

Centralized cloud operating model prepares retailer for new business capabilities

A global supermarket chain



Business opportunity

One of the largest German-based retailers is divided into multiple semi-autonomous companies in 15+ countries, running 10,000+ stores across Europe. Each country ran largely the same applications but as private instances in their own decentralized IT locations.

The CIO envisioned a centralized operating model that would enable applications to be consolidated, making it faster and easier to develop new business capabilities, simplify supply chain logistics, reduce IT spend on new hardware and grow with customer demands based on a Cloud-First approach.

The first step required an in-depth workload analysis followed by migrating to a new cloud platform to increase scalability, reduce long-term IT costs, and enable IT processes to be standardized and optimized.

Technical challenge

The retailer had previously taken a pragmatic, hands-off approach to IT, allowing each operating company to build and run its own infrastructure. This fragmented approach gave each entity control, but it did not support new business objectives such as the creation of a company-wide mobile app for cashiers.

Adopting a centralized cloud strategy would require the retailer to analyze and migrate 170 applications across 75 legal entities in 8 countries. Applications had been deployed in different ways with different versions, key documentation was often missing, and there was a complex web of local and regional application vendors to coordinate with.



Our solution

Kyndryl Consult worked with the retailer across all 75 legal entities to plan the migration to the Microsoft Azure cloud platform. Kyndryl architects used the Kyndryl Infrastructure Transformation Accelerator framework to guide the deep analysis of local workloads and dependencies as a baseline to plan and execute the workload migration to the cloud.

To help ensure a successful outcome and viable ongoing IT operations, Kyndryl Consult created a new Target Operating Model (TOM) for the retailer which defines IT processes, roles, responsibilities and measurements according to IT Infrastructure Library (ITIL) standards. Kyndryl also embedded the TOM into the retailer's ServiceNow environment to help them work efficiently with their chosen managed services provider.

The power of partnership

The Kyndryl team worked closely with the Microsoft team on the Azure cloud platform to provide this retailer with world-class stability, security and performance for their centralized applications and data. In addition, MS Azure offers a broad range of business automation and analytics tool that can be easily and non-disruptively integrated with the retailer's own applications to create new value-added services.

What progress looks like

Kyndryl's understanding of both the technology and the retail industry ensured a fast, low-risk migration to the cloud of approximately 1,800 virtual machines. In the ongoing second phase, Kyndryl and the retailer are working on consolidation and modernization.

- 170 applications migrated across 8 countries without business disruption
- > 30% post-migration performance enhancement
- Improved transparency and control in IT spend
- Ensured fast and smooth experience for customers and employees even at peak times
- Eliminated wasteful investment in under-used hardware and software
- Centralized to enable new business services
- >20% reduction in lead time to deployment of new cloud-services

About the customer

A global supermarket chain with 10,000+ stores in 15+ countries.



Meet the team



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What's your next
digital business challenge?

Let's tackle it together. →

kyndryl.

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