



BUG BYTES

They thought their tiny pest-control firm couldn't afford a website. Now they say they can't afford not to have one.

By Josh Taylor

Fred Folsom could never be accused of making hasty business decisions—especially about spending. This is a guy who waited six years before renting office space for his pest-control company, preferring to convene his staff at an eatery near his home in Macon, Ga. "We met at Hardee's every day—the rear booth on the left side," says Folsom, 51. "We would stay there all day, and as long as we bought a biscuit and a cup of coffee, they didn't care." So when he and his wife, Jackie, 47, considered building a website for their firm, Barnes Exterminating, he was in no hurry.

But Fred says that he has come to realize that technophobia—like those nasty termites he battles—can eat away at a promising business. Like more and more owners of even the tiniest firms, he became concerned about losing customers who are increasingly shopping online for local services as well as distant products. According to a recent survey by the research firm Kelsey Group, based in Princeton, N.J., **nearly a quarter of all shopping-related Internet searches are for local services and products, and about 64% of Internet users say search engines yield better results than a traditional telephone directory.** It's no wonder these days that more shoppers are surfing for everything from a neighborhood plumber to the latest Harry Potter book.

Web and Flow

It's a lot cheaper these days to build a website for your firm...

Average Website Cost

1995: \$10,000

2004: \$1,200

...yet only 50% of the nation's small businesses have websites. Meanwhile, 25% of all shopping-related Internet searches are for local products and services.

While websites probably won't replace more traditional marketing outlets like newspapers and phone books for small businesses, Ray Boggs, an analyst with IDC, a research firm based in Framingham, Mass., says that **the plummeting cost of web development makes them especially attractive now.** At the height of the Internet boom, small-business owners could expect to shell out as much as \$10,000 for a website, plus hundreds more to update it. **The setup price today has plunged to as little as \$1,200.** By the end of 2004 only about half of the nation's small businesses will have their own websites, according to Boggs. That's up from about 40% in 2002 but still indicates a lot of lost opportunity, he says. **"There's a higher cost to not making the investment. Your competitors are doing it, and having any site up is better than nothing. You can always improve it later."**

It was competition that ultimately drove the Folsom's online. Jackie had flirted with the idea but says, "I'm a perfectionist, and if it wasn't going to be just right, I didn't want to do it at all. Plus, I didn't think we would be able to take care of it at all once it was up." Then came spring 2003, when a potential customer told the Folsom's he had nearly taken his business to a rival service he had discovered on the Net. Barnes got his business only because of a recommendation from a local realtor. **"That's what made me realize I needed to keep up with competitors," says Fred. "If he couldn't find us on the web, who else couldn't find us?"**

It took months of on-again, off-again searching before Jackie found a website developer that met her requirements: for \$95 a month, Atlanta-based Interland offered a turnkey solution, including building ten web pages, hosting the Barnes Exterminating site, and registering its address (barnesextmacon.com). For an extra \$35 a month, Interland would also maintain the site, including adding pages and changing text and pictures, but the Folsom's opted to do their own site maintenance with a simple Interland program.

The deal seems fairly sweet. At \$1,140 a year, the cost is manageable for a company that had \$700,000 in revenue in 2003, and should hit \$1 million in 2004, thanks in part to its recent acquisition of a smaller competitor. The Folsom's expect the site to more than pay for itself in new revenues from customers who otherwise might turn to large web-savvy rivals like national chain Terminix. As Fred says, "It heightens our credibility with potential clients."

While the Folsom's enjoy a solid client base for standard services such as residential and commercial pest control, they want to expand in the high-margin, specialized business of fumigation for such pests as wood-boring beetles and dry-wood termites. **The web should help win customers in other parts of the state who are searching for such expertise—which can cost \$6,000 to \$12,000 a job. Every new customer would account for at least five years of website maintenance.**

The Barnes website includes an FAQ section that should improve work efficiency. Chatty prospective customers who want to jawbone about the difference between flying ants and flying termites can chew up valuable staff time. By posting a pre-fumigation checklist on their site, the Folsom's hope to keep customer phone calls shorter and use the time to scout new business. **Next year the Folsom's also want to convert an annual business-development bulk mailing to an e-mail linked to their website, saving them \$300 to \$400 in postage and printing costs.** Jackie also plans to send out special discount offers by e-mail and post them on the website, enabling her to track the number of new online customers, and will work with Interland to ensure that the site shows up in search-engine results.

With the spring extermination season just arriving, it's too early to tell what impact the site will have on the Folsom's business. Jackie is monitoring the site's popularity—so far, about 20 visits per day—through an Interland-provided tool that gauges web traffic, and she expects that number to rise now that the web address is included on business cards, on letterhead, and in their yellow pages ads. **"I remember a few years back, we didn't even have a fax machine, and I got asked when I was going to get into the 21st century,"** recalls Fred. "It's hard to believe I have my own Internet site. I'm still not a technology extremist, but I now know it has to play a big part in our business for us to compete." All things considered, the Folsom's may have embraced the web right on time.

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