Solution: **IBM Commerce**   Industry: **Retail**

Performance Bicycle

Embracing commerce in the cloud as the
foundation for more personalized,
compelling services

For big-ticket items, you want to be sure you've made the best
choice—and sometimes, viewing product images online just
isn't enough. To help customers make the perfect purchase,
Performance Bicycle aims to use omni-channel cloud
analytics to understand how shoppers combine in-store and
on-screen browsing, and offer each visitor a tailored service.

Business challenge

When you know your customers well, you can offer outstanding services that
nurture life-long loyalty—but gaining a 360-degree view of interactions across
all channels can be a tough challenge.

Transformation

Performance Bicycle worked with BlueSky Technology Partners, an IBM Gold
Business Partner, to migrate its e-commerce systems to the cloud, laying a
solid foundation for global omni-channel engagement.

Results

Inspires	Delivers	Creates
increased sales with deeper insight into customer journeys, on- and offline	more relevant content, driving a more personalized buying experience	unique opportunities to interact with customers and nurture loyalty

Business challenge story

Saddling up to compete

E-commerce is surging in popularity—but when it comes to big-ticket
purchases, many customers also want the tactile, three-dimensional
experience of checking out a product in-store before they make their
decision.

> "Understanding your customers is the first step toward tailored services—and with integrated e-commerce in the cloud, we're set to do just that."

—Mike Starkey, Senior Vice President of Information Systems, Performance Bicycle

Retailers with a presence both online and on Main Street are perfectly placed to capture these sales. This is a key part of the strategy for Performance Bicycle, a leading retailer of cycling products with more than 100 stores across 20 states.

Mike Starkey, Senior Vice President of Information Systems at Performance Bicycle explains: "For an avid cyclist, buying a new bike is much like buying a new car—most of us wouldn't take the plunge without going for a test drive first. Our aim is to turn customer interactions like these into life-long relationships. In addition to helping people try out products, we offer value-added services such as professional assembly and servicing, as well as free cycling events that start at our stores."

Aaron Pickrell, VP eCommerce Technologies at Performance Bicycle, continues: "Every customer is unique. A road cyclist who commutes on their bike every day has different requirements compared to someone who goes mountain biking on the weekend, and a promotion that resonates with one of these customers might not be at all relevant to the other. We knew our combination of physical stores and e-commerce sites could give us a valuable advantage over online-only competitors—but only if we could understand and market to individual customer preferences."

Like many retailers, Performance Bicycle previously relied on separate systems for e-commerce, fulfillment, and digital marketing. This approach made it difficult to build up a 360-degree view of each customer's individual preferences, and determine the impact that digital promotions had on in-store sales.

John Buleza, VP Digital Marketing at Performance Bicycle, says: "Today, a lot of customers will do extensive research on our sites before they visit, and move back and forth between channels throughout the decision-making process. However, because we lacked a single view of those interactions, these customer journeys were for the most part invisible to us. To better understand what inspires our customers to purchase, we wanted to unify data on customer interactions across all our channels on a single platform."

Transformation story

Breaking away from the field

To lay the foundation it needed to begin integrating its customer data, Performance Bicycle worked with BlueSky Technology Partners, an IBM Gold Business Partner, to migrate its e-commerce platform to the cloud.

"Building an in-depth understanding of customer journeys means pulling together information from our e-commerce sites, email marketing campaigns and contact center," Pickrell explains. "We realized that managing these integrations separately would drive up our operational costs. To pave the way for omni-channel marketing without breaking the bank, we determined that migrating our e-commerce platform to the cloud was the best way to go."

Starkey comments: "Working with BlueSky was a great experience, and we have nothing but positive things to say about their team. At the start of the process, BlueSky invested the time to understand our business model and objectives, and this insight proved extremely valuable throughout the migration process."

Todd Irwin, CEO of BlueSky Technology Partners, states, "Our team was thrilled to have the opportunity to work with Performance Bicycle on this strategic initiative. Based on our experience with IBM Commerce solutions, we knew we had the ability to execute this multi-step journey to unlock the value of customer data and interactions with true integration of technology. The foundation is now set for Performance to leverage true customer engagement and execute on personalized journeys with their customers."

