Pep Boys, IBM and 360Commerce Success Story
September 15, 2005
Interviewees:

Robert Berckman
Senior Director, Applications Development, Pep Boys

Jan Jackman
General Manager, Retail on Demand, IBM

Herb Kleinberger
Partner, Business Consulting Services, IBM

Kevin Lewis
Retail Manager, Pep Boys

Jerry Rightmer
Senior Vice President, Chief Technology Officer, 360Commerce

Robert Berckman
The Pep Boys Company is an automotive after-market retailer.
Kevin Lewis
We service your car. We can provide parts for your car.
Robert Berckman
We also sell parts to other, uh, commercial businesses.
Kevin Lewis
Pep Boys is a one stop shop for your automotive needs.
Robert Berckman
We operate 593 stores in 36 states and Puerto Rico.
Kevin Lewis
We've really grown as a company in terms of the products we're selling.

THE INDUSTRY LEADER

Herb Kleinberger
What they're trying to do is redefine the standards for the market. They really believe that service and the ability to, uh, offer the customer uh, a speedy and high-quality experience while they're in the store will set them apart.

THE PROBLEM WAS

Robert Berckman
Pep Boys came to the realization that we needed to, uh, change our store systems, because they were really outdated and beginning to break down.
Jan Jackman
Their previous system was home-grown.
Jerry Rightmer
It could no longer scale to meet the requirements of the, the retailer's growth plans.

Jan Jackman
It was an island of technology.

Robert Berckman
We realized the need to bring in new technology, to allow us to take Pep Boys into the future.

THE BIG PICTURE

Jan Jackman
They looked at the fact that they had two key areas of their store they had a service center, and they had a retail store environment. And they looked at ways that they could have one view of the customer, in order to better serve that customer.

Jerry Rightmer
They needed solutions that were carefully integrated from the service bays to the front desk to the back parts counter. They needed solutions that were easy to use, and yet provided access to very complex business processes.

ENTER IBM

Robert Berckman
When Pep Boys decided that we were going to move forward with replacing our IT solutions, we partnered with IBM to help us figure out what was the right technology to put in our stores to move forward.

Jan Jackman
They wanted to provide extraordinary customer service. They wanted to provide an integrated view of the customer. And then we looked at what is the necessary infrastructure or IT which would enable such an environment.

STORE INTEGRATION FRAMEWORK

Jan Jackman
IBM provides an infrastructure for the store, which we call store integration framework.

Robert Berckman
The store integration framework at Pep Boys is really a major component that we've built into the solution.

Jan Jackman
Store integration framework is an open standards web-based platform, which allows the integration of people, processes and data throughout the various touch points that you may have in the store.

Herb Kleinberger
It's really the glue. It allows everything to connect together in a very seamless fashion.

ENTER 360COMMERCE

Herb Kleinberger
It was our view and Pep Boys more importantly that we could meet all of their business needs very rapidly with a 360Commerce based solution.

Jerry Rightmer
360Commerce is the leading provider of store solutions for large retailers.

Jan Jackman
As part of our joint open point of sales solution, 360 Commerce is validated on IBM store integration framework.

Jan Jackman
360Commerce brings to market a point of sale application that leverages the integration infrastructure that IBM brings to bear.

THE POINT OF SALE

Herb Kleinberger
One of the key components of the store operation at Pep Boys is of course the point of sale.

Jan Jackman
When Pep Boys looked for a point of sales solution, they were looking for a very scalable and available checkout system, which enabled them to speed customers through their checkout process.

Jerry Rightmer
Point of sale is not an island. Point of sale actually has to inter-operate with the service bays, has to be able to retrieve and work with work orders needed to have a seamless integration in with the parts desk and parts counter.

Herb Kleinberger
If the point of sale system doesn't work, the register doesn't ring, and we have big problems.

BUT WITH IBM AND 360COMMERCE

Robert Berckman
We were very confident that we could deliver a point of sale solution to Pep Boys which was our first major application change in the new architecture.

AND WE DID

Kevin Lewis
Now, with the new system in place, customers are able to be handled wherever the customer enters at the building, whether they come up to the … the customer service register or at our service department. They can handle any type of transaction.

Jan Jackman
We were able to help Pep Boys enable choice in terms of credit card, debit card, type of payments as well as enhance the speed of returns.

Robert Berckman
This alone has paid for the hardware that we've replaced in the stores.

AND ALL IN 12 MONTHS

Jerry Rightmer
Pep Boys had many things they wanted to accomplish uh, in a very short period of time. In order to accomplish that, they started up several different parallel work streams.

Robert Berckman
We separated the training piece of the project, and the deployment piece of the project, from the development, and the infrastructure pieces.

Herb Kleinberger

If you go back to the project charter that was set up day one … and we have … and look at the objectives set out for the project, we've met them all.

SO, WHAT'S NEXT?

Jan Jackman

We're now looking at, how do we leverage the point of sale application that's been implemented in the store integration environment, and now expand to a new touch point within the store, around their point of service in the garage.

Herb Kleinberger

In six months' time, we expect to have the next phase of the project completely deployed to the stores. And beyond that, there are already plans on the drawing board for additional capabilities at the store.

THE BOTTOM LINE

Robert Berckman

The benefits of the solution that we provided at Pep Boys improve customer service, um, and store associate productivity which all translates to the bottom line.

Kevin Lewis

I would tell other retail managers that, it seems scary at first to go ahead and change your system; once you come to realize the benefits of a newer system that is more modern, it's well worth the benefit.

IN THE END

Jan Jackman

If I look at the partnership that has been created through Pep Boys, 360Commerce and IBM, it is a true partnership.

Jerry Rightmer

The vision and dream is that with the solutions that IBM and 360Commerce have put in place, Pep Boys can go wherever Pep Boys wants to go.

Robert Berckman

Why is it exciting? Because we're bringing Pep Boys into the 21st century.