

## Advantages and Disadvantages of Business Websites for Agribusiness

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The rise of the Internet over the past few years has dramatically changed consumer shopping and buying behavior. According to *Pew Internet* 74% of U.S. adults now use the Internet. The numbers break down as follows: ages 18-29 – 87%, 30-40 – 82%, 50-64 – 72%, 65+ - 41%. Of those adults that do use the Internet, a whopping 81% use it to look for information about products or services they are considering buying.

As a result of the changes outlined above, businesses have begun changing the way they find, communicate with and sell to customers. In 2008 *Selling to Small Businesses* reported that 47% of businesses doing between \$100,000 and \$1 million per year had a website. 73% of businesses doing between \$1 million and \$10 million had a website.

In 2007 according to the USDA, a majority of all farms in Florida (56%) have internet access. Of those farms with internet, 66% have high speed internet access. So most farms in Florida have the hardware and the basic experience needed already in place to market online with a website. These numbers will continue to grow as the technology will become more and more pervasive within our society. In fact, 81% of all adults in the US used the internet. (Harris Poll, 2008). As a result all Americans can be considered potential internet customers for those agribusinesses that market their goods online.

### Advantages of an Agribusiness Website

#### Increased Customer Base

A primary advantage of having a website means your agribusiness will have a web presence. That means you can now compete with those farms that also have a website. It also means that you now have access to a new customer base – those who prefer to use the Internet to research and buy products and services. When you have a website, distance becomes irrelevant. Customers can find you whether they're nearby or on the other side of the world. Depending on your business, whole new markets may become available to you.

#### Increased Presence

The website, which is an extension of your business, is open to customers 24/7. That means information customers typically ask for, such as contact information, address, directions, hours of operation, and information about your company, and your products and services is available even when the business is closed. Recent research indicates that 81% of web visitors look for information online about a service or product they are thinking of buying. (Pew 2007) Convenience and time savings are driving this trend.

#### Increased Communication with Customers

A website provides many new ways to interact with customers. Website forms, e-mail links, blogs and forums provide free methods of direct communication with customers. Increased

customer interaction provides the opportunity for cost effective market research using polls and surveys, or just everyday opinions, questions and feedback.

#### Enhanced Marketing Potential

Web pages can be quickly and cheaply built. As a result, agribusiness can offer more information to customers than traditional brochures or ads. In addition updates can be made quickly and easily. The result is savings on both the cost and administration over traditional marketing or advertising programs.

#### **Disadvantages of an Agribusiness Website**

It takes time, thought and effort to create a website that will benefit, or even showcase your agribusiness. Depending on the direction you take, it may cost money as well. There are lots of options, and a few pitfalls. You can hire someone to build the website for you, or you can learn to build it yourself. There are “website builders,” that is, programs that automate much of the website creation process. These programs allow those who have little technical expertise to build a website. The advantage is that this process is usually inexpensive compared to hiring a designer and relatively quick compared to learning to design a website from scratch yourself. However,, the quality of the design will probably not be as high as when done by a professional web designer.

Website maintenance is another issue. Creating high quality web content requires time and effort. Updating and adding web pages also takes time. Will someone in your company take on these tasks, or will you contract some of them out? Either way the content will probably need to be created in-house.

Just building a website however, doesn't guarantee a steady stream of customers. Sometimes “optimization” of the website is required. Optimizing a website for search engines like Google makes the website more visible to the search engines and therefore to the public. Optimization also helps the search engines better determine the topic of the website. Higher ranking in the search engines will usually lead to an increase in web traffic and paying customers.

Business websites have a number of significant advantages, along with some disadvantages. A nicely designed, well-planned website will provide good value for many agribusinesses. It should pay for itself and provide a significant return on investment.

#### **Resources**

Harris Poll, November 17, 2008

[http://www.harrisinteractive.com/harris\\_poll/index.asp?PID=973](http://www.harrisinteractive.com/harris_poll/index.asp?PID=973)

Pew Internet - Trend Data

<http://www.pewinternet.org/Data-Tools/Download-Data/Trend-Data.aspx> (accessed May 19 2009)

Selling to Small Businesses

<http://www.sellingsmallbusiness.com/70-percent-largest-small-businesses-have-website/> (accessed May 21, 2009)