IBM

Delivering flowers in a digital world

Florists are starting to give the age-old tradition of sending flowers a modern scent with Internet Web sites that let customers pick and send bouquets and messages to anyone, anywhere. A subsidiary of Interflora, Inc., Interflora Finland has created an electronic commerce solution that enables customers to buy and send flowers easily and securely over the Internet.

At the same time, the company is achieving a real return on its technology investment by reducing the workload of telephone desk staff and, most importantly, reaching out to new customers by augmenting the traditional services provided by the 300 Interflora member shops in Finland.

"IBM's Web solution was a good way to improve customer service. The electronic flower shop gives customers an easy way to reach us...which will encourage them to use our services."

—Tinet Reihe,
Office Manager for Interflora Finland

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e-business

Reducing expenses while improving business

Interflora Finland's Web site has reduced the pressure of hiring more staff during peak periods, which is improving customer service in the long run. By moving to an e-business solution, Interflora Finland has increased its productivity by nearly 20 percent, while maintaining its current staff of five.

"Our Internet shop improves Interflora's service to customers and significantly reduces the workload of the staff taking phone orders," says Tinet Reihe, office manager for Interflora Finland. "Our staff is quite small, but by using this solution, we can grow without having to hire any
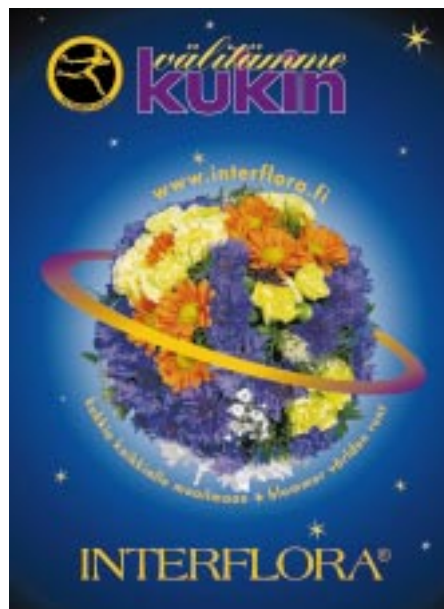
Interflora Finland is using the power of the Internet to reach new customers with its SET-based electronic store.

Application	Internet Web site with security-rich credit card payment enables customers to buy and send flowers
Business Benefits	Orders projected to increase by 3,000 in the first year; productivity increase of nearly 20 percent; expanded markets; improved cashflow
Software	IBM® Net.Commerce IBM Payment Server™ IBM DB2®
Hardware	IBM RS/6000®
Services	IBM Content Hosting Services IBM I/T Consulting & Systems Integration Services

additional staff. It helps us reallocate our resources toward new and more productive projects.

"Before this system was in place, the staff had to take orders and input them manually into our system," continues Reihe. "Then once the order was delivered, they had to make invoices, check bank cards and perform other paperwork, all of which would take up to two weeks. Now, when an order

is placed over the Internet, the buyer enters all the necessary payment information, and the payment is processed immediately and transfered to the bank automatically, resulting in improved cashflow!"

In addition to improving cash flow, Reihe says the debit and credit card payments also reduce the chances of fraudulent orders, by speeding up the whole payment verification process. Additionally, Interflora Finland, which started its Internet service in December 1997, expects the new service to attract up to 3,000 orders in the first year of operation, with most of those orders coming in from new customers. Interflora Finland expects the number to blossom an additional 10 percent in its second full year of Web operation.

"The corresponding Interflora Web site in Sweden is already attracting up to 10,000 orders a year," she says. "It's a cost-effective way of adding to our current level of 95,000 deliveries each year, and it's a sales channel we expect will continue to grow rapidly."

Turning to e-commerce experts

After deciding to base its solution on the SET Secure Electronic Transaction™ protocol, Interflora Finland had to make a decision about which other products and technologies to use for its Web site. The company, working in tandem with its advertising agency, chose IBM because of the sophistication of IBM's electronic commerce products and the total solutions it could offer.

"IBM Global Services offered a package solution from construction of the site to Web site hosting," explains Reihe. "IGS's system integration consultants helped us quickly establish the Web site. They worked with our advertising agency to develop the customer interface, which allows customers to view a wide array of flower arrangements based on the season. Then once the site was established, IGS Content Hosting Services took over the off-site management and Web site hosting."

In order to cater to all kinds of budgets, the Interflora Finland site lets customers indicate how much they want to spend. The

site also helps online shoppers select the right bouquet and teaches them how to care for different types of flowers and plants. Interflora Finland is even planning to install an anniversary reminder function that will send automated notices to customers reminding them of special days that are approaching.

From the ground up with IBM Payment Server

The Web site was constructed using conventional IBM e-commerce products. Net.Commerce allowed Interflora to use store wizards to quickly create a foundation for the site, and its electronic "shopping carts" let customers choose multiple items and then direct where they should be delivered using the address book function. The customer profiling function lets Interflora Finland discover more about customer preferences, which helps them design effective promotions. And Net.Commerce interfaces with DB2, IBM's industry leading database, where all the data for the site is stored on an RS/6000 server.

Another important component of the site is IBM Payment Server, formerly known as IBM CommercePOINT eTill. Payment Server is an electronic cash register that supports credit card payments using the SET protocol for secure payment processing. When users log on to Interflora Finland, they can make credit card payments that are validated and cleared through the Kultaraha or Solo — the Finnish debit card systems — or over the VISA, Eurocard or MasterCard credit/debit card systems.

A blooming business

Reihe says she sees nothing but growth potential for the Interflora Finland Internet site. And Interflora plans to add Web sites to all 140 countries it serves. "IBM's Web shop solution was a good way to improve customer service," she says. "The electronic flower shop gives our customers an easy way to reach us and get a good idea of the selection of products available, which we hope will encourage them to use our services." For Interflora Finland, e-business certainly seems to be a blossoming success.