

Elastic Path™ Software Enterprise Case Study: CORT launches multiple storefronts with leading edge ecommerce platform



“The technology stack of open source technologies in the Elastic Path platform made it a very attractive choice for our IT team. Elastic Path is a strong strategic toolset to extend what we are currently doing today and afford us the freedom and flexibility to really push the envelope from a technical and business standpoint. This is only the beginning, and we’re very excited about what we’re able to do with the Elastic Path platform.”

– Tim Deagan
executive director of enterprise architecture & product management at CORT Business Services

Company at a glance:

Name: CORT Business Services is a subsidiary of Berkshire Hathaway (NYSE: BRKA and NYSE: BRKB)

Industry: Furniture Related

Year Founded: 1971

Headquarters: Fairfax, VA, United States

Annual revenues: Approximately \$500 Million

URL:
www.CORT.com

Business Goals:

To launch upwards of 75 district-level (market specific) online stores for their furniture rental/leasing business and build a solid foundation within their existing IT infrastructure for future ecommerce initiatives

Enterprise Client

Founded in 1971, CORT is the largest provider of rental furniture, accessories, and related services in the United States. CORT provides high-quality furniture to both individuals and corporations who desire flexibility in their furnishing needs. Their services range from locating furnished and unfurnished, temporary or long-term, apartment or private rental housing; guided community tours, settling-in and other destination services. CORT's vast service operations footprint, with 105 showrooms, 95 clearance centers and 97 warehouses have allowed them to serve customer needs in over 1700 different locations across the country. CORT has also built a partner network that can service customer needs in over 50 countries worldwide.

In 2000, CORT became part of Berkshire Hathaway (NYSE: BRKA and NYSE: BRKB), a conglomerate holding company that oversees and manages a number of subsidiary companies.

Business Goals

CORT has a unique business model that wouldn't be easily fulfilled by standard ecommerce solutions. Unlike standard online stores, CORT customers would be renting as opposed to purchasing products online. Each of their online stores represents a district (e.g., Los Angeles, Boston, etc.). Each district has multiple rental showrooms, all of which move a lot of product. CORT needed to ensure they had the internal and code capabilities to create on-line catalogs for each of the rental showrooms should they require a different presence or pricing from the District standard. They had to launch upwards of 75 district-level stores, each with a unique catalog. To remain cost effective, they had to maintain a centralized level of control for operating and managing these catalogs.

Their existing solution was a custom ColdFusion shopping cart that was inflexible and unable to respond to the changing needs of the business. Administration and management of the system required programmers to be involved in nearly every action. Updating photos for product was a major undertaking. Additionally, as CORT completed various acquisitions, the new product numbers proved to be unsupported by the rigid custom ColdFusion code. While this initial solution provided a basic ecommerce capability for CORT, it was unable to support any efforts by the business to grow this channel.

CORT had a wish list for their new ecommerce solution:

Empower business users but retain central control

The CORT internal IT team was based out of Austin, TX while the corporate headquarters were in Fairfax, VA. CORT wanted to have central management of the district-level stores but still provide a localized shopping experience for customers. It was critical that the ecommerce solution was user friendly for the marketing and operations users while meeting the technology requirements of the IT team. They wanted to empower their merchandising team to add and delete products based on district requirements without relying on IT.

Enhance the shopping experience

Part of improving that shopping experience was also the ability to extend each store's design and merchandising. CORT wanted to allow their end users to shop comfortably online, view the products offered, get an idea of costs, and submit orders.

Develop custom features

CORT wanted to standardize on a single ecommerce platform that would support a variety of features unique to their business such as contract pricing and substitution rules. An example of a substitution rule: A consultancy firm moves to a different city for 6 months and selects from different packages. The consultant would like to swap out some of the options within the package.

Ecommerce Solution

CORT considered a variety of other options for their ecommerce project:

- Build it in PeopleSoft. A potentially powerful solution but strategically outside CORT's efforts to leverage best of breed products in web-based ecommerce.
- Build it in house from the ground up. That would involve a great deal of effort on their already stretched internal team.
- Purchase a PHP solution. This would not easily expand and grow with CORT's needs.

CORT selected the Elastic Path ecommerce platform for several reasons:

1. Flexibility for development and integration

CORT wanted an ecommerce platform that would give them the ultimate flexibility for their development and integration needs. They knew they had to do a lot of customizations due to their unique business model, so they needed a solution that would enable their internal team to develop these custom features efficiently. CORT was also a PeopleSoft shop and needed to be aware of ecommerce solutions that would play well within their Oracle environment. Elastic Path would provide full access to source code, allowing CORT to develop any custom features they desired as well as integrate with any existing or future systems.

2. Technology stack

The internal CORT IT team was interested in a modern, leading edge ecommerce application. They liked the technology stack in the Elastic Path platform. Unlike other vendors, the platform had an appealing set of open source standard technologies such as the Spring framework and Velocity templates instead of proprietary components. The attractive technology stack of the Elastic Path platform would allow the CORT team to accomplish their current goals as well as develop truly innovative ecommerce features for future initiatives.

