neos

Operational Excellence in Retail: Managed Cloud in Action

Bridging Operational Gaps in Retail
with Smart, Scalable Cloud Solutions

STUDENAC MARKET

CASE STUDY

MARKET

INTRODUCTION:
SOLVING BUSINESS CHALLENGES WITH NEOS MANAGED CLOUD

Studenac, a leading retail chain, had traditionally relied on an on-premises technological framework. To support Studenac's exponential growth from a few hundred outlets to over a thousand, Neos deployed its suite of managed multicloud services. This suite encompasses provisioning, governance, security measures, performance optimization and FinOps methodology for multicloud cost management. The entire spectrum of these services is completely managed by Neos' team of expert cloud architects.

The implementation of Neos managed cloud solution enabled Studenac to overcome all business and technical challenges and support their exponential growth and innovation.

Profile: Studenac's Expansion in the Retail Landscape

From its humble beginnings, Studenac swiftly ascended the ranks to establish itself as one of Croatia's premier retail chains, boasting a network of over 1,100 stores and a dedicated workforce of over 5,900 individuals. The contemporary success of Studenac, which today stands as a neighborhood retail beacon attuned to global consumer trends, can be traced back to a pivotal moment in 2018. It was during this year that the company underwent a transformative evolution in its business model, bolstered by strategic acquisitions and sustained organic growth.

While Studenac strategically expanded its footprint by acquiring established local retail chains, the company has always prioritized preserving the unique local spirit within each store. This commitment ensures that, regardless of the store's history or original branding, every Studenac location offers an enjoyable and holistic shopping experience, maintaining a connection to the community it serves and fostering a sense of familiarity among its customers.
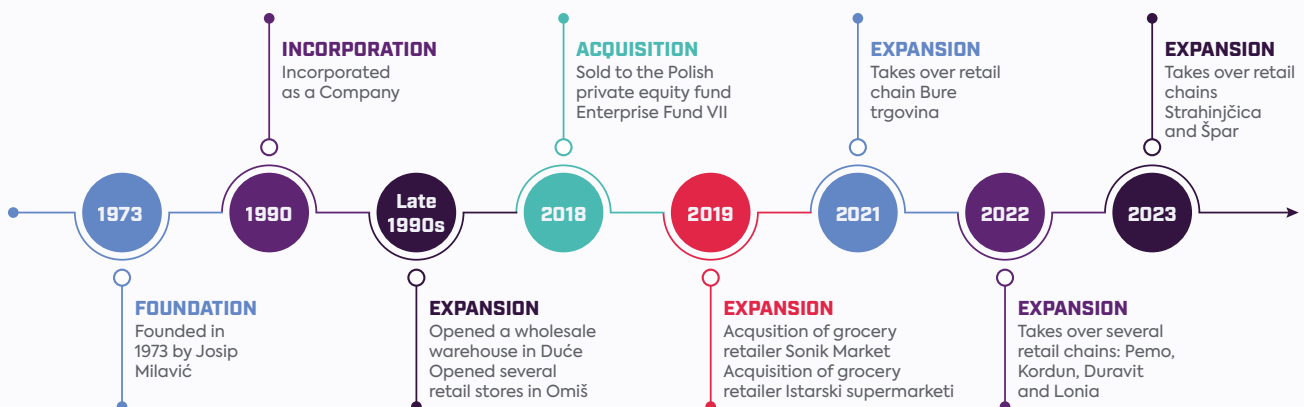
INCORPORATION
Incorporated as a Company

ACQUISITION
Sold to the Polish private equity fund Enterprise Fund VII

EXPANSION
Takes over retail chain Bure trgovina

EXPANSION
Takes over retail chains Strahinjčica and Špar

1973 — 1990 — Late 1990s — 2018 — 2019 — 2021 — 2022 — 2023

FOUNDATION
Founded in 1973 by Josip Milavić

EXPANSION
Opened a wholesale warehouse in Duće
Opened several retail stores in Omiš

EXPANSION
Acqusition of grocery retailer Sonik Market
Acquisition of grocery retailer Istarski supermarketi

EXPANSION
Takes over several retail chains: Pemo, Kordun, Duravit and Lonia

Image: Studenac corporate timeline

TRANSFORMING BUSINESS OPERATIONS: STUDENAC'S MANAGED MULTICLOUD SOLUTION IMPLEMENTATION

Bridging the Gap: The Challenges of Merging the Old with the New

Studenac grappled with an array of business demands and technical obstacles that they were not equipped to overcome on their own.

