

> MY OWN BUSINESS

INTERVIEW BY TERESA HARDY



Frenchwoman Anne-Claire Bocage, 31, decided to set up her online boutique delivering American foodstuffs in France in 2008 having spent four years working in marketing and international business in the USA. She launched My American Market in June 2009.

**Why launch an online boutique?**

I had loved the States since going there during high school so travelled there to study and work for four years. I wanted to set up my company in the States but discovered that entrepreneurs have to auto-finance their visa, which involved proving that I had a large sum of money in the bank, I think something like US\$100,000. I didn't, so I came back to France in summer 2008 with the intention of buying an existing company - I had no specific products or services in mind. But here, because of the financial crisis, I had problems getting a bank loan so my only option was to create my own company. The idea for My American Market came in November 2008 when I had a craving for Ranch dressing and saw how difficult it was to get American goods unless you live in Paris. But I also wanted to create a platform for the American community in France so they can share information. This is why I also produce a monthly newsletter and have Facebook and Twitter pages, and a blog.

How did you set it up?

I started in January 2009 by contacting American support groups with a questionnaire asking what type of business and products they would like to see. From hundreds of calls and emails I received 300 replies. One of the questions I had put to people was about the name - I shortlisted the favourite ten and sent them to French and American friends who voted for My American Market. I quickly found a web host (Infomaniak) who seemed to be reliable and was open 24/7, and bought the domain name through them. I created a very basic holding page using Publisher, then searched for a webmaster to design the website. It was difficult to find one that concentrated simply on the functionality - the American concept is for a clear design that is easy to navigate, whereas the French webmasters seem to be more concerned about the appearance. I chose the cheapest webmaster package from the range of €2,000-€10,000. Maybe this is one reason why it took far longer to create than the two months I expected - the site wasn't ready until June 2009. Finally I registered with the

Chamber of Commerce.

What were the start-up costs?

In my business plan my selection of 150 products cost €5,000 to stock, though in reality this was slightly cheaper. Now I have 200 products in stock with an inventory value of €6,000. Aside from the webmaster costs, I paid €100 for the first year of web-hosting and €250 to register my company as a EURL. The EURL status gives me limited responsibility, and I'm the *gérant*. I've made the choice not to draw a salary in my first year because I need to finance my growing range of products; each month I need more cash, and it's difficult to get loans to finance stock. In the meantime I live off ASSEDIC - the government sponsors me!

How does the business work?

I believe in outsourcing when you're not an expert so I deal with promotion and selling and use the services of a warehouse in Toulouse that is shared with other online businesses. It receives the goods, manages the stock and prepares and ships the products to my customers once I've sent them my orders. The relationship with the warehouse is very important and I need to know they'll do a great job. On the payment side, I use two specialised online payment companies, Paypal and Paybox. The former is great when you're starting, as there are no set-up fees - though I pay 3.5-4 percent for each transaction. The latter is better for large numbers of orders as you pay a high initial fee, but no monthly sum.

What has been difficult?

The creation of the website wasn't the greatest experience! The webmaster provided the pages, the functionalities and the organisation while I filled in the articles, prices and so on, but for every problem we solved, we seemed to create three others. I've learnt that everything takes longer than you expect and that you need to have lots of Plan Bs. It's been difficult to find the right partners, too. French professionals don't have the same standards in business ethics, quality of service and responsiveness as the other European

countries and America. I actually feel more comfortable with non-French partners; business runs more smoothly.

How are you coping with tax and social security contributions?

I was unemployed when I returned to France so I qualified for an ACCRE (*aide aux chômeurs créateurs ou repreneurs d'entreprises*) grant, through which you pay fewer social security contributions in the first year. So I paid €1,200 rather than something like €6,000. After the second or third year they'll analyse my figures to see what to charge in the future. I haven't yet received my tax bill.

What are the day-to-day issues?

