

Tichenor College Textbooks' Web site produces immediate ROI

Executive Summary

Problem:

Customer demands and competitor advances required Tichenor College Textbooks Company to move to the Web in order to remain competitive in the marketplace. Their legacy system needed to be seamlessly integrated, they needed to remain in budget, and get everything done in 6 months.

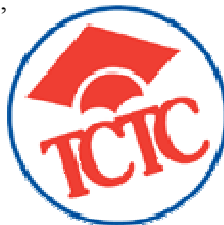
Objective:

A secure **B2B order entry application** via the Internet to give bookstore managers another buying channel, and a convenient, real-time method of placing their orders.

Results:

The site, built in Java Servlets, is served off the company's existing iSeries. **TCTC realized a 5-week ROI.** And, over 20% of its overall sales during the fall rush (it went live August 15) were logged after normal business hours via the new Web system. TCTC hopes for an **additional 30% growth** in Web usage by the next book rush in January.

Every semester, in the United States, 15 million college students exit their first day of classes, syllabi in hand, and make a collective beeline for their college bookstore.



In expectation of this crazed collegiate swarming, college bookstores across the country must prepare for the rush by placing list after list of book orders at their college textbook wholesalers and distributors in time.

Tichenor College Textbooks, one of the most prominent and successful of these wholesalers, supplies new and used college textbooks to private and institutional college bookstores nationwide, and has been doing so for over 40 years. Additionally, TIS, Inc, its parent company, also runs a number

of college bookstores throughout the country.

With this experience on both sides of the fence, it came as a surprise when the bookstore paradigm suddenly shifted within the industry and TCTC found itself in a struggle to remain competitive.

Tichenor sales reps began hearing buzz that its customers wanted a more convenient way to order textbooks, namely, over the Internet...and to add to the pressure, its two biggest competitors had already come to market with their own Web sites.

Something had to be done. But, TCTC also knew that integrating its legacy backend with a new Web site, in the time frame required, was going to be a tall order.

Business Problem

The first matter of business was their legacy system. It contained decades of mission-critical algorithms, logic, and business rules that could not be easily duplicated.



Secondly, TCTC was in a time crunch. They began looking for a solution right after the January rush ended in 2003, with the goal to have everything up, built, tested, and running live by the August "back to school" rush. That simply didn't leave much time for a project of this size.

The last challenge was cost consideration. Whatever method they chose, TCTC was going to have to stay within a closely managed budget.

IT Director, Jerome Stillions, and a committee that included his Information Services team and Tichenor College Textbooks management, knew that the first order of business was organizing, and prioritizing their needs.

They began their research process by generating the comprehensive requirements list of what the site



needed to accomplish. Then, research was done on the Internet, trade publications, and visiting vendor booths at industry trade shows, such as the COMMON user group conference in March.

“We looked for a solution that could give us: integration with our current order entry system, rapid development for this project and future projects, and minimal hardware investment... We also had to look at the platform and development software we were going to use,” explained Stillions.

The Solution

After their initial research TCTC narrowed their choices down to four software solutions, and ultimately they **chose to go with the mrc-Productivity Series for three main reasons** that stood out against the other candidates they considered:

First of all, the other solutions TCTC considered required them to purchase additional hardware. And, with new hardware, it's not just the initial outlay of cost to be considered.

Consideration needs to be paid to compatibility, firewalls and security, loading/configuring software, purchasing licenses, testing, and troubleshooting, which all takes time. And time can be measured in dollar signs as well as headaches.

The mrc-Productivity Series did not require an immediate investment in any additional hardware. Choosing the mrc-Productivity Series, allowed them to do everything they needed with their iSeries, a platform Tichenor College Textbooks is comfortable with.

The second factor for mrc's tool-suite was that it allowed them to not only use the mrc-Productivity Series for rapid development of this project, but to also plan for future projects as well. And, without the threat of having to buy additional software modules or upgrades for each stage moving forward. There were no “gotchas.”

Additionally, the J2EE-compliant mrc-Productivity Series allows TCTC flexibility moving forward in choosing which languages or platforms to write their applications to.

And, finally, the mrc-Productivity Series' External Object capabilities gave TCTC a way to smoothly integrate their legacy systems.

“The reason we went with the mrc solution was, first and foremost, we wanted to integrate our backend capabilities quickly and easily and that's exactly what it did. And it did a beautiful job.”

Results

Stillions is very pleased with TCTC's return on investment, “...we did not have ROI figured prior to making this decision. We knew this was something that had to be done to stay competitive. But, not factoring in operational expenses, we have probably paid for the software from our online sales since going live on August 18th.”

(A 5-week ROI.)

The new system continues to pay dividends. “It's hard to say how much business we were losing before we

developed the Web ordering system. I do know that 20% of our online sales during this past rush were done after business hours. So, having the site available during this time hopefully prevented those sales from going elsewhere.”

And, he expects the online sales to grow considerably in the coming months. “My projection is, by the next rush period which is in January, we will have experienced a 30% growth in usage.”

But, the projections don't stop there. Their next projects utilizing the mrc-Productivity Series will be to offer their customers the capability to submit return authorizations on-line. And, they also want to build a secure intranet site for their company sales reps.

Overall, he's pleased with the results, and pleased with the support he's received in his endeavors. And as far as mrc's report card, this has been a good semester: “Thus far I would grade the service we have received from mrc with an A.”

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