



## *Wine Country drinks to its success as online retailer of affordable fine wines.*

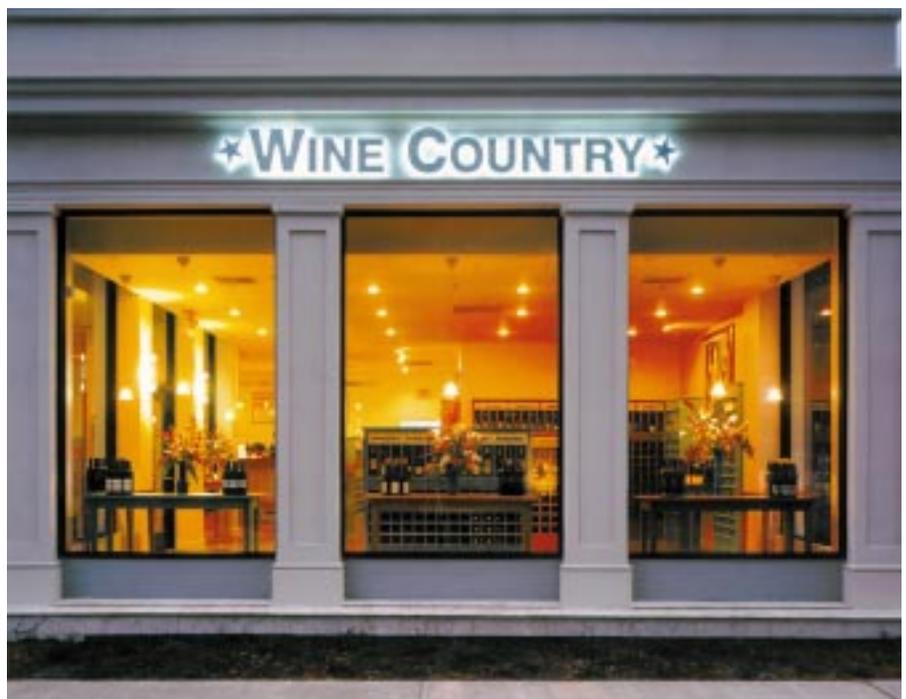
With the price of a bottle of good wine easily topping \$25, enjoying a vintage Chardonnay at dinner—or a sweet port afterward—can be quite expensive. But

does it have to be? Not according to one retailer who has set out to debunk the notion that quality wine must be costly. Wine Country, founded in Winter Park, Florida, in July 1998, guarantees quality at affordable prices. Each of its bottles is rated at least “very good” by *Wine Spectator Magazine* and costs no more than \$15. Now, connoisseurs and casual enthusiasts from around the globe have access to Wine Country—a convenient new virtual store.

*“We had intended to open more brick-and-mortar stores, but now we’re committed to e-commerce. We project online sales revenues to grow from the current 35 percent of total revenues to 50 percent soon.”*

*—Jim Bruty, Co-President, Wine Country*

<b>Application</b>	Online wine store
<b>Business Benefits</b>	100% ROI in two months; 5,000 to 10,000 hits daily; 35% of revenues from online sales; cost-effective means to extend market reach globally
<b>Software</b>	Lotus® Domino™ Lotus Notes® IBM DB2® Universal Database™ on Windows NT® IBM Visual Warehouse™
<b>Hardware</b>	IBM Netfinity®
<b>Business Partner</b>	PSR Software, Inc.



*Wine enthusiasts can either visit Wine Country's Florida store to buy its affordable wines or purchase them online.*



*It's about business, not just technology.*



*Jim Bruty (left) and Adam Chilvers, who sell affordable wines from a store in Florida, are tasting the success of their new online venture.*

Wine Country launched [www.winecountryonline.com](http://www.winecountryonline.com) at the start of the 1998 holiday shopping season. The Web site carries over not only the purple and gold color scheme of the brick-and-mortar store, but also the company's wine expertise and commitment to customer service. "Opening the Winter Park store cost in excess of six figures," says Jim Bruty, company co-president. "In contrast, launching and maintaining a Web site brings in 100 times the amount of people—on an international level—for a fraction of the cost."

Since its expertise lies in selecting and selling wine, rather than in technology, Wine Country turned to IBM Business Partner PSR Software to help it build the virtual store. The company wanted a site that customers could navigate easily, even if the catalog changed frequently. Delivered by Lotus Domino, Wine Country's Web store resides on an IBM Netfinity 3500 server and is updated using Lotus Notes databases, which store the wine catalog and order information. IBM DB2 Universal Database on Windows NT, residing on another Netfinity 3500 server, stores back-end data, including customer account records.

"Using cost-effective IBM tools, PSR created a million-dollar Web site at minimum cost," notes Adam Chilvers, co-president. "As a small business, we began this project on a limited budget. With the success that we had during the holidays, we recouped our investment in two months."

#### **A solution that makes life easier**

On any given day, the site receives 5,000 to 10,000 hits—up to 10 percent of which turn into sales. During the past holiday season, traffic quadrupled. Says Bruty, "We had intended to open more brick-and-mortar stores, but now we're committed to e-commerce. We project online sales revenues to grow from the current 35 percent of total revenues to 50 percent soon."

