



Addressing and e-commerce: delivering the goods to your customers

by Graham Rhind

In the good old days of commerce, when buying and selling was done over the counter, a company could choose where it wanted to sell its products. An American company which decided to expand its operations into Canada, for example, would be able to take steps to manage the changes that this would entail to its database and marketing systems in order to handle an extra language (French), a different address format, and different data sets, such as province names.

The Internet, however, has speeded up the development of cross-border commerce to such an extent that most companies are totally unprepared for the issues that e-commerce brings with it. Software is available which has reduced the time needed to create an e-commerce site to such an extent that a company can have its products on its web-site for sale within hours. Becoming a company with a global market place hold tremendous and obvious attractions for companies, and the rush to e-commerce is fast and is getting faster. Opening up shop for your products to the whole World, however, means that you are opening yourself up to the host of issues that this brings with it, issues which you used to be able to handle on a step-by-step basis as you moved into different national market places.

The issues are myriad, and it is not my intention to discuss them all here. One of the major issues is that of collecting and using a person's name and address details.

Whether you are delivering your product electronically (for example, software) or by mail, you will need to get and store a person's name and address details. You will not only need to collect the data, but you will need to collect all of the data, collect all of the correct data, and collect all of the data correctly.

For many companies, it is ignorance which prevents address data from being collected and utilized properly. Many companies know and understand the addressing norms and postal facilities within their own countries, but give no thought to managing data from abroad. A typical and, sadly, all too common example of this is the insistence of many of the web-sites of American companies that those of us outside the United States enter a state name. Apart from in the United States, Canada and Australia, very few countries of the World have states. I, an inhabitant of The Netherlands, do not live in a state and could not enter a state even if I wanted to. But these web-sites make state a mandatory field, and it drives those of us trying to buy your products insane trying to get past a web page which won't accept that there is life outside The United States. Another example is having a Zip code (or, more correctly, a postal code – Zip code is a registered trade mark of the United States Postal Service (USPS) and some people outside the USA will not know what it is) as a mandatory field. Almost half of the World's countries do not have a

postal code system, so any data these people add in the postal code field will only serve to pollute your database, reduce the deliverability of your product, and irritate your customer.

In once ordering a product from a United States e-commerce site, I was (yet) again prevented from proceeding without entering my state, though the data that I did not live within the United States had already been entered and could, therefore, have been used to prevent this. In pure frustration I typed "I DO NOT LIVE IN A STATE" in the state field, and moved on. When the package arrived, the address was neatly formatted in the United States style (thus delaying delivery), and looked like this:

Mr. Graham Rhind
12 My Street
AMSTERDAM I DO NOT LIVE IN A STATE 1001 NE

The company did not even do a simple check on the data to ensure that the state string entered had only two characters!

People who have been working in the field of customer and relationship marketing for many years will tell you that it can take a lot of work for your customer to have built up a positive image of your company, and for them to profess loyalty to it, but that this positive image can be shattered quickly by showing ignorance of some basic aspects of your customer and their culture. There are around 240 countries and territories in the World. Within these countries and territories, around 130 different address formats are used because of cultural conventions and to enable postal services to deliver effectively. Personal names, very dear to your customer, can be written in one of 36 different ways. Depending on which authority you read, between 5000 and 10000 languages are spoken on this earth, though you are unlikely to come across more than about 40 through your web-site. Only 40? Are you prepared to handle 130 address formats, 36 name formats and "only" 40 languages? Not many companies are.

Getting, handling and outputting address data correctly is required for you to keep your customers happy, a major aim and a major achievement for any company doing business via the Internet. But it is not the only reason – there are a number of practical aspects as well. The first one might be to allow credit card verification to occur correctly using the address information provided. Another one is that the address will be used by the postal authorities to deliver the items that you sell. Errors in address content, format or language can either seriously delay delivery or prevent delivery altogether – not something that will please your customers or help your turnover or profit margins.

Companies can take a number of steps to reduce some of the problems associated with address collection on the Internet. The first, and most important one, is to overcome your own ignorance. Find out how addresses are written and formatted in each country. Find out about the languages spoken and the accents used. Find out how to please your customers. Customers are often gratified when a company tries to get things right, even

when it doesn't quite come off – it sets them apart from the crowd. Excellent reference works are available to help a company to get this information fast.

Another method is to avoid having a “catch-all” address entry screen for users. Your customers often find themselves having to try to squeeze their longer addresses into fields intended for shorter United States addresses, or having to enter redundant data into fields that are not relevant to them just to be able to place an order. Finding out the country name and the language spoken early on in the order procedure enables you to present only those data collection fields that are required for the user, in the format which is familiar to the user, and in that person's language. This improves accuracy, decreases errors both on input and on output, and gives your customers a positive feeling about your company. Finally, for real accuracy and the best output, utilize an address validation system, which compares the data entered with postal files and returns a clean, validated and formatted address. Postal files are not available for all countries yet, but they are available for the countries where your greatest markets are likely to be.

Instant address validation systems have a number of advantages. Depending on the country concerned, the user need only enter a portion of his or her address for the system to return a complete and valid postal address. This may be the postal code and house number (for The Netherlands and The United Kingdom, for example); the postal code and street address (Belgium and Germany); and so on. When the address components have been entered, the system can return the address to the user, so that they can check the validity of the data, if necessary, and continue with the transaction. This system ensures not only that the address used for mailing items is accurate for both the recipient and the postal services involved, ensuring prompt delivery and no user-irritation; but also that the data going into the company's database is clean at source. Having clean and accurate address data from the first transaction made with a customer enables database managers to maintain and manipulate their data to the maximum extent, allowing accurate de-duplication, merging and data analysis. No extra expensive cleaning operations on the data would be required.

Graham Rhind

Graham Rhind is an acknowledged expert in the field of data management. He runs his own consultancy company, GRC Database Information, based in The Netherlands, where he researches postal code and addressing systems, collates international data, runs a busy postal link website and writes data management software. Graham speaks regularly on the subject and is the author three books on the topic of international data management.

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