

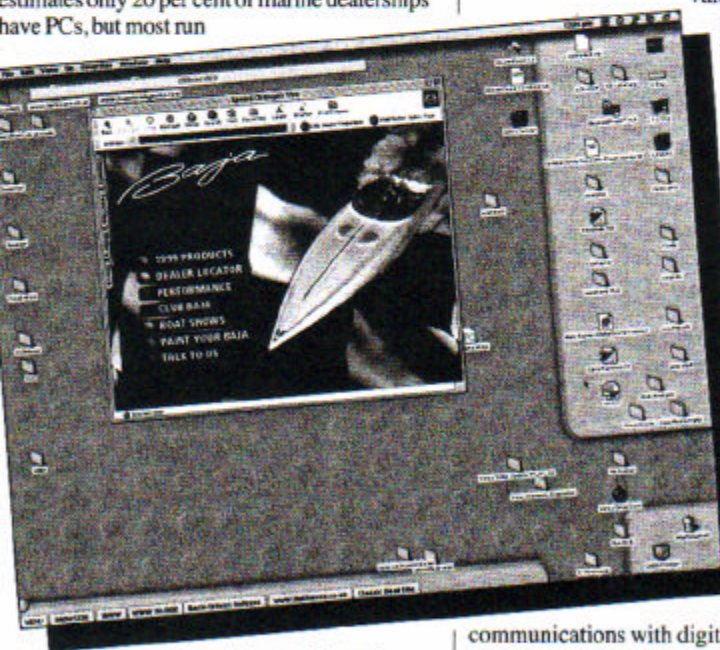
Mercnet system dealers will be able to communicate directly with specific departments at Mercury, placing parts and accessories orders, resolving warranty issues, reviewing status claims, and making credit enquiries, all online.

Fred Bode, senior systems analyst at Outboard Marine Corporation, Waukegan, Illinois (<http://www.omc-online.com>) said that the corporation had 20,000 'hits' on its website in one month. The site contains marketing and technical help. These enquiries cannot be networked directly through to dealer sites yet, however, as OMC's database has no field for dealers' website addresses, and so the data is not on file.

REACHING THE TRADE

In the boating business as a whole there is no consensus on what percentage of dealers are using computers in their businesses, which is important because if marine dealers are going to communicate via the internet, they obviously must have a computer. But while most dealers would probably have a computer, few are using them to anything like their full potential. Abraham Rajabi Valentino of computer systems company Silicon Logics estimates 95 per cent of retailers have PCs, but adds that most are not new. Very many are still using older DOS or Windows 3.1 operating systems instead of Windows 95, or indeed Windows 98. In many small retail businesses they are typically used for low-level back-office functions.

Bell & Howell, a US-based electronic publishing systems company which offers an extensive software suite for the boating industry, estimates only 20 per cent of marine dealerships have PCs, but most run



only word processing and spreadsheet programs. A representative commented that the motorcycle market is 10 years ahead of the boating industry — about 80 per cent of their motorcycle dealers tap into Bell & Howell systems via modems.

Compared with other industries, the boating industry has been reticent about using the internet. This is almost certainly a reflection of the small and fragmented nature of the industry. Because its workers may not be highly computer-literate, they can be intimidated by working with a PC, thus they often choose to outsource the

administration of websites, giving up control to the outside administrator. In so doing they can lose direct access to information such as the number of hits from different locations.

Erik Sayre of Vanguard, for one, is not happy with his internet service provider. "There is no counter and I have no feel for international responses," he told *IBI*. "I have no idea of the percentage of total hits. My only feedback is e-mail."

His response is typical. Even large organisations in the industry, such as Mercury, the British Marine Industries Federation (BMIF) and Zodiac confess that they have no statistics on the people that have visited their site.

One internet agency, Internet Waterways, sets an example that others would do well to emulate. IWOL, which hosts the National Marine Manufacturers Association's 400-page site, tracks IP (Internet Protocol) addresses so that it knows where each site visitor came from. In future it plans to supplement this with demographic information.

