IBM

Things Remembered generates new revenue by personalizing Web site.

Overview

- **Challenge**

  Increase customer conversion rate and sales by adding personalization functionality to online store

- **Solution**

  New Web site based on IBM WebSphere® Commerce, with cross-selling and upselling capabilities and other flexible, portable Java™ technology-based applications

- **Why IBM**

  Things Remembered was impressed with the out-of-the-box functionality of WebSphere Commerce and wanted a J2EE-compliant commerce server

- **Key Business Benefits**

  Doubling of holiday sales over previous season; projected 50% increase in conversion rate; projected 8-10% increase in revenue per transaction

- **Business Partner**

  Eviciti (now managed by Haverstick Consulting, Inc.)

Customers can order engraved or monogrammed gifts on the Things Remembered Web site and even get suggestions for personalized messages.

For Things Remembered, personalization is the remedy for mass production. Based in Highland Heights, Ohio, the company is the largest personalized gift chain in the U.S. By engraving pens, clocks, jewelry, picture frames and other gift items with personal messages, Things Remembered creates unique memorabilia of treasured relationships and occasions, such as weddings, birthdays and graduations.

"We are always looking for areas to improve, so we decided to increase our personalized, targeted marketing capabilities to drive up average dollar sales and improve our conversion rate."

— Mark Fodor, Director of e-business, Cole National, parent company of Things Remembered

e-business

Key Components

Software

- IBM WebSphere Commerce, Professional Edition, Version 5.1
- IBM WebSphere Application Server, Advanced Edition, Version 3.5
- IBM WebSphere MQ
- IBM DB2® Universal Database™

Servers

- IBM @server iSeries™

Services

- IBM e-business Hosting™

"WebSphere MQ enables us to engineer very fast transactions while leveraging our investment in legacy systems."

– Mark Fodor

In addition to 800 stores nationwide, mail order catalogs and a toll-free call-in center, its online store serves as a critical channel for Things Remembered. The 4,000-employee company created its first Web site in 1999 using Microsoft Active Server Pages and SQL Server. The company integrated its Web site with its central fulfillment module on its IBM @server iSeries using IBM WebSphere MQ. "We're always looking for areas to improve," says Mark Fodor, director of e-business of Cole National, parent company of Things Remembered. "So we decided to increase our personalized, targeted marketing capabilities to drive up average dollar sales and improve our conversion rate."

To achieve its goal, Things Remembered sought a new e-commerce engine capable of providing flexible and powerful personalization functionality with Java 2 Platform, Enterprise Edition (J2EE)-compliant technology. During its search, the company learned about IBM WebSphere Commerce at a trade show and was impressed with the product's out-of-the-box functionality.

On a referral from IBM, Things Remembered worked with IBM Business Partner, Eviciti (now managed by Haverstick Consulting, Inc.), to port its site to J2EE-compliant WebSphere Commerce, Professional Edition, Version 5.1. Eviciti finished an initial Microsoft® Windows NT®-based version of the site in only eight months, in time for the holiday season. Holiday revenues doubled over the previous year's.

Robust site personalization

Things Remembered's new Web site—*thingsremembered.com*—features eSpots, personalized promotional offers driven by WebSphere Commerce that pop up on any page of the site. Leveraging WebSphere Personalization and WebSphere Commerce Accelerator, the new solution also supports cross-selling and up-selling campaigns that business managers can design and implement themselves—without assistance from IT staff.

Despite its initial success, however, the company's work was not done. To support a projected peak visitor load of 100,000 shoppers per day, Things Remembered migrated its Web site to the scalable, powerful iSeries server. And to take advantage of IBM's convenient e-sourcing capabilities, the company turned day-to-day management of the site over to IBM e-business Hosting.

Things Remembered projects that its hosted site at the IBM e-business Hosting Center will raise its conversion rate by 50 percent per year, and that the average dollar sales amount will increase by 8 to 10 percent per transaction. "WebSphere Commerce is giving us the ability to create attractive promotions that include discounts, but despite the discounts, we expect our IBM solution to help us pull in more revenue," says Fodor.

Solid, dependable iSeries platform
The components of WebSphere Commerce, Professional Edition run on an iSeries Model 830 server along with IBM WebSphere Application Server, Advanced Edition, Version 3.5, which functions as a runtime environment for Java code. Also on this iSeries server, IBM DB2 Universal Database functions as a staging database to manage data for WebSphere Commerce transactions. IBM WebSphere MQ performs assured messaging between the Web site and the backend DB2 Universal Database, which runs on a separate iSeries server and manages the company's product and inventory data.

"The flexible programming environment provided by WebSphere Commerce has enabled us to tailor the site to our own business needs and create new opportunities," says Fodor. For example, a new Java servlet-based engraving application lets the user enter a message, choose a font and view the message in that font. This popular feature has enabled Things Remembered to do business over the Web with a new partner—1800flowers.com—while delivering new value to customers.

Online florist 1800flowers.com incorporates the Java servlet to offer customers the option of ordering a personalized gift through Things Remembered. When a customer orders an item to be engraved, 1800flowers.com utilizes HTTP to transfer the customer to a Things Remembered Web page designed to look like 1800flowers.com.

The Things Remembered site passes the engraving order to its backend database using WebSphere MQ and Java Messaging Service and assigns the customer a unique number. If the customer purchases the item, thingsremembered.com matches the order number from the site with the order number and engraving information on the backend and processes the order.

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> *— Mark Fodor*

A retirement gift requires a distinguished look, which customers can create right on the Things Remembered Web site by experimenting with differing typefaces.

Spreading the gift of personalization

Knowing the potential popularity of personalized gifts, Things Remembered intends to strike similar deals with other new trading partners. In the future the company may offer its personalization servlet over the Web to selected retailers for a monthly fee.

The company is also looking forward to further enhancing its WebSphere Commerce solution by integrating it with new applications from third-party vendors. Says Fodor, "Our WebSphere Commerce solution supports standards-based integration solutions, which in many cases makes it easier for us to access new functionality over the Web than build it ourselves. That flexibility provides us with another way to meet our customers' needs."

Things Remembered:
An integrated shopping solution

Early in the history of the Things Remembered online store, the company enhanced its JDA enterprise resource planning (ERP) system with a custom-coded central fulfillment module to provide order-entry and fulfillment functionality across all its channels. The central fulfillment module resides on the backend IBM @server iSeries along with the ERP system.

For its new Web site based on IBM WebSphere Commerce, Things Remembered used IBM DB2 Universal Database to build a 1,400-SKU product and inventory database, also on the backend iSeries server. When a customer places an order, the central fulfillment module uses IBM WebSphere MQ and Java Messaging Service to perform payment authorization as well as tax and shipping calculations. Once the order is approved, WebSphere MQ and Java Messaging Service update the backend database on the iSeries server. The central fulfillment module, together with the ERP system, manage the engraving and shipping of the product.

"WebSphere MQ enables us to engineer very fast transactions while leveraging our investment in legacy systems," says Fodor. "It's a key to the success of this solution."