Fishing for Customers

Orvis.com looks to a network-optimization solution to head off Web-site woes

By Samantha Murphy

Before August 2005, Orvis.com customers were caught in a traffic jam. Like other e-tailers, the company experienced time-outs, page errors and credit-card authorization problems. But beyond that, ISP address congestion caused a delay at Orvis.com that prevented thousands from logging on to the site.

The nation's oldest mail-order company, dating back to 1856, may be no stranger to the retail world, but relying on e-tail as a profit source presented the company with an array of new challenges. Dealing with network outages, performance issues and latency, the sporting-goods and outdoor lifestyle retailer said it struggled with controlling and managing its sometimes faulty connections. Orvis, which raked in $50 million in on-line sales out of its $250 million total revenues in 2005, feared losing clientele if the issues went untouched. "Even though this problem only happened a few times over the years, any percentage is a lot-and we knew we needed to fix that fast," said Orvis senior systems analyst Sean Warner.

Orvis, which has 45 company-owned stores nationwide, turned to Atlanta-based service Internap for some rerouting damage control. The new solution directs traffic along whichever connection responds the fastest, rather than relying on the shortest or most direct path. "We can't control how a Web-page request gets to us; we can only decide which path to start on when we send a response back," Warner said. Since it has multiple ISPs, Orvis.com decides not the entire path, but the "next hop" that should be taken. "Once we decide the next hop, that ISP will decide the rest of the path to the customer. The Internap FCP [Flow Control Platform] measures the speed of each path for each destination and decides this for us." Thus, customers are facilitated away from any potential issue.

Warner said people now spend more time looking on the site instead of fighting to just launch a page. On-line sales, page views, click-throughs and purchases have since increased, while error messaging and consumer lock-ups have declined. Internap, which also serves as a technology partner for 40% of the top 25 e-tailing sites including Best Buy, The Gap and Overstock.com, also helped to decrease shopping cart and pre-purchase abandonment, the company said.

Strengthening the site's performance also ups Orvis' competitive edge. Because total on-line retail sales industrywide in 2005 are estimated at $172 billion and are projected to reach $316 billion in five years, companies are paying extra attention to making sure customers can access their Web site efficiently. Internap pointed to a Greenfield Online survey that found 50% of those faced with slow-loading pages abandon their intended purchase or buy from competitors. And a Jupiter Research study showed that 70% of shoppers spend less at a retailer's off-line store if they are dissatisfied with its on-line experience and nearly a third of customers leave an e-tailing site completely if performance is less than adequate.

Now that Orvis has its site under control, the e-tailer plans to look into other facets of the system. "There are other things the device can do that we aren't taking advantage of, but that is something we will look into later this year," Warner said. The potential areas of exploration include managing the cost of the site's bandwidth.

Internap recently reported some unsettling news: CEO Gregory A. Peters resigned at the end of 2005 and the company posted a $5 million net loss in February 2006. But Warner said these developments should not affect Orvis' strategy or its technology. "We're not worried," he said. "If Internap stops doing its job, that's when we look elsewhere. But until then we are very pleased with the results."

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