There are always problems to overcome, but it's fun and a great adventure with constant rewards and daily victories. I spend a lot of time communicating with the warehouse. I need to know how much stock I have and its shelf life because if products reach a best before date of fewer than three months I sell them at a discount. Most frustrating is running out of a product. On the mar-

keting side I have a budget of about €300 a month, part of which I spend on advertising in American support group newsletters. I prefer to buy online ads rather than advertising in magazines, as the potential client is only a click away from my shop, and I also place ads with Google AdWords and Facebook. I like the internet because it allows me to be in daily contact with my clients. Although there's no face-to-face contact, I feel a deep relationship with my customers. My job is to provide the best service possible, and I'm lucky enough to have loyal customers. It's satisfying to see how happy they are with their goods and I'm constantly amazed that they take time to give me feedback.

What advice would you give?

Believe in your dream! You must think big if you want anything to happen in your life. Also, always imagine the worst-case, most expensive scenario when you're forecasting in your business plans. Finally, there'll always be problems to overcome, so make sure you have some Plan Bs and even some Plan Cs.

www.MyAmericanMarket.com

FACT FILE

Setting up online

- First do your market research to make sure your project is viable;
- Create your website using a package such as Powerboutique or through a web agency.
- Decide whether you want to hold stock or whether to order from your supplier once you receive your customer orders.
- Choose a secure payment method. Either go through a specialised supplier such as Payline, or authorise your bank to handle the payments. The former is usually included in website packages; the latter must be negotiated with your bank.
- Small quantities can be sent through the post. Otherwise make use of a transporter such as FedEx. Clients can then access a tracking system through your website.
- Marketing: register your business with online directories; use Facebook and other social networks; create links or advertise with relevant websites; register your keywords with search engines.
- Remember: as soon as you register your business you pay social charges so make sure you're ready to start selling before you do so.

Your legal obligations

- check your domain name doesn't already exist using the Institut National de la Propriété on www.inpi.fr. Then register the domain name with the Accredited Registrar Directory on www.internic.com. Finally declare your website with the Commission Nationale de l'Informatique et des Libertés on www.cnil.fr. It protects human rights and privacy.
- respect the 'loi Chatel' which states you must do the following: give a delivery date, indicate a telephone number where clients can get hold of you and an email address or contact form; tell clients that they have the right to cancel their order within seven days from the delivery date.
- Also, respect freedom of the press, in which libellous, racist and revisionist content is forbidden; article 227-24 of the Code Penal, which forbids violent, pornographic etc. content; the intellectual property code, which forbids reproduction of content without the author's agreement.

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*Source: Results from the Siddalls France New Client Questionnaires throughout 2008.

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THE M-WORD

Marketing advice from Suzie Larcombe

READER QUESTION:

I am good at what I do, have a website and advertise in the right places, but I'm still not getting enough contact from potential clients. Can you help me?

Unfortunately you didn't leave a contact name, so I haven't been able to find out any details about your business. As a result, I'd like to start by asking a couple of (very basic) questions which relate to two of the most common reasons for small business owners not getting enough contact from potential clients: have you defined exactly what you're offering? Although you may well be selling website design services or holiday accommodation, in your buyer's mind your offering is often something different. Buyers attribute qualities or benefits to your offering that makes it stand out from the competition. Have you identified these essential elements of your offering (by consulting with your clients if needs be)? Do you make these elements clear in your publicity material? Have you identified your Unique Selling Points (USPs)? These are the special reasons why customers

should choose you and not your competitors. Although this is one of the hardest questions you'll face in your business, it's well worth the struggle of answering. Aim to identify at least 3 USPs (they might relate to your product, service, delivery, communication etc). Once identified: get comfortable with them; broadcast them at every opportunity; get them on all your publicity and make sure they appear on your website before you scroll - this is one of your major business messages! Finally I'd like to apologise to any PR professionals upset by my reference to media exposure as PR in last month's issue. The reader who asked last month's question, was specifically seeking media exposure (and in particular exposure in the English language press in France) and like most small business owners referred (in his question) to PR. PR of course runs much wider than media exposure. If anyone would like a more in-depth knowledge of PR, a Google search for "What is Public Relations?" will give lots of information.

Suzie Larcombe is author of 'The missing link?' and joint director of www.LimeGray.com - the small rural business development agency with the big city feel. Contact Suzie directly at: suzie@limegray.com or tel 05 62 69 74 99.