

Top Swiss supermarket backs up high level customer service with Cisco data center networking solution

A Cisco data center networking solution is helping Migros, the leading retailer in Switzerland, to create a reliable, robust infrastructure for supporting business application across more than 800 retail outlets, distribution centers and administration offices.


Business Challenge

Migros is the leading supermarket brand in Switzerland with around 800 retail outlets which will double to 1600, following a recent acquisition of another supermarket chain. A report by the

Reputation Institute in New York in 2006 put the Migros brand at 15 out of 200 world wide brands. Migros is a co-operative business which first started trading almost 90 years ago. Today it has annual revenues of over 22,697,000,000 Swiss Francs predominantly from its retail activities. However, Migros has also developed 45 subsidiaries and Migros-branded businesses including a bank, a travel agency, mobile phones and 14 food production companies.

As part of a group-wide modernization program, Migros had started to roll out a number of new and upgraded computer applications designed to automate operations and improve business processes. These included financial, stock management and supply chain systems and the development of three new regional distribution centers. As part of this process, Migros needed to upgrade its network infrastructure to support these applications and deliver these and the relevant information out to its administration offices, retail outlets and distribution centers. With the business expanding, Migros was facing some capacity issues related to managing and storing data. One area of the business that is expanding rapidly – at around 10 percent a year – is online retailing.

In the past, Migros had a mix of different networking equipment vendors. Now it decided to standardize on one – Cisco.

EXECUTIVE SUMMARY
CUSTOMER NAME 
LOCATION · Zurich, Switzerland
INDUSTRY · Retail
COMPANY SIZE · 82,712 employees
BUSINESS CHALLENGE <ul style="list-style-type: none"> · New systems to deliver business and operational modernization needed to be available to remote retail, distribution and administration locations · Business expansion, especially e-commerce services · Retail outlets increasingly reliant on faster and more efficient access to business data and information
NETWORK SOLUTION <ul style="list-style-type: none"> · Cisco Data Center Networking · Cisco wireless networking · Cisco Unified Communications
BUSINESS VALUE <ul style="list-style-type: none"> · Improved IT system flexibility and reliability help deliver a wide range of goods to supermarket shelves quickly and efficiently · Faster and higher quality operations at distribution centers through improved mobile data and information sharing · Creates a platform for delivering mission critical business systems and transforming data center operations · Time and cost of delivering new business services cut by reducing time-to-market for new applications from two weeks to two days · Reduces the cost and complexity of managing data center operations by cutting switching devices from 30 to just four



Peter Rieder, IT infrastructure manager at Migros says, "Our business relies on systems and applications that are available all the time. Cisco produces very sound technology and we wanted that reliability to be inherent in our infrastructure and the knowledge that if anything did go wrong we would have the service and support of an organization like Cisco."



Network Solution

Migros is transforming its IT infrastructure by adopting a Cisco® Data Center Network Architecture and deploying a series of solutions from Cisco's portfolio of data center class devices and networking technologies. Migros has two data centers in the Region of Zurich – 15 kilometers apart and linked by fiber optic – with each site mirroring the other – where it has implemented a Cisco Storage Area Network (SAN) and Cisco Virtual SAN (VSAN) solutions. The Cisco network now acts as the platform for most of Migros' business systems and applications which run out of the data centers including financial, supply chain management and customer relationship management systems as well as the company's main business application, SAP. The data centers manage around 200 Terabytes of data across 500 servers.

The data centers, offices, distribution centers and retail outlets are linked via an outsourced Wide Area Network (WAN) which is also based upon Cisco technology. At each location Migros uses Cisco Local Area Networks (LANs).

Migros also has a Cisco Unified Communications system which currently supports around 2500 Cisco Unified IP handsets predominantly in administration and back offices locations. The company is in the process of rolling out Cisco telephony as and when a location needs a new phone system.

"Our business is about having the right goods, at the right time in our supermarket stores so that when customers walk in they get what they want – if they can't do that they'll go somewhere else. We must have IT systems that enable us to deliver a fast, efficient and high quality service to our customers and Cisco is supporting this by providing a reliable, service oriented infrastructure and helping us consolidate our IT systems so that they are more efficient and cost effective. This means, for example, that the Cisco technology requires less support and maintenance allowing staff to concentrate on other activities that are more proactive and valuable to the business."

Peter Rieder, IT Infrastructure Manager, Migros

At Migros' new distribution centers, it has deployed Cisco wireless networks so that staff can use hand held devices to work in and around the warehouses and be able to use and access business applications and data. The Cisco wireless networks are a series of hotspots and, despite being several hundred kilometers apart, the Cisco technology enables these wireless networks to be centrally managed. Cisco wireless LANs are also deployed at Migros office location to provide Web access to guests.

Most of the transactions that take place in Migros supermarkets are supported by Cisco technology from retailers managing and ordering stock to customers using credit and debit card transaction at the tills.

