

NextWine matures its e-commerce site with WebSphere software.

Overview

■ Challenge

Provide an enhanced online shopping experience with a solution based on SuSE Linux®

■ Solution: Integrating Stage

Integrated inventory management solution for online store distributing rare and hard-to-find wines

■ Why IBM?

NextWine wanted to continue its close relationship with IBM, and felt confident relying on an established e-business vendor; the company also felt that IBM's support for the Linux platform would facilitate an easy migration path

■ Key Business Benefits

100% project payback expected within one year; 50% savings in personnel costs; completed solution up and running in 6 weeks

■ Business Partner

Trifecta Technologies, Inc.



Wine enthusiasts discover the great wines and vintners of the future on NextWine's Web site.

No one wants to deal with bottlenecks—even when it comes to looking for a special bottle of wine. Fortunately, help is just a mouse click away at www.NextWine.com. Whether seeking a rare California Cabernet or a hard-to-find French Bordeaux, NextWine provides a dazzling variety of unusual wines to complement a romantic dinner, a celebration or any other occasion.

“If someone places an order and we are out of stock, we’ve lost our opportunity to prove our value; so we need instant information delivery to all of our sales channels every time a stock level changes.”

—Dain Dunston, President, NextWine

e-business success—blending new technologies with established strengths

Key Components

Software

- IBM WebSphere® Commerce Professional Edition, Version 5.1
- IBM WebSphere Application Server
- IBM WebSphere Studio Application Developer
- IBM DB2® Universal Database™ for Linux

Servers

- IBM @server xSeries™
-

Based in California's Napa Valley wine country, NextWine employs a staff of five and has a Web-centric presence that connects great wine makers with wine enthusiasts. With reported sales up 52 percent from last year, NextWine focuses on the needs of high-end wine collectors by providing professional wine storage services, and an open forum for the exchange of comprehensive product reviews and expert advice.

Differentiation is the key to success in the online wine market. With a multitude of Web sites offering wines for purchase, NextWine is unique with its focus on the high-end wine collector. To maintain a competitive edge in this lucrative market—where an average sale can easily top \$350 per bottle—NextWine strives to deliver the utmost in customer service, especially when it comes to completing sales transactions.

NextWine accepts wine orders over the Web, by telephone and at its Napa Valley wine cellar facility. However, it lacked a means to let customers know about product availability in realtime. "If someone places an order and we are out of stock, we've lost our opportunity to prove our value," says Dain Dunston, president of NextWine. "We need instant information delivery to all of our sales channels every time a stock level changes."

To integrate its multichannel sales approach and strengthen its customer service, NextWine turned to IBM Business Partner Trifecta Technologies. Trifecta re-architected NextWine's e-commerce Web site with IBM WebSphere Commerce Professional Edition, Version 5.1, integrating it with a Java™ technology-based inventory management system that it built using IBM DB2 Universal Database for Linux.

Outpacing the competition with WebSphere software

NextWine viewed Web-integrated inventory management as an application that could greatly improve its service to customers. According to Dunston, NextWine selected Trifecta Web hosting and integration services because of Trifecta's extensive experience with WebSphere Commerce, which NextWine had already implemented successfully in its first e-commerce site. NextWine retained Trifecta to customize, host and integrate the new inventory management system into the existing infrastructure.

"We found the combination of WebSphere, DB2 and Linux software to be a reliable and cost-effective solution for our inventory management needs and we expect a complete payback of our IBM e-business solution within one year."

—Dain Dunston

With the release of WebSphere Commerce, Version 5.1, NextWine found its integration solution, leveraging the offering's built-in XML and Java technology support. In only six weeks time, Trifecta architected and implemented the cost-effective Web-based solution that connects NextWine's backend inventory information with its front-end Web site. As a result, customers now have up-to-date product inventory information. According to Doug Pelletier, president of Trifecta, NextWine's investment to implement the WebSphere application was less than 50 percent of the cost of competing products. "The out-of-the-box functionality of WebSphere Commerce—along with our customizations—provided feature-rich applications that have outpaced NextWine's competitors," says Pelletier.

Harvesting cost savings with application integration

To support the new inventory management system, Trifecta recommended migrating from a Microsoft® Windows NT® to a SuSE Linux environment. Citing ease of integration, cost savings and environmental stability as key benefits, Trifecta migrated the company's existing IBM @server xSeries application servers to Linux. According to Pelletier, "Linux provides an open environment for running realtime Web applications and is a great foundation for our system."

The new two-tier architecture includes the two xSeries servers running Linux, with one server configured as a combination application and Web server running WebSphere Commerce, along with IBM WebSphere Application Server to manage the runtime environment for the site's Java code and business logic. IBM DB2 Universal Database for Linux, which serves as both the product database for the Web site and the company's inventory database, runs on the other xSeries server.

Trifecta used Enterprise JavaBeans (EJB) and XML to integrate the NextWine Web site with the backend inventory management system. When making an online purchase, a customer's entries on the Web site trigger actions powered by EJB components. The components were created with IBM WebSphere Studio Application Developer and are processed by WebSphere Application Server. For the latest product availability information, Java Database Connectivity retrieves product information from the central DB2 database. The information, in XML format, is then delivered to the Web front end by JavaServer Pages. When the customer is ready to complete the purchase, WebSphere Commerce gets a credit card approval, processes the order and the inventory management system is updated to reflect the decrease in stock.

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— Doug Pelletier, President, Trifecta Technologies



NextWine is bubbling over with success by offering Australian, German, Italian and Spanish white wines, just to name a few.

The Linux-based inventory management system ensures that product inventory and pricing information is up to date, by using EJB components to contact the Web site every 60 seconds. In addition, NextWine employees update telephone and on-site sales information in the inventory management system.

“We found the combination of WebSphere, DB2 and Linux software to be a reliable and cost-effective solution for our inventory management needs and we expect a complete payback of our IBM e-business solution within one year,” says Dunston.

Uncorking better customer service

With the newly integrated inventory management system, NextWine delivers improved service to its customers. According to Dunston,

“The real benefit to us is the ability to link and manage our data. This capability will save us almost 50 percent in personnel costs because we no longer have to manually cross-reference stock levels. It will also save us from having to explain to customers that something they ordered on the Web site has already been sold through another channel.”

NextWine plans to complement the new inventory management system with a full marketing campaign to drive additional traffic to the Web site. As new enthusiasts discover the online wine marketplace, NextWine is ready to serve them with a scalable, integrated e-commerce infrastructure.

“The better our Web site works, the easier it will be to continue to increase our customer base,” says Dunston.

“And as this happens, our system will grow with us—WebSphere Commerce and DB2 for Linux will make sure of it.”

For more information

Please contact your IBM sales representative or IBM Business Partner.

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For more information about Trifecta Technologies, visit: www.trifecta.com



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