

With IBM “Start Now,” Perficient Inc. Enables Business Commerce Site for Faster Distributor

S.W. Anderson Co., a Chicago-based fastener distributor for the computer, aerospace, auto and similar industries, wanted to be sure it was leading the e-commerce trend in an industry where e-commerce is still emerging. A Web site that would offer its customers the option of purchasing fasteners online without requiring a great deal of back-end integration or up-front investment would be just enough to start now.

S.W. Anderson turned to Perficient Inc. (www.perficient.com), an IBM Premier Business Partner, which immediately recognized the opportunity to offer IBM Start Now for e-commerce. IBM Start Now is a fixed-price, fixed-deliverable solution that could provide the software and services to quickly enable S.W. Anderson to begin doing business on the Internet. IBM Start Now offerings enable IBM Business Partners to deliver e-business solutions for the growing small and medium business market in an efficient and profitable way.

“Start Now offers a great way to get introduced to a client, to get things rolling, and to prompt them to act on something small that they can act on very quickly,” says Dan Cahill, account executive, Perficient Inc.

The Start Now Solution

Using IBM WebSphere® Commerce Suite, Start Edition, Version 4.1, Perficient provided the services to develop a simple, easy-to-navigate site (www.swaco.com) that lets S.W. Anderson’s business customers log in using their account ID and place their orders on the Web. Services included basic catalog development and very light integration to enable the transfer of simple product and customer information to and from S.W. Anderson’s AS/400®.

Implemented in just three months, the project enabled S.W. Anderson to quickly move ahead of its competition, begin moving its customers to the Internet and improve relationships with manufacturers who are featured on S.W. Anderson’s site. Start Now enabled the company to offer e-commerce — a value-added service — to its customers without a considerable up-front cost, and S.W. Anderson is satisfied with its choice of Business Partner and technology.

“We were in contact with other vendors, and it seemed for the most part they were competitive. But the reason we chose Perficient was for their extensive background and experience with B2B and the confidence we have in WebSphere Commerce Suite,” says Jeff Vaughn, network administrator for S. W. Anderson.

S.W. Anderson identified four phases for the site, with the first being a Web front-end with a catalog, pricing, basic information and a purchasing page that accepts a purchase order or credit card number. The customer receives an e-mail confirmation, and each order is sent to three inside sales people to ensure that it is not missed. Extensive integration would have exceeded the company’s budget in the first phase.

“At this stage it’s a non-integrated site,” says Vaughn. “The customer hits a ‘buy’ button and the orders are transmitted to our inside sales people. The site offers online orders and convenience to our customers, but it links only to the inside sales people, who process the orders right away.”

The site, hosted by IBM Business Partner Interliant, is fully meeting the company’s expectations in terms of functionality and usage. Scalability is an important feature since the site currently holds only one of the company’s 12 product lines. “It is a trend that’s going to grow,” Vaughn says. “We’re glad it’s there. A lot of fastener companies don’t have what we have. We wanted to be ahead of the game. It is something we’re going to keep using and keep pushing.”

In fact, Perficient recently completed an enhancement to the site. Called "Virtual Warehouse," the enhancement enables the company's largest customers to manage their own inventory on the site. For example, if the customer expects to buy 10,000 bolts a week, it can place that amount in the virtual warehouse to ensure that the inventory is always available. The Virtual Warehouse enables S.W. Anderson to offer a service that its non-Internet competitors cannot offer.

Selling the Start Now Solutions

Cahill says the IBM Start Now solutions provide an excellent means for opening the door to Midmarket companies that are wary of extensive integration and high up-front costs.

"What happens is that we start out by talking about Start Now as a quick cost-effective solution to get up and running with e-commerce, and as we get into discussions customers wind up saying 'that's a great idea but we want to do a little bit more,'" Cahill says. "They want a little bit of customization and some integration, so Start Now is really a starting point to open discussions."

Cahill says clients recognize and appreciate offerings that are not overly complicated or have no hidden costs. "The benefit to them is that they do have something that's inexpensive and quick and that scales. It enables them to start small but grow very rapidly, and we market it to them that way. We tell them that IBM has a program called Start Now that can help them get going very quickly."

Return on Investment

Cahill says his company far exceeded its investment of time and training costs with just one Start Now deal. Perficient achieved more than 400 percent return through the S.W. Anderson implementation, and roughly 70 percent of the Start Now revenue from the installation went to Perficient for its services. The company has sold two Start Now projects and is in the process of selling a third. Getting ready to sell Start Now took about a month for training and information processing.

"Start Now helps mid-sized companies keep pace with or bypass their competitors and provide their customers value-added service," he says. "They receive a lot of intangible benefits early on and longer-term they will get a lot of tangible benefits because their initial investment was low."

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