

The product is designed to provide powerful data-analysis tools while making it easy for business users to access data sources and build applications using a drag-and-drop application design interface that includes page templates and a Web-publishing wizard that rapidly posts reports on the Web. One of the key features of Crystal Analyst is close integration with Microsoft SQL Serve OLAP Services 7.0 and SQL Service Analysis Services 2000 to enable business managers to perform OLAP analysis from multiple data sources, McCormick says.

However, the reports' interface is highly automated with built-in analysis buttons and alternate "cube views" on each report page to make it easy for business users to build and read without a deep understanding of the OLAP analysis process. Crystal Decisions thinks customers particularly value its tools because they work over many different data platforms and with any industry vertical.

"We are not an application development company," McCormick says. "We are a company that sells the infrastructure to build the application." **IW**

West Coast Bureau Chief **John Pallatto** can be reached at jpallatto@iw.com.

SOUND OFF

What business-intelligence tools does your company use, and why do you use them? How useful have you found these tools to be? How have they specifically contributed to greater efficiencies and/or profitability?

RESPOND TO LETTERS@IW.COM

CONTACT

Brio Software Inc.; Santa Clara, Calif.;
408-496-7400; www.brio.com

Business Objects SA; San Jose, Calif.;
408-953-6000; www.businessobjects.com

Color Line AS; Oslo;
47-22-94-44-00; www.colorline.com

Crystal Decisions Inc.; Palo Alto, Calif.;
800-877-2340; www.crystaldecisions.com

Informatica Corp.; Redwood City, Calif.;
650-385-5000; www.informatica.com

ING Antai Insurance Co.; Taipei, Taiwan;
886-2-2769-2827; www.ing.com

International Business Machines Corp.; Armonk, N.Y.;
914-499-1900; www.ibm.com

NetIQ Corp.; San Jose, Calif.;
408-856-3000; www.netiq.com

Oracle Corp.; Redwood City, Calif.;
650-506-7000; www.oracle.com

Penske Logistics; Reading, Pa.;
610-775-6000; www.penskelogistics.com

Site59.com Inc.; New York;
212-324-3270; www.site59.com

INTERVIEW

Colleen Challenger >>

SITE59 RELIES ON A BUSINESS-INTELLIGENCE TOOL TO HELP ENSURE MANY HAPPY LANDINGS FOR IMPULSE TRAVELERS

BY JOHN PALLATTO

CONSTANTLY KEEPING TABS ON SALES TRENDS IS AN essential activity for Site59.com Inc., an online travel service that specializes in selling last-minute weekend travel packages, because customer interests and tastes change almost as fast as the travel options available on the site. Last year, the company began to use NetIQ Corp.'s WebTrends business-intelligence tool to sift through the gigabytes of data it collects from customer transactions. The results allow Site59 to monitor the site performance, as well as to learn which travel packages customers favor, says Colleen Challenger, the company's vice president of marketing and communications.

Site59 also uses WebTrends Live, a Web-based service that analyzes Web traffic, shopping-cart transactions, and the conversion rate of site visitors into buyers.

Launched in the spring of 2000, Site59's business proposition is to give last-minute travelers access to some of the millions of airline tickets, hotel rooms, and entertainment tickets that go unsold each year. The service is also geared toward the "spontaneous" traveler who has the means and the impulse to book a getaway trip to a Caribbean island, a weekend ski outing in Colorado, or to explore the jazz nightclubs of New Orleans.

The caveat is that the trips are less than a week long, including a weekend stay, running from Thursday to Tuesday or any increment in between. These travel packages can be booked from 14 days to three hours before departure. Site59 also guarantees availability for all packages on the site. If a package sells out, it automatically drops off the site, and new packages are constantly added.

A site that generates such a huge volume of raw data about customer choices and preferences prompted Site59 to implement a business-intelligence system that would allow it to sort out essential information to support the venture's long-term success. *Internet World* recently interviewed Challenger about how Site59 uses WebTrends to help ensure it gives customers a high-value service.

INTERNET WORLD: How do you use WebTrends to track sales trends or customer preferences on the Site59 Web site?

COLLEEN CHALLENGER: We can see how consumers are using the site—where it appears they have stumbling blocks on certain pages, where they're spending most of their time—and then ultimately which packages they're buying. It really does sort of give us a large-scale snapshot of the user trail.

PHOTO FOR IW BY GIORGIO PALMIANO; LOCATION COURTESY OF ELITE IN NEW YORK CITY



iw: How did you focus on WebTrends in particular? Did you consider other business-intelligence or traffic-analysis tools?

cc: There were a couple of others on the list very early on. Our chief technology officer did the preliminary research on these programs. In looking at the comparison, WebTrends, in particular, and WebTrends Live most recently, have been just far and away the best tools for our needs. One of the reasons for that is

They get a last-minute product. We have the dynamic packaging technology that they don't have. We get the benefit of their volume, their traffic, and their reputation and brand. And everybody gets the benefit of the Web.

iw: But how do you work with the bidding model on priceline.com for example?

