

STAGE STORES

AT-A-GLANCE

CUSTOMER'S BUSINESS

Offering brand name apparel in small to midsized communities, Stage Stores operates under the Bealls, Goody's, Palais Royal, Peebles and Stage banners.

CHALLENGES

Position the firm's nascent ecommerce offerings with a higher-performing technical presence that will handle projected rapid traffic growth.

RACKSPACE® SOLUTION

Rackspace Private Cloud, Dedicated Servers, Firewalls, Load Balancers, Oracle

BUSINESS OUTCOME

Ensure reliability and consistency between previous and incoming ecommerce digital processes, with a secure and reliable Oracle ecommerce platform.

Stage Stores Strengthens Ecommerce Platform to Address Growth Rackspace delivers an efficient turnaround re-platforming to Oracle Commerce.

Stage Stores brings brand name apparel, accessories, cosmetics, and footwear for the entire family to small towns through its Peebles, Bealls, Stage, Palais Royal, and Goody's branded stores. The Houston-based retailer operates nearly 900 locations in 40 states, mainly in small and mid-sized towns, with a significant presence in Texas and Louisiana.

"Our CEO is laser-focused on growing the company and growing sales, and from an IT perspective we enable this by implementing new systems and processes," said Steven Hunter, Executive VP and CIO with Stage Stores. Hunter, whose priority is to enable higher sales and profits online says, "Ecommerce did resonate with our small and mid-sized town customer, and they actually wanted more."

Along with that demand came the sort of "good problem" all executives crave. Stage recognized their current digital platform

would not be able to support projected increases in site traffic and online sales.

ROBUST ECOMMERCE POWERED BY RACKSPACE

Thus, when management empowered Hunter to implement a bigger, bolder ecommerce approach — but to execute

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Stage Stores EVP & CIO

in under six months — the Stage Stores IT team rose to the challenge. Needing an urgent upgrade, the company chose Rackspace over Amazon and Windstream to provide hosting, infrastructure support and to give Stage much-needed ecommerce strategy and security tools.

"Where other leading providers were not as well-suited to deal with merchandising systems or stores systems, Rackspace has done a great job with ecommerce and we want to expand that business with them as we grow," said Hunter.

THE ORACLE COMMERCE PLATFORM

In conjunction with Amplifi Commerce, the digital agency of record for Stage Stores, Rackspace formulated a comprehensive plan for the implementation of the Oracle ATG platform in an astounding six month period. The Oracle platform allows the most

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complex digital businesses to innovate in time with market changes and expand quickly and easily to new touch points and geographies.

"We were challenged with being able to implement Oracle as our ecommerce platform in less than six months right before the 2013 holiday season," Hunter explains. "We were expecting increases of 40 percent in sales and 70 percent in traffic. We actually got 90 percent more traffic and we actually had 40 plus percent in increased sales. The system held up very well and allowed us some things that we would not be able to do before: 'Buy one, get one free,' bounce-back coupons or simply offering different pricing options."

Hunter goes on to say, "It was truly amazing how the teams came together — our Stage internal IT team, our ecommerce business team, our marketing team, Rackspace and Amplifi. Our customer satisfaction rating with our new Oracle platform that Rackspace helps support went up five points, from a 90 to a 95. From what we understand, a customer rating of 95 is world class."

SECURE GROWTH, STRATEGIC COLLABORATION, STRONG RESULTS

The result of the collaboration between Stage Stores, Amplifi Commerce, and Rackspace is that Stage's external customers are able to get to the merchandise that they want much faster, while internally witnessing increased uptime and increased conversion on the Oracle platform.

"This is the fourth ecommerce implementation of my career and Stage Stores has been the smoothest," Hunter said. "The reason is, we had a great team with Amplifi and Rackspace. The specialists at Rackspace were flexible, but also very stringent when they needed to be on certain aspects where they had more experience than our internal IT team. And they guided us in the right way."

As a result, an online process that once required an average of four to five customer clicks now actually takes only two. Page load times have decreased by 60 percent. Customer feedback has been extremely positive, a contrast to the previous site experience. "We've been able to give our platinum card holders free shipping and have started to personalize site offerings," Hunter says.

Rackspace continues to work with Stage on an everyday basis to monitor PCI and has provided strategic suggestions that Stage has implemented. According to Hunter, Rackspace demonstrated intense knowledge around security. "We've all seen in the news where Target and Neiman Marcus have encountered trouble recently, and we wanted a strategic partner who is very knowledgeable about security best practices, and is making security top of mind. Rackspace has a great track record."

"I'm proud to say that we delivered within six months, without material bumps," said Hunter. "When you actually have that many people in a room, you will have differing opinions on how things should be done from both a technical perspective and a business perspective. Our team at Stage could not have done it without the help and guidance from Amplifi and Rackspace."

Stage executives are bullish on growing their ecommerce business. "Stage now has a stable, reliably performing ecommerce platform, there's growth coming and so we feel more confident in our future Omni-Channel strategies," concludes Hunter.



