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A STRATEGIC APPROACH TO WEB SITE DESIGN - DOING THE RIGHT THINGS ON THE INTERNET

BIBLIOGRAPHIC INFORMATION

ABSTRACT: After conducting detail research on the Internet with regard to the critical factors in web site design, it was concluded that certain strategic factors which are essential from a Strategic Marketing Planning Perspective are not widely addressed.

This article presents a set of seven critical factors relating to web site design from a strategic marketing planning perspective. These factors comprise (1) Corporate strategic and market context, (2) Corporate competitor analysis, (3) Corporate SWOT analysis, (4) The right things for the corporation to be doing on the Internet, (5) Marketing and sales design of the site and generation of content, (6) Web site promotion and marketing and (7) Technical design and construction.

Each of these factors is weighted and a brief explanation provided as to their significance and relative importance. Reference is made to a number of sources of additional information and to an eBook that is in course of preparation.

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1 INTRODUCTION

Some time ago we reached the conclusion that it was time for **JAR&A** to establish a presence on the Internet. We also concluded that this presented the opportunity to develop new products to offer on the Internet including eBooks on

some of the subjects of our expertise as well as the Software Tool-Sets that we use in our consulting work.

Prior to taking the plunge, we undertook in-depth research on the Internet into factors to consider with regard to web site design.

In this process we encountered some excellent resources. Wilson Internet <http://wilsonweb.com/a/go.to/jar01> provides literally thousands of articles on diverse aspects of Internet commerce, web site design, etc. Seth Godin has published "The Big Red Fez - How to make any web site better" and other books relating to Internet commerce. Site Sell www.sitesell.com/jar-a.html provides a series of excellent eBooks including "Make Your Site Sell", "Make Your Knowledge Sell" and "Make Your Words Sell". They also offer a knowledge based on-line research system for pricing eProducts ("Make Your Price Sell") and even offer a knowledge based web site construction facility ("Site Build-It") which permits users to create market focused affiliate marketing web sites.

There are many other resources such as specialist traffic monitoring systems - Web Trends Live (www.webtrendslive.com), web site search systems - Atomz (www.atomz.com), traffic management and promotion systems - Web Position (<http://www.webposition.com/d2.pl?r=NJH-555A>), etc. In fact, there is an overwhelming diversity of products and information.

However, in the light of the dramatic "dot com" failures of recent years, one thing seemed noticeable by it's absence -- **we have found virtually no discussion of the strategic parameters to be applied to the overall strategic architecture of an Internet business solution, particularly at the level of larger corporates.** We found a wealth of other information but nothing apparently addressing this topic.

In some respects this is understandable since the decision to establish a corporate web site should flow automatically from overall corporate strategic decision making. However, since statistics indicate that over 90% of corporate strategic planning fails to deliver any measurable corporate benefit, this leads us to conclude that the strategic aspect of corporate Internet investment is also being overlooked.

This article sets out to fill this gap.

2 CRITICAL FACTORS FOR CORPORATE INTERNET INVESTMENT

Based on the research that we have undertaken we crystallized a list of factors that should be taken into consideration when deciding to invest in an Internet presence and from this, using the **JAR&A STRATSNAP®** Strategic Snapshot

process, we formulated a list of Critical Factors which should be taken into account in planning an Internet investment. These same factors can be used in evaluating an Internet investment that is not meeting expectations.

The seven critical factors are listed below:

2.1 CORPORATE STRATEGIC AND MARKET CONTEXT

Corporate vision, mission, strategic objectives, long term and short term goals, etc. Market segmentation, product segmentation, market attractiveness factors and ratings, product critical success factors and ratings IN markets.

2.2 CORPORATE COMPETITOR ANALYSIS

Competitor segmentation and research, competitor rating according to market critical success factors and ratings, product versus market versus competitor portfolio analysis.

2.3 CORPORATE SWOT ANALYSIS

Corporate strengths, weaknesses, opportunities and threats in context of portfolio and globally.

