

Cloud migration to Microsoft Azure offers Action optimal possibilities for growth and innovative power

Action Service & Distributie B.V. is the fastest growing retail chain in Europe. The non-food discount retailer has more than 1,700 stores and 9 distribution centers in 8 European countries. The ambition is to grow by 250% in Europe in the coming years, to 20 distribution centers and with hundreds of new stores. To achieve this, Action recognized the need for a cost-efficient IT landscape with sufficient capacity, flexibility, and innovative power.

Action started its cloud journey in 2017 with Capgemini as a strategic partner. Back then, a private cloud solution hosted within Capgemini's own data centers provided sufficient opportunities for growth and development. However, Action felt the need to develop and implement new IT solutions even faster in response to market developments. For example, Action is putting a lot of effort into bringing real-time information to its stores. Public cloud offers those possibilities and the required degree of flexibility. As a result, in 2019 the cloud migration process was started from the partnership with Capgemini. The importance of this was quickly emphasized by the pandemic.

Customer:

Action Service & Distributie B.V.

Sector:

Consumer Products Retail

Challenge:

Action felt the need to be able to develop and implement new IT solutions even faster in response to developments in the market.

Solution:

In collaboration with Capgemini, the cloud migration process was therefore started and Action migrated from the Private Cloud to the Public Cloud with Microsoft Azure.

Benefits:

- More cost efficiency
- More flexibility
- Fast time-to-market
- Better system reliability
- Improved scalability
- Real-time insight into data



Seamlessly to the cloud

Based on its long-term collaboration with Capgemini, Action had a strong preference for Microsoft Azure as the cloud platform for its migration. Together with Microsoft, Capgemini realized an effective cloud migration model for Action with clear investments combined with maximum flexibility. Migrating the entire production environment to Microsoft Azure went almost seamlessly. *"I am almost surprised by how smoothly that went,"* says Jens Burgers, Director Technology & IT at Action. *"For our internal organization, it was an invisible transition resulting in an incredibly fast-reacting landscape that gives us the required degree of flexibility."*

Action's business model is strongly based on physical stores with a very broad and flexible product range and competitive offers. This attracts millions of customers to the stores to view the products and make their purchasing decisions on the spot. However, the pandemic and the forced closure of all stores in 2020 created a sudden need for an online shopping platform. The cloud migration offered Action and Capgemini the opportunity to set up a successful pilot project for online shopping via click & collect in France, cost-efficiently and at lightning speed. This was then rolled out across Europe in no time – illustrating the power of public cloud.

Data-driven business processes

Capgemini realized a future-proof cloud platform that optimally supports Action's business goals. Action's primary SAP system is combined with many Software-as-a-Service (SAAS) solutions operating in the cloud. *"Normally, we had to reserve time and be well-prepared to expand our infrastructure, but we can now do this on the fly,"* says Jens Burgers. *"When we send out a newsletter, seven million customers come onto the website in groups at the same time. Our IT landscape now shifts up a gear very quickly without incurring disproportionate costs."*

From within its sustainable customer relationship, Capgemini remains closely involved in project support and application development to keep building on Action's future together. The cloud-based IT landscape now enables Action to work with data-driven business processes and offers powerful new possibilities, says Jens Burgers. *"We now have access to real-time dashboards with sales data from all stores, for example. This allows an individual store to optimize its operation. But also, a regional manager who walks into a store can immediately see via his/her cloud-enabled application how that store is running and what is going well or not so well."*

The future of cloud

The cloud migration clearly results in a different way of working. This also creates expectations for the future for Jens Burgers: *"I expect Capgemini, as our service provider, to respond automatically to our capacity needs, as it were. Discussions about capacity and associated investments are no longer necessary. I would like to see cloud suppliers and system integrators dare to invest more in the relatively uncertain future of cloud. I expect that the more customers there will soon be in the public cloud, the more attractive the rates will become. I believe that is the future of cloud."*

The cloud facilitates rapid and flexible growth in Action's number of stores and distribution centers on the one hand, and the development of existing and new applications on the other. Action can act very quickly in accordance with its strategy. What if Action had not started the cloud journey? *"Then all kinds of developments would take longer,"* Jens Burgers is convinced. *"That hampers your innovative strength and you will lag behind the competition. I am happy that our cloud migration is over, so that we can continue to build on the next phase. I can now fully focus on that."*

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