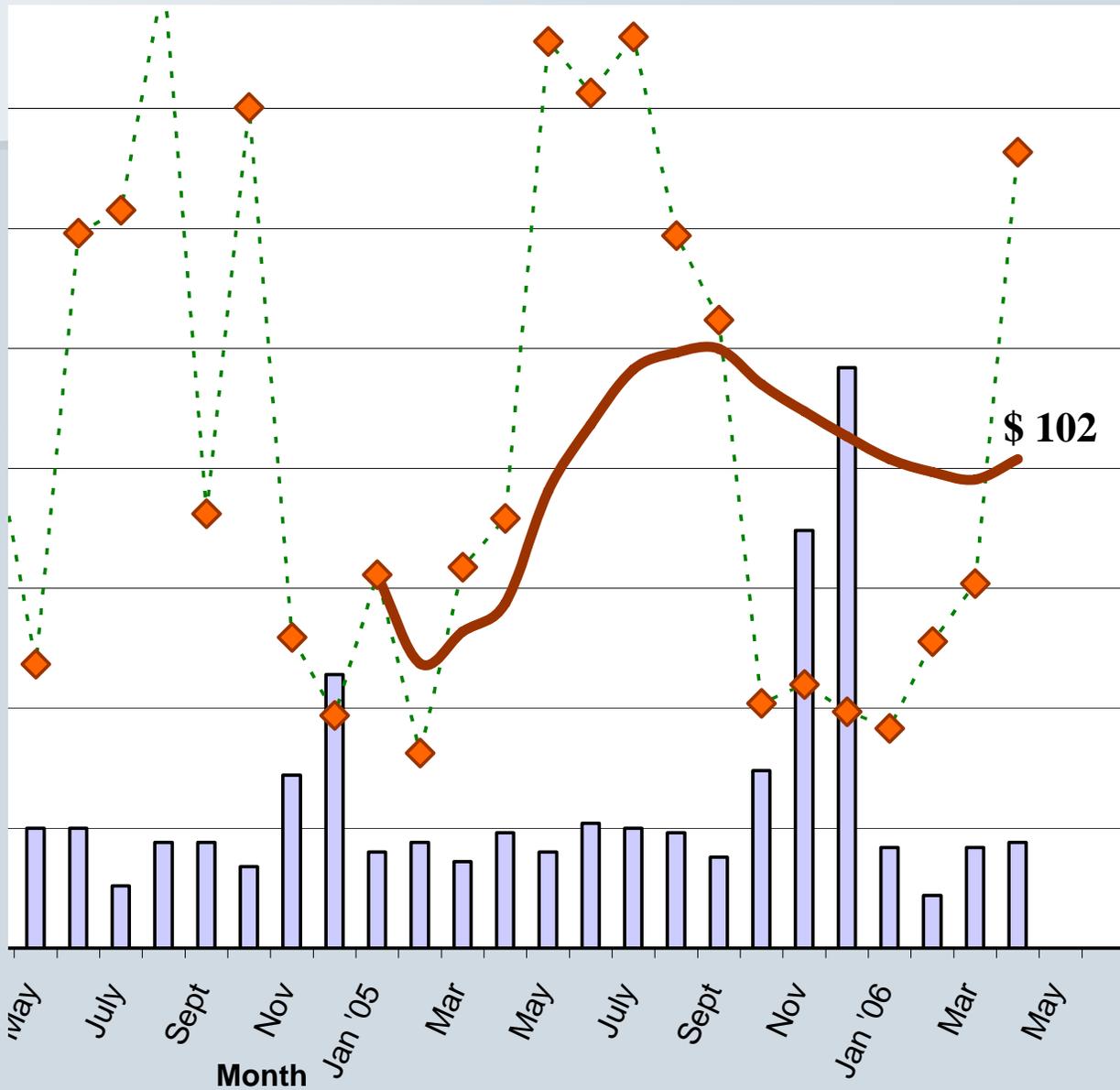
Total Sales per Month along with Visitors per Month