3. Out-of-the-box features

The Elastic Path platform came with many ecommerce features already out of the box, which would help accelerate development time. Having the multi-store management feature out of the box was a key feature for the CORT team in order to reach their goal of launching multiple district-level stores. The Elastic Path platform continued to prove that it was the leading edge choice with out-of-the-box features such as SEO, something other vendors weren't even aware.

4. Price

Elastic Path was the most cost effective enterprise solution based on total cost of ownership (e.g., software, development, implementation, integration, and management).

IT Environment:

- PeopleSoft, SQL Server, Linux VMware, Salesforce.com

Elastic Path Products & Services:

- Elastic Path Commerce 6.1.1

Results:

- CORT went live with 53 stores and plans to launch upwards of 75 in total.
- Following the launch, CORT's orders jumped approximately 100%, which immediately justified the project effort.

“This project was a success and met all the goals of the IT and business teams. CORT was happy with their choice to go with a platform based on open source technologies—their internal team is able to manage, extend, and customize the Elastic Path platform quite easily.”

- Rob Miller, senior consultant at Crown Partners

Crown Partners (www.CrownPartners.com) has more than seven years of experience in designing, developing, customizing, integrating, and hosting Elastic Path ecommerce solutions.

Deployment

CORT had their system integrator, DKB, start on the project and their internal IT teams got involved later. The CORT UX/UI team leveraged DKB for initial Velocity work. Additionally, the CORT development team leveraged DKB for developing and customizing the ecommerce system to integrate with their back office systems. With training from DKB, both teams were able to familiarize themselves with the platform quickly because of their choice to go with a platform based on open source technologies. The team is very comfortable with their ability to manage, extend, and customize the Elastic Path platform.

Master catalog

They created one master catalog. Any updates made to the master catalog would automatically propagate to the catalogs of the 53 district-level stores.

Price and merchandising

DKB wrote some scripts to help CORT asset and merchandise managers easily control major price and merchandising changes. The flexibility of controlling pricing and merchandise associations at a store level was crucial to the success of the project.

Custom payment gateway

CORT wanted the ecommerce solution to be tightly integrated with Salesforce. DKB wrote a custom payment gateway that would send orders directly to Salesforce.com instead of a credit card processing switch or payment mechanism.

Packages

Many of the CORT offers are structured in terms of packages and rooms. There were customizations in order to allow customers to navigate a package of rooms and products. For example, if a product is excluded from the master catalog then it must be excluded in all packages that include that product.

Integration with PeopleSoft ERP

CORT used PeopleSoft to generate their pricing. There was integration work required in this area.

This project would allow different teams within CORT to work cohesively. Elastic Path had an intuitive administration tool called the Commerce Manager. Asset managers use the Commerce Manager in order to include or exclude specific items within each store. Merchandise managers use the Commerce Manager to enter new products and pricing while asset managers control merchandise association (i.e., cross sell, parent, contents, and accessories). Sales associates receive the orders through Salesforce.com CRM then perform their follow up and close the sale using PeopleSoft.

CORT was painted into a corner with their previous ColdFusion solution, which didn't allow updates and changes to be made easily. It was a major effort even for the simplest of tasks, for example, adding photos to catalog sites. This required a code deploy, so the business users had to rely on the IT team just to add photos. This task was far more complex than it needed to be. With Elastic Path, that capability is available for the merchandising team with the Commerce Manager. CORT could get tremendous benefits right out of the gate.

Results

CORT was able to rely on the Elastic Path team throughout implementation, and the project was a huge success. The CORT IT team got the internal control they wanted from their ecommerce platform, allowing them to make configurations for ultimate performance. The CORT business users also received greater functionality and control through the Commerce Manager.

Following the launch, CORT's orders jumped approximately 100%, which immediately justified the project effort. The shopping cart was easier to navigate, helping increase conversion rates.

With the first phase of the project complete, CORT will continue to develop customizations:

- Integrate their clearance center and retail sales
- Tie the warehouse into the pricing and inventory backend
- Upgrade to the latest version of Elastic Path in order to take advantage of the dynamic content feature
- Increase the integration with the PeopleSoft and Salesforce environment

The Elastic Path platform provided a solid foundation for future ecommerce innovation that the previous solution did not. The strong technology stack allows the internal CORT team to flex their technical skills and develop any ecommerce feature or customization their business requires.

The CORT team made the decision to go with a leading edge ecommerce platform, and they will continue to reap the benefits of that decision as the Elastic Path team is always evolving the software. More innovative out-of-the-box features will be added, and the platform itself will continue to incorporate the best of breed standard technology components.

About Elastic Path

Elastic Path Software provides an enterprise ecommerce platform for the easiest and most cost-effective way to deliver custom ecommerce solutions. The Java-based platform comes with many out-of-the-box features and a full development environment. This enables internal IT teams to develop innovations for business users with a faster time to market. Major global brands such as Virgin Media, Time Inc, and Sony Ericsson rely on Elastic Path. For more information, please visit www.elasticpath.com.

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