Business Results

“Our business is about having the right goods, at the right time in our supermarket stores so that when customers walk in they get what they want – if they can’t do that they’ll go somewhere else,” says Rieder. “We must have IT systems that enable us to deliver a fast, efficient and high quality service to our customers and Cisco is supporting this by providing a reliable, service oriented infrastructure and helping us consolidate our IT systems so that they are more efficient and cost

PRODUCT LIST

Routing and Switching

- Cisco Catalyst 6500 Series Switches
- Cisco Catalyst 3750 Series Switches
- CiscoWorks

Storage Networking

- Cisco MDS 9513 Multilayer Director

Voice and IP Communications

- Cisco Unified Communications Manager (CallManager)
- Cisco Unified IP Phones 7900 Series

effective. This means, for example, that the Cisco technology requires less support and maintenance, allowing staff to concentrate on other activities that are more proactive and valuable to the business.”

Some of the mission critical applications that rely on the performance and availability of the Cisco infrastructure include point of sales systems and credit card transactions. The Cisco network transports credit card transactions from a till in a Migros supermarket to the relevant bank and back again so that the customer is not kept waiting at the till and till queues are minimized.

Within Migros’ data centers, a Cisco SAN and VSANs are helping Migros reduce the time it takes to provision new IT services and applications from two weeks down to just two days. Cisco SANs mean that data and data storage can be shared across several devices instead of dedicated hardware for every application or service. Rieder says, “I haven’t come across any business user who has been able to determine their IT needs in advance, so the ability to be able to provision services to users within a few days of the request is a significant advantage to the business.”

Cisco SAN technology is used to consolidate and virtualize storage resources, so that they can be shared more effectively and support operations like data back and security are faster, easier to manage and easier to control. It also means that Migros’ IT division can deliver better service level agreements to its internal customers.

Part of the efficiencies achieved within the data center are because using Cisco has dramatically reduced the number of switching devices from 30 to just four making the data center infrastructure much easier to manage and much less likely to fail. In addition, one of the key advantage of the Cisco infrastructure is the ability to deploy high levels of resilience across the whole network.

Another aspect of the Cisco solution that supports Migros is Cisco wireless networking. It is helping staff at the distribution centers manage distribution processes faster and more efficiently and is proving popular with visitors because they can access the Internet, access their own business systems and respond to emails while at a Migros site.

Migros is planning to expand the use of its Cisco infrastructure to help deliver additional business benefits. For example, it is currently testing the use of video conferencing using the Cisco Unified Communications system to improve communication between head office and regional branch offices. It has also set up a experimental shop where it tests new technologies. Here Migros is looking at how Cisco and other providers can help with Radio-Frequency Identification (RFID) systems.



Americas Headquarters
Cisco Systems, Inc.
170 West Tasman Drive
San Jose, CA 95134-1706
USA
www.cisco.com
Tel: 408 526-4000
800 553-NETS (6387)
Fax: 408 527-0883

Asia Pacific Headquarters
Cisco Systems, Inc.
168 Robinson Road
#28-01 Capital Tower
Singapore 068912
www.cisco.com
Tel: +65 6317 7777
Fax: +65 6317 7799

Europe Headquarters
Cisco Systems International BV
Haarlerbergpark
Haarlerbergweg 13-19
1101 CH Amsterdam
The Netherlands
www-europe.cisco.com
Tel: +31 0 800 020 0791
Fax: +31 0 20 357 1100

Cisco has more than 200 offices worldwide. Addresses, phone numbers, and fax numbers are listed on the Cisco Website at www.cisco.com/go/offices.

©2008 Cisco Systems, Inc. All rights reserved. CCVP, the Cisco Logo, and the Cisco Square Bridge logo are trademarks of Cisco Systems, Inc.; Changing the Way We Work, Live, Play, and Learn is a service mark of Cisco Systems, Inc.; and Access Registrar, Aironet, BPX, Catalyst, CCDA, CCDP, CCIE, CCIP, CCNA, CCNP, CCSP, Cisco, the Cisco Certified Internetwork Expert logo, Cisco IOS, Cisco Press, Cisco Systems, Cisco Systems Capital, the Cisco Systems logo, Cisco Unity, Enterprise/Solver, EtherChannel, EtherFast, EtherSwitch, Fast Step, Follow Me Browsing, FormShare, GigaDrive, GigaStack, HomeLink, Internet Quotient, IOS, IP/TV, iQ Expertise, the iQ logo, iQ Net Readiness Scorecard, iQuick Study, LightStream, Linksys, MeetingPlace, MGX, Networking Academy, Network Registrar, Packet, PIX, ProConnect, RateMUX, ScriptShare, SlideCast, SMARTnet, StackWise, The Fastest Way to Increase Your Internet Quotient, and TransPath are registered trademarks of Cisco Systems, Inc. and/or its affiliates in the United States and certain other countries.

All other trademarks mentioned in this document or Website are the property of their respective owners. The use of the word partner does not imply a partnership relationship between Cisco and any other company. (0609R)

Printed in the UK

The Print Consultancy (01483 771211) / Jun 08