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Striving for a more personal Web experience

Minimizing frustration and revenue loss

Sarah Carey

Digi-Net Technologies in Gainesville is working to make Internet encounters more personal.

In the five years since the company started, it has grown to 27 employees, doubling or tripling in size every year. Its success comes from designing software to make people using the Internet feel more connected.

"We do very well," said Robert Parker, company CEO and president, "I can drive a nicer car."

Digi-Net is one of Florida's 100 fastest growing private companies. Its keystone software products, DigiChat and more recently Groopz E-Commerce, are designed to provide a digital handshake.

"Everything we do at Digi-Net is about connecting people, whether it's through e-commerce or through building community on the Internet," Parker said.

An adventure

Parker, 27, is a former English major at the University of Florida who always loved computers. He took a semester off and started working in graphic design, surprising himself by the money he was able to make. After a trip with his family to Asia, he dropped out of school to start his own company.

"I opened an office, borrowing a roommate's computer and using an old barn door situated on two filing cabinets for a desk," he said.

In those days, Digi-Net was an online service, "a sort of mini America Online," according to Russell Garabelis, Digi-Net's media relations manager. Now the company develops Java-based chat software for the World Wide Web.

Parker says helping his aunt purchase a computer online inspired him.

"I gave her maybe three online sites to check out, and this was in the first year that Internet shopping had really taken hold," Parker said. "She came back and said, 'I am so frustrated, I can't do it.'" He agreed to help, visiting the same sites, and ultimately arrived at the same conclusion.

"I'm my family's self-appointed computer guru, and I was frustrated," he said. "We wound up going down to CompUSA and hauling one into the truck."

Parker analyzed the problem and wondered how many people visited his own company's Web site with an eye toward making a purchase, and subsequently "got lost."

A better way

He did research and found that of some 300 to 400 people who visited the Digi-Net Web site, between 200 and 300 visited product information pages -- sites for potential sales -- but only eight followed through with a purchase.

"I said, 'there's got to be a better way.'"

DigiChat, the company's first successful real-time, community-building software program is used by groups ranging from clubs to corporations to sports organizations, education and medical centers.

Next came Groopz E-Commerce. Parker says his goal was to develop software to make electronic commerce really work.

Parker says his company's biggest problem is educating business about supporting their Web sites.

Businesses frequently launch Web sites and are disappointed that sales don't automatically increase.

"Four out of five transactions are actually abandoned, resulting in a revenue loss of more than \$6 billion per year," Parker said. "Most of our energy is spent teaching people why they should put people behind their Web site."

Rackspace Managed Hosting, Hilton Grand Vacations and Kanoodle are among those who have successfully implemented the software. Groopz also was a ZDNet editor's pick in 2000.

"By utilizing Groopz, we have been able to engage a significantly higher percentage of the prospects visiting our Web site," said Patrick Condon, vice president of business development for Rackspace.

In his view, the software's greatest benefit is allowing customers' questions to be addressed earlier, "thus increasing the overall online sales close rate."

While the patent is pending for Groopz, Digi-Net is pursuing more products.

"We've always operated in the black every year we've been in business," Parker said. "Partly that's because we were fortunate to not have to take on a lot of investment to stay in business, and around 40 percent of our business is recurring. We actually have a very stable organization."

Those underpinnings enabled Digi-Net to survive the dot-com crisis, Garabelis said.

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