BUSINESS IMPERATIVES

1. **Supporting Business Development**
   As Studenac expanded, traditional business methodologies proved inefficient. To accommodate their rapid growth, a fresh toolkit was essential. Processes that once relied on manual intervention demanded automation.

2. **Adoption of new tools**
   Confronted with challenges that emerged from the new operational model, it became clear to Studenac that innovative software tools were crucial. These tools would not only enhance operational efficiency and automation but also play a pivotal role in attracting and retaining customers.

TECHNICAL CHALLENGES

1. **Remaking Infrastructure to Meet Business Requirements**
   The legacy infrastructure was primarily tailored for old business specifications. Catering to new business needs called for a renewed IT governance paradigm. It became imperative that new services had a swift rollout, ensuring they met business requirements with a short time-to-market implementation cycle

2. **Dealing with Supply Chain Setbacks**
   Supply chain disruptions translated to prolonged wait times for new equipment, ranging from half a year to an entire year. Such delays posed obstacles in meeting business needs within a short market-entry timeframe.

3. **Bridging Legacy Systems with Modern Solutions**
   The task of integrating traditional on-premises systems with cutting-edge SaaS solutions was full of challenges. While SaaS applications typically offer REST APIs for seamless integration, the existing on-premises infrastructure lacked REST API support.

4. **Incorporating New Acquisitions into the IT Landscape**
   A significant technical challenge revolved around swiftly integrating the operations of newly incorporated stores and retail chains into Studenac's IT ecosystem. This proved intricate, especially given the diverse IT backgrounds of these acquisitions, ranging from unique retail billing systems to varied IT environments.

KEY DRIVERS

HOLISTIC INTEGRATION STRATEGY

A singular vision to craft a solution allowing comprehensive cloud integration, ensuring no escalation in infrastructure expenses, and demanding minimal upkeep.

AGILE IT DYNAMICS

A lean and agile IT team, with an underlying conviction and commitment to migrate operations to cloud, backed by management approval.

CUSTOMER LOYALTY

The imperative to implement a customer loyalty strategy and environment that would help to increase opportunities for customer engagement and spur internal organic growth.

DATA-DRIVEN DECISION-MAKING

The need to make business decisions and create actionable insights based on almost real-time data analytics.

SELECTING NEOS & CLOUDVANE: A STRATEGIC DECISION

Neos was primed to address Studenac's unique challenges:

1. Our Managed Cloud solutions cater to both present and future business requirements.

2. With over two decades of expertise in enterprise systems, integration, data warehousing, and enterprise IT infrastructure, Neos stands as a seasoned player in the field.

3. A proven track record with numerous cloud and integration projects that demonstrate our competence.

4. We offered a comprehensive solution for monitoring, governing, and automating cloud operations, all while managing costs effectively through a centralized application grounded in the FinOps framework.

Building a Comprehensive Multicloud Ecosystem

Several years back, as Studenac embarked on its transformation journey, they initiated enhancements in business processes by incorporating new tools. These advancements, while progressive, demanded integrations that their existing infrastructure couldn't accommodate. Seeking expertise, Studenac partnered with Neos, leading to the creation of the Universal Integration Layer, rooted in Cloud Infrastructure. This layer assimilated PaaS services from cloud providers, which brought forth minimal administrative strain and unwavering stability. Designed for scalability and adaptability, this integration layer serves as the blueprint for all future integrations, catering from a single message per second to an impressive 100,000 messages in the same time frame.

Embracing the Cloud

As Studenac delved deeper into this integration layer, they opted to initially experiment, and subsequently employ other cloud resources such as compute and storage. This phase wasn't without its hurdles; supply chain disruptions and power stability posed significant challenges. However, the cloud's resilience ensured Studenac had consistent access to the necessary resources, backed by both stability and performance. This trust in the cloud's capabilities steered Studenac's decision to prioritize Public Cloud for every subsequent system deployment. Over a dozen new systems have been deployed in the Public Cloud, further augmenting the Universal Integration Layer with additional integrations.

