

## Point-of-Sale Case Study

### 360Commerce / Apple Relationship Bears Fruit: Flexible Store Solution Helps Apple Keep it all in the Family

#### About Apple®

Apple ignited the personal computer revolution in the 1970s with the Apple II and reinvented the personal computer in the 1980s with the Macintosh. Apple is committed to bringing the best personal computing experience to students, educators, creative professionals and consumers around the world through its innovative hardware, software and Internet offerings.

#### The Market Challenge

Apple continues to maintain a unique position in the marketplace. With competitors gobbling up market share, Apple can still claim some of the most loyal customers in the industry. To increase their percentage of market share, Apple found itself faced with the daunting task of extending its brand to new channels, which meant tackling a format in which it had no experience.

#### The Market Solution

Hoping to expand brand positioning and market share, Apple devised a plan to build on its fiercely loyal base of Mac users to help extend the Mac community to new users. In a move that had speculation and suspense surrounding it for months before the announcement, Apple opened its first retail stores in May 2001.

#### The Technology Challenge

Apple's aggressive roll-out plans meant that the right store systems technology had to be found quickly and be rapidly customized and implemented. Finding a store systems software vendor whose applications are flexible enough to run on their proprietary operating system, the Mac OS, and on their hardware, took a great deal of searching. Many vendors turned down the opportunity to work with Apple because it would be a new and untested platform/hardware combination. Apple has a skilled internal development team, but the immediacy of their need meant that developing their own program from scratch was out of the question.

#### The Technology Solution

Apple's technology vendor search ended with 360Commerce. When Apple first contacted 360Commerce, their response was "Sure. We're happy to work with you." 360Commerce applications are built on a solid, flexible architecture that allows them to run on a wide range of platforms. The rapid response took Apple by surprise and they experienced some doubt in the validity of this claim. They flew to Austin, Texas with an Apple register, running Mac OS, and challenged 360Commerce to make good on their statement. By the end of the day, the 360Store™ Point-of-Sale application was up and running and a new partnership had been formed.



Working closely with Apple, 360Commerce's team was able to rapidly get their in-store systems customized, integrated and ready for the grand openings, which at this time still remained a secret to the general public. From the beginning, the plan was for Apple to provide an extensive development team. Twelve Apple developers were trained in 360Commerce methodologies and were able to get up to speed quickly and do a large portion of the customization and integration themselves. During the first five months of the project, 360Commerce, on average, had four developers involved, depending on the particular phase and complexity. They were assigned specific development tasks that best fit 360Commerce's extensive detail knowledge of the system and of retail. One full-time developer remained on-site until the roll-out for development, mentoring and integration.

This case is a good example of how 360Commerce's "freedom-of-choice" mantra extends into all facets of the company, including Professional Services. 360Commerce offers retailers a choice of a complete turn-key solution, knowledge transfer and mentoring of the retailer's internal development team, working with a third-party integrator and everything in between.

### The Results

The openings of the first Apple Stores on May 19, 2001 drew massive crowds and received rave reviews. More than 500 zealous Mac fans lined up as early as 4 a.m. for the chance to be the store's first customer and to support Apple's entry into retail.

The 360Commerce/Apple team was able to roll out an impressive number of new store openings within a very short amount of time. To date, Apple has opened twenty-seven stores with a customized 360Store Point-of-Sale running on four clients per store. The retail store openings generated a huge buzz on various Mac-user chat boards. The Point-of-Sale application has garnered quite a bit of attention in its own right, with

Mac fans speculating and chatting about who might have developed the application running on Apple's registers.

The stores are crucial to Apple's future. Steve Jobs, Apple's CEO is positioning the Macintosh as the preferred computer for handling all kinds of digital media - music, photos and video. Showing off Apple's special software to do all those things is essential to attracting first-time computer users or winning converts from the dominant standard, Microsoft Windows. "The

Apple stores offer an amazing new way to buy a computer," said Steve Jobs, Apple's CEO. "Rather than just hear about megahertz and megabytes, customers can now learn and experience the things they can actually do with a computer, like make movies, burn custom music CDs, and publish their digital photos on a personal website."

Twenty additional new stores are planned for 2002.

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### About 360Store Point-of-Sale

Built on Foundation, 360Commerce's multi-tier, network-centric architecture with built-in integration technology, Point-of-Sale has what retailers need to deploy next-generation, web-enabled POS functionality more quickly, while leveraging current investments. Written entirely in Java™, Point-of-Sale combines platform independence with technology insurance to offer the benefits of both best-of-breed and integration. 360Commerce's current version of Point-of-Sale allows retailers to give their customers increased options at the point-of-service including "best deal" pricing, preferred customer discounts, special order, layaway, and gift registry validation. More importantly, they can provide instant-gratification services such as fulfillment of web-generated orders, processing of returns for items purchased on the web, and save-the-sale functionality such as cross-store inventory look up and access to the retailer's web site. These features enable the stores, the web, and the enterprise to work as one to better serve profitable cross-channel customers.

[www.360Commerce.com](http://www.360Commerce.com)

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