

accenture

PANDORA

# Going for gold: Global jeweler Pandora polishes digital experience by migrating to cloud



# CHALLENGE

**The jewelry industry is highly competitive, with all players—from small artisans to global chains—vying for the same shoppers. It's critical, then, for larger jewelry brands to leverage technology and meld it with age-old craftsmanship to gain an edge.**

Pandora, the Danish jeweler known for its exquisite hand-finished pieces, knew that effectively blending art and technology would make it easier to launch new products and campaigns, and appeal to consumer sentiment on a local or global scale.

At a basic level, Pandora wanted to improve customer experiences and digital engagement by consolidating digital marketing activities and offering more convenient and responsive ecommerce services. To achieve this, the company needed to adopt a cloud-based, scalable IT infrastructure.

This would bring with it myriad benefits, including:

**Cost savings.** Over the years, Pandora had expanded its operations to 100 countries, many of which had their own IT systems. This siloed IT environment was increasingly costly to maintain.

**Simplicity.** Pandora was busily managing more than 60 IT vendors, which affected the company's ability to introduce products, campaigns and offers to market quickly.

**Operational efficiency and faster, better service.** The company required weeks or even months to launch new applications, as well as to roll out quick-fix IT services internally and to business partners—never mind new products and services to customers.

As Pandora's presence grew around the world, it needed to become significantly more nimble in an industry that requires speed and agile responsiveness. After all, most customers don't purchase jewelry every day, so Pandora needed the technological capability the cloud offers in order to deliver the technology needed for Pandora to execute on their digital aspiration of delivering a truly seamless consumer experience.



# WHAT ACCENTURE DID

**Accenture collaborated closely with Pandora and the two teams started out by assessing Pandora's business needs, and then outlining what the company's new cloud infrastructure could look like.**

This initial path forward clearly conveyed the potential strategic advantages of moving on-premise systems and workloads to Microsoft Azure Cloud. Experts from Microsoft and Avanade—a joint venture between Accenture and Microsoft—then joined the team to refine the business case and lay the groundwork for the migration of Pandora's infrastructure, data and applications.

From there, the teams developed a detailed assessment of Pandora's existing infrastructure and application landscape, followed by a defined migration roadmap. This plan called for a measured and sustained migration of many of Pandora's core systems (such as Microsoft Dynamics AX for ERP and Microsoft BizTalk Server for automating business processes), as well as Pandora's enterprise data warehouse.

Once these new infrastructure requirements were clearly defined and understood, the Pandora and Accenture project teams, in close collaboration with Microsoft, began to design and build the agile Azure Cloud platform.

In just 14 months, the team transitioned, transformed or decommissioned approximately 2400 servers and 350 applications.



Applications were re-hosted or re-platformed depending on the individual business case. All applications were onboarded onto the modern operations platform “MyWizard”, provided by Accenture.

Pandora’s capacity was right-sized for moving to the cloud with automation scripts that allowed for up and downscale capacity for critical applications on-demand (e.g. peak trading periods). They were also able to implement an almost fully automated patching process covering 100% of their infrastructure, where previously there were significant gaps and manual efforts.

Furthermore, the IT security framework was updated to the requirements of the public cloud infrastructure.

After the migration was completed, the teams worked together to optimize Pandora’s new cloud environment. Pandora chose Accenture to provide the end-to-end infrastructure support and improvements, IT security frameworks, and application management services for Pandora’s core business systems.

**“Together with Accenture, my team designed a detailed cloud solution for our application portfolio. The principle was to move everything to the cloud unless network constraints would not allow for this. The priority was to move into the cloud fast. Re-Platforming or Re-Engineering was only considered if feasible within the tight timelines.”**

Peter C. Holmberg, Pandora’s CIO.

# PEOPLE AND CULTURE

**The cloud migration and ongoing managed services are making it possible for Pandora employees to access standardized tools, data and cloud capabilities, such as provisioning new infrastructure to experiment with new offers or customer solutions.**

These expanded capabilities helped to create a culture of collaboration and innovation within the organization. The Pandora workforce, from storefronts to corporate offices, are now united around new digital experiences that benefit employees and customers alike.

Specifically, Pandora's employees are no longer responsible for managing more than 60 IT vendors and the resulting inefficient, siloed ways of working. Employees now have the bandwidth to focus on more strategic activities aimed at growing the business and strengthening the brand identity through enhanced and more responsive customer offerings.

The scalability and provisioning speed afforded by Azure means Pandora's professionals can launch new products, services and marketing programs in weeks, rather than months. That makes them more engaged in their jobs—and more effective at building solutions and products that are more likely to attract and engage Pandora customers.

**“For us, it was important to not only focus on the technical outcomes but also talent and resources. So, the transformation included our organization, people, skills and capabilities.”**

Peter C. Holmberg, Pandora's CIO.



# VALUE DELIVERED

**In less than 18 months, Pandora has successfully transitioned approximately 70 percent of its applications and infrastructure to Microsoft Azure.**

Prior to the transformation, fewer than 20 percent of the company's applications were cloud-based.