2.4 DEFINITION OF THE RIGHT THINGS FOR THE CORPORATION TO BE DOING ON THE INTERNET

Definition of the strategic Internet objectives.

2.5 MARKETING AND SALES DESIGN OF SITE, GENERATION OF CONTENT

Refer Make Your Site Sell and related products from www.sitesell.com/jar-a.html and other resources including <http://wilsonweb.com/a/go.to/jar01>

2.6 WEB SITE PROMOTION AND MARKETING

Search engine promotion, key word promotion, traffic generation, etc. Refer www.sitesell.com/jar-a.html, <http://wilsonweb.com/a/go.to/jar01> and other resources.

2.7 TECHNICAL DESIGN AND CONSTRUCTION

Forms, html, xml, graphics, site search, traffic monitoring, passwords and all other technical components of site design and construction. Refer the above resources and many others.

It is noteworthy that factors 5, 6 and 7 are widely and comprehensively addressed while factors 1, 2 and 3 are not referred to in any depth in any of the resources that we encountered. Factor 4 "Definition of the right things for the corporation to be doing on the Internet" is discussed from a tactical perspective in some of the resources mentioned relative to factors 5, 6 and 7 but is not really addressed at all from a broad based strategic competitive analysis perspective in any real depth. Discussion of basic issues of on-line competitor analysis ARE

discussed in the SiteSell range of products but primarily in the context of small business web sites.

3 CRITICAL FACTOR WEIGHTING

Table 1 lists the seven critical factors weighted in terms of relative importance as we see it. The relative importance totals 100% and reflects the importance of each factor relative to the others. In interpreting these factors it is vital to understand that ALL factors are important and NECESSARY for a successful solution. However, the factors with the highest weightings have the greatest potential to either positively or negatively impact the final outcome. The first factors on the list, which have the highest weights, happen to be the least tangible of the factors and therefore the factors that are most readily overlooked. Consideration of the weights therefore gives a clear indication of the importance of attending to these factors as a matter of priority.

Note that in broad terms these particular seven factors coincide with the stages in the development of a web presence, HOWEVER while factors 1 through 4 should take place more or less sequentially, possibly with some timing overlap, factors 5 through 7 will occur iteratively and concurrently with factor 7 possibly commencing prior to factors 5 and 6 and factor 6 commencing some time after factors 5 and 7.

TABLE 1

CRITICAL FACTOR WEIGHTING		
<i>Client : JAMES A ROBERTSON AND ASSOCIATES</i>		
<i>Session : Analysis of Critical Components of Web Site Design Process</i>		
<i>Focus Question : What are the Critical Factors in Web Site Design</i>		
No	Factor	Weight
1	CORPORATE STRATEGIC AND MARKET CONTEXT	20%
2	CORPORATE COMPETITOR ANALYSIS	19%
3	CORPORATE SWOT ANALYSIS	14%
4	RIGHT THINGS FOR CORPORATION TO BE DOING ON INTERNET	17%
5	MARKETING AND SALES DESIGN OF SITE, GENERATION OF CONTENT	12%
6	WEB SITE PROMOTION AND MARKETING	10%
7	TECHNICAL DESIGN AND CONSTRUCTION	8%
TOTAL		100%

4 ANALYSIS OF THE WEIGHTINGS

The weightings in Table 1 are based on our experience over many years in consulting to corporate clients in the effective competitive application of information technology in business. They provide a good indication of what is required for an investment in establishing an Internet presence to deliver lasting competitive advantage.

The first four factors, totaling 70% of relative weight, represent many of the softer aspects of competitive business management yet they represent a large proportion of the factors which, if ignored, will potentially give rise at best to sub-optimal performance and at worst to corporate failure.

Taken together with factor five, marketing and sales design and associated generation of content, these factors account for 82% of what is required for a successful web site and, based on our research, account for the factors which it is least likely that have received the attention due them in many situations.