Monthly Sales & Visitors January 2003 – April 2006

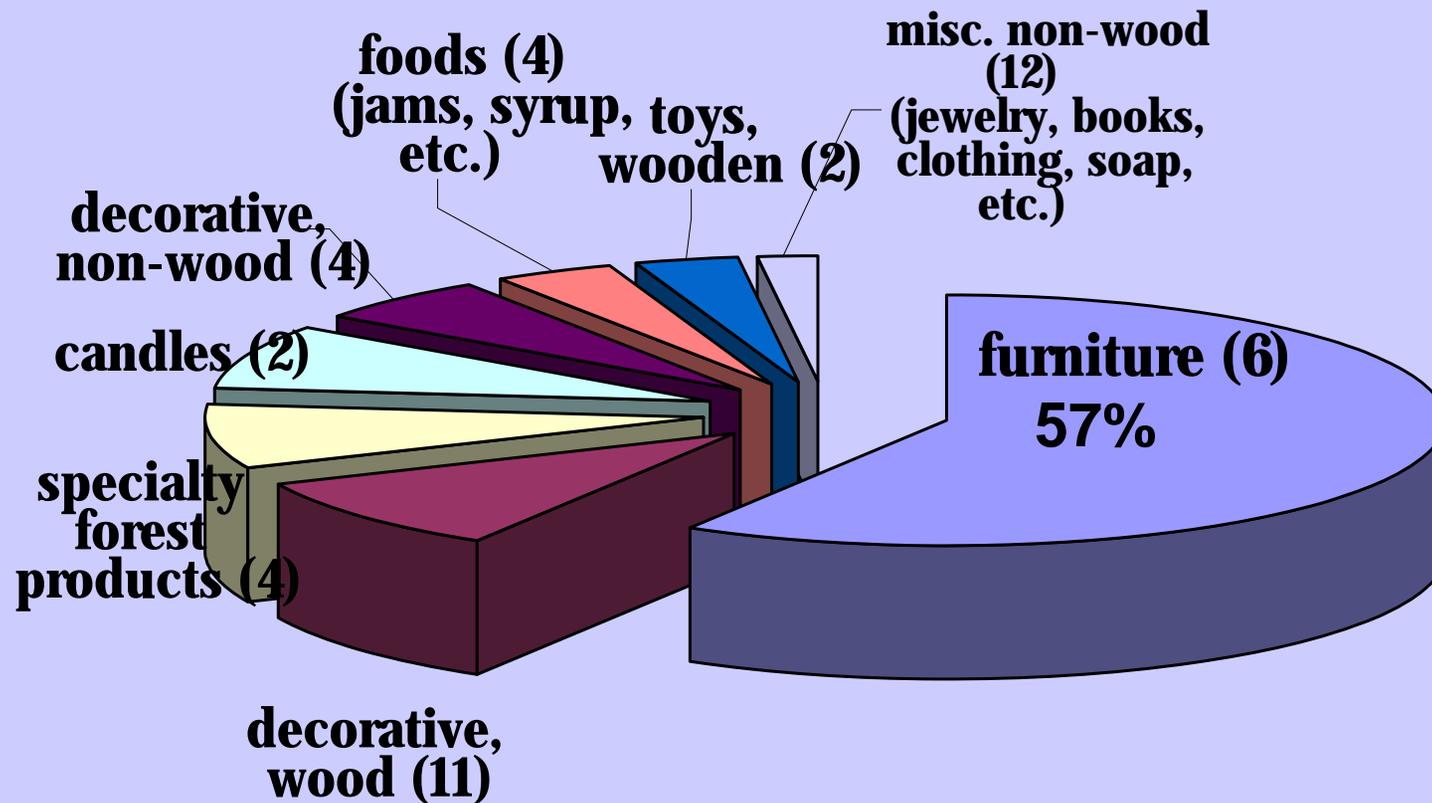


Average Purchase Price per Month along with Customers per Month



What are People Buying Online, 2005 - Total Value of AdirondackCraft.com Sales by Category

