

# Going from Brick-and-Mortar to Online Sales Doesn't Have to be Intimidating

**W**hile engine builders are usually well-versed in anything with a camshaft, when it comes to the Internet, some fall short on their HTML coding and photoshopping skills. But as they move into the uncharted waters of e-commerce, engine builders and suppliers now face the sea of realities known as virtual sales.

For as long as the automobile has been on the road, engine shops have relied on word-of-mouth referral and reputation to gain business. Even with the Internet boom of the '90s and the steady rise in web-marketing, the average Joe Engine Builder never caught e-commerce fever.

Some argue that purchasing a big-ticket item such as an engine is much different than buying an album on a music website such as iTunes. Also, when looking to buy an engine on the Internet, the consumer might find it confusing to find the proper specs. In addition, they could unknowingly visit a site that doesn't display enough helpful information to make an informed decision.

However, one e-commerce expert says that consumers are doing their homework online these days when it comes to big purchases and rely on this information to make buying decisions. Furthermore, many are more comfortable purchasing online than in the past. Now more than ever, companies who sold exclusively to offline businesses are gearing their efforts toward Web sales and taking advantage of the modern era of e-commerce.

In addition to generating sales, some shops use their e-commerce sites to educate their customer base. Since 1969, Engine Factory, a family owned business that builds engines for muscle car racers and vintage automobiles, has dealt face-to-face with the average guy wanting to restore his classic Corvette. With its website, *EngineFactory.com*, it brings a personal feel to the virtual world, said owner Bruce Nelson.

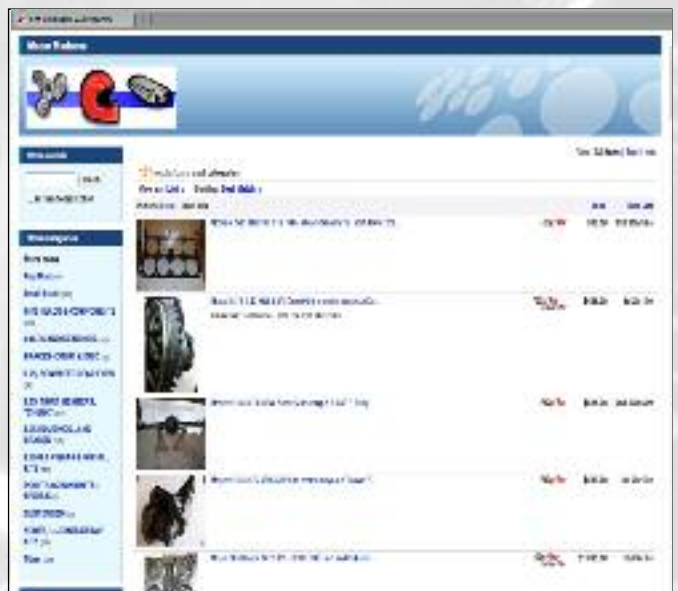
"When you order online or call, customers will be speaking to a family member," he says. "We believe in giving the customer as much information as we possibly can."

Entering e-commerce in 1996, Nelson says his company maintains and designs its Web page in-house on a daily basis. Engine Factory owns 180 domain names as well. The engine shop has enjoyed success with its biggest online sellers, its "ready-to-run out of the box" 260-850 horsepower turn key engines.

Nelson credits the website's success to its interaction with

social media. He says the shop aggressively posts video through its Facebook and YouTube pages that, so far, have generated more than 750,000 views and 700 subscribers. The videos tackle a wide range of subjects from the process of building a 475 hp 363 cid Ford stroker engine to the type of spark plugs that are used in an Engine Factory engine. Nelson says he "floods the social sites with self-help videos" to build a community of like-minded enthusiasts that has translated to successful online sales.

Similar to Nelson who built his company from a brick and mortar operation and is now expanding to the cyber world, John Wolfe is using a slightly different e-business model. Wolfe runs Mopar Madness, an eBay engine parts store. The site supplies Mopar parts to classic and muscle car enthusiasts. Wolfe proclaims that they are the "8-3/4 rear end gurus." He started the business out of his home mainly as a regular fan of Mopar more than 25 years ago before creating the e-store in 2003. The Mopar Madness e-store uses a different model than the eBay site that runs its sales using an auction format where participants bid on items.