"Any infrastructure project with a large number of interoperative components demands close attention to detail," continues Starkey. "The BlueSky team kept a watchful eye on all dependences, and designed a dynamic cutover plan to mitigate the risk of unplanned downtime. From a project management perspective, everything went perfectly; we delivered within budget and one week from the original migration plan."

Today, Performance Bicycle has successfully migrated its e-commerce solutions to the cloud, enabling it to build the integrations it needs to analyze customer journeys and shape personalized experiences on every channel.

"Our cloud migration brought a number of advantages that we hadn't anticipated," adds Starkey. "Because we now no longer need to handle credit card information ourselves, we have substantially reduced our exposure to PCI DSS compliance risks. Most importantly, the platform is rock-solid, providing a much higher level of availability for our website than our previous on-premises platform."

Results story

Racing ahead of a tough market

By bringing its e-commerce platform to the cloud, Performance Bicycle has the opportunity to integrate its systems of engagement quickly and cost-effectively—opening the door to end-to-end customer journey analytics.

"Our cloud migration is a key enabler of our move toward omni-channel engagement," Buleza explains. "We are now working with BlueSky to turn this vision into a reality. When we can see each customer in the context of their interactions with all of our channels, we will be able to shape streamlined pathways from browsing to buying that inspire more customers to convert.

"For example, if we see a large number of customers from our novice segment are viewing product tutorial videos on our Learning Center website, we will be able to adapt that content into a targeted email campaign—potentially giving many newcomers the confidence to purchase their first adult road bike."

Performance Bicycle is combining the best aspects of the in-store and online shopping experiences to lift customer satisfaction.

"In the years leading up to our cloud migration, we rolled out self-service improvements to our e-commerce sites, as well as options to deliver to store and collect from store," comments Starkey. "The overwhelmingly positive customer response to these initiatives is clear evidence that streamlined customer journeys are a powerful way to attract incremental sales.

"In a matter of months, we reduced call volumes to our contact center by 90 percent. And since we started offering customers visibility of in-store inventory, we've measured an 11 percent increase in in-store sales originating on the e-commerce channel."

Pickrell adds: "Community is a huge part of our business model; many of our customers visit us in-store, and those moments of interaction are very important to deliver the kinds of tailored services that build life-long relationships.

"Our Performance Bicycle Great Ride Series events encourage people to meet up at our stores every Saturday to go for a ride with our team. We see great potential in enhancing that experience by enabling customers to download an app that keeps track of their routes and statistics, as well as earning rewards from our Team Performance Club loyalty program."

Looking to the future, Performance Bicycle is already planning new ways to better understand and engage with its customers in the United States and around the world.

Starkey comments: "We have recently been acquired by a multinational company called Advanced Sports Enterprises, a B2B retailer with a presence in more than 80 markets worldwide. Our aim is to combine the B2C expertise of the Performance Bicycle brand with our parent company's global trading partner network—enabling us to reach thousands of new customers. Thanks to our cloud e-commerce platform, performing the necessary integrations between our business systems will be a relatively straightforward and efficient process, helping us to go to market with new joint ventures faster."

He concludes: "Understanding your customers is the first step toward tailored services—and with integrated e-commerce in the cloud, we're set to do just that."

About Performance Bicycle

PERFORMANCE
BICYCLE

Founded in 1982 and headquartered in Chapel Hill, North Carolina, United States, Performance Bicycle is a leading retailer of cycling products. With 1,800 employees, a presence in 20 states and a comprehensive offering of more than 10,000 products, the company operates bricks-and-mortar stores, a printed catalog business and an e-commerce website.

Solution components

- IBM® Commerce on Cloud
- IBM Digital Analytics
- IBM Digital Experience on Cloud
- IBM Watson® Customer Experience Analytics
- IBM Web Content Manager
- IBM WebSphere® Portal

Take the next step

To learn more about IBM Commerce on Cloud, please contact your IBM representative or IBM Business Partner, or visit the following website: ibm.com/software/products/en/commerce-on-cloud

BlueSky Technology Partners, an IBM Gold Business Partner founded in 2006, specializes in IBM Commerce and digital marketing solutions. With consultants throughout North America and partnerships with global scale, BlueSky helps B2B and B2C companies transform their omni-channel commerce and digital capabilities to improve the way they do business around the world. To learn more about BlueSky Technology Partners, please visit blueskytp.com

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