AdirondackCraft.com Total Products Sales by Category, 2005



based on 490 Orders, # in () = number of producers in category

Numerous Orders at \$1,000 +



Fine Furniture – 2 @ \$1,250



2. Converting Shoppers to Customers

Adirondack



Craft

*A short carry to the
Adirondacks' finest gifts.*



Mayan Folding Chair

Bed, Bath, Other Comforts

Balsam
Bath and Skin
Essential Oils
Fire Starters
Fragrant Oils
Pillows
Sachets
Soaps

Garden, Yard

Birdhouses

Herbal Products

Herbal Skin Care
Herbal Teas

Books, Music

Books
CDs
Music and Stories
Nature Sounds

Clothing

Clothing

Food, Food Gifts

Gift Baskets
Maple Products
Preserves, Butters
Soups, Breads,

Mixes

Teas

Children and Youth

Books
Children's
Furniture
Clothing
Toys

Baskets, Containers

Baskets

Cards, Notepads

Cards
Notepads

Home Décor

Decorative
Mirrors
Signs
Wood Carvings
Wreaths

Jewelry

Jewelry

Kitchen, Dining

Kitchen Utensils
Pottery

Art Gallery

Fine Art
Photography

Candles, Lighting

Candles
Lighting
Sconces

Furniture, Rustic Items

Adirondack Chairs
Fine Furniture
Furniture
Rustic Items

Pet Friendly

Pet Supplies

Recreation, Sports

Sporting Goods

1 Click to Choosing a Product by Style or Price...

Adirondack Chairs

Adirondack-Made Adirondack Chairs

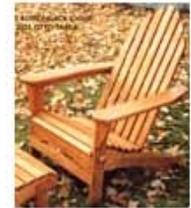
Click Images to View Details



Adirondack Chair
\$164.00



Adirondack Chair, Rocker
\$189.00



Adirondack Chair
\$264.00

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[Privacy](#) | [Return Policy](#) | [Our Guarantee](#) | [How to Order](#) | [Shipping Info](#) | [Site Map](#)

©2002 AdirondackCraft.com

2 Clicks & Ready to Make a Purchase...

Adirondack Chair

click image to reduce size

Folding Adirondack Chair
constructed of your choice of
hardwood: cherry, oak, ash,
maple or unfinished maple
29.5" wide x 37"high x 37"
deep
\$164.00

Select item:

Cherry Adirondack Chair

Select quantity:

Add to
Shopping Cart



Solid wood Adirondack Chair is offered in cherry, oak, ash, or maple; available with a natural linseed, tung oil finish for added weather resistance. An unfinished maple chair is also offered, ready for painting or staining. Built for durability and comfort, these Adirondack Chairs in the popular Adirondack rustic furniture style fold up for easy storage and will give years of comfort and pleasure.

Made in the western foothills of the Adirondacks, near the Tug Hill Plateau in New York State.

made by Carew Woodworks
view all products offered by Carew
Woodworks



Fully e-Commerce enabled for Gift or Impulsive Purchase...

Payment Information

Billing Address

Jane Doe
5 Forest Avenue
New York, NY 10015
212-555-5555

Shipping Address

John Doe
25 Rich Circle
Beverly Hills, CA 90223
555-555-5555

Qty	Description	Item Price	Ext. Price	Ships Via
1	Challah Maple Cutting Board Challah Cutting Board Bench Mench	\$200.00	\$200.00	UPS Ground
1	Adirondack Chair Cherry Adirondack Chair Carew Woodworks	\$164.00	\$164.00	UPS Ground
1	Fragrant Oils - Variety Wintersong Underwood Herbs	\$15.00	\$15.00	USPS Priority Mail

Subtotal \$379.00

Shipping Charge \$50.00

Total Amount to be Charged \$429.00

Card Type

Select

Card Number

Expiration

Month Year

This purchase is a gift Yes No

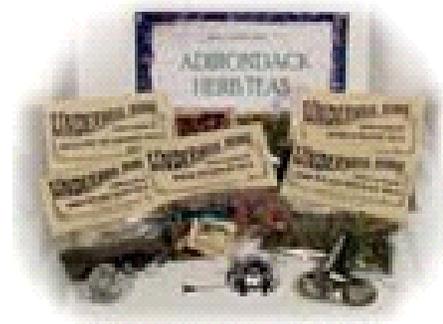
Introduce yourself without making it the Focus...

