



modernform

Established in 1980 and headquartered in Bangkok, Thailand, [Modernform](#) Group is publicly listed on the Stock Exchange of Thailand. Besides its core business in furniture supply, the company has diversified into interior furnishing, architecture design, healthcare and technology.

Industry

E-commerce & Retail

Strategic priorities

- Multi-Cloud

Partner

A VMware Cloud Verified partner, [Cloud HM](#) offers infrastructure as a service, backup as a service and disaster recovery as a service.

VMware footprint

Cloud HM services built on VMware® technologies

- Enterprise Cloud - VMware

Furniture Giant Modernform Goes to the Cloud to Woo Next-Generation Consumers

Modernform Group was eager to attract millennial consumers by designing an e-commerce platform that caters to their needs. However, the furniture company's on-premises IT infrastructure was too inflexible to scale up resources to meet the fast-moving consumer demand. Modernform worked with Cloud HM to migrate key workloads to its Enterprise Cloud, built on VMware Cloud technologies. This enabled Modernform to develop tools to boost online sales, which saw double-digit growth. The company aims to have at least half of its workloads in the cloud by the end of this year.

Rediscovering its retail roots

Headquartered in Bangkok, Thailand, Modernform Group Public Company Limited manufactures and distributes office, home and kitchen furniture. Established in 1980, it has expanded into interior decoration and installation. Modernform has also invested in tech startups and a hospital specializing in cancer.

Modernform was a household name in the home and office furniture business in its first two decades. By the early 2000s, increased competition from both local and international brands ate into its retail business, and the company decided to focus on B2B office and residential projects instead. But it wanted to find a way back to retail for a better business balance.

“We've always wanted to regain our foothold in the retail market. Cloud HM and VMware have given us a stable, highly scalable and affordable cloud solution to do just that.”

Sithi Nerngchamngong, Corporate Development Manager, Modernform Group



Catering to a new group of customers

As part of its strategy to recapture the retail market, Modernform started revamping its marketing and distribution channels. In early 2020, just before the COVID-19 pandemic struck, Modernform launched an e-commerce portal to attract house-proud millennial consumers with high purchasing power.

During the pandemic, the prolonged work from home policy led to a massive surge in interest in office furniture for home use, as well as a seismic shift in shopping behavior.

Consumers who would have previously tried out furniture before purchasing were now buying beds and office chairs online. Even those who visited the company's showroom were there for only 15 minutes. Having done all their research online, the store visit would serve to confirm or refute their purchase decision.

“We need to build brand equity with this new generation of consumers who are used to quick gratification,” says Sithi Nerngchamnong, corporate development manager, Modernform Group. “They expect responsive and fast customer service. Some even want to have a customized king-sized bed delivered in two days for free.”

But Modernform was not equipped to cope with the volume and speed of consumer demand. With an on-premises IT infrastructure, it was difficult to scale up resources to keep up with demand or to build new tools to leverage e-commerce data.

“This was a golden opportunity for us to reclaim the retail space,” Sithi says. “We needed digital transformation so that we could cater to this ready pool of consumers.”

Finding scalability and flexibility in the cloud

Modernform needed reliable scalability and flexibility so that the company could respond quickly to the consumers, and it was keen to explore a cloud solution. A few years ago, the company tried working with a cloud services provider, but faced service issues and ended up shelving those plans.

This time around, the furniture giant decided to work with Cloud HM, the only local cloud services provider in Thailand with a Tier IV data center. The Cloud HM Enterprise Cloud service is powered by the best-in-class network, storage and compute solutions from VMware. Cloud HM is a VMware Cloud Verified partner, giving organizations the confidence that they will receive the best implementation of VMware Cloud infrastructure as a service.

“Cloud HM is more than just a partner. The service provider is our close confidant. Along with VMware, Cloud HM gives us the confidence to keep moving to the cloud.”

Sithi Nerngchamnong, Corporate Development Manager,
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“The pressing need was to enable Modernform to respond quickly to the exponential growth in online sales,” says Na-pajra Umpudh, managing director, Cloud HM. “Together with its IT team, we helped to migrate the workloads that are directly related to the e-commerce platform to the cloud.”

Currently 20 percent of the company's total workloads are in the cloud.

“From using e-commerce to leveraging the cloud, the COVID-19 pandemic accelerated all our plans,” says Sithi. “But we know we're in good hands with the technical expertise from Cloud HM and stable infrastructure from VMware.”

Serving customers everywhere from anywhere

Migrating to the cloud has enabled employees who can work from home to do so seamlessly during lockdown restrictions and provided the foundation for new tools to boost online sales. Having a consistent infrastructure platform enabled Modernform to simplify and efficiently migrate from on-premises to cloud.



Since the cloud infrastructure allows new virtual machines to be set up in 48 hours, instead of the two months required to procure and provision a physical server, the IT team could easily spin up resources on the fly to support the building and delivery of new tools.

For Modernform, which aims to provide customers with an omnichannel experience, this meant that it could speed up the development, testing and roll-out of new applications for marketing, sales and data analytics that integrate with the e-commerce platform. As a result, online sales saw double-digit growth.

Along with the upsurge in e-commerce came a plethora of rich customer data that Modernform can utilize to finetune its offerings. Previously, it took more time and effort to access the data. A request would be sent to the IT team who generated the raw data file and sent it back. This could take anywhere from two days to more than a week, depending on the volume of requests.

Now that the analytics tools are in the cloud, various business units such as marketing or customer service can bypass the IT team and access the data themselves from anywhere.

“In the retail world, efficient and accurate decision-making is crucial,” explains Sithi. “Once a promotional campaign ends, we must analyze the data immediately for key findings and learnings to implement in the next campaign. Being able to access the data directly through the cloud has made a world of difference to our teams.”

With the cloud solution, the role of the IT team has also transformed from being a help desk to a strategic consultant for the business teams. “If the marketing team wants to integrate the e-commerce platform with a marketplace, the IT team, which has a bird’s eye view of the architecture, is able to advise on which tools can be used,” he adds.

Apart from operational efficiency, moving to the cloud has also resulted in cost savings from reducing the need to procure, maintain, cool and store physical servers.

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Moving more workloads to the cloud

Having experienced success with the cloud solution, Modernform is in the process of moving another 30 percent of its workloads to the cloud, which will include workloads from manufacturing and logistics. Cloud HM is also deploying VMware Tanzu as a service for Modernform so they can modernize their apps quicker. A big part of this confidence comes from the working relationship with Cloud HM.

“Cloud HM is more than just a partner. The service provider is our close confidant,” says Sithi. “Whatever questions we have, or ideas that we want to bounce off, the Cloud HM team is always on hand and in the trenches with us. Along with VMware, Cloud HM gives us the confidence to keep moving to the cloud.”