**More specifically, the project effectively delivered on these primary benefits identified at the outset:**

**Cost savings.** Pandora is on track to achieve DKK 200 million in cost savings through the transition and transformation project. The savings come in the form of process and technology standardization, highly efficient infrastructure management services, data and vendor consolidation, and close to 30 percent decommissioning ratio, which was far above the initial business case assumptions. The money and resources gained will be redirected to new digital initiatives e.g. marketing campaigns, store designs and enhanced online shopping experiences.

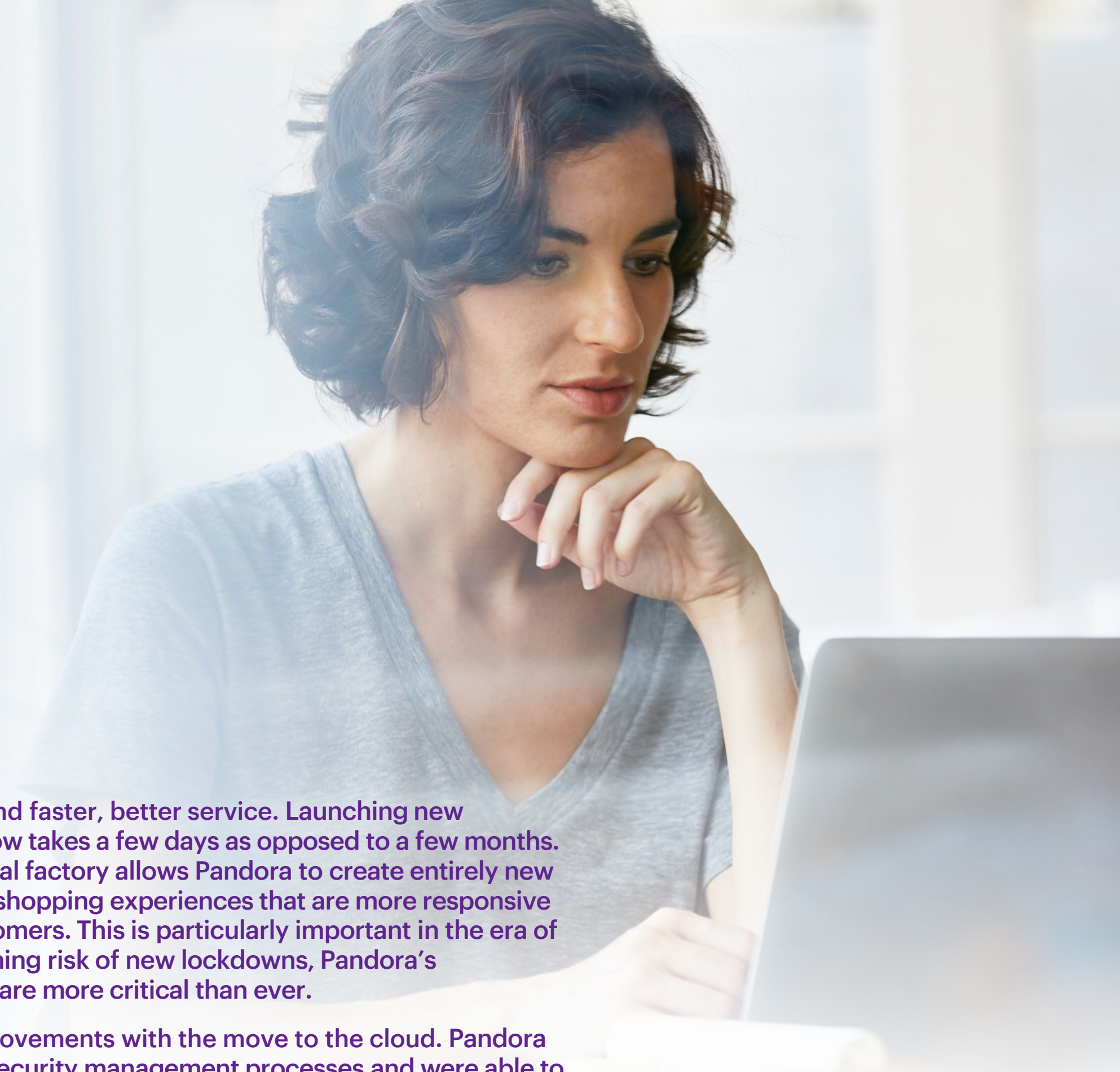
**Simplicity.** Pandora now has more visibility into its IT operations, which means the company can make better, faster IT decisions. And, the newfound IT agility and scalability allow Pandora to introduce new services or offerings in just a few days instead of the four weeks required under the disconnected legacy systems.

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**Operational efficiency and faster, better service.** Launching new marketing campaigns now takes a few days as opposed to a few months. For example, a new digital factory allows Pandora to create entirely new propositions and online shopping experiences that are more responsive and convenient for customers. This is particularly important in the era of COVID-19. With the looming risk of new lockdowns, Pandora's ecommerce capabilities are more critical than ever.

**Significant security improvements with the move to the cloud.** Pandora has strengthened their security management processes and were able to mitigate a number of potential cyber-attacks during COVID-19.

Moving forward, Pandora expects to continue leveraging the power and cost savings of the cloud, and ultimately grow the business by remaining nimble and responsive to customers' needs.



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