



“Due to BIG-IP WebAccelerator...we were able to achieve a 40-percent data compression rate, which in 2009 provided us with R\$700,000 (U.S. \$400,000*) of telecommunications cost savings.”

Giovani Profili, IT Director at Droga Raia

Droga Raia Ups Performance and Saves Costs with F5 BIG-IP Solutions

Founded in 1905, **Droga Raia** is a giant in the medicine and cosmetics retail market. This Brazilian company has 280 stores in five Brazilian states: São Paulo, Rio de Janeiro, Paraná, Rio Grande do Sul, and Minas Gerais. A key challenge Droga Raia's IT team faced was to reduce communications costs without affecting business continuity. This cost saving was crucial because expenses with connection services were significant and increasing.

By implementing F5® BIG-IP® Local Traffic Manager™ (LTM) Application Delivery Controller with the BIG-IP WebAccelerator™ product module, Droga Raia has experienced dramatic savings in bandwidth costs and improved the performance of business applications running in a distributed environment.

Business Challenge

At Droga Raia's 280 stores, 5,000 employees service millions of customers every year. To keep a close relationship with its customers, Droga Raia maintains a CRM system that has more than three million active customers. In 2008, Droga Raia earned more than one billion Brazil real (U.S. \$580 million*).

Droga Raia invests in the prevention of diseases and incentives for a healthy lifestyle, a philosophy the company carries over to the health of its infrastructure as well. Giovani Profili, IT Director at Droga Raia, explained, “In this universe, IT has to

show an equal health level. Our team's key goal is to ensure the quality of the services provided at the store to the customer and at the back end to the company management and employees.”

To achieve this goal, Profili and his team searched for a solution to help the company save telecommunications services, in addition to streamlining business application delivery running in a distributed environment.

Today at Droga Raia, applications are divided into three key groups: customer service

Overview

Industry

Retail

Challenges

- Reduce bandwidth costs without affecting business continuity in a distributed environment
- Cut business application response time
- Ensure environment security

Solution

- BIG-IP Local Traffic Manager
- BIG-IP WebAccelerator

Benefits

- 40 percent data compression rate achieved
- R\$700,000 (U.S. \$400,000*) saved in bandwidth costs
- Network lifespan doubled
- Application response times reduced two-thirds
- Strengthened security

quality systems at the stores; decision maker support applications, including BI, data mining, and CRM systems; and administrative control systems. "All the applications are important, but from our business logic perspective, we sought a solution that could prioritize information delivery for each system type," Profili said.

Solution

To meet these challenges, Profili and his team investigated several market solutions. He said, "After the technical homologation stage, we came to the conclusion that BIG-IP Local Traffic Manager and BIG-IP WebAccelerator were solutions that could offer the security we needed—a value strengthened by the hiring of redundant, fault-proof systems."

Profili continued, "Another differentiator was the data compression rate provided by BIG-IP WebAccelerator. This contributes to our main objective to work for application high availability while running on an environment distributed through five Brazilian states." Homologation has been accomplished at a test lab installed within Droga Raia's data center.

Installed between Droga Raia's nine corporate servers and the routers that link the administrative center of the company in São Paulo to the 280 network stores, the two BIG-IP devices act as an intelligent switch. All queries to applications and databases made both by the stores' employees and the back-end team are handled by the BIG-IP solutions.

"With that, we increase the availability of the applications," explained Profili. "This happens because BIG-IP LTM automatically distributes the loads among the several servers. When a service is requested, the system identifies which server is freer and forwards the query to that machine." This avoids system overloads and bottlenecks.

"The response time of our strategic systems is two-thirds faster."

Regarding Droga Raia stores, this architecture also applies. "Access from both the more than 1,000 points of sale and the service requests sent by more than 900 query terminals—where our employees solve customer questions regarding availability, generic medicines, and prices—all is handled by the BIG-IP devices," detailed Profili.

An important distinction of Droga Raia's Information and Communication Technology architecture is that the stores; the distribution center located in Embu, São Paulo; and the administrative center installed in São Paulo are not connected to the Internet. "We have decided to set up our separated network based on MPLS [Multiprotocol Label Switching] channels," described Profili.

In this environment, HTTP packs are moved encapsulated into IP packs. "The BIG-IP system sees the packs as if they were IP packs, but they are actually forwarded as HTTP extensions," said Profili. "It is cloud computing that is not in a cloud."

For Profili, this solution was timely to address the company's management challenges. He explained, "The BIG-IP platform is very suitable for retail, whose key characteristics are to have a very scattered presence and a heavy data communication demand."

Benefit

F5 solutions have helped Profili to achieve all his goals: "We have succeeded in avoiding

new bandwidth hiring and ensuring the quality of the business applications running in a distributed environment."

Significant cost savings

The F5 solutions have produced tangible results. "Due to BIG-IP WebAccelerator, for instance, we were able to achieve a 40-percent data compression rate, which in 2009 provided us with R\$700,000 (U.S.\$400,000*) of telecommunications cost savings," Profili pointed out. "A result is that this duplicates the useful life of the bandwidth we have hired."

Lower application response times

For the IT area manager, other gains achieved with the help of the BIG-IP solutions were in the business applications area. "The response time of our strategic systems is two-thirds faster."

For the executive, this point is directly linked to end-customer service quality. The decrease of response time increases the customer experience at the store. "Not by chance, a key quality requirement for retail companies like ours."

In addition, Symmetry, an F5 Brazil partner, helped the Droga Raia IT team stay within its budget and time schedule. "Symmetry folks have provided us with consultancy and helped us to put the solution into operation. We have succeeded in getting the environment up and running in just one working day," observed Profili.

According to Profili, the original planning has been accomplished precisely. "In ten days, all the network stores were included in the new BIG-IP-based architecture."

*Values calculated based on the dollar/real exchange rate of October 30, 2009.

F5 Networks, Inc. 401 Elliott Avenue West, Seattle, WA 98119 888-882-4447 www.f5.com

F5 Networks, Inc.
Corporate Headquarters
info@f5.com

F5 Networks
Asia-Pacific
info.asia@f5.com

F5 Networks Ltd.
Europe/Middle-East/Africa
emeainfo@f5.com

F5 Networks
Japan K.K.
f5j-info@f5.com