*John Wolfe of Mopar Madness runs a very successful eBay engine parts store. He started the business from his home 25 years ago, but with the addition of e-commerce, sales have been taking off. The store uses a different format than the traditional auction site page designs.*

“On the site, we use what is called ‘Buy It Now’ where our items are at a set price,” Wolfe says. “About 85 to 90 percent of our inventory is like that. We don’t put stuff on for a dollar and hope that everyone bids up on it.”

Wolfe and shop foreman Rick Taylor keep up with the daily maintenance on the website. They say it’s a laborious task but it’s a long way from the humble beginnings of having only 10-15 items on its shelves. They now deal with a wider variety of 140 component parts. Although 60 percent of its business is done via the Internet, Mopar Madness still holds to its brick and mortar beginnings as well.

“The rest of our business is done through reputation and one-on-one, word-of-mouth marketing,” Wolfe says. “We have a large inventory and two facilities where the parts are kept. One is for the shop labor and the other place is storage for blocks, crankshafts and other parts.”

Wolfe believes the usual customer finds his business through eBay, and then ultimately calls his number to inquire about any service issues. So far, Wolfe said this method operation has been working quite well.

“We have customers asking questions and we help them in every way we can. I find myself talking and checking back with customers several times a day,” he notes.

That customer base, Wolfe mentions, spans at least 26 countries including Australia, Argentina, the United Kingdom, Czech Republic and Sweden.

“That is the beauty of the Internet,” Wolfe says. “We have a global market although we sit here in a little old town. We have



*Bruce Nelson of the Engine Factory credits his Web site’s success to its interaction with social media. He said the shop aggressively posts video through its Facebook and YouTube pages that, so far, have generated more than 750,000 views and 700 subscribers.*

the potential to correspond with people all over the world.”

Taylor says the business had increases of at least 33 percent after the first year of launching the Mopar Madness e-store. “The reason is that we already have the market,” he said. “And once you have that, you can market that in the proper medium and more people will know about you. Virtual word-of-mouth is just as good as traditional word of mouth; maybe even better.”

The future plans for Mopar Madness, Taylor hints, are still on “the drawing board.” He says they are planning for a stand-alone web site as well as establishing a social media presence and looking even further beyond.

“Right now, what’s highly untapped is mobile marketing. More people have mobile devices than are on the Internet on computers,” he says. “It’s a new, emerging market. Sitting in front of a computer is considered old school now.”

Taylor’s assumption may be correct. According to a Google-Ipsos study in Fall 2011, 69 percent of U.S. mobile users access the Internet on their phones daily and the numbers are steadily increasing around the world.

“We want to build a foundation for our business,” Taylor says. “But for now, our business model is our meat and potatoes.”

For every new innovation used, there are still component stores that are quite satisfied with their current business model and are not in a big rush for an e-commerce overhaul. Sonny Leonard has been dealing racing engine parts for more than 43 years and is quite successful with a long list of satisfied customer to prove it. His company, Sonny’s Racing Components, keeps a running website that features an overview of its inventory and customer updates who participate in drag racing and pull off events.

Leonard says he outsources most of the online duties to a company that specializes in website design. But with just over five years of online store exposure, he says, the phone sales still trump their e-commerce counterparts. While the kits and parts are readily available online, his engine inventory is accessed through the phone.

Having a website to list information about his engines is an advantage, Leonard said, but he is still not sold on the Internet’s or social media’s potential.

“We sell to 90 percent ‘hardcore’ guys,” he says. “With Facebook and YouTube... I don’t think hardcore guys are into that. That stuff is not used for business, that’s just for fun.”

The methods of building and installing engines may never change, but some argue the buying and selling of them are marching toward a slow, steady transformation.

“There is a lot of information that is geared toward e-commerce and social media models. There are several advantages,” Wolfe says. “A lot of the industry is coming to that conclusion. It’s not exactly a landslide. But our industry is slowly leaning toward it – it is in the embryonic stage right now.” **EB**

