

Mukti Botanicals

www.muktibotanicals.com.au

February 2003

Mukti Botanicals is a privately owned manufacturing, wholesale and direct sales business that supplies a comprehensive range of natural and alternative personal care products including facial crèmes, body lotions, shampoos and conditioners, deodorants and cleansers etc. All products are free from harmful chemicals and use wherever possible the most naturally derived and organic constituents.

The business commenced in 2000 and employs two people with six additional contractors.

We talked to Mukti (Melissa) Lloyd, owner, at the home office in Maleny located in the Sunshine Coast Hinterland of South-East Queensland, an hour drive north of Brisbane.

Who are your customers?

About half the sales are direct retail sales with the balance wholesale to health food stores, pharmacies, beauty therapists etc. However we plan to wholesale direct to some select department stores and chain stores in the near future. We have also begun exporting into the overseas market.

Do you have an established customer base?

Yes.

Are you trying to attract new customers?

Always!

How will they benefit from your service?

My products are veritably natural and based on a holistic health philosophy that will provide an overall health benefit to the user.

Who are your competitors?

There are many large established competing businesses to the point of saturation – new product ranges are coming onto the market all the time.

How have you been successful?

Maintaining a positive attitude and outlook, tenacity and persistence as well as exceptional customer service. Believing in my overall vision and helping others.

How do you use digital technology in your organisation?

I use a digital mobile telephone when away from the office and I have a credit card terminal.

I have two networked desktop computers running Windows 98 and one laptop. I use Microsoft Excel, Office, Publisher and MYOB for accounts. My partner has graphic experience and uses other software for artwork.

We have a modem connection to the Internet. I have not had time to investigate any broadband option that may be available at our location. I use online banking facilities for account balances, paying suppliers and contractors.

Do you use e-mail?

Absolutely! E-mail would account for approximately 50-70% of my business communication, with the other via the telephone.

Do you use a regular e-mail newsletter?

Yes, we put out a monthly e-mail newsletter to our direct retail sales customers to assist with developing good customer relations. We are anti spam.

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Have you ever had problems with viruses?

Yes. So far I have managed to catch them and eradicate them before they have caused any major problems.

What measures do you take?

I ensure our virus protection is upgraded regularly.

How often do you back up your files?

Regularly.

Any other equipment?

We have a fax, scanner, digital camera and Web cam, but the Web cam sees little business use.

Do you have a Web site?

Yes.

Do you have or are you connected to an Intranet?

No.

Do you use an Extranet?

No.

What is your Web site for?

To increase our direct retail sales and supply useful information about our products, and to educate consumers.

Is this a development of your existing business or a new venture?

It is a development of our existing business.

If it is a development, how is it supposed to help?

By increasing our retail sales, answering questions, and semi-automating the sales process.

Do you have an on-line audience?

Yes, customers.

Do you host internally or externally

Externally with WebCentral.

Do you allow transactions on your site?

Not completely. The site has a shopping cart system and will produce a complete order including shipping and credit card details but customers mostly post, fax or e-mail the order to us. Upon receipt of the order we process any credit card details on the terminal. We plan to have the site secured within the very near future.

Do you collect information with forms?

Yes.

How do you update the content of your site?

A combination of both my partner, myself and a friend who is a Web developer and IT genius.

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How do you promote your site?

We use search engines and we are about to set up a second educational Web site that will be linked to our existing `sales' site. The educational site will be focused upon providing information on natural products and chemical substances. We also spend money on advertising that directs people to our site.

How much does it cost to promote your site?

We spend money on advertising in magazines and newspapers which directs customers to our site.

Do you ask customers how to improve your site?

Not on the Web site but I do receive verbal and e-mail feedback.

What is the impact of transaction processing on your site?

We have had the Web site for two years and the online shopping cart has only just been added so it is too early to tell. We have received some online precipitated sales already.

Do you have an existing customer database?

Yes.

Does your Web site capture new customer information?

No, but people can send us an e-mail from the Web site via our contact page by typing in their names, e-mail address and message. We are in the process of making the site more interactive.

Are customers concerned about security for credit cards?

Yes.

How do you deal with this concern?

By separating the online ordering process from the financial transaction. Customers can post, fax or separately e-mail their order form with credit card details.

What is the best way to get people to come to your site?

Through direct marketing such as magazine advertisements and trade shows.

What is the best way to get people to buy products?

By defining the niche market, to offer value for money and exceptional customer service.

How many upgrades?

We change the site regularly and have had two major upgrades.

How much time did it take to get up and running?

Setting up the second educational Web site and collecting more e-mail addresses from this site is the project in progress, and so we do not know yet how long it will take.

Where did you go for advice?

I attended business development seminars and workshops at the Maleny Enterprise Network Association Inc (MENA), Qld State Development and elsewhere. I also used the internet and am an avid reader as well as discussing options with my partner and friends.

How did you know who to trust?

I trust my friends and business advisors who are qualified and experienced in their fields.

Did you do the work yourself or use outside contractors?

Both my partner, myself and an outside contractor.

Case study courtesy of Digital Business Insights Pty Ltd

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Were you happy with the work and help given?

Yes.

How much did it cost you.

The cost should be negligible.

What were the main risks you took?

None to my knowledge.

What advice would you give someone else?

Let a new business grow incrementally as finances permit and don't over commit. There is no point in having a fantastic site that you have injected a lot of capital into that no one visits. You have to tap into channels to direct potential customers to your site.

What were the barriers to your digital project?

Lack of time to fully focus my energy into the site. What I have come to realise is that it is an ongoing project that will constantly need upgrading and changing as our business grows and develops.

Do you know what technology is used in your company?

Yes.

Do you understand what it does?

Yes.

Where can people find useful advice about the subject?

TAFE, developers, internet, text books etc.

How did you decide which technology to use?

I ask my partner.

What are the business benefits you are hoping for?

Hopefully the new educational Web site will generate traffic of interested people who are most likely to be attracted to our style of products.

Are these benefits quantifiable?

Yes.

Are customers happy with what you have done for them?

I hope so. We constantly receive positive feedback, which is inspirational.

What is the most important thing you've learned in the last year?

Allow organic growth. Trust in the process and be patient.

Given what you know... would you do it again?

Yes, except I may have been too fast in placing some products onto the market before ensuring they were the best formulations. It would have been an added benefit to have more start up capital, however, I have learnt to be shrewd and discerning when it comes to the decision making process.

case study

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What are you planning to do next?

Complete the educational Web site, add online secure transactions to our `sales' Web site. We are currently working on our export program and are putting a distribution network in place. As the volumes increase more of the work will be subcontracted to established manufacturers.

As this falls into place, I will then concentrate my marketing efforts towards retail sales, principally via the Web site and spend more time on further research and development projects.