Under the IWOL system, advanced users must have a user name and password to gain access. IWOL is listed in multiple categories and is on top of each of those lists.

E-MAIL

While the boating industry still has some way to go when it comes to exploiting the mass communication possibilities of the internet, the value of e-mail on a more targeted level is now widely recognised.

Outboard Marine Corporation, like a great many other marine companies, gets e-mail from all over the world to its single e-mail address, but its only e-mail communication with dealers is through OMNI or personal e-mail accounts.

Mercury is trying to replace fax and voice

communications with digital communications, which means that dealers must have at least e-mail. However, the company doesn't generally communicate with dealers electronically yet because of reluctance on the dealers' part.

Although Zodiac has been using IBM e-mail internally for the past 10 years, only 5-10 per cent of its dealers are online. Similarly, only 10 per cent of Mariah dealers are online with e-mail, so the boatbuilder has to fax contact information to dealers when a potential customer indicates interest in its website.

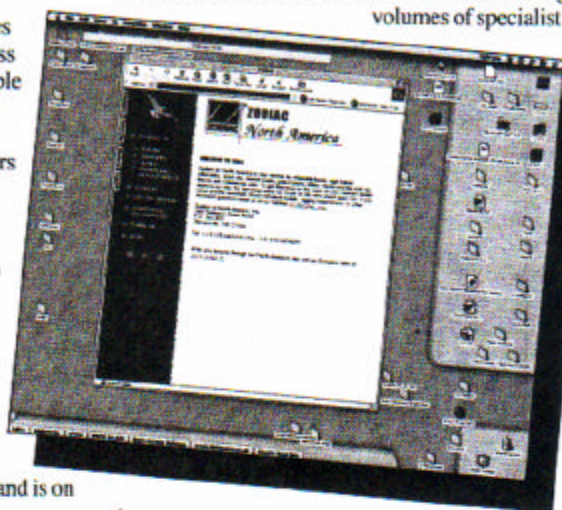
Vanguard is a keen user of e-mail and checks its electronic mailbox three or four times a day.

However, only 10 per cent of its major dealers have it.

Edward Washburn of Zodiac comments: "With so many people communicating, a problem arises with having enough people to answer these requests for information." But what a great problem to have!

EQUIPMENT CYBERMALLS

As far as retail sales are concerned, the internet is a medium that best lends itself to the sales of high volumes of specialist



equipment with low-to-mid-range prices, such as marine electronics. Although a Marubeni/Nissan dealer reported that he sold a boat, motor and trailer just one week after a customer saw an advertisement on the internet, such big-ticket transactions on the are still rare.

Most consumers, even though they are online themselves, still haven't developed enough trust in the web to purchase a boat through it. Lower-cost accessories, however, may provide the best opportunity to sell online.

One approach that is helping to move such items are so-called 'cybermalls'. These are websites that offer the products of many different manufacturers. Internet Waterways Online (<http://www.iwol.com>) claims to be the biggest boating cybermall operator. Marketing director Andy Aweida says: "IWOL has had three-four million impressions (not hits). We've got information. It's a deep site with 4,500 pages. Advertising consists mostly of the big guys who advertise on the front page. We promote the site at all the boat shows."

Silicon Logics is creating a cybermall that is proprietary to its customers called <http://www.bargainshops.com>. Its dealers can put their products up on the web and all transactions can be processed through their software.

IS ANYBODY THERE?

To have the most decorated website on the internet fine, but it serves no purpose unless it can be easily found. Search engines are the web's equivalent to the card catalogue found in the library. Jack Swan, senior vice president of sales and marketing of Mariah Boats, a Benton, Illinois manufacturer of powerboats up to 30ft (<http://www.mariahboatsinc.com>) claims: "We're one of the five most visited sites in boating/marine." However, that is slightly surprising because a net search for the company using the Yahoo search engine for the purposes of this article failed to yield it.