

A DOSE OF 'DIGITAL' FOR AN AGILE, & RESILIENT FUTURE

Australian retail pharmacy giant, Chemist Warehouse (CW), is ingesting a healthy dose of 'digital infrastructure' across company operations - re-architecting systems, platforms and apps – in their bid to foster innovation and maintain tech momentum for the scaled-up business.

"We've grown significantly and very quickly," said Mark Naidoo, Chemist Warehouse's head of IT architecture. "What started as a small business 20 years ago has evolved into this powerhouse."

Launched in 2000, today the retail giant has 500 pharmacy outlets, a burgeoning online sales operation, and employs 16,000 in Australia, New Zealand, Ireland and China.

Groaning' under the strain

Its big challenge? Infrastructure is "starting to groan under the strain of consistent, exponential growth" and unable to support the business effectively as it continues to scale up, Naidoo said.

The answer? A 'digital infrastructure' approach that helps the fast-growing company:

- realise its expansion objectives;
- achieve resilience, flexibility and agility; and
- stay true to its corporate beliefs and philosophies.

"To sustain the growth, we needed a new suite of technologies that support our vision to be vendor agnostic, carrier agnostic and cloud agnostic," Naidoo said.



We don't want to be locked into anything. We want to have options to assess and deploy solutions and services that best serve individual projects, strategic objectives and priority workloads.

Journey to Multi-Cloud

Chemist Warehouse looked to NEXTDC to help cement its digital transformation strategy and support them along their journey.

At the heart of CW's transformation strategy is cloud-based infrastructure, and their production environment which was relocated from its Preston head office to NEXTDC's M2 Melbourne facility.

Here, their environment is positioned right next door to the multiple cloud platforms and availability zones directly and natively accessible onsite, and one single connection to other leading public cloud onramps available across the broader NEXTDC national footprint. This is achieved through a 10Gbps port onto NEXTDC's AXON network which delivers CW the high-performance connectivity architecture needed to support their multi-cloud objectives.

Digital transformation is growing at a CAGR of 15.5% from 2020 to 2023 (despite the global pandemic) – and expected to approach \$6.8 trillion¹.

What's more, CW expect to see:

- the use of cloud cost analysis tools to assess whether AWS, Azure, Google Cloud or another platform is the best option for each particular workload;
- the ability to move any workload to anywhere it's best suited;
- the push from physical to virtual and cloud to cloud, based on its cost analysis; and
- resilient, secure operating environments – and high-bandwidth ports onto the AXON virtual connectivity platform for direct and secure cloud access.

¹ IDC FutureScape: Worldwide IT Industry 2021 Predictions



Initially, we want to be running workloads in various clouds on the VMware platform we've built up substantial experience with. With infrastructure in NEXTDC's facilities, we can then use the AXON network to connect and deploy to any cloud platform we want.

- Mark Naidoo | Head of IT Infrastructure
Chemist Warehouse

WEBSITE WENT HAYWIRE

CW's website experienced its highest ever loads after the first COVID-19 lock-down. As a result, the retail chain needed to make some pivotal moves, including:

- Network adjustments to enable them to burst capacity into the cloud
- Leverage the AXON platform to light up an additional ExpressRoute direct connection to Azure, enabling them to bring on additional virtual machines rapidly.

Resilience on display

According to CW, AXON plays a lead role in meeting their resilience objectives. It also helped the retail giant deal with COVID-19 challenges on two fronts:

- the surge of online sales (it was deemed an essential service during stay-at-home and social distancing mandates); and
- ensuring 500 administrative staff were connected and productive working from home.

In record speed, NEXTDC accommodated CW's urgent requirements and ensured no interruptions for staff or customers. A record number of remote workers were serviced, and the website successfully coped with the quantum leap in additional transactional traffic.

"What COVID-19 taught us was how important it is to incorporate maximum flexibility and agility into our network and infrastructure architecture," Naidoo said.



We had enough capacity to cope with about 250 people working remotely, but had to double the amount of bandwidth coming into our two administrative sites where most of the critical business systems were located when COVID landed. ”

Future ready

What we know now is that when CW need to pivot quickly in future – similar to that at the start of the pandemic – AXON will support a range of options and the ability to make adjustments on the fly.

"Through AXON, we have flexible connectivity to NEXTDC's cloud ecosystem that will allow us to easily bring on new virtual machines quickly when required and move workloads around based on which is best-in-class for the task at hand."

"We can confidently tell the business that we're ready for whatever happens next with business priorities, whether that be related to sustained growth or externally influenced business continuity challenges."

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BUSINESS OBJECTIVES

- Plan for and effectively manage exponential growth
- Foster tech innovation and modernise infrastructure
- Support the business as it continues to scale.

THE OUTCOMES

- Connect to and deploy any cloud platform
- Ingest maximum flexibility and agility into the business and network
- Support legacy migration