IBM

Subscription.com invents media and publishing e-marketplace.

Application	B2B and B2C subscription e-marketplace for publications, information services
Business Benefits	For Business Interactive: 100% ROI in less than 24 months; projected revenues of $1 to $10 million in 18 months For businesses: broader market exposure, 20% lower costs
Software	IBM WebSphere® Application Server, Advanced Edition IBM DB2® Universal Database™ for Windows NT® IBM Net.Commerce IBM Net.Data® Lotus® Domino™ IBM VisualAge® for Java™
Servers	IBM Netfinity®
Business Partner	Business Interactive Corp.

If anything defines consumerism, it is freedom of choice. But with choice comes the responsibility of making informed decisions. And as consumers and marketers alike are inundated with information, that is becoming increasingly hard to do.

Take subscriptions, for example. Consumers spend long hours evaluating and subscribing to newspapers, magazines, entertainment and sports events, electronic information services and other subscription-based products and services. At the same time, publishers and promoters of these services, as well as their fulfillment houses, require extensive budgets and technical resources just to manage the subscriptions and support their subscriber base.

"Because our e-business strategy coincides with the Application Framework for e-business, IBM products have continually supported our direction and the needs of our customers."

– Guy Vales, Vice President, e-business and Web Application Development, Business Interactive Corp.

Subscription.com appeals to information-overloaded consumers, as well as publishers looking for more efficient subscription management.

e™

e-business

Subscription.com provides a selection of more than 4,000 publications. Eventually, the site will sell subscriptions to music and theater performances, sports events and more.

It was inevitable that some enterprising company would see these challenges as a lucrative business opportunity. That company was Ottawa, Ontario-based Business Interactive (BI) Corp. An IBM Business Partner, BI specializes in providing e-commerce transaction services that free companies to focus on boosting sales rather than on administering back-end activities such as order processing and fulfillment.

For the media and publishing industries, BI wanted to create a business-to-consumer (B2C) subscription management service called Subscription.com. As an e-marketplace, Subscription.com would bring subscribers and subscription providers together, giving subscribers a more organized view of subscription offerings, while providing publishers and service providers exposure to a broader range of more affluent, Web-savvy subscribers. Publishers and service providers would also gain access to a proven Web-based subscription application without the costs of developing and maintaining such an application themselves. Overall, this would reduce the publisher's cost of subscription management by 20 percent.

But for BI, providing a turnkey service meant much more than developing a high-performance front-end application that subscribers could interact with over the Internet. It also required enabling the Web application to access the back-end databases of the companies offering subscriptions. BI is achieving all that with an IBM e-business solution comprised of IBM WebSphere Application Server, Advanced Edition, IBM Net.Commerce (now part of the IBM WebSphere Commerce Suite family of products), IBM Net.Data and IBM DB2 Universal Database.

As an IBM Business Partner, BI had already used Net.Commerce and Net.Data to build an e-business infrastructure for its other transaction services. By leveraging this infrastructure, BI was able to bring Subscription.com to market in just six weeks. Now, following the architectural roadmap provided by the IBM Application Framework for e-business, BI is engaging WebSphere Application Server to support enhancements to Subscription.com that will enable better back-end integration. "We particularly like WebSphere Application Server for its support of XML and Java technologies," says Guy Vales, BI's vice president of e-business and Web application development. "We believe these technologies will play an increasingly vital role in e-business."

"The combination of WebSphere Application Server, DB2 Universal Database and Net.Commerce is hard to beat in terms of suitability for e-business. Their flexibility is invaluable in both development and transaction processing."

— Guy Vales

More importantly, the IBM e-business solution is expected to make a vital contribution to BI's bottom line. Revenues derived from the transaction processing service and from mining subscriber demographics to marketing analysts are expected to reach between $1 million and $10 million in the first 18 months. "Following the Application Framework for e-business, we were able to deliver this e-business service early and capture a very ripe market," Vales notes. "As a result, we expect to achieve a full return on our investment in 24 months."

Components of a well managed marketplace

Subscription.com allows consumers to find and learn about numerous subscription-based services, subscribe to them online and manage their subscription details — all from a single Web site. Consumers logging on to Subscription.com can search the subscription database by category and keyword. Subscription names and descriptions, along with links to the publisher or service provider Web sites, are stored in DB2 Universal Database residing on a Netfinity 3500 server inside BI's firewall.

To safeguard their e-commerce transactions, consumers are asked to register with Subscription.com before subscribing, and that information is also stored in DB2. Net.Commerce provides the shopping cart and check-out functions and accesses the DB2 customer information database to process the subscription orders.

An e-mail publishing service, powered by Lotus Domino and running on another Netfinity server behind the firewall, allows publishers to add an e-mail edition to a print publication or to deliver information to large groups of people on a periodic basis using Internet e-mail. Businesses can also use Subscription.com to inform customers of price changes and obtain feedback from them.

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Meeting an insatiable consumer demand for increasingly sophisticated Web-based services, the IBM e-business solution allows for rapid development and deployment of new functionality on Subscription.com.

To complete the solution, the subscription information must be relayed back to the publisher's or provider's back-end systems, and the publishers and providers need to be able to easily post their content to Subscription.com. BI is using IBM VisualAge for Java to develop the Java servlets that will enable these functions, taking advantage of the server's support for XML to perform application-to-application data transfer between BI and the back-end systems of the providers. WebSphere Application Server will provide the runtime environment for these servlets.

"The combination of WebSphere Application Server, DB2 Universal Database and Net.Commerce is hard to beat in terms of suitability for e-business," says Vales. "Their flexibility is invaluable in both development and transaction processing."

An evolving business—an evolving partnership

For most customers, BI uses an application service provider (ASP) model to offer Subscription.com as a turnkey Internet subscription management service. But it also offers customized versions of Subscription.com for larger businesses that want to host the services at their own facilities. Creating libraries of objects in WebSphere Application Server allows BI to reuse existing business logic to customize the application quickly— typically in two to four weeks, according to Vales.

In addition, while Subscription.com primarily represents Canadian publishers at this time, BI is expanding its marketing to attract U.S. and European publishers—offering the subscription management system in French and English.

BI's relationship with IBM also continues to evolve. "IBM has continually introduced innovative products that reflect its customers' needs," says Vales. "Because our e-business strategy coincides with the Application Framework for e-business, IBM products have continually supported our direction and the needs of our customers, too. As a result, we're always right where we want to be."