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# Can a 40-year-old company become a digital native?

Retailer upgraded its bricks with clicks and reduced IT maintenance costs by 50%

## At a glance

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A specialty retailer shifted to the cloud, digitized its supply chain and mobilized sales to become a digital juggernaut.

### Outcomes:

- 5% jump in top-line revenue
- 30% faster time to market for new digital features
- 50% reduction in maintenance costs
- \$22.8 million cost savings per year.

## Up against the digital upstarts.

Many traditional brick-and-mortar retailers are challenged by new digital competitors. Some have been tempted to implement quick fixes that were just as quickly scrapped in favor of more comprehensive modernization efforts. Others failed to adequately estimate the risks of modernization and faced business disruption that exacted both monetary and reputational costs.

This is the story of how one retailer partnered with Atos Syntel to modernize its operations and beat the digital upstarts at their own game.

## Late to the party

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A leading U.S. retailer had more than 250 legacy applications that supported business areas including logistics, supply chain, stores, merchandising, finance and corporate systems. These outdated applications became a serious bottleneck that impacted the retailer's business, including:

- 2,200+ stores
- 40,000 products
- 3 million unique customers
- 12,000 weekly truck shipments
- 23 million annual parcel deliveries.

As a result, it was pressured by "born digital" competitors like Amazon – selling the same products at the same price, but with delivery as much as one week faster. Customer experience was also lagging. For example, until recently, the retailer's delivery time estimates were not as accurate as the competition.

It also needed to evolve to meet changing customer expectations by selling services in addition to products. To compete, the retailer desperately needed to modernize its technology landscape.

## Getting up to (digital) speed

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Atos Syntel was brought in to eliminate the online retail gap in three key areas: **cloud adoption**, **app modernization** and **infrastructure modernization**.

Atos Syntel assembled a core team of product managers, user experience (UX) experts, site reliability engineers and other key staff working at the client's U.S. headquarters. They were supported by a team of solution architects, developers, and other technology experts based in Chennai, India, where its retail consulting practice is based.

## A digital first approach

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The entire project was driven by an enterprise-level directive to use the following technologies:

- Microservices-oriented architecture
- Automated testing, focused on continuous integration and continuous deployment (CI/CD)
- Adopt Pivotal Cloud Foundry as the core cloud platform.

July 2017



Project start

July 2017



Product roadmap planning begins

July-August 2017



Offshore team setup

August 2017



Agile development work begins

August 2017



Pivotal Cloud Foundry deployed

In addition, several key criteria had to be met:

1. Reduce the retailer's overall technical debt
2. Replace commercial off-the-shelf software products
3. Ensure 100% compliance with business rules
4. Deliver the entire modernization project quickly.

To meet these project requirements, Atos Syntel deployed its MIII (Manage Migrate Modernize) services. The first step is a thorough analysis to determine which legacy apps to retain, migrate to new platforms or completely re-engineer.

MIII optimizes operations and releases the budget and resources to create a sustainable, self-funding modernization.

## Accelerating with Agile

In order to quickly begin ramping up the initiative, Atos Syntel built a delivery model around the retailer's need for speed. Its two key principles were:

1. **Full-stack development**, a discipline that values holistic systems knowledge rather than specialization.
2. **Distributed Agile**, an approach that breaks software development work into smaller pieces executed by global teams to maximize speed.

The teams set to work, slotting different aspects of the retailer's initiative into three main workstreams:

Cloud adoption	App modernization	Infrastructure modernization
<ul style="list-style-type: none"> <li>• Transform and migrate more than 40 logistics apps to Pivotal Cloud Foundry</li> <li>• Port packaged supply chain product data to Google Cloud for improved availability and faster execution</li> <li>• Enable distributed automation to be executed in the cloud</li> </ul>	<ul style="list-style-type: none"> <li>• Develop a new iPad-based app for the field sales team</li> <li>• Migrate apps from mainframe to cloud</li> <li>• Enable new functionality like mobile planograms</li> <li>• Modernize services associated with products</li> </ul>	<ul style="list-style-type: none"> <li>• Set up a large-scale remediation factory to handle infrastructure incidents</li> <li>• Implement accelerators to increase process efficiency</li> <li>• Build an automated health-check tool to ensure production apps are functioning</li> </ul>

## Meet the newest digital native

This project enabled the retailer to accelerate its modernization effort, improve efficiency and reduce risk while moving legacy applications to the cloud.

The comprehensive IT transformation included a shift to cloud, mobile selling and digital supply chain management. All underpinned by robust integration with back-end systems and a significant increase in process efficiency driven by Agile development and Atos Syntel's MIII methodology. These changes boosted developer productivity and **reduced maintenance costs by half**.

The new iPad-based mobile sales app enabled field representatives to generate

quotes 75% faster, delivering higher customer satisfaction and increasing conversion rates.

Altogether, the modernization was responsible for a 30% reduction in time to market for new products and services, and a 5% increase in top-line revenue.

Best of all, customer satisfaction increased dramatically as the retailer was able to fulfill orders as fast as, if not faster than, its online competitors could.

Atos Syntel provides ongoing support for the retailer's new digital systems and will continue to innovate with new features and enhancements.

## Why Atos for mainframe modernization

Atos Syntel's MIII (Manage Migrate Modernize) solution delivers a sustainable, self-funded modernization.

It maximizes mainframe platform performance while delivering process innovation, greater run-the-business efficiency and dramatic cost savings that can be reinvested into your move to a modern, cloud-based technology stack.

Learn more about our MIII services at <https://www.atos-syntel.net/technologies/manage-migrate-modernize>

January 2018



New iPad apps rolled out

July 2018



Move of 100+ legacy apps to Pivotal complete

December 2018



Commercial supply chain software replaced

March 2019



Project complete

April 2019



Post-implementation support begins

# About Atos

Atos is a global leader in digital transformation with over 110,000 employees in 73 countries and annual revenue of over € 11 billion.

European number one in Cloud, Cybersecurity and High-Performance Computing, the Group provides end-to-end Orchestrated Hybrid Cloud, Big Data, Business Applications and Digital Workplace solutions. The group is the Worldwide Information Technology Partner for the Olympic & Paralympic Games and operates under the brands Atos, Atos Syntel, and Unify. Atos is a SE (Societas Europaea), listed on the CAC40 Paris stock index.

The purpose of Atos is to help design the future of the information technology space. Its expertise and services support the development of knowledge, education as well as multicultural and pluralistic approaches to research that contribute to scientific and technological excellence. Across the world, the group enables its customers, employees and collaborators, and members of societies at large to live, work and develop sustainably and confidently in the information technology space.

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Let's start a discussion together



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