What we've tried to do is include a package-specific link on the affiliates' sites so it just doesn't go to the Site59 home page, it goes to a specific package.

that we have multiple channels of distribution for our products. Those channels all need to be monitored as well. We're monitoring 200 other ASP partners, and many more are in the works, including Travelocity, Orbitz, and Yahoo Travel. So we have to watch their activities and also note the differences between how the user base that goes through a site navigates the site, relative to how we do on our core products.

iw: Why do you take this channel approach, rather than just focusing on selling the travel services through your own site?

cc: It's primarily to, in the most cost-efficient way, drive a significant amount of volume to our product offerings by co-opting the already existing strength of the brands that we're partnered with. It's an opportunity for me to have an even more cost-efficient marketing budget because they already have the unique visitor base, which means I don't have to develop it for my own brand.

iw: Tell me more about your partners.

cc: We are partnered with Travelocity, Orbitz, Yahoo Travel, Bestfares.com, Lowfare.com, and priceline.com, American Airlines and Northwest Airlines. There are a couple more in the works that I'm not allowed to talk about yet.

iw: How are you linked to these other travel sites?

cc: We actually have a gateway connection. It's a live dynamic connection. So if you go to "Last-Minute Deals" on Travelocity, and if you click on that option, you are linking to our servers, but it looks like you're still on Travelocity. We design the brand pages so that it looks as if it is Travelocity. And then we have a revenue-sharing agreement with them.

iw: How does this relationship work for you in practice?

cc: It's an excellent relationship across the board for all of us.

cc: We don't adhere to their model when you get to our section of the site. It says very clearly that the bidding does not apply. It is just a straight interface to our product with their brand image. And the buy process is completely the same. We would not change our user experience for the relationship that we have with them.

iw: Aside from the last-minute deals, what do you provide to your partner sites?

cc: We have developed proprietary technology that's dynamically connected to the airline servers, the hotel servers, and rental car and other servers that we work with to bundle all of our packages. Anytime two or more components become available, a package appears on our site. Anytime one of those components sells out, the package drops off. So there's no human interaction, which is the only way this is scalable.

iw: Why is it easier for your partners to cut a deal with you, as opposed to trying to replicate a similar service on their own sites?

cc: Because developing the technology is quite an undertaking, which I can attest to because I have been here from the very beginning.

iw: What are some of the key discoveries that you made as a result of using WebTrends?

cc: The first one is the referring URL, because we have over 6,000 affiliates that link to the site. What we've tried to do is include a package-specific link on their site so it just doesn't go to the Site59 home page, it goes to a specific package. The click-through on that package is then tracked through the rest of the activities on the site. So we know which affiliate referred, for example SmarterLiving.com. That particular audience will typically click through most heavily on Florida packages or warm beach and sun packages. So we know, after a variety of testing, not to bother putting package links up

there for perhaps some of our city destinations. That also holds true for our e-mail channel. We link them into a specific package so we can track the success of particular package links via our e-mail program.

cc: I would say we enhance our revenue. The way that we do that is through all visitor channels that I've described as being able to monitor very heavily the activities on the home page through the site, to look for packages that aren't selling, pack-

We enhance our revenue using WebTrends Live by monitoring the activities on the home page through the site; we look for packages that aren't selling and those that get clicks.

As far as passage through the site, the most critical element for us is what page do they drop off from, and which page do they spend the most time on? The drop-off page is critical because before we did a user-interface design people would get all the way up to our billing page, and then they would go away. We had to know why does that keep happening? They had selected their flights, they had selected their hotel, and they had read the overview. It turned out that there were major problems with the language that we had used on the billing page that made people think they were going to get a bait and switch. This is what happened with the user study that we did. WebTrends Live was the first indicator that we had a problem on that page.

We also studied the amount of time spent on a particular page. We anticipate people spending the most time on their list pages because that's where we list hundreds of our packages. At one point, we noticed that people weren't spending time with one particular partner's page. They were all clicking on one of the top three packages. It turned out that they thought that we only had one page of package offerings because of the way that the subsequent pages were laid out. We had to prompt users to "Click Here for Page 2, 3, 4, 6, and 6." We didn't put it up front enough that there are 300 packages available on the dates they had chosen. We realized that that was a huge issue.

iw: So you were able to redesign the site to provide better exposure for the various packages you offer?

cc: We adapted the site accordingly. Then we did follow up user studies. We didn't just look at WebTrends Live for that because there can be lot of confounding variables. There may have been a tech problem. So we watched it for a while, and then we did some usability studies to verify our hypothesis. When it turned out to be true, we redesigned those pages.

iw: Do you feel that you are able to save money or enhance your revenue as a result of having WebTrends Live running on your site?

ages that are being clicked on. Then we make sure those packages are featured or put in e-mails or put on the home page of relevant partner sites based on that activity. It directs me to make sure that the product that is most desirable is front and center for the consumer that isn't necessarily going to surf for hours for a last-minute product. WebTrends Live definitely helped us do that.

iw: What kind of return are you getting on the investment in the software?

cc: We have not studied that yet. It is something that we wanted to do, but we're still a start-up, so other things usually come first. We know it's working, and we know it's helped us.

iw: Are you profitable?

cc: We're still a private company, and we're still in our investment stages. But we are well on our way to being profitable and happy with where we are. Our investors are the iFormation Group [an investment firm that was founded by Boston Consulting Group, General Atlantic Partners, and Goldman Sachs]. They have been our supporters from the very beginning. We were actually incubated by the Boston Consulting Group.

iw: Have the recession and Sept. 11 terrorist attacks forced you to modify your expectations or your business plan?

cc: No. Shortly after Sept. 11, we modified all our revenue models and budget projections. And then a rebound was so quick to occur that we are back on our original target and actually beating some of our original goals for this time of year. **IW**

West Coast Bureau Chief **John Pallatto** can be reached at jpallatto@iw.com.

CONTACT

Sites59.com Inc.; New York;
212-324-3270; www.site59.com