



Case Study

Taos Architectural Copper

El Prado, Colorado
John Nettles, Owner

This case study shows the value of a collective Web site for marketing the products of rural artisans. It also demonstrates the importance of using search engine optimization tools to increase the business's profile on the Internet.

Profile

John Nettles creates products from architectural sheet metal, particularly copper. His products include copper sinks and sconces, which are sold online and copper canals, gutters, and downspouts used in home construction in the southwest. Most of the latter products are sold regionally to builders and homeowners.

John is one of the artisans featured on www.wesstartisans.com, a collective Web site managed by WESST Corporation (WESST Corp) that provides an easy way for artisans, particularly rural artisans, to establish a Web presence and market their products. Currently, John's online sales are a relatively small part of his overall business.

History

John Nettles came to the Taos area (2000 population 4,700) in 1994 to help a friend build a house. With a background in mechanical engineering, John started Taos Architectural Copper in neighboring El Prado in 1996, producing a line of roofing products for the builders in the region - copper downspouts, gutters and canals, which are unique to the southwest region. He eventually expanded his product line into copper sinks and wall sconces, more decorative items. John employs one person full-time and devotes himself full-time to the business.

John took the Market Link class offered by WESST Corp. This 45-hour program is designed to help small business owners develop a "perfect pitch" for their products or services. One of the focus target groups for the Market Link program was artisans, and through a Kellogg Foundation grant, WESST Corp was able to develop a collective Web site for artists who participated in the Market Link program to join. Unlike most

self-employed entrepreneurs, John was fortunate to have a full-time employee, making it easier for him to get away from the business to take the Market Link class. He recognized that this was a requirement for joining the Web site and was willing and able to make the investment of time to complete the course.

John took advantage of the opportunity offered by WESST Corp and joined the WESST Artisans site. He provided text for the site and WESST Corp provided the Web structure and maintains the site. Each artist featured on the site pays an annual fee of \$200 and WESST Corp earns a 25 percent commission on online sales. John joined wesstartisans.com because it provided a way to get online at minimal cost. He did not need to develop his own expertise in Web site development or to hire additional staff to begin using e-commerce through the WESST Corp site. As John notes, "Wesstartisans.com takes care of everything" and he has not had to look to other sources for help in using e-commerce.

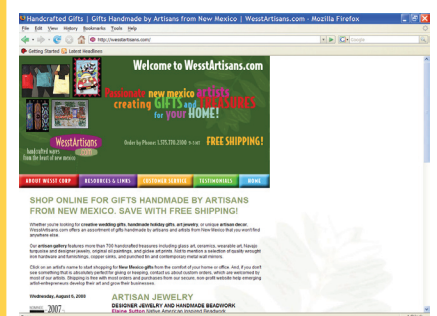
Business Location

Taos, New Mexico is located on a high desert mesa at the foot of the Sangre de Cristo Mountains. Its beautiful and varied environment has attracted artists since the 1920s. Tourism remains a primary driver of the local economy, with both recreational (skiing and hiking) and historical (Taos Pueblo) attractions. Taos (2000 population 4,700) has a seasonal population that grows dramatically during peak tourism months. Located in nonmetropolitan Taos County (2000 population 29,979), Taos is 70 miles north of Santa Fe and 132 miles from Albuquerque, the state's major metropolitan area.

Area Population: 29,979

Web site:

www.wesstartisans.com



Role of e-Commerce

The primary purpose for joining WESST Corp's e-commerce site was to expand the market for and sales of John's line of copper sinks, and to a lesser extent, sconces. As soon as he joined the site, John found that his copper sinks appeared on the upper half of the first page of a search. In collaboration with WESST Corp, John experimented with a search optimization tool – the purchase of Google ad words, splitting the monthly cost of about \$300 with WESST Corp. For the 1½ years prior to getting online, John's sink sales averaged one per month. During the time that Google ad words were purchased, sink sales jumped to one sink per week. Once the purchase of ad words ceased, sink sales returned to an average of one per month.

This experiment showed the value of investing in search optimization tools. For John, however, the key challenge has been to evaluate whether the increase in sales justifies absorbing the full cost of purchasing Google ad words. When the cost was shared with WESST Corp, the optimization cost John paid was offset by increased sales. Without the subsidy from WESST Corp, it is less clear whether the added cost will be offset by consistent increased sales. The importance of investing in optimization is clear – a Google search of copper sinks now shows John's wesstartisans.com site on the second page rather than the first page.

The sale of copper sinks is a relatively small part of Taos Architectural Copper's business. Most sales come from homeowners and builders who are interested in the roofing and other products. While the Web site has proven to be useful as a sales tool for the sinks, it has not been as useful as a marketing tool for the majority of John's customers. To a limited extent, John is using the site as a place to direct homeowners who might be interested in using his products in their homes. However, the product line would need to be more fully developed online in order to serve as an effective marketing tool for his main market segment.

Challenges and Lessons for Rural Entrepreneurs

John's experience as an artisan and a member of the wesstartisans.com collective site offers a number of important lessons for other business owners in rural places:

- For entrepreneurs who do not have Web site development skills, or the budget to hire staff to create and maintain a Web site, finding a service provider who can help them gain access to the Internet at low cost is important. John has considered creating his own Web site, but he believes that the benefits and exposure he gets from the WESST

Artisans site are greater than what he might achieve with his own site, given the limited resources he could commit. While a resource such as WESST Corp's collective Web site is not available to all rural entrepreneurs, many regions have business service providers, like the Small Business Development Centers and the Cooperative Extension Service, that provide training or assistance in e-commerce and Web development.

- An investment in search optimization tools, such as purchasing Google ad words, can pay off in terms of increased sales. What John learned through his experiment with WESST Corp is that purchasing ad words had a direct and positive impact on sink sales. As noted by Clare Zurawski, Albuquerque Regional Manager for WESST Corp, entrepreneurs should not consider investing in the creation of an e-commerce capable Web site unless they are also committed to investing the money and time required to learn search engine optimization tools. Entrepreneurs need to assess both the cost and expected return from such an investment.

From e-Commerce as a Strategy for Improving Business Vitality: Lessons Learned from Small Businesses by Deborah M. Markley, David L. Barkley, and R. David Lamie

See related case studies and learn more about e-commerce at <http://srdc.msstate.edu/ecommerce>.