

Element 5 On-line Transactions

So, you want to conduct on-line transactions – is this feasible?

Is your farm in a remote location?

On-line transactions may be your only way to gain access to markets.

Are you willing and able to invest the time to gain in-depth knowledge of:

- Laws on interstate commerce
- Laws on taxes
- Laws on shipping rules
- Insurance needs

If you are not able, and you cannot hire this expertise, think twice about on-line transactions.

Are your products perishable, and/or is freshness important?

Focus on using the Internet to educate, inform, and promote local pickup/delivery.

Are your products non-perishable and easily shipped?

You are well suited to offer Internet ordering capabilities on a Web site.

Are your products non-perishable, but heavy?

You may be able to offer Internet ordering capabilities on a Web site, but sales can be discouraged due to high shipping costs.

Storefronts

A storefront, as the name implies, is a place that hosts a virtual store for you. Serious Internet merchants and computer-savvy farmers use this service, becoming the *storeowner*, and maintaining the store themselves.

With storefronts, all information is entered by the storeowner (producer) using software developed by the host. You can pay a commercial Web host for use of premium software (as a template) to modify for your specific needs, to sell all your products online.



This is simpler than using Internet software such as FrontPage to develop a site, but more complex in that you must thoroughly understand and follow correct shipping procedure and state taxation law, which is the benchmark to success in running an online store.

An example of a storefront is Yahoo! Store (<http://www.store.yahoo.com>), which allows a producer to have a small store with 50 items for \$100 a month.

The producer must have a merchant account with a credit card processor and must pack and ship the items sold. For many producers, there may be more cost-effective options. Others might argue that the simplicity of a storefront enables them to concentrate on other issues and that being on a mall-type Web site gives them improved exposure.

Example: [Farmer's Market On-line](#)