As beginners in the e-commerce arena, Wine Country was pleased that PSR created a Web site for them that they could easily maintain. The ability of Domino to access both Lotus Notes and DB2 Universal Database—pulling up information for Web site updates—gives them a manageable solution. "At a moment's notice, our inventory can change, with either something going out of stock or something coming into stock. Lotus Notes makes my life easy—I can check all of my e-mail and make 15 to 20 changes daily in our online catalog from my desktop PC. It's a really simple tool with easy prompts," raves Bruty.

*"The advantage we see with Domino is that it is a complete solution Wine Country can manage without having to purchase more products or learn HTML."*

*—Michael Henson, Technology Director,  
PSR Software, Inc.*

### **Realtime order notification**

As Wine Country's online customers browse through selections of reds, whites, bubbly and dessert wines from around the world, they can add items of interest to a shopping basket. When they're ready to make a purchase, customers simply click on the "complete purchase" button on their screens, which takes them to the online order form.

With Domino's support of Lotus Notes e-mail, the virtual store is equipped to automatically forward customers a "thank-you" e-mail after they submit an order. When an order comes in, Wine Country also receives an e-mail notification, which enables it to start processing the order immediately. "We were concerned that, with a Web store, we'd lose the impact that our friendly faces and helpful service bring to walk-in customers. But thanks to the IBM e-business tools and inviting Web design that PSR has given us, we haven't missed a beat as far as customer service for our online shoppers," notes Bruty.

One way in which Wine Country serves online customers is by providing nuggets of information that help them make their choices. "We do significant research to find exceptional, highly rated gems, as there are thousands upon thousands of wines on the market," says Bruty. "The ratings, along with the wine descriptions published on our site, help customers—ranging from connoisseurs to budding enthusiasts—select the right bottle of wine." What's more, alongside each item is a list of foods that go well with that particular type of wine. Customers can also opt to join Wine Country's wine-of-the-month-club.

Domino supports industry-standard, 128-bit Secure Sockets Layer (SSL) encryption, so customers can be assured of making safe credit card payments at Wine Country's virtual store. But for those with Web browsers that do not support SSL, the virtual store also offers a toll-free ordering number.

PSR and Wine Country evaluated other vendors, including Microsoft®. But with a Microsoft solution, Wine Country would have needed to purchase several additional products to build the site, whereas Domino itself handles much of the Web site development. Says Michael Henson, technology director at PSR, "The advantage we see with Domino is that it is a complete solution Wine Country can manage without having to purchase more products or learn HTML." Adds Jennifer Houlihan, developer at PSR, "Having the IBM brand associated with Wine Country's store is also beneficial, because it carries a reputation that customers can trust, adding to their comfort level when shopping online."

*"We'd heard about the opportunities in e-commerce, but we didn't expect it could be this powerful and this valuable for us ... E-commerce, along with our status as an IBM e-business, will take us to the stratosphere."*

*—Jim Bruty*



*Jennifer Houlihan and Michael Henson of PSR Software helped Wine Country build its virtual store.*

## Adding business intelligence tools

Now sold on e-commerce, Wine Country plans to continue exploiting the business possibilities of its virtual store. PSR is currently building a data warehouse for the company using IBM Visual Warehouse and DB2 Universal Database. "We're planning to have the warehouse up before the next holidays, so that Wine Country can tap into the gold mine of customer data collected from its Web site," explains Henson. Using this information, the company will be able to tailor specials and other promotions to individual customers, based on their purchasing patterns. Wine country is already extracting some customer data from the site. "With DB2 Universal Database tracking our data, we know, for example, that 10 P.M. to 1 A.M. are the most popular shopping hours, which shows us that people appreciate the convenience of our virtual store's 24-hour-a-day, 7-day-a-week service," says Bruty. "And DB2 is proving to be a robust solution for storing a vast amount of our customer data."

Later this year, the company will add a link from its Web site to UPS, so that the shipper can receive orders in realtime and customers may track their orders online. What Bruty would like to see in the near future are electronic links to his suppliers. Then, employees wouldn't have to spend time inputting into the company database stock information that suppliers send by fax or phone calls.

Needless to say, the past several months have been quite phenomenal for this young company. While projected revenues for its first year are expected to hit \$700,000, Bruty is confident that, with the addition of the Web store, the company will break the \$1 million mark before long. In fact, he notes, his company—which had been advertising the Web store to walk-in customers and through direct mailers—can now afford to place banner ads on wine-related Web sites.

"We'd heard about the opportunities in e-commerce, but we didn't expect it could be this powerful and this valuable for us," says Bruty. "It seems like since we got the IBM e-business Mark on our site, we've had even more orders. E-commerce, along with our status as an IBM e-business, will take us to the stratosphere."

**For more information,  
please contact your  
IBM marketing representative or  
IBM Business Partner.**

Visit us at:  
[www.ibm.com/e-business](http://www.ibm.com/e-business)  
[www.lotus.com](http://www.lotus.com)

For more information about  
Wine Country and PSR Software, visit:  
[www.winecountryonline.com](http://www.winecountryonline.com)  
[www.psrsoftware.com](http://www.psrsoftware.com)



© International Business Machines Corporation 1999

IBM Corporation  
Internet Division  
Route 100  
Somers, New York 10589

Produced in the United States of America  
6-99  
All Rights Reserved

DB2, DB2 Universal Database, the e-business logo, IBM, Netfinity and Visual Warehouse are trademarks of International Business Machines Corporation in the United States, other countries or both.

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

Microsoft and Windows NT are trademarks of Microsoft Corporation in the United States, other countries 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.



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



G325-1359-00