Retail

Pet care gets personal

Petco México

Petco powers more convenient, personalized experiences for every pet owner, with help from Lenovo TruScale and IT partner DCLOUD, boosting sales by 8% and lifting customer loyalty to historic new highs.

Lenovo TruScale
Infrastructure as a Service

1

Who is
Petco
México?

Petco is a leading pet care and retail company focused on improving the lives of pets and their owners. It operates more than 1,500 locations across the US, Mexico, and Puerto Rico, along with a large e-commerce presence on its petco.com website and the Petco app.

Petco opened its first bricks-and-mortar store in Mexico in 2012. Today, it's expanded to 121 physical locations throughout the country, plus two distribution centers, and employs approximately 3,500 people.

petco.
THE HEALTH +
WELLNESS CO.

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The
Challenge

Petco offers a one-stop shop for everything from pet food and supplies to on-site veterinary, grooming, and training services. When the company arrived in Mexico more than a decade ago, there was nothing like it on the market—and customers immediately took to the concept. Petco has been going from strength to strength ever since, opening an average of 12 new stores every year and steadily building up its e-commerce capabilities.

" **"We are a highly transactional business, processing tens of thousands of orders every day, and running distribution and logistics operations around the clock. It's all with the goal of connecting our customers to the products and services they need, quickly and conveniently, so they can give their pets the best care."**

Guillermo Prieto
Technology & Systems Innovation Director, Petco México

Whether it's processing point-of-sale (POS) transactions, shaping smooth customer journeys, or managing last-mile deliveries, Petco counts on SAP systems to support its operations from end-to-end. Lately, the company has been on a big push to provide an even more positive, personalized pet care experience—capturing all customer interactions, in store, online, and in app, and reaching out in real time with targeted content and promotions. But keeping up with the volume and velocity of these new processes was proving too much for the company's existing infrastructure.

To step up its agility, Petco considered moving to the public cloud. But the company didn't want to risk putting sensitive customer data outside of its direct control. Petco needed a model that brought cloud-like flexibility on-premises—and found it in Lenovo TruScale.

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"We are moving towards more personalized, real-time customer interactions. So, when someone brings their dog in for grooming, the store manager will receive an email with all their details, allowing them to greet the owner and pet by name. Meanwhile, we can send the same customer a push notification on their phone, offering a special discount on dog treats, to reward their pet once the grooming is over. Supporting these kind of real-time interactions simply wasn't sustainable with our previous infrastructure. To realize our ambitions, we needed a more powerful and scalable platform."

Guillermo Prieto
Director of Technology & Systems Innovation,
Petco México

Fast migration to a **powerful platform**

With Lenovo TruScale Infrastructure as a Service, companies get access to the latest data center hardware through a flexible pay-as-you-go commercial model. Petco was put on to Lenovo's TruScale offering by local IT services provider DCLOUD, and decided to work with both partners to deploy an all-new infrastructure. It's built on Lenovo ThinkSystem SR650 V2 servers and Lenovo ThinkSystem DE4000H storage, connected with Lenovo ThinkSystem DB620S SAN switches.

Prieto recalls: "Opting for an as-a-service model allowed us to offload infrastructure procurement, sizing, and deployment to DCLOUD and Lenovo, so we could dedicate ourselves to the transformation and migration work. The entire process took about three months in all, and we were able to migrate a very complex environment with zero downtime or impact on operations."

Services

Lenovo TruScale Infrastructure Services:
Advisory, Design, and Implementation
Managed Services
Dedicated Customer Success Manager
Continuous Monitoring, Health Checks, and Updates

Hardware

Lenovo ThinkSystem SR650 V2
Lenovo ThinkSystem DE4000H
Hybrid Storage Array
Lenovo ThinkSystem DE240S
SFF Expansion Enclosure
Lenovo ThinkSystem DB620S
32Gb FC SAN Switch

Software

SAP Commerce Cloud
SAP Customer Activity Repository
SAP Customer Experience
SAP S/4 HANA
VMware vSphere
VMware vCenter

Today, Petco's extensive SAP environment and other business applications run on a highly virtualized Lenovo infrastructure. The company operates around 30 production and development systems, supported by roughly 70 VMware virtual machines (VMs). Among the biggest applications are SAP S/4HANA, SAP Customer Activity Repository (CAR), and SAP Data Warehouse.

Altogether, the new Lenovo landscape supports around 25,000 orders a day from POS systems in stores, plus thousands more e-commerce and in-app transactions. It also underpins a full array of interlinked processes, from order picking and delivery to customer service, helping Petco orchestrate an entirely seamless experience from end to end.

"**"I often get asked if our journey was successful. The reality is that it exceeded our expectations. At first, we were worried that there'd be some downtime or pain to the company, but we had absolutely none. Credit for that must go to the teams at DCLOUD and Lenovo, who have been strongly committed to our success."**

Guillermo Prieto
Technology & Systems Innovation Director, Petco México

3

Results

Lenovo TruScale IaaS solution has brought together the hardware, software, and services to ensure the performance boost that Petco needed, while the pay-as-you-go model makes it easy and affordable for the company to keep its infrastructure growing in step with the business.

"Response times are faster across the board, and it's all thanks to a better-performing infrastructure with lower latency," notes Prieto. "We've also made a lot of savings through our new flexible consumption model. With TruScale, we avoided having to make a large up-front investment and now we only pay for what we use month-by-month."

✓ 25,000 orders processed on Lenovo infrastructure every day

✓ +10% increase in sales

✓ 20% higher customer engagement

The newfound speed and scale put Petco in a much stronger competitive position too. The company is now able to process more orders faster than ever, and offer customers a more convenient, personalized experience. It's helping Petco elevate marketing effectiveness, increase sales, and turn more shoppers into loyal fans of the brand.

"We've achieved a double-digit increase in sales for certain products through more targeted promotions," says Prieto. "Open rates for our emails and push notifications are also up by around 20%. And our net promoter score is currently the highest it's ever been. It proves that the work we've been doing to personalize interactions and get closer to our customers is paying off—and we're much better positioned with our competition we have in e-commerce as a result."

> **"Choosing Lenovo has been one of the best decisions I've made for our business."**

Guillermo Prieto
Technology & Systems Innovation Director, Petco México

Why Lenovo?

Petco found its way to Lenovo through a recommendation from DCLOUD, and it proved to be the perfect move for the company. The new Lenovo infrastructure has been a big step up from Petco's previous environment, and accessing it through the TruScale consumption model keeps things straightforward and transparent.

Lenovo's long history of co-operation and co-innovation with SAP is another big bonus for a company like Petco that operates such a large, business-critical SAP environment.

Prieto confirms: "The fact that Lenovo jointly builds hardware to work properly with SAP has been a great advantage for us. The hardware and software have gotten along wonderfully, and have truly made this a success story."

Partner perspective: DCLOUD

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"Working with Lenovo is always an
excellent experience. The team is great
about responding in a timely manner, and
without their technological support we
could not have these kind of success
stories. It's that simple."

Rogelio Amador Espinosa
CEO, DCLOUD

How do you deliver personalized experiences for customers?

Keeping pace with business demands
with Lenovo TruScale.

Explore Lenovo TruScale

Lenovo
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