When Whit Snell opened his first Bike World store in San Antonio, Texas, in 1971, he never imagined that one day his company would use cutting-edge technology to help deliver cycling equipment to customers all over the world. But Bike World has always prided itself on riding ahead of the pack—so, in 1972, when Snell saw a cash register at a movie theater with bright green digital numbers instead of metal flags and manual keys, he was quick to order one for Bike World. Years later, in 1995, Snell’s son Chris called him from Vanderbilt University where he was a student immersed in UNIX programming and suggested that the store register the domain name bikeworld.com. The elder Snell jumped at the opportunity. With literally hundreds of stores using the name Bike World around the world, there is but one bikeworld.com. Back in 1995, Bike World staked its claim as one of the first retail stores on the Internet.

Today, Bike World’s IT systems continue to play an important role in the company’s success. “Initially, we were like most small bike stores,” says Snell. “We only had one location with three registers and three or four computers. Once we started the online business, we realized that we needed a whole other backend system. In the past, it was inconvenient but not critical if a computer crashed because we could still run the business in the interim, but now we really can’t afford any downtime, because it brings our business to a halt.”

CUSTOMER OVERVIEW
Since 1995, premier pro cycling shop Bike World has been using cutting-edge technology to deliver cycling equipment to customers all over the world. www.bikeworld.com

CHALLENGE
A Texas bike store chain sought to replace outdated point-of-sale (POS) systems that hindered inventory tracking and slowed the customer experience

SOLUTION
Installed a new POS system based on Dell™ PowerEdge™ 2800 and PowerEdge 830 servers running Microsoft® Retail Management System software; Dell touch screen registers; Dell OptiPlex™ GX620 desktop computers

BENEFIT
Dell-based POS infrastructure improves inventory tracking and sharing among three retail stores; allows for more accurate employee performance tracking that helps Bike World align compensation with sales; and helps speed the purchasing process and improve the customer experience
Aging POS system hampers effective inventory tracking

As Bike World staked its claim in the virtual world, the company also expanded its physical stores to include three locations. A few months before the most recent of these stores opened in July 2006, Bike World IT administrator Dan Grant took the opportunity to reevaluate the company’s POS system. "Our IT infrastructure was already based on Dell. That equipment had served us well, but it was nearing the end of its lifecycle," explains Grant. "The POS infrastructure was really outdated at that point. We needed a system that would better integrate with the Web site and give us a real-time view of inventory across all our stores.”

Given its history of success with Dell computing infrastructure, it was natural for Bike World to look to Dell for a replacement POS system. “I’m not especially technically savvy,” says Snell. “I don’t have time or the skill to go out and compare apples to apples or beat the bushes trying to find a good deal. I like that I can go directly to Dell and know that I’m going to get first-class equipment and a good value.”

Dell provides a comprehensive point-of-sale system

Today, each of the three stores uses Dell PowerEdge 830 servers running the Microsoft® Windows® XP 2003 operating platform to host the Microsoft® Retail Management System (RMS) software. Bike World uses Microsoft RMS and a custom business application software bundle designed specifically for bike shops to track its inventory and log sales. The software electronically links Bike World to all of its vendors, helping to automate inventory replenishment for popular products.

The three stores are linked through another software package called Headquarters HQ, which runs on its own Dell PowerEdge 2800 server with a Microsoft Windows XP 2003 operating environment and a Microsoft® SQL Server™ database. Every five minutes, these databases synchronize through the HQ software to enable combined real-time reporting for all three stores.

According to Chris Snell, the PowerEdge servers offer a great platform for Bike World corporate systems because of their impressive reliability. "Our PowerEdge servers have been extremely stable," he claims. "In fact, in just about ten years of PowerEdge ownership, the only maintenance that we’ve had to do was to replace one failed drive and one bad stick of RAM. That’s it. Nothing else has gone wrong.”

According to Grant, the new Dell infrastructure provided a smooth implementation with almost no hardware hiccups. "The PowerEdge servers have been seamless," he says. "We had to ramp up in a very short time, so the last thing we needed was out-of-the-box failures. We ordered hundreds of pieces of equipment, and the only difficulty we had involved one bad keyboard. Everything else worked flawlessly. It made my job very easy—I was really impressed.”

Dell OptiPlex desktops support the new POS system

At the main store, approximately 40 Dell OptiPlex GX620 (small form factor) and OptiPlex 170L and OptiPlex 210L (mini-towers) desktop computers and Dell PowerConnect™ 5324 managed switches provide support for the mail-order department, accounting department, and graphics department, as well as the ordering and inventory departments. “Before Dell we had a bunch of mixed systems,” Grant explains. “It was really just a hodge-podge of systems and nothing matched. By comparison, the Dell POS system is really slick, and it gives us the appearance we are trying to project. Plus, we felt that the reliability and support you get with Dell, coupled with the administrative advantages of standardizing on the OptiPlex, would really help our business”

Dell Support helps avoid crippling downtime

In order to ensure continuing business operations—which is crucial to the success at Bike World—the company relies on Dell Silver Enterprise Support for its PowerEdge 830 servers and 4-Hour On-Site Response® for its PowerEdge 2800 servers. "Honestly, most of the problems we’ve encountered have been related to the software not our Dell hardware,” Grant explains. “The hardware just seems to work. Just the same, our business simply can’t afford to have a one of our servers go down for even 30 minutes. It’s nice to know that Dell Support is there in case something does happen.”

Dell architecture enables organizational efficiencies and improved customer experience

The new POS system has delivered significant inventory tracking benefits. “Instead of running three separate inventories, we now balance our inventory between three stores,” notes Snell. “When you look for an item, it’s very easy to see exactly where the items are and how many are in..."
Instead of running three separate inventories, we now balance our inventory between three stores. When you look for an item, it’s very easy to see exactly where the items are and how many are in stock.”

— Whit Snell, Owner, Bike World

Bike World has also seen an improvement in its ability to measure and track personnel performance with the new POS system. “The bike business has traditionally been kind of mom-and-pop,” says Snell. “It’s been very hard for stores to embrace changes in technology and—more importantly—changes in how the business is run. People have to be held accountable for job performance. We needed to have equipment to measure that accountability, and that’s where Dell came in. We reward outstanding performance here—employees don’t just get automatic raises. Now we have the software to measure that performance and evaluate it in a way we couldn’t before.”

Moreover, according to Snell, the touch screens on Bike World’s new registers have helped make the purchasing process more efficient for customers. “Once you’ve had a touch screen register, you can’t go back,” he says. “Sales move so much faster than they did on the old system. I attribute that to the ease of using the touch screen and the flow of the whole system.”

As Bike World continues to expand in the future, Snell expects to continue the store’s strong relationship with Dell. “The new POS system has revolutionized our business. When customers stand in front of our Dell POS system and experience the smooth flow and presentation of the transaction, they have confidence in our prices, system accuracy, and sales people,” he says. “It exceeded our expectations. We’re excited to work with Dell on whatever comes next.”