



## DIGITAL REVOLUTION IS A KEY MATTER FOR SAGE



### CUSTOMER

SAGE

### WEBSITE

WWW.SAGE.ES

### INDUSTRY

IT

### LOCATION

AVENIDA EUROPA, 19, 1ST FLOOR,  
28108, MADRID

### KEY CHALLENGES

- Data center modernization in order to move into a cloud-based system.
- Integration in a multi-cloud environment for greater flexibility and lower costs.
- Shorter deployment times for a more adequate response to market demands.

### SOLUTION

Sage uses Telefónica's VDC based on VMware technology to support software architectures and distribute software to customers.

### BUSINESS BENEFITS

- 60% lower infrastructure and maintenance costs.
- 90% shorter deployment times for new solutions.
- Greater customer satisfaction, which translates into higher NPS.

Sage was going through a global infrastructure integration and consolidation process, following guidelines to move from investing in a dedicated infrastructure model to a service model. To complete this process, the company chose to integrate its physical environment with Telefónica's cloud services and VMware solutions. This resulted in total control of service costs, greater flexibility, enhanced security, IT staffing optimization and reduced time-to-market for infrastructure deployment.

Sage is specialized in management software development for the businesses, from SMEs to big corporations.

Established in 1981 in the UK, it was listed on the London Stock Exchange in the same year. In 1991, it expanded in USA, opening a new division there. In 2007, it underwent its latest expansion so far, operating in seven new markets, including Spain.

Today, Sage is present in 24 countries worldwide, has 12,700 employees and offers services to over 6 million users.

### The challenge

Sage was going through a global infrastructure integration and consolidation process, aimed at moving from investing in a dedicated infrastructure model to a service model in order to increase control on investment and maximize profit.

Sage considers the digital transformation to be priority, not only for the company itself but also for the customers reached through its services and solutions. This transformation can never be complete without the jump to the cloud, which offers a degree of flexibility and speed that would otherwise be unavailable. Thus, a cloud-first approach will enable Sage to develop its artificial intelligence strategy and automate everyday tasks for its clients.

To a great extent, the choice of the cloud model will depend on the organization's goals and business strategy. At Sage they understood the digital transformation as a process during which different infrastructures coexist for some time. Accordingly, the most suitable model for them was a hybrid type, combining pure cloud systems with virtualized legacy IT.

### The solution

The project involved the migration of the data centers in Madrid and Barcelona to the Telefónica Virtual Data Center (VDC), based on VMware technology, along with the virtualization of all systems using VMware solutions. In addition, two distinct areas were set up at Telefónica's data center to keep the necessary redundancy, from active-active for critical systems to high availability alternatives for less critical ones. All in all, with the deployment of VMware solutions, the migration and virtualization process involved more than 1100 servers and took less than a year.

“The digital transformation is not an option but an obligation. Moreover, it cannot be understood without the cloud. Telefónica and VMware have given us the agility and flexibility we need to offer our customers the best possible service.”

FERNANDO GALVACHE  
CIO  
SAGE SPAIN

#### VMWARE FOOTPRINT

- VMware vCloud Connector
- VMware vCenter

#### APPLICATIONS VIRTUALIZED

- Migration and virtualization of 1,100 servers in less than a year.

#### PARTNER

- Telefónica



“Companies and business processes are changing, so you need to adapt as fast as possible to the changing market environment. The Telefónica VDC solution, based on VMware technology, has helped Sage improve IT infrastructure and reduce costs, thanks to the cloud migration of all our resources.”

ENRIQUE GONZÁLEZ LEZANA  
HEAD OF MARKETING, CLOUD SERVICES  
TELEFÓNICA

All the members of the Board of Directors took part in the decision-making process. Moreover, the CEO was one of the most enthusiastic advocates of the project. The business units that were most directly affected were Finance (in terms of changes in cost models and savings) and Customer Service (for the positive impact of the changes under way). Other departments involved were Sales, Marketing and Human Resources, in connection with production cost reduction, access to new technologies and digital marketing, and telecommuting and mobility prospects.

Sage began to work with Telefónica, the number one Spanish multinational by market capitalization and one of the largest private telecommunications companies in the world, back in 2008. Since then, they have been close together in the search for technologies more in line with the company's evolution and goals. VMware vCloud Connector was used by Sage to face the challenge of integrating Telefónica's cloud services into a VMware-based physical environment, while VMware vCenter was the solution chosen for infrastructure control.

The Telefónica VDC offered the flexibility required by Sage, enabling the company to virtualize 100% of its resources, even when some of the systems had not been designed to run on the cloud. Full virtualization, involving all systems, was crucial to Sage, which needed to do away with its data center infrastructure so as not to be investment-dependent.

#### Results

As a result of the transformation into a cloud-based model, Sage had total control of service costs. Before, this was too difficult to achieve, as it was based on estimates only. Infrastructure and maintenance costs were reduced by 60%, while IT staffing times were optimized by 20%.

In addition, production processes were streamlined so that the deployment of infrastructure that used to take months could now be done in a few minutes while avoiding growth issues, increasing flexibility and shortening startup times for new projects. According to Sage estimates, deployment times have been shortened by 90%, which in turn has led to streamlined working processes, delocalized equipment and more competitive prices for services.

The transformation involved both Sage's staff and customers. The benefits of the cloud-based model helped build customer trust, which in turn translated into a higher Net Promoter Score (NPS). Likewise, new communication channels were made available to Sage's customers, while 20% of the staff became telecommuters, working at the same productivity and performance rates as at the office. This made it possible to implement new mobility and work-family reconciliation policies, which would have been unthinkable under the previous model.

Sage is planning to expand the transformation. In fact, at the company, they are already working on the expansion of the strategy into Portugal. The reason is obvious: it is a success story and a reference in the corporation, and they want to get similar benefits in other regions.

