

ICON's innovative online store and health club keeps customers fit.

If brand value is a measure of a company's success, ICON Health and Fitness, Inc., the world's largest manufacturer and marketer of home fitness equipment, surely takes top honors. NordicTrack, Pro-Form, Reebok, Healthrider, Weslo, Image, Weider and Jumpking—unknown to many, ICON is the company behind these popular brands.

Application	Online store
Business	100% ROI, \$1.5 million
Benefits	online sales in six
	months; expected
	\$10 million sales by
	year end; 5% savings
	in online order
	processing costs
Software	IBM [®] Net.Commerce
	IBM DB2 [®] for AS/400 [®]
	IBM Net.Data®
	IBM HTTP Server
	IBM eNetwork [™] Firewall
Hardware	IBM AS/400e™



"What I like most about the IBM e-business solution is the scalability it provides for the future. Both DB2 and the AS/400 are ... capable of handling our growing e-business volumes."

-Richard Crosbie, Director of Information Services, ICON Health and Fitness, Inc.

For today's health-conscious American, the Internet is the most accessible, up-to-the-minute guide to a healthier lifestyle. Quick to exploit this trend, ICON has launched an Internet store that not only sells fitness equipment online, but also provides instant, personalized fitness analyses, along with advice on nutrition, exercise regimens and lifestyle. "It's an innovative way to attract new customers," says Richard Crosbie, director of information services.

It is indeed. Powered by IBM e-business technologies, *www.iconfitness.com* has recorded more than 500,000 visitors since it was launched just six months ago, averaging more than 100,000 hits a month. Online sales have raced to \$1.5 million, and that number is expected to increase to nearly \$10 million by year end. For the \$800-million company, "incremental sales are always welcome,"



Based on an IBM e-business solution, ICON's online store hit the road running.

says Crosbie, adding, "We achieved 100 percent return on investment in six months and are saving between three to five percent in processing costs for online orders. More and more companies are diving into e-commerce because it's a cheaper way to sell goods. And its effectiveness as a source of information will boost sales even in traditional retail channels."

An enduring solution

The ICON Web site resides on an AS/400e Model S20 Web server, which combines comprehensive e-business capabilities in one secure platform. The Web server software, IBM HTTP Server for AS/400 (formerly Lotus[®] Domino[™] GoWebserver[™]) provides security for Web transactions with its support for industrystandard, 128-bit Secure Sockets Layer (SSL) encryption. "The AS/400 platform has been a trusted solution at ICON for more than a decade," says MIS retail manager Tracy Cox. "With its enhanced Web connectivity, we found it the most cost-effective, scalable and secure platform for our e-business project."

As visitors browse the store, IBM Net.Commerce merchant server software provides the shopping cart, an events calendar and other features. A fitness analysis test helps calculate average calorie consumption and body mass, and then defines optimal exercise and diet. Soon, ICON will offer a daily reminder service to help registered users follow their fitness schedules. "Net.Commerce allows us to create dynamic Web pages quickly," says Crosbie. "We were one of the first sites to implement Net.Commerce on the AS/400 platform, and we're still learning the many exciting features we can develop with it."

Seamless integration

Customer profiles, an electronic catalog listing nearly 131 products from all eight ICON brands and all other information related to the Web site are stored in an IBM DB2 for AS/400 database on the Web server. Once customer information is validated, online orders are transmitted directly to the back-end order and distribution system and stored in a central DB2 database residing on an AS/400 Advanced System Model 510. IBM Net.Data enables dynamic connectivity between the Web server and the back-end system. IBM eNetwork Firewall protects sensitive information from unauthorized access.

"The seamless interface between the Web site and the back-end system eliminates the need for manual processing, thus reducing errors, delays and employees' workload," explains Crosbie. Cox adds, "We sped up our order processing time by 24 hours per order, because orders are now automatically transmitted to the distribution system within seconds."

Better, faster customer service

Encouraged by customer response, ICON plans to offer new, Web-based health services. In the future, it will provide online customer service, allowing customers to purchase replacement parts, track order status, download instruction manuals and submit comments. "We won't have to put customers on hold for minutes any more," notes Crosbie.

Anticipating rapid growth in traffic as new services are launched, Crosbie adds, "What I like most about the IBM e-business solution is the scalability it provides for the future. Both DB2 and the AS/400 are reliable and robust platforms, capable of handling our growing e-business volumes."

For more information, please contact your

IBM marketing representative or IBM Business Partner.

Visit us at: www.ibm.com/e-business

For more information about ICON, visit: *www.iconfitness.com*



© International Business Machines Corporation 1999

IBM Corporation Internet Division Route 100 Somers, New York 10589 Produced in the United States of America 3-99 All Rights Reserved

AS/400, AS/400e, DB2, the e-business logo, the e-business Mark, eNetwork, IBM and Net.Data are trademarks of International Business Machines Corporation in the United States, other countries or both.

Lotus, Domino and Domino GoWebserver are trademarks of Lotus Development Corporation in the United States, other counties or both.

Other company, product or service names may be trademarks or service marks of others.

This case study illustrates how one customer uses IBM products. Many factors have contributed to the results and benefits described. IBM does not guarantee comparable results. All information contained herein was provided by the featured customer and IBM Business Partners. IBM does not attest to its accuracy.

References in this publication to IBM products or services do not imply that IBM intends to make them available in all countries in which IBM operates.

٢

Printed in the United States on recycled paper containing 10% recovered post-consumer fiber.



G325-1346-00