Cut IT operating costs by 55 percent after centralizing applications using Microsoft Azure VMware Solutions

Achieved a 200 percent increase in lifetime customer value from consolidated, data-derived insights, offering long-term revenue gains

Enhanced, integrated IT platform supports threefold increase in customer base over two years

Lucky Brand Finds the Perfect Fit for Better Customer Insights with Azure VMware Solutions

In the market for retail apparel, Lucky Brand stands out from competitors. Headquartered in Los Angeles, the retailer draws upon the city's history through its catalog of vintage-inspired jeans and T-shirts alongside other Bohemian-styled clothing.

Facing increased competition from online and brick-and-mortar retailers, Lucky Brand wanted to improve in-store shopping experiences and further integrate analytics into its everyday operations to enhance every customer interaction. However, its legacy IT architecture limited the company's ability to achieve its goals.

"Retail traditionally looked to manage its own technology in-house," says Kevin Nehring, chief technology officer at Lucky Brand. "And while that might have been effective years ago, we now see more advantages to tapping into new innovation in the cloud. The benefits of moving to a more integrated cloud platform enable us to better centralize services to our stores nationwide and give us greater control over, and insight into, our data."

A makeover for legacy IT infrastructure

Lucky Brand operates nearly 250 stores across North America as well as its online retail site, which continues to grow revenue and market share. From spring shoppers to holiday shoppers, Lucky Brand attracts loyal customers drawn to the company's denim jeans, blouses and leather coats that combine classic designs with contemporary inspiration.

Throughout each customer's journey, the physical stores and web portal capture valuable customer data that Lucky Brand can use to continually enhance services and drive revenue. Unfortunately, the company's legacy architecture was increasingly expensive to manage and lacked the flexibility to fully leverage this information.

LUCKY ✤ BRAND

Lucky Brand is known as a pioneer and innovator in the world of modern denim apparel and fashion. Its collections are carried at more than 200 company-owned stores across the U.S. and online at *luckybrand.com*.

INDUSTRY
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Los Angeles, California

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Lucky Brand previously powered its IT environment with a mix of cloud platforms and co-located facilities that had limited scalability, inefficient administration and sizable licensing costs. "We spent a lot of time figuring out how to connect data spread across different locations," explains Nehring. "We knew our corporate and in-store teams needed to be able to make more timely decisions using accurate, centralized data."

While Lucky Brand had looked into updating its IT infrastructure in-house, the retailer's scalability and delivery timeline challenges would be difficult to accomplish without additional support. By working with Microsoft and VMware Cloud Verified partner CloudSimple, and leveraging Microsoft Azure VMware Solutions, Lucky Brand now has a foundation that offers agile IT to support higher sales and enhanced customer services.

Transforming with style

Microsoft Azure VMware Solutions were instrumental in supporting Lucky Brand's digital transformation. Leveraging the company's past investments in Azure and VMware helped the retailer minimize costs and accelerate migration.

"The biggest reason we went with Microsoft and VMware is that they're both market leaders," says Nehring. "Along with their proven solutions, they understand retail and can provide a scalable cloud architecture that fits our business now and in the future."

The Microsoft Azure VMware Solutions platform also allowed Lucky Brand to easily integrate its existing VMware workloads onto Azure, including support for VMware vSphere, VMware vSAN and VMware NSX-T. For the retailer, fully moving to a cloud platform based on Azure VMware Solutions substantially streamlined platform administration and expanded IT capabilities.

"The ability to manage our entire platform from one pane of glass is outstanding," explains Nehring. "By migrating to Azure, we can effectively manage IT services for all stores and our web portal, and improve services across every customer touch point."

Doing more with less

The combination of Microsoft with Azure VMware Solutions helped transform the impact of Lucky Brand's IT team. Along with streamlined adherence to industry regulations for consumer data and better retail application scalability, Azure VMware Solutions enable Lucky Brand to grow the scope of its IT platform without greatly increasing complexity. Since the move, Lucky Brand has also expanded its use of analytics to improve insights into customer activities.

"We've seen an increase from 2 million to 6.2 million unique customers, a 55 percent reduction in operating costs and a 200 percent increase in estimated customer lifetime value as part of our move to a more unified cloud platform," says Nehring.

Along with these gains, Lucky Brand also added new dimensions to its marketing through the improvements provided by Azure VMware Solutions. By centralizing data, Lucky Brand can achieve a superior understanding of customer personas and provide shoppers with more relevant offers. As a result, the company is better equipped with seasonal merchandise assortments in its stores and extended assortments through its digital channels, providing better and more timely apparel choices to its customers.

"With Azure VMware Solutions, we can deliver unified shopping experiences based on a customer's in-store and online activity, providing services that make it easier for shoppers to find clothing that's a perfect match for their personal style."

KEVIN NEHRING
CHIEF TECHNOLOGY OFFICER, LUCKY BRAND

"Customers come in through different channels, such as our website or retail stores, as their preferred ways to shop," says Nehring. "With Azure VMware Solutions, we can deliver unified shopping experiences based on a customer's in-store and online activity, providing services that make it easier for shoppers to find clothing that's a perfect match for their personal style."

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Looking ahead

In addition to continuing to refine its everyday operations using the Azure VMware Solutions platform, Lucky Brand is expanding the capabilities that VMware Workspace ONE® provides to empower in-store retail associates to use mobile devices to better serve customers.

"The flexibility to quickly scale our in-store resources would be a great advantage," says Nehring. "Using insights and services delivered on tablets, we could have retail staff ready to offer customers highly personalized services. It's the kind of personal, hands-on engagement that elevates our brand and increases revenue."
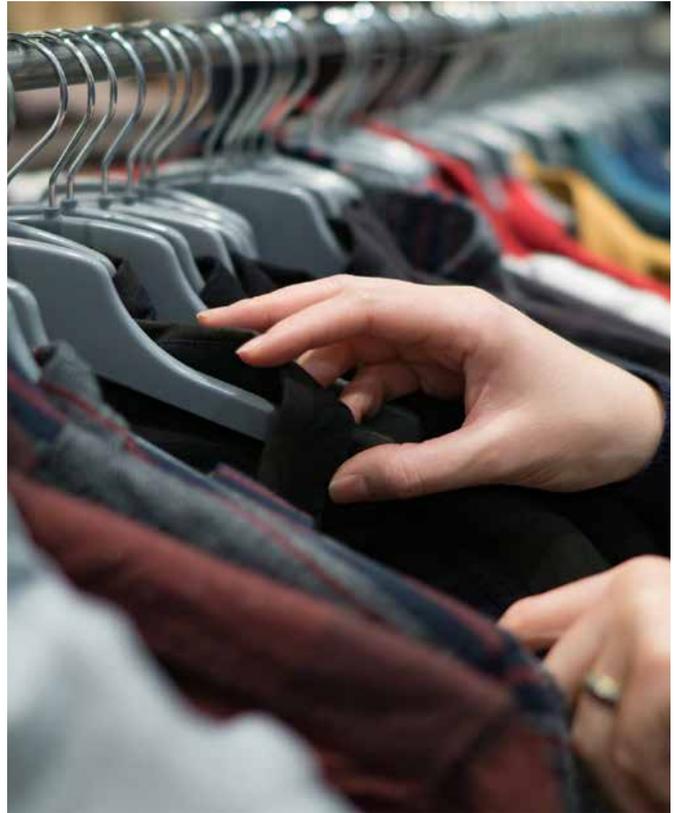
@LuckyBrand partners with @Azure to leverage @VMware Cloud infrastructure for a centralized IT platform that delivers better marketing insight and customer shopping experiences. #VMwareCloud