Underwood Herbs

Over twenty years ago, Jane Desotelle was collecting herbs for teas in the Adirondacks and giving them. Her family taught her an appreciation of the country life, especially her grandmother, whose r herbal teas (caffeine-free), handpainted teapots, essential and fragrant oils, sachets, balsam wreat and herbs that can be found growing in the Adirondack region of New York State. The balsam for he sachets, are harvested off her 100 acre homestead in the Northern Adirondacks. Jane Desotelle fo lifestyle without electricity, using a woodstove for cooking and hand-pumped water.

Products by Underwood Herbs

Underwood Herbs products include balsam wreaths, herbal teas, essential & fragrant oils, sachets,



Herbal Teas & Tea Strainers
\$3.00

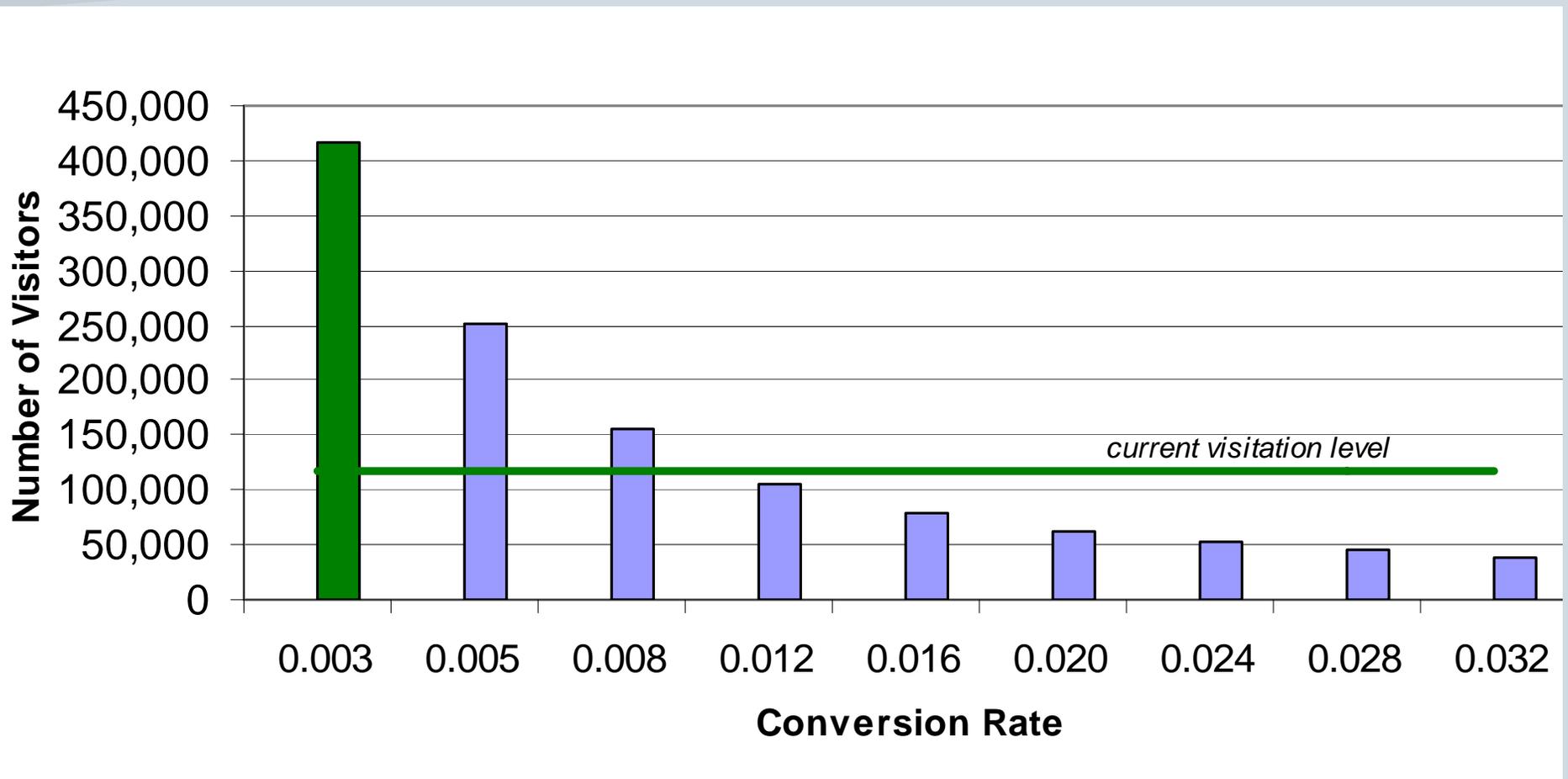
What Motivates the Online Customer? ...What Converts Them?

