

Beefing Up the Platform

ONLINE RETAILERS NAVIGATE POSSIBILITIES, EXPAND OFFERINGS

BY LISA TERRY

It's back to basics with a twist for e-commerce retailers. Before retailers can wow the customer with visualization tools, whiz-bang search engines or dynamic cross-selling suggestions, they've got to have a site that loads quickly, endures traffic surges and executes transactions quickly and securely — capabilities that have slipped a bit as retailers outgrow early e-commerce engines. That's sending many back into the market for new platforms to attain the stability, extensibility and flexibility they need in order to launch into the next phase of e-commerce.

With the pace of new online shoppers slowing, retailers must grow their e-commerce businesses by boosting marketshare, increasing the pressure to deliver a satisfying online experience. New platforms allow retailers to up their games with souped-up features to make the shopping experience simpler, richer and more fun.

The ability to overcome platform limitations and cut maintenance costs comes with a caveat; these tools throw open the floodgates of technological marvels that can be delivered online: powerful search; rich content including video, personalization and cross- and up-selling; faster, friendlier shopping carts; and smarter configuration tools. The task for retailers is to carefully winnow projects to those that best fit their own missions.

Several themes underline many current projects:

STABILITY

Replacing the custom code an outside firm had layered on Dennis Kirk's ATG system enabled the off-road sports gear cataloger/e-tailer to take advantage of more of the platform's functionality. "It made it more dependable, improved performance and it handles things in a more efficient manner," says Bob Behan, president. Now Dennis Kirk can tackle its 60-item wish list, which is guided by BizRate feedback.

Urban Outfitters expresses similar sentiment. "We've been held back by our current platform," says Julie Borenstein, managing director of Urban Outfitters Direct. Urban



Urban Outfitters added one-page checkouts and richer visual presentations to its Web site.

ly, the technology system we had in place to support these activities was ill-equipped to handle the responsibility." VitaminLife turned to CORESense for better e-commerce order management.

At New York City shopping institution Zabar's, "the past year was about infrastructure and getting ready to really build a platform to start marketing efforts," says Lawrence Zilko, IT director at Zabar's. The specialty grocer switched to a platform from Demandware in order to "not be afraid of getting business. In the past we were capped on the number of orders a day."

For specialty e-tailer Ty's Toy Box, the impetus to switch platforms was a need to run all e-commerce business off of one platform. Prior to switching to Truition, Ty's was running two e-commerce platforms, two inventory systems, as well as separate checkout and order fulfillment systems in order to manage its main Web site and eBay business. "We were having trouble

experience. Features that quickly guide the customer to the product sought and whisk them through checkout, while masking complexity are among the new features first deployed. While customers may put up with complex checkout for large purchases, as the price goes down, so does the tolerance.

Selling contact lenses, for example, is demanding; in addition to meeting exacting prescription and brand specifications, orders must be verified with an eye practitioner before shipping. E-tailer Coastal Contacts' implementation of the Elastic Path platform preserved its one-page checkout and no-registration policies. The platform uses AJAX technology to refresh parts of the online checkout page, which also "helps the customer service team decrease call time for customers," says Nancy Morrison, vice president, product management at Coastal Contacts. Guided-selling passively collects customer data to ease customers toward the right product.

For Zabar's, flexible shipping options are key to satisfying customers, who often want to ship diverse products like caviar and a Cuisinart together as one gift. "We allow customers to group things in their cart the way that best suits them," says Zilko.

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— LAWRENCE ZILKO, ZABAR'S

Outfitters chose a platform from ATG to overcome the drawbacks of its old system. "The (new) platform allows better technology and allows us to do more," she adds.

VitaminLife also needed a new e-commerce platform in order to grow and take advantage of newer technologies. "Approximately 75 percent of our business comes from the sale of products over the Internet," says Terri Marelo, general manager of VitaminLife. "Unfortunately,

managing both operations effectively," says Ty Simpson, president of Ty's Toy Box. With the Truition commerce management system (CMS) the e-tailer now runs all Web channels, including inventory, checkout and order fulfillment, on one platform.

K-I-S-S

With more sophisticated technology comes the potential for an overly burdensome customer

ENHANCED SEARCH

Site managers don't always organize product hierarchies the way a customer would, so more powerful tools help Web shoppers navigate their way. Many of Dennis Kirk's 127,000 SKUs work with only one brand or model, for example. Customers want to find it fast, so Dennis Kirk responded to customer comments by offering different Endeca search approaches — the customer can quickly winnow 90 pages of motorcycle helmets by attributes like color,

shape or design. "Customers like to find products faster," says Bob Behan, president of Dennis Kirk; the volume of products "doesn't matter to them."

RICHER MERCHANDISING

Tools like visualization are sexy, but more important is matching technical capabilities to retailers' online goals. "We want to give the customer another way to see and buy the product," says Urban Outfitters' Borenstein. "Our store has a very environmental feel, and we want to do a translation of that." Integration of its ATG platform with Scene7 and Allurent BUY systems enables features including AJAX-enabled one-page checkout, improved search and better outfitting, styling and browsing. "It's a smarter,

quicker, more intuitive way to checkout, and it saves customers time," says Borenstein.

Zabar's is looking to its new Demandware platform to help replicate the sights and smells of the store. "We want to give the feeling of each department and show employees in videos demonstrating how products are used; we need to romance the product," says Zilko.

USER-GENERATED CONTENT

The rise of YouTube, MySpace and the like has retailers buzzing about adding user content to their sites, to engage the consumer and keep them coming back. Urban Outfitters, for example, is considering customer reviews, networking or blogs.

The large volume of SKUs at Dennis Kirk make ratings iffy — are a handful of ratings meaningful? But forums, says Behan, are a great fit. "We're the biggest retailer in this category," says Behan, "Why not be on site and talk about products?"

As a destination site on the Upper West side of New York City, Zabar's sees a similar, future role for forums as a way to publicize events and attractions in the area.

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**- JULIE BORENSTEIN
URBAN OUTFITTERS DIRECT**

A BETTER BACK-END

Presenting a sleeker, easier-to-shop front-end requires the development of a more elegant, sophisticated back-end. Topping retailers' lists here are strategies that allow site modification without IT or third-party intervention. "I've never seen any company change a site as frequently as we do," Coastal Contacts' Morrison adds. "We're always tweaking it based on customer feedback, to wow the customer." The new platform "moves the work from IT to marketing," and consolidates 20 separate instances of software down to one.

Handbag retailer The Sak upgraded its e-commerce operations using a CORESense platform in order to better manage orders from check-out to post-delivery without requiring an IT staff. "We had been using a home-grown system but when order related problems came up it would take a programmer to fix it — leaving the customer waiting and the customer service team feeling helpless," says Kent Griffith, controller at The Sak. Using CORESense, e-commerce staff easily implemented new imaging functionality including picture zoom and picture roll-over.

"Our whole effort has been toward getting as much infrastructure out of our hands as we can," says Zabar's Zilko. "We don't want to manage machines and software."

Multi-channel buzz has retailers eyeing the ability to better integrate e-commerce back-ends with other channels, such as joint access to CRM, inventory and product data. Analysis tools also are popular for better understanding customers, guiding site development and marketing and ensuring the entire experience is one that will bring coveted customers back. **RIS**



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