SUSE

dm-drogerie

Industry and Location
Retail | Germany

Product and Services
SUSE Linux Enterprise Server for
SAP Applications
SUSE Manager
SUSE Consulting

40%
cut in SAP response
times on average

30%
faster deployment of SAP
support packages

dm-drogerie provides more innovative services to customers and stays ahead of the game with SUSE

Success Story

At-a-Glance

To innovate faster than its rivals, dm-drogerie markt migrated its SAP environment to SUSE® Linux Enterprise Server (SLES) for SAP Applications — a huge advantage, because SLES is typically the first supported platform for new SAP offerings. With support from SUSE Consulting, the company completed the migration three months earlier than planned. With the new SUSE platform in place, dm-drogerie markt has cut SAP response times by 40% on average.

Overview

dm-drogerie markt offers a selection of over 12,500 pharmaceutical products to its customers, stocking numerous cosmetics, organic foods, products for babies and infants, and household goods. Since its founding in 1973 in the German town of Karlsruhe — where the management is still based — dm has opened more than 3,000 branches in 12 countries across Europe. The company employs around 55,000 people and generated annual revenues in excess of 9 billion euros in 2014-2015.

Challenge

dm-drogerie markt is a leader in its industry, achieving year-on-year revenue growth of around 10%[1]. Even as the contest for market share in the notoriously competitive retail market has become more intense than ever, dm-drogerie markt has

held onto its leading position and even continued to achieve significant growth. To accomplish such remarkable success, the company has retained a clear focus on boosting agility and providing truly excellent customer service.

Now, the company is looking to expand even further by winning market share. To hit its ambitious growth targets, dm-drogerie markt needs to sharpen its ability to deliver even better customer service. That doesn't just mean improving the quality of the services it already offers; the company is also coming up with new ways to delight shoppers.

To further improve the shopping experience, dm-drogerie markt wanted to ensure that customers can always purchase their desired products anywhere — in store and online. Taking its approach to inventory management to the next level, the company deployed the innovative SAP Customer Activity Repository application. This offering combines data from real-time inventory, on-shelf availability, cus-

[1] www.dm.de/unternehmen/ueber-uns/zahlen-und-fakten/

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> "We believe that our early adoption of SUSE Manager was one of the key reasons that we were able to complete the migration ahead of schedule."

CHRISTIAN STÄBLEIN
Head of IT Systems
dm-drogerie markt

tomer purchasing habits and ERP systems to create unified demand forecasts. These forecasts enable dm-drogerie markt to work out precisely which products customers are likely to buy, purchase appropriate stock levels and offer them at the right locations.

The new SAP application takes advantage of the cutting-edge SAP HANA database, which features in-memory data processing and a columnar structure, making it easy to report on massive quantities of data at lightning speed. As business users across dm-drogerie markt become increasingly accustomed to the speed of SAP HANA, they are requesting more and more services on the platform, which gives them rapid insight to support smart business decision-making.

Separately, dm-drogerie markt is consolidating its ERP systems for the entire network of high-street branches on the SAP ERP platform. By replacing existing home-grown solutions with standard applications, the company will be able to take advantage of pre-packaged functionality. This will enable the IT team to cut down on development work, release new functionality in days rather than weeks, and save money.

As a result of these new deployments, dm-drogerie markt's SAP systems are becoming even more central to the business. As such, it became increasingly important for the company to be able to take advantage of new offerings from SAP as soon as they are released. Since SAP typically launches new solutions for Linux before making them available on other platforms, the company recognized that it would be much easier to stay one step ahead of competitors if it migrated the SAP applications to a Linux-based solution.

Solution

After evaluating offerings from a range of vendors, dm-drogerie markt decided to migrate its business-critical SAP ERP applications from the IBM z/OS and AIX operating systems to the SLES for SAP Applications platform. Replacing its existing IBM mainframe and Power Systems servers, the company deployed an x86 infrastructure based on VMware virtualization technology.

After deciding to move to Linux, dm-drogerie markt examined different distributions and found that SLES for SAP Applications was a perfect fit. For a start, SLES

for SAP Applications has a strong track record of providing brilliant performance and excellent reliability. Secondly, a dedicated team from SUSE would be able to provide local support during the migration process, taking a lot of the anxiety out of such a critical project. On top of that, SUSE has an extremely close relationship with SAP, and new SAP offerings are typically available first on SLES for SAP Applications, so the company would not have to wait to get its hands on the latest functionality.

An expert team from SUSE Consulting provided extensive support to help dm-drogerie markt deploy the new solution seamlessly.

The SUSE consultants listened carefully to the company's needs and worked closely together with dm-drogerie markt's in-house IT team. Together, the teams designed an entire Linux infrastructure and processes tailored to suit dm-drogerie markt's business.

Throughout the migration project, dm-drogerie markt worked hand in hand with the SUSE experts. Whenever dm-drogerie markt hit obstacles on the road, the SUSE team helped to solve them extremely quickly, ensuring that the mission-critical SAP applications could continue running smoothly throughout the project.