The relevance of these factors and the significance of their weightings is discussed further below:

3.1 CORPORATE STRATEGIC AND MARKET CONTEXT (20%)

This factor should take account of the following:

3.1.1 Corporate vision and mission

The corporate vision and mission should clearly define the global parameters of where the organization is going and why it is going there. The vision and mission should create a clear framework within which all decisions regarding an Internet investment can be evaluated. The corporate Unique Selling Proposition should also be clearly defined.

3.1.2 Strategic objectives and long term goals

The strategic objectives and long term goals of the corporation, if clearly stated, will start to define the role of an Internet presence in terms of establishing whether such a presence will be strategic, designed to create and sustain competitive advantage or merely tactical and operational, designed to reinforce the core aspects of the existing business.

3.1.3 Short term goals

Short term goals should generally be tactical in nature, unless the corporation is in serious need of radical strategic turnaround to compensate for previous poor strategic decisions or poor strategy implementation. Short term goals MAY introduce requirements for Internet investment but it must be noted that the time and cost of developing a really effective Internet presence is such that it does not lend itself to quick fixes of any real magnitude.

3.1.4 Market segmentation

A clear analysis of the markets served by the corporation and targeted for future business expansion is a vital component of this analysis. The role of an Internet presence should start to become clear during the market segmentation process. If the principal markets have limited or no access to the Internet, warning lights should go on around the board room table with regard to any discussion of a significant Internet investment.

3.1.5 Product segmentation

As with market segmentation product segmentation should trigger in depth consideration of supply chain and other logistics issues which, by virtue of the fact that they deal with the physical realities of product delivery, should start to further inform the Internet investment decision.

3.1.6 Market attractiveness factors and ratings

The use of market attractiveness factors and ratings is a vital component of a market focused approach to creating and sustaining competitive advantage. As the relative attraction of different market sectors and potential market sectors, determined from consideration of different product families, unfolds, greater clarity on Internet opportunities should develop.

3.1.7 Product critical success factors and ratings IN markets

Ultimately the acid test for any business is the extent to which the products of the business meet the critical success factors of the customers. In considering these factors it is important to note that the product incorporates the entire package of services, logistics, etc that brings the product into contact with the customer.

It is a set of customer critical success factors (CSF) for a product in a particular market sector which will determine whether a sale will result or not. Accordingly, anything which an Internet investment does to obstruct the business from meeting the product for market critical success factors, is a factor which counts AGAINST an Internet investment. It is ONLY if in-depth consideration of the product for market relationship indicates that the Internet will add MATERIAL VALUE to the CSF rating that an Internet investment is REALLY warranted.

Weighting

The factor "Corporate strategic and market context" is weighted 20% on the basis that if this is not explicitly defined before undertaking analysis in terms of the remaining factors, the risk of incorrect focus is significant. The analysis required to determine these factors requires limited time but high quality executive input.

3.2 CORPORATE COMPETITOR ANALYSIS (19%)

Corporate competitor analysis should be a routine and integral part of the strategic marketing planning of any corporation. As such, in the context of a potential Internet investment it is possible that competitive analysis may drive an Internet investment in a reactive management environment.

However, the fact that competitors have an Internet presence and particularly the form of their Internet presence should NOT drive a decision to invest on the Internet. If the competitor has got it wrong there is no point in following their example. There must be significant competitive factors that inform a rational and well reasoned Internet investment.

3.2.1 Competitor segmentation

Competitor segmentation should flow from own market and product segmentation but should recognize that the strategic drivers for different competitors can be radically different and that the superficial factors driving competitive intensity may be materially different.

3.2.2 Competitor research

Competitor research must seek to understand the competitive driving force behind each competitor and, insofar as this relates to Internet investment, the role that existing Internet investments play in the context of strategic driving force must be clearly identified and understood. It is quite possible that two players competing with similar products in similar markets may have very different strategic imperatives for their Internet investment.

Michel Robert in his book on Strategic Driving Force points out that Honda manufactures motor vehicles in order to sell engines whereas Volkswagen (peoples cars) manufacture cars to meet the mass transport needs of the people. These apparent competitors will respond very differently to the same shift in market forces and may, in fact, not be competing for the same customers at all.