Yet, the transition to public cloud ushered in new challenges, primarily in terms of connectivity. Given the criticality of uninterrupted connectivity to retail stores, Neos, in collaboration with Studenac, advocated the implementation of Oracle's Fast Connect - a direct, leased line connection. To fortify redundancy, Studenac set up two such leased lines from distinct locations, ensuring seamless connection to the public cloud.
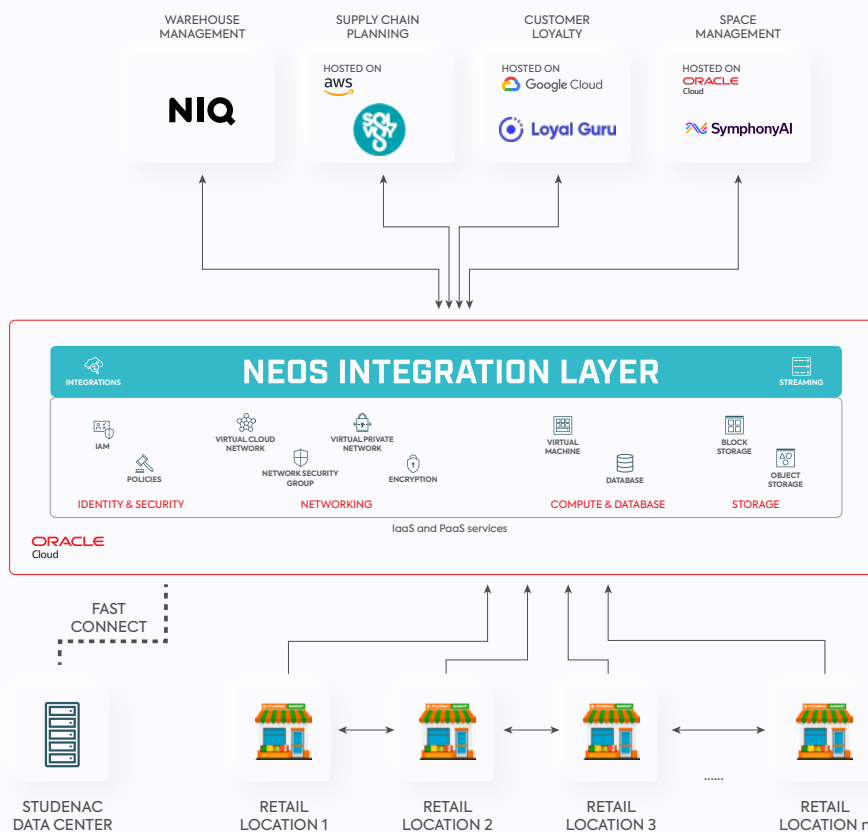

Image:
Studenac Data flow

Diversifying Cloud Solutions

With evolving business requirements and the introduction of new teams, Studenac's need to leverage services from a diverse cloud provider became evident. Responding promptly, Neos delivered a multicloud solution incorporating connectivity, security, and governance, thereby driving Studenac's innovation.

LEVERAGING MANAGED SERVICES FOR EFFICIENT IMPLEMENTATION AND COST SAVINGS

Opting for managed cloud services minimizes hands-on time for tasks like maintenance, upgrades, OS patches and similar tasks. As one of our goals was to keep costs low and predictable, one of our objectives was to use as many self-managed cloud services as possible, thereby reducing overall OPEX and maintenance costs.

Introducing Managed FinOps

Neos's commitment to Studenac extended beyond just solutions. We offered cloud management, instituted governance protocols, ensured security, and facilitated the adoption of industry best practices. A significant concern in cloud operations is the potential for costs to escalate if not closely monitored. Being a FinOps Certified Service provider, we emphasized the importance of integrating FinOps methodology into Studenac's journey from the get-go. Introducing these practices early on, rather than as a reactionary measure, ensures smoother operations. Once you have a running environment in production, adjustments become challenging.

