# MAKRO, SOUTH AFRICA

**ALWAYS-ON AVAILABILITY** future-proofs leading retailer's
EFT credit and debit card processing infrastructure

Makro South Africa (SA) had hosted its credit and debit card processing service on Stratus® ftServer® systems since their previous server failed them for two hours in 2005. This failure cost the business over one million rand, not to mention its hard-earned brand reputation. At the time, Makro had been quick to understand that their ftServer system would soon pay for itself. It did.

## Business Situation
When in 2011 Makro SA came to replace the infrastructure and to re-architect the payment processing service to get into a more active/active environment, it was decision time. Did the organization still need their Stratus ftServer systems?

## Business Objectives
Makro SA had enjoyed 100 percent availability since moving to an ftServer platform in 2005. However six years on, Makro SA decided to do a technology refresh to protect its business from other failures, such as data center connectivity or networking within the data center, or connectivity to its acquirers.

Even though Makro SA had experienced the impact of downtime back in 2005, and had enjoyed the peace of mind provided by Stratus, they questioned whether the additional expense was necessary in the new active/active infrastructure.

## Quick Facts

**Solution Profile**
- ACI Postilion Payments running active/active on Stratus® ftServer® systems

**Products**
- Stratus ftServer systems
- EFT Credit and Debit Card Processing service

**Services**
- Stratus Support Services

## Business Impact
Stasha Battye, who runs the InStore and Service Department of Makro SA's technology solutions provider UCS Solutions, describes Makro's journey:

"Makro was on another vendor's server before Stratus. It went down for two hours one day, costing considerable financial and reputational damage. Determined to find an answer, I went to a Postilion user group meeting and saw a presentation on ftServer systems and their superior availability. I knew what we had to do. We had to host on an ftServer platform. Although Makro were surprised by the price, they felt comfortable. They understood that the Stratus ftServer system would pay for itself. Having suffered the severe consequences of downtime, UCS Solutions decided to take a belt-and-braces approach to optimizing the system for Makro.

> "All I can say is that to have this service [EFT Credit and Debit Card Processing] running on a Stratus Server really gives us the confidence of 99.999 percent uptime. Stratus ftServer really does what it says on the box. It provides uptime assurance and total peace of mind..."
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> **Pieter Schoeman**
> IT & Projects Director
> Makro SA

Stasha explains: "We took the previous server and used it as a hot-swap server. It stayed next to the Stratus ftServer, on all the time, backing up for the Stratus server. But we never had to use it. So what we did was use it to prove that if we lost the Stratus Server, which we never did, we could revert to that environment. And if we were doing upgrades we would do them on the other server, do a backup on it, make sure it was stable and, if it was, then go back to Stratus.

"We gave Makro the comfort that there was extreme disaster recovery in place and that original server, which had failed them in 2005, stayed there until we moved to an active/active architecture in August last year. We never once had to use it.

"After five years of continuous availability, Makro became concerned that the Stratus ftServer system was more expensive than the previous server and they needed to mitigate this in some way. They never questioned that they didn't get the service they deserved for the cost.

They knew they were getting more than they were paying and more from Stratus; they simply questioned whether, in the type of trading environment that drove everyone to look for any cost savings possible and in the face of a wider technology refresh, they really needed that amount of cover."

Such corner cutting was not unfamiliar territory. Indeed, UCS Solutions itself needed, on occasion, to be reminded of the importance of continuous availability.

Stasha explains: "Makro's position is not unusual. We've even had conversations within our own organization around upgrading a data center and shutting it down for the weekend, the assumption being that no transactions take place over weekends. We point out why we need our server up. It is surprising how long it takes us to persuade them. With Stratus there is no discussion. They're in the business of making sure that you have continuous availability and they definitely go above and beyond in terms of service and support.

"For example, last year we had to put in a secondary server for a FMCG chain. The system ran on a server from another vendor and we couldn't get it to work. Stratus stepped in and provided us with a loan server. We might have gold or platinum status with this different vendor, but they would not have given us a fifty thousand rand server and allow us to keep it installed four months because we were in a pickle with a client that had nothing to do with them.