- **Best Price**
- **Legitimacy**
- **Quick Delivery**
- **Customer Service**



Online Conversion Rates Are Low

Averaging 1 sale every 300 to 500 Visitors



3. Finding a Needle in a Haystack or, how to out-Google the Competition

- Product Descriptions**
- Heading (H1) Text**
- Meta Tags**
- Title Tags on Pictures**
- Your URL: Pay 5 Years ahead**

Craft and Refine Product Descriptions

- **Online, you may have only 50 to 100 words to initially market your product to a visitor on your website.**
- ***“This is the best product in the world and I love making it so I know you’ll love using it.”***

How to get Found in Google, cont'd

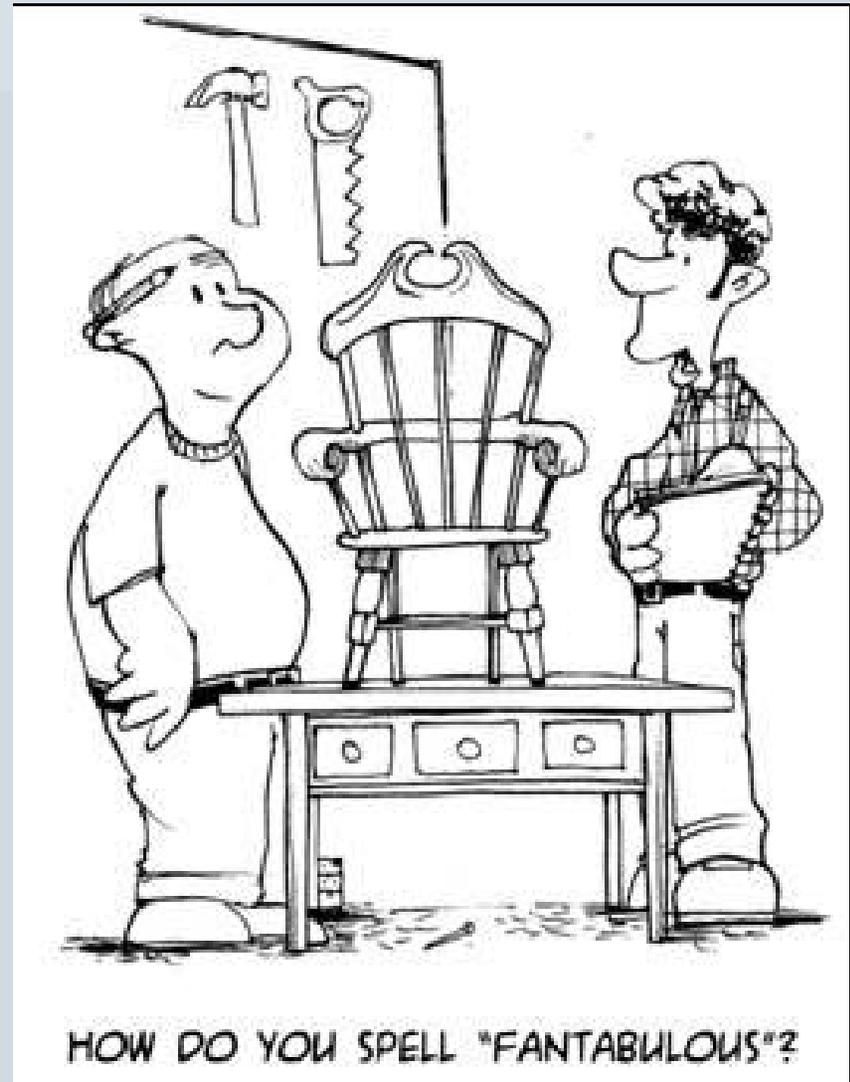
There are three main features of a great product description:

- It identifies the specific product characteristics: sizes, materials, price, colors, weight, how constructed, etc.
- It includes words that customers are most likely to type in a Search engine: deck, patio, porch, dock, boat...
- It appeals to a wide variety of interests by using adjectives that attract different types of customers: “stylish yet casual”, “comfortable yet durable”, “use as a Christmas or holiday decoration”, etc.

Design your Product Description from the Customer's Perspective, not the Producers

Use the Internet:

Search for products like yours in Google – Study the first 10 hits and borrow what you need. (look at the source code too)



This popular chair contains no nails or screws to mar the natural beauty of the hardwood cherry. The unique design allows this garden, deck, or patio furniture...
...allows the wood to age naturally, while protecting this stylish yet casual furniture...
...seat cushions sold separately and are available in five vibrant colors. ...made one at a time in the Adirondack Tug Hill region of Upstate New York.

“We love rustic arts and crafts, and this beautiful, informative and easy-to-use website has an amazing array of products created by Adirondack artisans, such as baskets, furniture and clothing, just to name a few.”

***Log & Timber Style
Magazine, April 2002***



4. Can You See Me Now, or a Picture is worth... a lot – hire a pro

- 1. Use a tripod or rest the camera on something for a steady shot. Make sure the item is level in the viewer.**
- 2. Get as close to the object as possible, without cutting off any part of it. Take a few pictures from different distances.**
- 3. Have the item well lit, but avoid shadows; shooting outside on a cloudy day can give good results.**

- 4. **Using a neutral, consistent background (a sheet, wall, on the lawn) is recommended and is useful for later digital editing.**
- 5. **Take shots at different angles if new information is provided with a different view.**
- 6. **If your product has a variety of styles & colors, take a few photos showing all the variations together.**
- 7. **If using a digital camera, set both quality and image size at the highest settings possible.**





5. Here, There and Everywhere ...why not?

- 1. Have your products on as many sites as possible –just like wholesale accounts, except you do the shipping.**
- 2. Most of the small furniture companies in the Adirondacks are not selling directly to consumers.**
- 3. Many choices – gift shop sites, catalogue sites, regional or state sites, e-Bay, Amazon, etc. Start with wholesale-type accounts – no cost to you – to test the waters.**

To Successfully Sell Your Products Online, You have to Commit to:

Fulfillment – Packing your product for shipment in a timely manner – next day is best. Box ahead during slow periods.

Customer Service – Fielding phone calls, answering email inquires promptly, arranging for returned products.

Managing Wholesale Accounts – If you don't currently, learn.

Options for Conducting e-Commerce

e-Commerce considerations for Producers...	Retail Outlet e.g. Adirondack Craft.com	Yahoo!, Amazon Store	Individual e-Commerce Websites
Cost per Year	\$0 - \$100	\$1,000	\$1,500 to \$5,000
Fee Paid per Sale	40% to 50%	6%	0%
Manufacturer Control over Product Display and Description	Medium	Medium/ High	High
Internet Technical Expertise Required	Low	Medium	Medium/ High
Labor Required to Process Sales	Low	High	High

Wood & Forest Products Sell on the Internet