To accelerate the integration of FinOps best practices and provide Studenac with tools for meticulous cost tracking and allocation, we incorporated CloudVane into their cloud framework. This FinOps Certified Solution offers multicloud cost management and resource automation. It empowers Studenac with near real-time visibility into their cloud expenses, the ability to set budgets, detect anomalies, and rightsize resources. Above all, CloudVane grants them the autonomy to manage their cloud costs and resources in alignment with their internal financial structure,
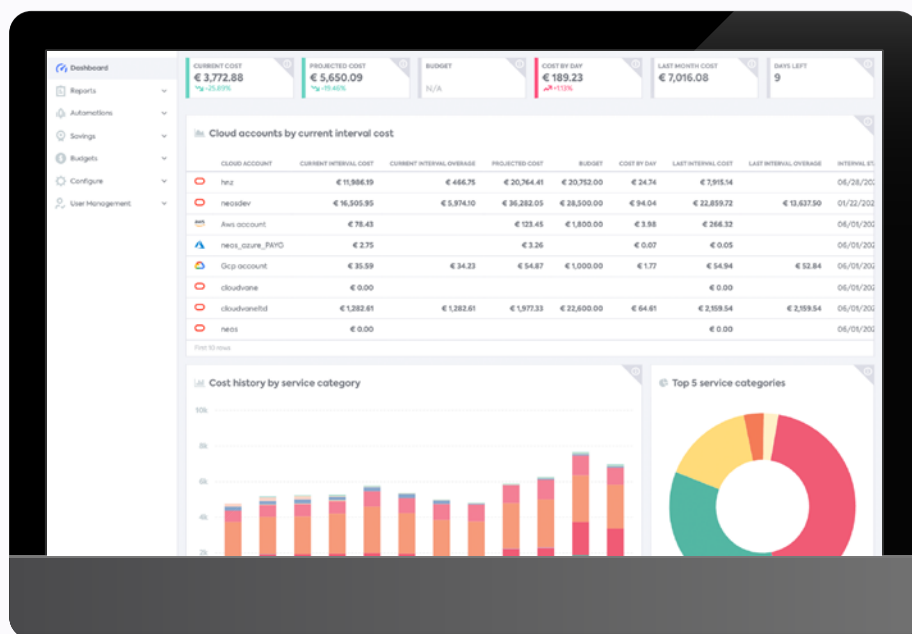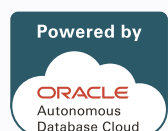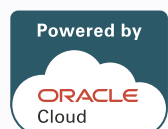
MANAGED CLOUD
IMPLEMENTATION OUTCOMES

Building on our commitment to seamlessly integrate old systems with new innovations, cater to expanding business demands, and optimize cloud operations, we achieved the following:

- Created a universal integration layer for all future integrations.
- Introduced multicloud strategy to drive innovation.
- Helped Studenac to grow and support business requirements.
- Managed Cloud services for Studenac to support business expansion.
- Introduced FinOps and CloudVane for enhanced automation and improved cost management.

Realizing Managed Cloud Potential

Studenac faced a myriad of challenges, from integrating newly acquired solutions to addressing an unpredictable load of data. The solution required not just technical adjustments, but a strategic approach that addressed both current and future business needs.

Neos, with its rich experience and expertise in managed cloud solutions, was the ideal partner for Studenac. Our comprehensive approach enabled Studenac to implement cutting-edge managed cloud services that enhanced their operational efficiency, brought about significant cost savings, and paved the way for a more agile and responsive business model.

We've seen firsthand how managed cloud solutions can make a big difference for businesses like Studenac. It's not just about the tech; it's about making things work better and more efficiently.

Take Your Next Step with Us

Facing similar challenges or looking to explore the world of managed cloud solutions? Don't hesitate to reach out. Contact us at sales@neos.hr and we'll be in touch regarding a PoC.

ABOUT
NEOS

Since 2002, NEOS has been at the forefront of cloud integration, advanced analytics, and software engineering, specializing in financial services, telco, utility industries, and the public sector. From our early days as an Oracle Certified Partner, winning the Oracle Excellence Award for Business Analytics, to our recent acquisition of SV Group and adopting their status as an IBM Business Partner Solution Provider, our commitment to excellence remains unwavering. In 2020, we championed cloud financial management as a FinOps Foundation General Partner. In 2022 our SaaS solution, CloudVane, earned recognition as a FinOps Certified Platform, highlighting its capabilities in multicloud cost management. In 2023, our dedication to FinOps Methodology further solidified as we became one of the few global FinOps Certified Training Providers. Collaborating with industry leaders like Amazon, Google, and Microsoft, Neos continually evolves, merging the latest technologies with our rich expertise to deliver cutting-edge solutions.

TECHNOLOGY PARTNERSHIPS

ORACLE Cloud   aws   Azure   Google Cloud   IBM Cloud

FINOPS PARTNERSHIP

FinOps FOUNDATION General Partner   FinOps CERTIFIED Platform   FinOps CERTIFIED Service Provider   FinOps CERTIFIED Training Provider