



CITY MART STOCKS UP ON VIRTUALIZATION TO STAY AHEAD OF CUSTOMER DEMAND



INDUSTRY RETAIL

LOCATION MYANMAR

KEY CHALLENGES

- Unreliable and inflexible infrastructure
- Reduce maintenance costs
- Operational inefficiency

SOLUTIONS

- VMware vCloud Suite Standard
- VMware vRealize Operation
- VMware vRealize Log Insight
- VMware vSphere Enterprise Plus
- VMware vCenter Server Standard
- VMware Workspace ONE powered by AirWatch

Myanmar's largest retailer, City Mart, prides itself in keeping a finger on the pulse of customer demand. As it gears up to face direct competition from foreign entrants in the industry, it needed to overhaul its IT infrastructure as a step in ensuring that the shelves are stocked with goods that consumers want. City Mart found its answer in VMware vCloud Suite®, VMware vCenter Server® and VMware Workspace ONE™. The virtualization solution underpins everything the retailer does, totally eliminating system downtime for seamless customer experience, while streamlining inventory management and financial reporting.

Starting with a lone supermarket in downtown Yangon in 1996, City Mart Holdings Limited is now the leading retail chain in Myanmar, with the highest market share in every retail format. Its businesses include supermarkets, hypermarkets, convenience stores, bookstores, health and beauty stores, baby and maternity specialty stores as well as a café and bakery. Employing more than 8,000 employees across over 180 branches, City Mart is increasing its footprint by rapidly expanding into Tier 2 and Tier 3 cities.

The Challenge

One of the more youthful countries in Southeast Asia, Myanmar is currently experiencing a youth bulge where more than 60% of the population is between 10 and 49 years old. This demographic represents not only an aspiring workforce but also a significant consumer base for companies to target.

Disposable incomes are on the rise, resulting in a shift in consumption patterns among the Myanmar people. This has in turn led to a retail business boom with many foreign retailers opening stores in the country. Connected youths, who have a higher affinity for foreign brands and products, are also expected to drive consumer spending going forward.

Like other local retailers, City Mart is gearing up for direct competition from foreign retailers by finding more efficient, economic and effective ways to compete. But their legacy IT infrastructure was holding them back.

When Arnel R. Reyes, IT Head of City Mart, first joined the retailer, City Mart was using desktop servers.

"The server room was full with around 25 desktop servers. We weren't even using enterprise racks, just desktops on computer tables," he recalled.

“For IT, uptime is money. With VMware solutions, we can log onto the system at any time, and can be sure to get necessary reports quickly. These have been beneficial to everyone across City Mart.”

ARNEL R. REYES,
IT HEAD, CITY MART HOLDINGS

BUSINESS BENEFITS

- 100% availability of systems
- Reduced capex by 30%
- Reduced opex by 60%
- Scaled up operational efficiency by 90%

APPLICATIONS VIRTUALIZED

- SAP S/4 HANA
- GOLD ERP Application
- Active Directory Infrastructure
- MIT POS system
- HR Application
- Other in-house applications

PLATFORMS

- Dell PowerEdge Servers R930, R740 & R730
- Dell EMC Compellent SC9000, SC4020 & Dell EqualLogic Storage
- Dell NAS NX3230 for backup repository
- Dell & Cisco networking & security
- SUSE Linux & Oracle Linux
- Microsoft Windows Servers
- MS SQL, Oracle & SAP Database
- Veritas NetBackup

PARTNER

- Access Spectrum

They struggled constantly with downtime, which impacted revenue. Their inventory management system would crash and the server would be down for 1.5 days while they scrambled to restore from backups.

This resulted in supply chain issues, and stores could not fulfil customer orders because they were unable to place their orders in the backend. The finance team also did not have an accurate view of the orders, which affected payment to suppliers.

To be able to pioneer breakthrough retail concepts for expansion, City Mart needed an agile and resilient infrastructure that provides high availability, security and speed of application development and rollout.

The Solution

Working with Access Spectrum, a VMware partner, City Mart set about modernizing its IT infrastructure to support its entire network of stores.

To provide cloud infrastructure for the whole chain, it deployed the VMware vCloud Suite, consisting of VMware's market-leading vSphere® Enterprise Plus Edition™ hypervisor with VMware's hybrid cloud management platform, VMware vRealize® Suite.

VMware vSphere allows City Mart to consolidate servers and data centers and improve application availability and performance – all in a scalable manner.

VMware vRealize® Operations™ provides intelligent operations management to continuously and automatically optimize performance and capacity via predictive and real-time analytics, while VMware vRealize® Log Insight™ enables intelligent remediation with log analytics.

For centralized control and visibility, City Mart deployed VMware vCenter Server so the IT team could administer the entire vSphere infrastructure from a single location.

To unify endpoint management, City Mart leveraged Workspace ONE powered by AirWatch for data security and endpoint compliance with conditional access.

Business Results & Benefits

The biggest benefit that City Mart has seen since implementing VMware vCloud Suite is the 100% availability of its systems, which are running 24/7. There has been no downtime at all, even in the production servers, as the IT team could adjust the memory or the processor without turning the servers off.

City Mart is now able to provision new servers faster than before and it has become easy for them to scale resources up or down, depending on where the need is, be it memory, CPU or additional hosts. In Reyes' words, administration is now a breeze.

By reducing their server footprint, City Mart was successful in cutting down power and cooling costs. In all, thanks to VMware, City Mart has managed to reduce their capital expenditure by 30% and operating expenditure by 60%

The combination of software-defined infrastructure and automation of core IT service delivery processes helped City Mart to scale up its operational

efficiency by 90% – from requiring 10 people to handle 50 servers, they now need only two people to manage over 100 virtual machines.

Because of the VMware vSphere virtualization solution, enterprise software such as SAP HANA are currently running even faster. Coupled with the consistent and reliable uptime, various teams in City Mart can now generate reports faster. For the finance team, it takes just half an hour to generate a report instead of a day. They can also quickly access expense reports, back margins and compute discount levels while managing the cash flow to pay more than 2,000 suppliers.

“Previously our accounts team had to work overnight and over the weekend, but no longer. There’s better work-life balance,” said Reyes.

Branch managers and area managers also have easy access to reports so they know what to sell and where. This makes inventory management more reliable, ensuring that shelves are appropriately stocked.

With the faster provisioning enabled by VMware, City Mart is able to roll out new products and promotions faster, allowing them to be even more responsive to customer demand.

“The best things that VMware provided us are the agility to redeploy and reliability. For IT, uptime is money. You have to make sure the servers are running 24/7, even while you sleep. With VMware solutions, we can log onto the system at any time, and can be sure to get necessary reports quickly. These have been beneficial to everyone across City Mart,” said Reyes.

Looking Ahead

Although City Mart is the number one player in the retail market now, they are not resting on their laurels and are aiming to grow and strengthen their leading position.

To fully transform their business, they will continue to work with VMware as they migrate all business operations onto a centralized SAP system over the next one to two years.

Once that is complete, City Mart will look at network virtualization for the next phase.

