

Enable modern business applications

Customer Solution Case Study



Trusted Cloud Advisory Powers Singapore Supermarket Chain into Online Home Delivery

Customer: Sheng Siong Group Ltd.
Website: <http://www.shengsiong.com.sg>
and <http://www.allforyou.sg>
Customer Size: 2,500
Country or Region: Singapore
Industry: Retail
Partner: MB9 Pte. Ltd.
Partner Website: <http://mb9inc.com/>

Customer Profile

Founded by the Lim brothers in 1985, Sheng Siong is a supermarket chain selling groceries, household and fresh produces. With 33 stores, it is the third largest supermarket chain in Singapore.

Software and Services

- Microsoft® Azure

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Florent Cailleau, Project Manager, Sheng Siong Group Ltd.

Supermarket chain, Sheng Siong wanted to launch an online home-delivery service, as the first step in its ecommerce strategy. To help them craft their IT infrastructure strategy, Sheng Siong teamed with solution provider, MB9 Pte. Ltd., a Microsoft Partner in Singapore. A Microsoft cloud-specialist team worked closely with Sheng Siong and MB9, and quickly became their trusted advisors. By hosting their ecommerce platform on Microsoft Azure, Sheng Siong created a robust, secure, easily scalable cloud platform with familiar-looking technology that also provided the lowest total cost of ownership.

Business Needs

Transitioning to ecommerce presents many technical challenges for established retailers, including service availability, online payments security, and logistics systems interfaces. For supermarkets, the risks are huge. Demand is exceptionally hard to predict, but executives need the IT infrastructure and delivery systems in place to ensure the online experience is seamless right from the start. Their brand and customer loyalty is at stake.

One company successfully completing this journey is the well-known Singapore supermarkets group, Sheng Siong. With 33 stores selling groceries and household goods, Sheng Siong is now the third-largest supermarket chain in Singapore. After a successful public offering in 2011, executives wanted to expand market share by developing an online home delivery service.

Microsoft Azure

"Ecommerce is coming for sure, and we saw an opportunity to grow beyond our heartlands, and enable customers to bulk purchase more easily," says Florent Cailleau, Project Manager, Sheng Siong Group. "To do it well, however, we needed to experiment with a pilot service. That meant finding the most efficient way to host a development and production website."

Cailleau's first challenge was reliability. Sheng Siong had on-premises IT infrastructure for its online business-to-business applications, but for business-to-customer services, Cailleau needed exceptional levels of availability. He also needed the flexibility to dramatically scale up service capacity once the development and experimental phases were completed.

"We wanted IT partners who could help us shape our online strategy," says Cailleau. "We didn't want to invest in a major integration or hardware for the pilot website, but at the same time we needed to lay the ground-work for a full online home-delivery service, including the potential for mobile access. We wanted a hosting solution that was robust and competitively priced, optimized for easy experimentation and then rapid expansion."

Solution

To build the ecommerce website, Sheng Siong turned to the Singapore software development company and Microsoft partner, MB9 Pte. Ltd. The chief executive of MB9, Chai Kok Young, helped Sheng Siong analyse various cloud hosting options.

"We reviewed a competing cloud computing service provider, which is an infrastructure-as-a-service (IaaS) offering, and the platform-as-a-service (PaaS) offering, Microsoft Azure," says Chai. "Sheng Siong wanted an end-to-end solution that was easy to set up, which made the PaaS option more suitable."

"In addition, if we used the competitor's service, we would need to create SQL Server instances and manage the uptime ourselves."

Azure provides the database as a service, which takes out the work involved in creating and managing an SQL Server database: we just create a database on the Azure dashboard and we can use it straight away."

According to Cailleau, the Microsoft option would be easier to manage in other ways as well. Dynamic scaling would save monitoring time, and improved caching would deliver a faster customer experience. Last, Microsoft Azure aligned well with the company's mobile strategy, as easy-to-use toolkits would allow Cailleau to quickly develop web apps for home-delivery services, and integrate them into the existing Azure environment.

Pricing for the competitor and Microsoft Azure looked similar, but Cailleau believed that partnering with Microsoft would deliver more value.

"The Azure service teams engaged closely with us throughout the process, and each time we called we spoke to the same people," he says. "We shared our digital strategy with a Microsoft Enterprise Architect, who helped us understand how to achieve it. We didn't just choose on technical reasons, we also chose Microsoft because during the selection process, they became our trusted advisors on cloud hosting."

Working on the Microsoft Azure platform, MB9 developers easily integrated the new ecommerce site with the retail company's merchandise management system and payments gateway. By early 2014, the pilot was operational across approximately 10 percent of Singapore, with Sheng Siong staff fine tuning the service and logistics operations prior to a country-wide rollout.

Benefits

With Windows Azure, Sheng Siong quickly built a cost-efficient, high-availability ecommerce service, which they can rapidly and economically scale to meet corporate plans and customer demand.

Trusted advice and a unique level of engagement

For Sheng Siong, having a trusted advisor on cloud hosting has helped give the company a competitive advantage in ecommerce. "Our regular Azure contacts are always available for consultation when we need them," says Cailleau. "They established a one-to-one relationship with us: we ask for help and we get it. Only Microsoft offered us this level of engagement."

"Also, we can count on Microsoft to support our ecommerce strategy, because they have helped us create it. This helps us manage business risk in an unfamiliar environment."

Lower total cost of ownership

Critically for Sheng Siong, the company has been able to test and refine its ecommerce platform without making expensive capital investments.

"With Azure, we didn't need hardware, routers, firewalls or specialist security expertise and we don't have to worry about bandwidth charges," says Cailleau. "Also, we didn't have to over-invest in hardware, because we can easily scale up to meet demand, and pay only for what we use. Best of all, we can protect customer services with Azure 'five-nines' service availability."

Support for mobile strategy

According to Chai, Microsoft Azure also offers exceptional support for future mobile app development. With Microsoft Azure Mobile Services, customers have a single backend service that supports an app on multiple client platforms.

"The mobile apps will be easier to develop with Azure, compared to other platforms," he says. "Azure provides mobile services which lets them easily integrate push notification for various mobile phone platforms. For their pioneering move into supermarket ecommerce, Azure is the perfect strategic partner."