



Hawaiian Greenhouse flourishes on the Web with Domino.

What more impressive way to remember friends, family or clients than by saying “Aloha” with a box of exotic orchids or anthuriums from Hawaii? And there’s no easier, more secure way to do that than with a few clicks and a credit card – right over the Web, at www.hawaiian-greenhouse.com.

“We are doing \$350,000 worth of retail business today.... I expect our retail sales to double by next year... We couldn’t have done the volume of business we are doing now without the Notes system.”

– Lynne Kuwahara, Co-Owner,
Hawaiian Greenhouse

Hawaiian Greenhouse takes great pride in supplying the highest quality fresh tropical flowers worldwide. Since 1965, the family-owned business has thrived on growing large crops and selling to a small group of wholesale customers. But times have changed. Increasing competition and lower profit margins have made retail a more lucrative sales channel. And Hawaiian Greenhouse is poised to make the most of this channel by using

e-business to increase its sales volume and expand its customer base, while keeping its operational costs to a minimum. Two years ago, it automated its order fulfillment, accounting and customer-tracking functions with an IBM e-business solution powered by Lotus Notes and Lotus Domino. More recently, Hawaiian Greenhouse took advantage of Lotus Domino.Merchant to Web-enable its front-end sales process with a complete, secure online storefront.

In ten months Hawaiian Greenhouse’s e-business has blossomed – 1,400 customers visit its site each month, generating 10 to 15 percent of the company’s new orders. “We are doing \$350,000 worth of retail business today compared to the \$175,000 we were

Application	Web-based florist
Business Benefits	100% annual growth in retail sales; 100% ROI in 18 months; 10 to 15% of revenue from online orders; 50% reduction in order processing time; improved customer service
Software	Lotus® Notes® Lotus Domino™ Lotus Domino.Merchant™
Hardware	IBM® PC Server IBM Netfinity™ IBM PC workstation IBM ThinkPad®



Although it is planting less and maintaining a small staff, Hawaiian Greenhouse has increased its annual retail revenue 100 percent with its IBM e-business solution.

making in wholesale,” affirms Hawaiian Greenhouse co-owner Lynne Kuwahara. “I expect our retail sales to double by next year.”

Implemented by IBM Business Partner DataHouse, the Notes and Domino-based system has reduced the time it takes to process orders by 50 percent, while virtually eliminating human errors. In addition, the database allows the company to track the individual needs of all its customers. “We couldn’t have done the volume of business we are doing now without the Notes system,” Kuwahara claims. “This past Mother’s Day we shipped 450 orders in two weeks, about 12 percent of them coming directly from the Internet, and we were able to handle them without increasing our staff.”

Notes and Domino support modest start, rapid growth

When Hawaiian Greenhouse called on DataHouse to automate its internal accounting and order-fulfillment systems, DataHouse needed less than a month to deliver a complete Notes and Domino-based solution, sending the company on its way to becoming a prosperous retail business. “When we first started, we were manually doing all the work orders, message cards, labels and so on,” Kuwahara recalls. “Today we are fully automated. The Notes and Domino system has simplified the whole process 100 percent.”

Initially, the order and fulfillment system ran on a single IBM PC, but the growing volume of orders soon required moving the customer database and the application to an IBM PC Server and adding an IBM PC workstation and an IBM ThinkPad 701C. According to Clyde Shiigi, vice president at DataHouse, “Hawaiian Greenhouse wanted something that fit their needs better than a packaged solution and would scale easily as their business grows. The Domino product line is ideally suited to that kind of development.”

Domino.Merchant seeds Web expansion

Even after its internal processes were computerized, Hawaiian Greenhouse was still generating new and repeat business through a traditional direct mail retailing

system of magazine ads, print catalogs and a toll-free number for placing orders. Although these tools are still a vital part of the business, Hawaiian Greenhouse set its sights on Web-enabling the front-end sales process. The company knew that selling online would offer a key competitive edge – a highly cost-efficient way to expand its customer base, while providing existing customers a convenient alternative and secure way to order.

DataHouse used Domino.Merchant to create a Web site for Hawaiian Greenhouse, which it hosts on a Netfinity server on its premises. The Web site provides information about Hawaiian Greenhouse, as well as an online catalog, shopping cart and order-taking functions. Domino ensures the security of the Web-based credit card transactions with industry-standard 128-bit SSL encryption. Orders coming into the Domino.Merchant Web server located at DataHouse’s premises are transmitted over a direct link to the Domino server at Hawaiian Greenhouse. There the customer information is recorded in the Notes database, and orders are processed automatically.

One step at a time

To ensure product quality in the initial phase, Hawaiian Greenhouse currently limits its retail offering to its own flowers. Of these, only a dozen are included in the online catalog. Now that the Web site has been live for ten months and enjoyed such great success, Kuwahara plans to expand the online product offering and supplement it with floral products from other suppliers.

Shiigi and Kuwahara are also considering migrating to IBM Net.Commerce to take advantage of features such as the multiple-recipient address book – which allows customers to maintain a list of the people they send flowers to regularly – as well as additional payment options. Shiigi notes that Net.Commerce will also offer added scalability to accommodate a growing customer base.

For Shiigi, the migration path is clear. “IBM is a big part of what we do,” he emphasizes. “Their products are reliable, and that’s critical. The success of my business hinges on the e-business success of customers such as Hawaiian Greenhouse.”

For more information please contact your IBM marketing representative or IBM business partner.

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Internet Division
Route 100
Somers, New York 10589

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