



Office Brands

Creating a sales-driving e-commerce platform to boost profitability

Overview

The need

To protect its profitability, co-operative retailer Office Brands decided to diversify its product portfolio. How could the company help its members to drive sales in the new product categories?

The solution

Office Brands deployed a versatile e-commerce platform based on IBM software. Today, every member connects with customers via their own website, delivering deep insight into customer preferences.

The benefit

Members can now deploy finely tailored sales strategies for new categories – boosting conversion by up to 114 percent, increasing average order values and safeguarding profitability.

Founded in 1999 and headquartered in Sydney, Australia, Office Brands is a leading independent dealer group in the stationery sector. With more than 150 members and an annual revenue of approximately USD336 million, the company offers its members economies of scale to increase their buying power, marketing resources and brand recognition.

Diversify for business growth

With the growing popularity of cloud-based productivity solutions squeezing the margins on traditional product categories, Office Brands wanted to take action to protect its profitability.

Ritesh Patel, Chief Information Officer at Office Brands, takes up the story: “To remain competitive in a tightening market, we made the decision to broaden our portfolio with a full range of office supply categories, including workwear, schoolwear and janitorial products.

“To drive sales in non-traditional verticals, we needed to increase the range and responsiveness of our marketing efforts. With the popularity of e-commerce booming, we realized that a digital approach would enable our members to reach out to niche markets directly, and drive sales on the new categories.”

By moving services online, nimble entrants can compete effectively with long-established market leaders. “Thanks to our IBM solutions, we can offer smaller, independent stores the marketing and merchandising benefits of an enterprise-class e-commerce platform – leveling the playing field with larger competitors,” says Ritesh Patel, Chief Information Officer at Office Brands.



Solution components

Software

- IBM® ExperienceOne
 - IBM Digital Analytics
 - IBM Product Recommendations
 - IBM WebSphere® Commerce
- IBM Integration Bus

IBM Business Partner

- Royal Cyber Inc.
-

To achieve its objectives, Office Brands embarked on a major business transformation program. As a first step, the company decided to migrate from a printed product catalog to a new e-commerce platform.

Planning a digital transformation

To lay the foundation for the new platform, Office Brands engaged IBM Premier Business Partner Royal Cyber to deploy IBM WebSphere® Commerce and IBM Integration Bus software.

“Of all the solutions we considered, we felt there was no stronger platform than IBM WebSphere Commerce,” says Patel. “Together with Royal Cyber, we built a tier-one e-commerce platform for our entire product catalog, with 150 separate instances for each of our members.

“Today, we offer each of our dealers a virtual storefront to connect with their B2B customers. At the back end, IBM Integration Bus fully integrates the IBM WebSphere platform with our members’ ERP and point-of-sale systems, enabling seamless, automated order processing online.”

Deploying dynamic product recommendations

“When our e-commerce sites first went live, we built product recommendations on our websites manually using best-sellers from our core categories,” says Patel. “However, the manual approach was time-consuming, and there was no way to be sure that customers were seeing the kind of relevant product recommendations that drive conversion.”

To turn its e-commerce platform from an order-taker to a sales-maker, Office Brands selected IBM Digital Analytics and IBM Product Recommendations software.

“Throughout the entire solution deployment and configuration process, the guidance from the Royal Cyber team was invaluable,” says Patel. “Using IBM Digital Analytics, we can identify the factors that cause customers to end a session prematurely, and take action to improve the user experience and cut bounce rates. What’s more, IBM Product Recommendations enables us to display the most relevant, compelling products to each customer as they browse our members’ sites.”

“Thanks to our IBM solutions from Royal Cyber, we have built a solid foundation for our future growth.”

— Ritesh Patel, Chief Information Officer,
Office Brands

Adding 20,000 new products overnight

Office Brands can now safeguard its profitability as it transitions to the target office-supply business model.

“Adding new product categories without the certainty that we could market them effectively would have increased our business risk,” says Patel. “Today that’s all changed. Using our IBM solutions, we can add categories to all 150 of our online stores at the touch of a button. In fact, we recently increased our catalog from 10,000 products to 30,000 overnight, with intelligent filtering to help our members choose which new products they wanted to display on their sites.”

Streamlining customer journeys

By implementing an intelligent, automated e-commerce platform, Office Brands has freed its employees to focus on higher-value development tasks.

“One of the most unexpected insights that we’ve gained from the IBM solution is around search behavior,” says Patel. “Previously, we assumed that our customers’ searches would be keyword-driven, but our IBM Digital Analytics software has shown us that product-number searches actually predominate. Based on that insight, we used IBM Product Recommendations to display tailored suggestions on the search pages.”

Safeguarding profitability

He continues: “The new approach to search has helped increase cross-sell conversion from 7 percent to 15 percent, and up-sell conversion from 17 percent to 27 percent – contributing to an increase in average order values since the IBM Product Recommendations solution went live.”

Office Brands can now back up its marketing instincts with analytical insights, enabling it to enhance the marketing resources it offers to its members.

“Within the last three months, we have started monitoring our email campaigns with the IBM solution,” says Patel. “By measuring click-through rates for our email marketing campaigns, we can see which products in a campaign were most popular, and identify ways to refine our marketing and merchandising strategies to drive sales.”

Patel concludes: “Thanks to our IBM solutions from Royal Cyber, we have built a solid foundation for our future growth. As we move forward with our business transformation, we aim to forge even closer relationships with our customers online.”

About Royal Cyber Inc.

Headquartered in Naperville, Illinois, and with operations worldwide, Royal Cyber Inc. is a leading software deployment services provider. With expertise in a wide range of IBM Smarter Commerce software, Royal Cyber Inc. helps businesses optimize their infrastructures with innovative, tailored solutions.

To learn more about products, services and solutions from Royal Cyber, please visit royalcyber.com

For more information

To learn more about IBM Smarter Commerce solutions, contact your IBM representative or IBM Business Partner, or visit the following website: ibm.com/smartercommerce



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