Superficial selection and classification of competitors can give rise to serious strategic errors and it is probable that this will be particularly pronounced in the area of Internet investment.

3.2.3 Competitor rating according to market critical success factors and ratings

Rating of competitors requires advanced market research to determine what the markets ACTUALLY think of the competing products and to determine if they are, in fact, competing in the same market space.

3.2.4 Competitor product for market analysis

Competitor product for market analysis should take the overall competitor evaluation process down to the level of specific product groups in specific market

segments to permit an "apples with apples" comparison. At this level competitor strategies with Internet investment should start to become informative.

3.2.5 Own and competitor portfolio analysis

An organization with a well developed culture of strategic marketing planning will have a comprehensive portfolio analysis of it's own products in markets in terms of where the products lie on the product life cycle curve. Combined with similar analysis of competitors clear strategic marketing direction will become apparent.

3.2.6 Portfolio quadrant impact on Internet investment

Given that Internet solutions are still in a relatively immature state significant opportunities may become apparent with regard to products in the different quadrants of the portfolio. In this regard clear consideration of the investment approaches of the four quadrants of McDonald's "directional policy matrix" may well be pivotal in informing decisions with regard to the nature of Internet investments IF Internet investments are in fact warranted.

It is particularly important to recognize that radically different Internet investment strategies will almost certainly be called for between products for markets which are wild cats, stars, cash cows and dogs, to use Mcdonald's descriptors. A solid, no frills, Internet presence may prolong the life of otherwise outdated products while an aggressive, creative and high profile Internet investment may be an essential requirement to turn a wild cat into a star!

Weighting

The factor "Corporate competitor analysis" is weighted 19% indicating that it is virtually as important as the Corporate Strategic and Market Context. In essence it is a logical progression of the previous factor but it is presented separately in recognition of the extreme importance of this component.

3.3 CORPORATE SWOT ANALYSIS (14%)

A corporate SWOT (strength, weakness, opportunity and threat) analysis both in context of the corporate portfolio and global markets is an essential component of an effective strategic analysis.

All four aspects of the SWOT as well as the companion factors can potentially highlight critical considerations with regard to a corporate Internet investment.

3.3.1 Corporate strengths

Corporate strengths can be enhanced by Internet investments if properly designed and existing Internet investments may represent strengths which can be further geared up.

3.3.2 Weaknesses

Corporate weaknesses can, in certain circumstances be compensated for by an Internet investment.

However, BEWARE, it is virtually unheard of for an Information Technology investment to rectify a badly running conventional system. The deficiencies of the conventional system, unless comprehensively addressed by an effective strategic change programme, will generally be magnified by an I.T. investment. This can be expected to be orders of magnitude more severe in the Internet Context since public exposure is dramatically greater than with traditional I.T. projects.

3.3.3 Opportunities

Critical Issue based consideration of corporate opportunities should clearly identify whether there truly is space for an Internet investment and the scope of that investment. If a critical issues analysis of opportunities does not clearly generate a case for an Internet investment in one of the more highly ranked positions of the opportunity rating there is a STRONG POSSIBILITY that an Internet investment is not really warranted.

3.3.4 Threats

Consideration of critical threats will give a clear indication of competitive and other threats which build a case for or against an Internet investment. Rigorous consideration of threats may also indicate that an Internet investment is not warranted or that an existing investment is incorrectly focused and consuming resources and distracting focus.

3.3.5 Strategic Drivers

Critical strategic drivers determined from consideration of Critical Concerns developed using the **JAR&A STRATSNAP®** process or other techniques will give a clear indication of the immediate importance or otherwise of an Internet investment and give clear pointers as to the nature of that investment.

It is vital to recognize that the competitive environment is highly complex and diverse and that the applications of Internet technology and solutions is equally diverse. There must be a close fit between the Internet solution that is selected and the strategic, competitive and other drivers that are affecting the business.

3.3.6 Strategic Environment

Consideration of other aspects of the strategic and competitive environment may also provide clear indications of the case for or against an Internet investment.