"With Stratus it is just what they do. It's very hard to quantify the impact of partnering with them but we are quite ferocious in our support for them."

Pieter Schoeman, IT and projects Director for Makro SA, finds it slightly easier to quantify the impact: "Makro SA initially implemented Stratus in 2005, as a hardware infrastructure for our EFT Credit and Debit Card Processing service. I can say that in the six years that it was in operation we never ever had a moment's downtime due to hardware failure. It is very, very stable and a very reliable infrastructure platform to operate on. When we came to replace the infrastructure and also to re-architect the service to get into a more active/active environment, we questioned the need to stay with Stratus.

"The decision in the end was to go with the Stratus infrastructure again as it does allow us peace of mind for our service and also to service our customers in our stores.

"The fact that Stratus ftServer actually monitors itself and phones home if it detects a problem is a big benefit for us. So there's not only external monitoring taking place, also internal, in that the infrastructure monitors itself and highlights any issues that need to be addressed.

"Downtime costs us our reputation. Reputation is a big thing for us. Customers literally abandon trollies and of course what happens in our stores is that queues in the checkout lanes build up extremely quickly, so the time to clear your customers through the stores goes from a minute to literally half an hour.

"Although we have quite a few points of sale lanes in our stores, we're just not able to deal with these customer issues if the infrastructure is not available. So it is actually very difficult to say what it will cost us if this service is not available both from a loss of sales and reputation point of view."

Stasha explains more: "Uptime Assurance is important to Makro as they'd suffer financially as well as reputationally from even a minute's downtime. The statistics show that six out often Makro customers in South Africa pay with cards. For every minute down you are turning six out of ten customers away. Makro has 16 stores in South Africa and downtime would cost them a considerable amount of money running in to the millions. It can be as much as eight million to twenty-five million rand in two to three hours they would lose, not to mention their reputation with the customers who have travelled, often for hours, spent one to two hours in the store and are spending an average of above 1800 rand per trolley."

Once Pieter had done the sums he did not find it too hard to persuade his business to stick with Stratus. Pieter concludes: "All I can say is that to have this service running on a Stratus Server really gives us the confidence of 99.999 percent uptime. The Stratus ftServer system really does what it says on the box. It provides uptime assurance and total peace of mind."

## About UCS Solutions

UCS Solutions is South Africa's premier systems and services business focused on the retail value chain. For over a decade, UCS Solutions has been providing exceptional services that add real value to our clients both in South Africa and across the world.

UCS Solutions is owned by both Business Connexion (BCX) and the UCS Solutions Executive Management Team.

Business Connexion is a black empowered integrator of innovative business solutions based on information and communications technology.

They run mission-critical ICT systems and manage products, services and solutions for JSE listed and key public sector organizations, parastatals and medium-sized companies.

To learn more about UCS Solutions, visit **www.ucs.co.za**

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InStore and Service Department
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**Stratus**®
For an **Always-On** World
www.stratus.com

## About MAKRO SA

Makro has 16 warehouse clubs in South Africa trading in food, general merchandise and liquor. Its range includes home entertainment, computers and communication, office furniture, stationery supplies and equipment, large and small appliances, hardware and DIY, home decor and soft furnishing, food, liquor and much more.

Stores are located in major metropolitan areas and operate under a low cost/low margin trading philosophy. This ethos enables high volume distribution of merchandise at competitive prices. The value offering to all customers also includes quality brands and bulk volumes if required. The most differentiating feature is true one stop shopping with everything available under one roof.

To learn more about Makro SA, visit **www.makro.co.za**

## About Stratus Technologies

In today's always-on world, applications run under increasingly demanding circumstances. With these escalating demands comes greater pressure to prevent even the smallest amount of application downtime. Companies are responding to this need for always-on solutions by searching for technologies that either conform to or enhance their current IT infrastructures.

Stratus Technologies' solutions enable rapid deployment of always-on infrastructures, from enterprise servers to clouds, without any changes to your applications. Stratus products (software and servers) combined with Stratus people, enable customers to prevent downtime before it occurs, ensuring uninterrupted 24/7/365 performance of essential business operations.

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**Stratus**

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