IBM

Grupo Beeltah, selling age-old craftsmanship on the Internet.

It's common for e-business startups to focus their energy on finding ways to drive up their value. It's not so common for that same group to dedicate themselves equally to philanthropy. Grupo Beeltah, a Mexican handicraft and art distributor founded in 1998 by a group of university students, is a prime example of this unique combination. A small e-business startup, Grupo Beeltah has synthesized the innovative revenue potential of the Web with social programs and community improvement.

Grupo Beeltah's student founders search Mexico for small-town artisans who create products such as candles, ceramics, painted wood boxes, carpets and items forged from iron. They look for handicrafts that are uncommon—goods produced exclusively by craftspeople who inherited the techniques from their ancestors. Because they have target markets in Europe, Asia and South America, the Internet offers an ideal way for Grupo Beeltah to penetrate new areas and attract new customers. In addition to helping the artisans sell more goods, Grupo Beeltah works with them to improve their product quality, productivity and processes. As a result, Grupo Beeltah also improves the economic conditions in their villages.

Application	B-to-B, and business-to-consumer sales channel solution
Business Benefits	New customers, increased sales, increased exposure
Software	IBM AIX®, IBM DB2®, IBM Net.Commerce and IBM VisualAge® for Java™
Hardware	IBM RS/6000®
Business Partner	MATI

The Application Framework for e-business weaves together a proven methodology and new and existing technologies to create successful e-business solutions.

e-business

Creating a sales channel solution

According to Luis Maldonado, systems manager and co-owner of Grupo Beeltah, the startup was intent on using the Internet as a sales tool from day one. Grupo Beeltah's initial technology requirements for its Web site were very basic. "We were looking for a solution that would allow us to display our catalog on a few Web pages," says Maldonado. Before contacting MATI, an IBM Business Partner located in Mexico, to learn more about solution options, Grupo Beeltah considered purchasing the basic applications necessary for developing a site and housing it with a host provider.

MATI is an Internet service provider (ISP) that also sells e-business solutions to government and private customers. In conversations with Grupo Beeltah, Carlos de Luna, MATI's e-commerce manager, educated the startup about creating an advanced, hosted solution for only a slightly higher cost than more basic solutions. Grupo Beeltah recognized the greater revenue potential associated with a flexible, scalable solution that can easily accommodate new functionality as business grows. Consequently, MATI and Grupo Beeltah opted to use the methodology and open standards of the Application Framework for e-business.

Crafting an online store

The proposed site offered features and functionality that surpassed Grupo Beeltah's expectations. "This was a better solution than we anticipated," explains Maldonado. "A good idea and a solid framework. The virtual store concept using Net.Commerce was perfect in relation to Grupo Beeltah's goals and could be quickly implemented, which was important to us." IBM helped MATI with the solution strategy and provided the hardware and software.

IBM Net.Commerce (now part of the IBM WebSphere™ Commerce Suite Family) delivers everything Grupo Beeltah needs to run the store. Currently, the site displays the catalog and receives product orders. Photographs and descriptions, including measurements and weights, of all Grupo Beeltah's products are displayed. The Web-ready IBM DB2 database is used to house the backend systems and data. The Net.Commerce billing system and inventory functions are customized according to Grupo Beeltah's requirements, and the solution uses the Net.Commerce workflow.

Although Grupo Beeltah originally sold only B-to-B, the functionality of Net.Commerce enabled Grupo Beeltah to open its site to individual consumers. Transactions are currently processed using either MATI's point-of-sale system or funds transfer. Grupo Beeltah and MATI will soon incorporate SET Secure Electronic Transaction protocol for credit card transactions.

"Although the online store is launched, we constantly change the solution. We now understand that Web sites are never complete and need constant attention. The open standards and functionality of the Application Framework and solution components make change easy."

