Powering up Japanese online mall to win new customers

Overview

■ **The Challenge**
Launch a virtual shopping mall using data mining techniques to establish one-on-one relationships with customers

■ **The Solution**
IBM Netfinity® 3000, running Turbolinux® operating system and Java™ technology

■ **The Benefit**
Total cost of ownership less than comparable UNIX® system; superior end-to-end growth and risk management capabilities; mainframe-class scalability, reliability and security on one high-powered server system; Turbolinux Server supports Japanese language

Online sales for rapid growth

With more than 380 stores nationwide and 3.3 million product listings, DEODEO is one of Japan's largest consumer electronics, software and music retailers. But the company wanted to tap into the lucrative online market in Japan, where there are more than 18.5 million Internet users. To reach those Web-savvy consumers, DEODEO decided to launch a high-tech virtual mall called CyberCity, and needed an affordable yet robust e-commerce solution.

The combined strengths of the high-performance Turbolinux operating system, the LINUX®-ready Netfinity servers from IBM and cutting-edge Java software technologies have prepared DEODEO's CyberCity for exponential sales growth—with expected annual online sales of approximately $46 million within three years.

Turbolinux stabilizes Java servlets

Working with well-known Tokyo systems integrator, DreamArts, DEODEO developed CyberCity not only to enable electronic sales over the Internet, but also to establish a one-on-one relationship with its customers. DreamArts helped incorporate Java servlets, powerful platform-independent programs that sit on the CyberCity serverlets provide data mining of customer information and realtime access to information for DEODEO customers and employees. These Java tools extend the server's capabilities by generating dynamic Web page content on the fly that can then be fed directly to customers' browsers.

Turbolinux running on IBM servers was a solution providing stability and reliability to the Java Web tools for CyberCity. DreamArts found the combined technologies not only produced a stable, reliable solution for DEODEO, but also offered Japanese language and local support by both Turbolinux and IBM.

CyberCity runs on clustered servers

DEODEO's CyberCity runs on five clustered IBM servers with a sixth server for systems administration located offsite. At the project's core is an Oracle 8 Database that houses 13 million customer records from 380 stores nationwide.

> *"Working with IBM, we were successful in providing a mission-critical solution against a competing proprietary UNIX solution that would have cost DEODEO four times as much money."*
>
> *T. Paul Thomas*
> *CEO, Turbolinux*

DEODEO was especially attracted to the Turbolinux operating system because it is fully supported on the IBM @server xSeries and the Netfinity server line. The Netfinity servers offer DEODEO the support and built-in technologies to manage end-to-end growth, risk and expense, while delivering mainframe-class scalability, reliability, and security—all prerequisites for the online mall.

Maintaining a low TCO

Keeping cost of ownership to a minimum was also a major factor in choosing the Turbolinux/ Netfinity solution.

Extending services, gaining new customers

The Turbolinux/Netfinity solution satisfied DEODEO's marketing plans to build one-to-one relationships with customers. According to Yoshitake Senoo, Director of Media Business at DEODEO, "The number of people using networks and the Internet for gathering information is growing fast. If we can attract just a small percentage of those using the Internet to CyberCity, we see a huge opportunity to extend our services and win new customers. And thanks in part to Turbolinux and IBM, we are already succeeding."

For more information

Visit the following Web sites at:

Ibm.com/eserver/xseries

Ibm.com/linux

deodeo.com

Turbolinux.com

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