3.3.7 Strategic Stages

The strategic stages of the life cycle of the market in which the corporation is primarily trading have a significant bearing on the overall strategic context of the

business. The stage in the business life cycle of the corporation itself may also have a bearing.

Weighting

The factor "Corporate SWOT analysis" is weighted 14% indicating that it is somewhat less critical than the previous two points. It is also rated lower than factor 4 "Definition of the right things for the corporation to be doing on the Internet". This reflects the fact that consideration of factor 4, which in a sense is the CONCLUSION of factors 1 through 3 is more critical than factor 3. This does not mean the factor 3 is not important or can be omitted, it simply means that factor 4 is MORE CRITICAL.

3.4 DEFINITION OF THE RIGHT THINGS FOR THE CORPORATION TO BE DOING ON THE INTERNET (17%)

Professor Malcolm McDonald of Cranfield School of Management, in his book "Marketing Plans, How to Prepare Them: How to Use Them" defines strategy as doing the RIGHT THINGS and tactics as doing things right. He points out that in order for a corporation to THRIVE it must do the right things well.

The first three factors listed above together develop the strategic understanding that is necessary to determine the RIGHT THINGS for the corporation to be doing in order to thrive.

This factor relates to synthesizing those findings to formulate a clear **STRATACTION**[®] (strategic action) plan of the right things for the corporation to be doing on the Internet.

Note that the previous three factors are equally important to the overall direction of the business as a whole but are discussed here specifically in the context of ensuring that any Internet investment is RIGHT for the corporation.

This demonstrates the principle that any significant investment in computer technology in business should have a solid strategic foundation. This subject is addressed in depth in the eBook "Computer Based Solutions in Strategic and Competitive Management" subtitled "The REAL ISSUES in Information Technology Taking Account of the Reasons why 70% of I.T. Projects Fail" which is in course of preparation. The book addresses the strategic and tactical issues which typically give rise to project failure and investment under performance and how to counter them. It also provides detailed information to supplement the information contained in this paper. For further information on this book please email us at enquiries@jar-a.com.

Weighting

This factor is weighted third at 17% indicating that it is absolutely vital in arriving at a viable solution. Factors 1 and 2 are weighted slightly higher simply

because they are essential precursors to defining the right things for the corporation to be doing on the Internet.

The SWOT analysis, factor 3, is given a lower weight simply because it is vital that the focus throughout the process must be on establishing the RIGHT THINGS!

3.5 MARKETING AND SALES DESIGN OF SITE, GENERATION OF CONTENT (12%)

While there are some sites that are created for the publication of information and content and others for support services, a significant proportion of corporate web sites should be to SELL or to support sales.

Ken Evoy of SiteSell, in his eBook "Make Your Site Sell" (www.sitesell.com/jar-a.html) makes the assertion that if a web site is not designed to sell it serves no purpose. This may be a slightly extreme view but the fact of the matter is that even when delivering content or providing support, a well designed Internet site IS selling / promoting / marketing the corporation that owns that site. When one considers the validity of this proposition it becomes much easier to understand why many web sites are difficult to navigate and to use -- the focus is simply not on the customer.

On a tactical level, effective marketing and sales design and content are vital to ensuring a successful web presence.

In designing a web site with marketing and sales in view it is also essential to understand that the psychology of selling on the Internet is dramatically different to that of other media. On the Internet it only takes one mouse "click" to take the visitor away from the site and all competitors are equally accessible so there are no logistical or other constraints to keep a visitor at a web site that does not "talk" to them or which is difficult to navigate, slow, etc. Presentation, copywriting, etc all become much more critical as a consequence.

There is a large amount of information available on the Internet with regard to marketing and selling on the Internet with Wilson Internet (<http://wilsonweb.com/a/go.to/jar01>) and SiteSell (www.sitesell.com/jar-a.html) providing an extremely detailed collection of resources. Accordingly this topic will not be covered further in this article. The SiteSell materials are particularly recommended.