Thanks to the outstanding support from SUSE and the technical excellence of the solution, dm-drogerie markt was able to complete the complex migration three months faster than planned — a huge success. The SUSE team also trained dm-drogerie markt's in-house IT team on how to operate and administer the new environment, so that they could start using it efficiently from day one.

SLES for SAP Applications is a tailor-made distribution of Linux designed to accommodate the specific demands of SAP software. SUSE runs a completely separate update channel for this distribution, offering pre-tested new and updated packages. If customers find that any package causes problems in SAP applications — whether in terms of performance, security or stability — SUSE automatically reverts to the last good version of the package, then works to fix the faults in the package so that it can be safely added back into the main branch of the distribution. As a result, the SUSE platform helps dm-drogerie markt keep its vital SAP applications running smoothly and quickly at all times.

Christian Stäblein, head of IT Systems at dm-drogerie markt, says, "SUSE provides

ongoing support for the SLES for SAP Applications platform. We know that if we have questions or encounter any difficulties, the SUSE team will be there to help."

Today, dm-drogerie markt relies on SLES to support its mission-critical SAP applications. These include SAP for Retail — a sophisticated ERP solution tailored to meet the needs of companies in this industry — and SAP E-Recruiting, which is part of the SAP Human Capital Management solution. In addition, dm-drogerie markt relies on the SAP Solution Manager tool, which acts as a central lifecycle management hub for SAP systems.

Because dm-drogerie markt's SAP applications rely on the SLES operating system, the company is able to take advantage of new SAP solutions extremely quickly. For example, the company recently deployed its first SAP Fiori app — an advanced mobile solution that enables staff to complete tasks such as claiming travel expenses on the go. Ultimately, by providing business users with the latest technological innovations, the IT team can help them work more productively.

For years, dm-drogerie markt relied on the IBM DB2 for z database running on an IBM z Systems server to support its SAP systems. The SAP applications were operated in a three-tier setup, where database and application server were running on different servers with different operating systems and management processes.

To streamline and standardize its SAP application landscape, the company recently migrated its SAP ERP databases to IBM DB2 for Linux, Unix and Windows running on SLES. Now, the company has imple-

mented a two-tier architecture, operating the database and the SAP application on a single system. This not only reduces networking latency and overhead, it also simplifies system maintenance and management, because applications and their relevant data are better separated from each other. As a result, the SAP system configuration is simpler, and dm-drogerie markt avoids the problem of maintenance on a central database instance affecting all applications.

To optimize performance for its large SAP workloads, dm-drogerie markt is taking advantage of a kernel-tune option in SLES for SAP Applications. As standard, the Linux kernel swaps out any application memory pages that are rarely accessed, and uses the freed-up memory pages as a cache to speed up file system operations. But some SAP systems require large amounts of memory to ensure rapid access to business data — and some of this memory is rarely accessed. If a new request submitted by a business user requires the application to access memory that has been paged out by the kernel, the user would typically suffer from sluggish response times. However, the kernel-tune option in

SLES for SAP Applications tells the kernel that once the page-cache has been filled to a pre-defined limit, application memory takes priority and should not be paged out. Using this feature, dm-drogerie markt can limit the amount of page-cache used by the Linux kernel whenever applications and the system page-cache compete for memory. As a result, business users can enjoy rapid response times for their queries around the clock.

As part of its consulting service, the SUSE team deployed SUSE Manager and provided training for dm-drogerie markt's IT staff, showing them how to use the solution to automate patch and configuration management.

The SUSE team convinced dm-drogerie markt to start taking advantage of SUSE Manager from day one. That was enormously helpful, because the solution makes it very easy to deploy new virtual machines — a task that had to be performed repeatedly at the beginning of the migration project.

Stäblein explains: "We believe that our early adoption of SUSE Manager was one of the key reasons that we were able to complete the migration ahead of schedule."

Results

Although dm-drogerie markt did not encounter any problems with the availability and performance of its SAP applica-

tions on the previous platform, migrating to SLES has enabled the company to achieve a superior price-performance ratio — without compromising system reliability.

Moving to SLES has cut response times for the company's mission-critical SAP applications by around 40% on average. In fact, some reports that used to take 3.5 hours now complete in under an hour — a remarkable improvement. In addition, the IT team can deploy SAP support packages around 30% faster than before.

Dm-drogerie markt regards all of these improvements as clear proof that SLES for SAP Applications was the right choice for its business. The company is confident that the platform will continue to meet the needs of its evolving business for years to come.

Additionally, taking advantage of the cutting-edge SUSE Manager solution enables dm-drogerie markt to manage its SAP environment more efficiently. As a result, the company has successfully expanded its SAP footprint without increasing the burden of system management on IT staff.

In the fast-paced retail industry, companies that fail to innovate run a serious risk of getting left behind. With SLES for SAP Applications, dm-drogerie markt can take advantage of the latest SAP technology to help provide better, more innovative services to customers and stay ahead of the game.

Benefits

- Cuts SAP response times by 40% on average
- 30% faster deployment of SAP support packages
- Migration completed three months earlier than planned
- Enables better price-performance ratio

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