—Luis Maldonado, systems manager, Grupo Beeltah
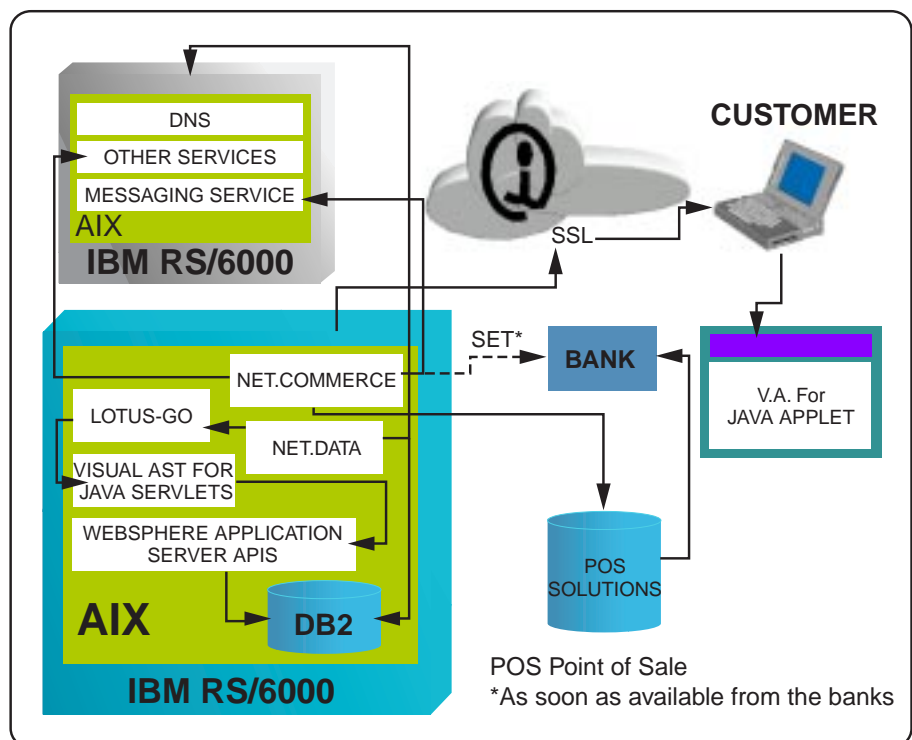
Grupo Beeltah likes the flexibility of its Application Framework for e-business solution. It can easily modify its online store to meet growth-related needs.

The solution runs on the IBM AIX operating system on an IBM RS/6000 server located at MATI's site. Another RS/6000 machine runs the domain name system (DNS) as well as messaging and other common services for Grupo Beeltah. MATI also hosts other solutions similar to Grupo Beeltah's on the same servers in addition to large platform solutions running on IBM SP2® systems and IBM S/390® servers. As MATI's and Grupo Beeltah's needs change, the open standards of the Application Framework for e-business simplify growth and scalability issues. The solution can easily be moved to a larger platform such as IBM S/390.

When orders are received, Grupo Beeltah relays them to the artisans by conventional methods. The supply chain processes are not incorporated with the site for technical and financial reasons. "Suppliers are from small, poor towns and villages that often don't have modern technology," explains Maldonado.

Grupo Beeltah is currently working on a site redesign, and Java—including applets and a servlets—is on the way. Using IBM VisualAge for Java, Grupo Beeltah plans to respond faster to customer service requests through an order tracking system and to improve functionality by adding a catalog search.

Hosting has rewards

IBM's quick response was critical to Grupo Beeltah and MATI. Other solutions they explored required much more time to implement. Sales have increased for Grupo Beeltah since the site went live, but they haven't been quantified yet. "The site has increased our exposure as evidenced by our expansion, through a new distributor, into an untapped customer base in France," says Maldonado.

A key benefit of the hosted solution is its reasonable price—Grupo Beeltah now has an advanced site for a cost that can be afforded by a small company. As sales increase and business needs change, the Application Framework for e-business-based solution can be easily modified to accommodate growth. Also, as revenues increase, Grupo Beeltah can help improve the efficiency of its supply chain and offer more economic aid to the communities with which it works.

MATI also benefits from the experience it gains designing and hosting this solution. Grupo Beeltah is MATI's first hosted customer, and the Application Framework for e-business provides an easy-to-follow roadmap for setting up similar solutions.

Why IBM?

According to Maldonado, one of Grupo Beeltah's most important considerations

"None of the other solution options we looked at offered as much as the IBM solution. The Framework gives us the technical infrastructure we need to evolve and grow as an e-business."

—Luis Maldonado

was securing a solution from a reputable vendor. A key factor in choosing the Application Framework-based solution is the peace of mind that comes with an IBM solution. "Knowing that we don't have to be as concerned with reliability and scalability issues makes our jobs easier. The IBM logo on the home page also gives our customers increased confidence in the functionality of the site," says Maldonado.

MATI became an IBM Business Partner because of the corresponding prestige in the e-business space and excellent methodology and marketing strategy of the Application Framework for e-business. "Although other vendors were considered when we were developing our solution offerings, none of them could match the open architecture, functionality and scalability of the IBM offerings," says de Luna. For a host and solution provider, these were key considerations.

For More Information

To learn more about the IBM Application Framework for e-business, visit **ibm.com**/framework, or contact your local IBM sales representative or IBM Business Partner.

To learn more about Grupo Beeltah, visit www.beeltah.com.mx.

To learn more about MATI, visit www.mati.net.mx.