Weighting

This factor is weighted 12% making it the fifth most important factor and the most important of the tactical factors.

3.6 WEB SITE PROMOTION AND MARKETING (10%)

Search engine promotion, key word promotion, traffic generation, etc are covered in detail by SiteSell (<http://www.sitesell.com/jar-a.html>), Wilson Internet (<http://wilsonweb.com/a/go.to/jar01>), Web Position (<http://www.webposition.com/d2.pl?r=NJH-555A>) and other resources and accordingly are not discussed further here.

Suffice it to say that no matter how well the site is designed, how customer focused the sales content, how thoroughly and accurately formulated the mission, vision, strategy, etc nothing will be accomplished if no one visits the site. Traffic generation is an art on it's own since there are literally billions of web pages out there all competing to be visited. Unless effective techniques are used to make the site visible and accessible the entire investment will be to no avail.

Weighting

This factor is weighted 10%, not because it is not important, simply because the other factors are more important and unless the other factors are effectively executed there will be no point in bringing traffic to the site.

3.7 TECHNICAL DESIGN AND CONSTRUCTION (8%)

This factor relates to the actual design of the web site in terms of forms, html, xml, graphics, site search, passwords, traffic monitoring, look and feel and all other technical components of site design and construction.

There are numerous sources of information, resources, tools, etc which are readily available over the Internet and from diverse other sources. There is also an enormous body of formally published information regarding these aspects. Both the Wilson Internet and SiteSell sites provide a large body of information and Wilson Internet provides links to an enormous diversity of additional resources.

It is therefore not necessary to discuss this aspect further in this article.

Weighting

This factor is weighted lowest at 8% simply because it is irrelevant UNLESS the other six factors are effectively dealt with.

In considering this weight it is important to recognize that a very substantial proportion of the budget will be consumed by this factor in terms of purchase of tools, resources, developers, technology, etc. In fact, probably between 60% and 80% of the budget will be applied directly or indirectly to technical design and construction. HOWEVER, this is NOT where the competitive advantage and return on investment will be generated.

Effective investment in the other six factors is vital for the large investment in this factor to pay the hoped for dividends.

The low weight also indicates that it is less important to have a technically sophisticated site than it is to have a clear strategic imperative and good sales content.

5 CONCLUSION

An overview of our findings on reviewing available information relating to corporate internet investment has been presented.

This has identified that strategic issues require much more attention in many corporations if the historically bad experiences of many corporates with their Internet investments are not to be repeated.

Many of these findings are paralleled in the eBook "Computer Based Solutions in Strategic and Competitive Management" subtitled "The REAL ISSUES in Information Technology Taking Account of the Reasons why 70% of I.T. Projects Fail" which is in course of preparation. Please email enquiries@jar-a.com for ordering information.

The headlines of this topic will also be presented in a half day seminar currently being organized by **JAR&A** which is scheduled to take place in October this year. Please email enquiries@jar-a.com for more information about the seminar.

The core conclusion of this article is the critical need for effective, formal high level strategic analysis of the strategic and market context, competitor analysis and corporate SWOT analysis in order to determine the RIGHT THINGS for the corporation to be doing on the Internet. If these strategic issues are addressed and implemented in conjunction with effective marketing and sales design and content, effective web site promotion and traffic generation and sound technical standards, then a corporate Internet presence can be expected to yield significant benefits PROVIDED it is shown to be strategically appropriate. Alternatively an appropriate investment can be designed to deal with operational and tactical requirements if that is found to be the principal requirement.

JAR&A offer a comprehensive range of strategic consulting services relating to the strategic systems architectural specification and the associated specialist strategic services inherent in factors 1 to 4. The **JAR&A STRATSNAP[®]** and **STRATPROC[®]** processes provide a robust and cost effective basis for undertaking steps 1 to 4 quickly, effectively and competitively using methodologies which will ensure a solid strategic architectural foundation for whatever Internet investment may be identified by the process. Please email enquiries@jar-a.com for further information.

We look forward to being of service to you.

James Robertson

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