

## CO-OP

# RETAIL OVERHAUL DELIVERS CUT PRICE CONVENIENCE & CUSTOMER SERVICE

**In an increasingly competitive market, the Co-op aspired to evolve from a local convenience offering to a 'hub of the community'. By providing services to complement their convenience stores, the Co-op sought a more sustainable proposition to improve margins and set them apart from new and existing competitors.**


Research shows that retailers offering a positive last-mile experience are rewarded with increased spend and loyalty by almost 75% of consumers, while 40% consider delivery service a 'must-have' feature for food and grocery products.

Partnering with courier companies, the Co-op could offer customers fast and reliable delivery of their goods - sometimes in less than 30 minutes - all tracked on their phone. Additional partnerships with well-established high street and online brands would give customers the convenience of utilising their local store as a collection hub for online purchases.

The business also wanted to be able to 'pivot' at scale and speed as other new opportunities become available.

### Business results through technology innovation

The Co-op team identified three key priorities for a successful technology investment to deliver their new business initiatives: quality people management, investment aligned to business needs, and complete transparency regarding the project portfolio.



"Having worked at Co-op for 20 years, in all my time I have never completed a project in store operating hours, working with CAE we took this one stage further and removed the core connecting platform of the store whilst the store was trading with a downtime of 45 seconds, this is one of the most outstanding pieces of work I have ever seen delivered."

- Senior member of the retail team

Several years have been spent transforming mind-sets, capabilities, and ways of working to build a modern technology organisation supporting the delivery of best business results. Known internally as 'One Co-op', this culture change has been critical not only in IT, but also in core commercial divisions like sales, merchandising, supply chain, and marketing.

The IT priority was to deliver a consolidated, simplified technology platform on which stores could transform from 'just selling' to service providers.

Removing legacy store technology and associated management costs was crucial, along with a shift to building automation in the network.

Delivering a simplified and converged store architecture would reduce business and store risk and increase the potential pace of business change. Realising a 'fail fast' culture enables continual innovation to become business as usual.



## IT Project Scope

The project consisted of replacing store security, installing 7,500 devices, and switching appliances to over 2,680 stores across the UK within a 12-month window.

This refresh programme needed to integrate into existing wireless technology. Cisco Meraki was chosen to build an agile, scalable platform and provide an architecture perfectly suited to multi-site retail modernisation. The ability to add Cisco Meraki SD-WAN and Smart Cameras when funds were available was also key.

With the APIs available through the Cisco Meraki technology, CAE suggested automating the deployment process to reduce the project time to value - and therefore cut costs - as part of the value creation process.

The Co-op team welcomed the opportunity to have visibility of every Cisco Meraki product across the whole estate. Existing wireless technology could be pulled into a single dashboard along with new security and switching devices, so that every Cisco Meraki product across all 2,680 stores could be seen and managed from anywhere, on any device with the right security credentials.

Incorporating Meraki Insights into the deployment was also suggested to provide end-to-end visibility into how users are experiencing the store platform, delivering valuable business intelligence.

Finally, Co-op's technology partner spotted the opportunity to deliver 'Network as Code' enabling software automation across the entire network.

With this software-centric, programmatic approach to building, consuming, and operating network infrastructure, the Co-op could recognise significant and immediate benefits and business advantages.

## The Outcome

The pivotal outcome was the delivery of a store 'platform' on which the whole business could bring about change at speed and scale, giving the Co-op the foundations to unleash its vast potential. In business terms, the store 'platform' gives the Co-op a faster time to market with new business models, provides increased access to customer data and ability to action insights, and allows easier improvements to store productivity and efficiency.

From a technology perspective, the store 'platform' was delivered 3 months ahead of schedule, which halved the professional services investment. And by leveraging the APIs from the Meraki platform to build unique automation software, Co-op's technology partner accelerated the time to value. The significant savings were handed back to Co-op as part of the value creation programme.

The project achieved its objectives by dovetailing with Co-op's original investment in Cisco Meraki wireless. Delivering a converged infrastructure of architectural integrity, effectiveness and design simplicity has drastically reduced the operating model required to support the store 'platform'.

The cost and speed of change have been a revelation. Instead of multiple touch points and weeks of planning, the pioneering 'store as code' architecture allows changes and updates to be made across the whole store estate within 15 minutes from the 'single pane of glass'.

Benefits to the business are already measurable. Partnerships with major retail brands have increased the average basket size, and current projects include utilising customer preferences to leverage store formats and in-store customer experiences.

**The future opportunities are limitless.**

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