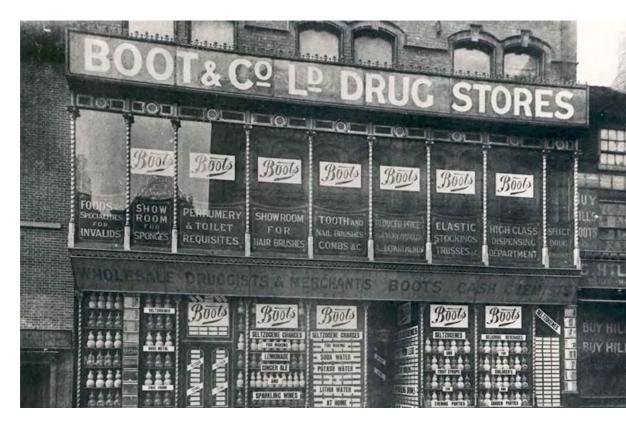
Retailer leans into Digital Commerce and continues 173 years of innovation

Boots UK measures significant growth with the help of IBM Consulting

by Brittany King
5-minute read



John Boot,
a former
farmworker, took
a leap of faith
and drastically
altered his career
to focus on
herbal biology
and remedies.



Though the agriculture laborer had no formal qualifications beyond what he learned from his mother, who practiced herbal management, Boot was inspired to set up a shop to sell medicinal herbal remedies at Goose Gate, Nottingham.

While a lot has changed in 173 years, one thing remains instilled in the iconic

Boots family: its commitment to customer wellbeing. The UK's leading pharmacy-led health and beauty retailer continues to be unmatched in its mission to deliver exceptional customer and patient care as it evolves with the times. But can the iconic brick-and-mortar business carry that success over into the digital landscape?



Digital orders grew by more than

42%

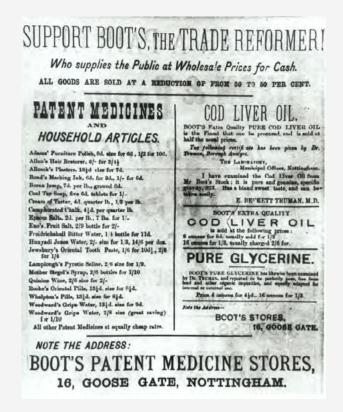
annually

Revenues increased by more than

115%

over 2 years





"We now have a modernized infrastructure with an up-to-date version of e-commerce platform that will take us from keeping up with competitors to getting ahead of them."

Rich Corbridge, Chief Information Officer, Boots UK



The need for a digital overhaul

Although it markets itself as a pharmacy, Boots is more than just a one-stop shop for healthcare needs. It's where a wide array of goods, convenience and beauty can fill a customer's basket. Yet to continue to meet the needs of its customers and keep up with modern times, the longstanding business needed to evolve digitally.

Boots needed to upgrade its existing infrastructure to support a new type of customer capacity because running old versions of website e-commerce software had become problematic. The number of customers kept increasing, but the site's ability to handle the volume wasn't keeping up—leading the team at Boots to become increasingly fearful of peak times. The site's issues became even more prominent in 2020, when the world's consumerism drastically changed as the COVID-19 pandemic forced more people to shop online.



Rich Corbridge, Chief Information Officer (CIO) at Boots, explains: "We were in fear of peak. We had a site built for a pre-Covid world and knew that it would be difficult to balance a site and keep it running and moving in peak times. Going from 7,000 people a minute to 19,000 at its highest peak just wasn't working; we needed to upgrade the entire infrastructure and tools."

Corbridge continues: "The questions were, 'How do we move Boots.com over to a modern platform, a cloud-like platform and boost AI? How do we upgrade to the latest version of web commerce to give us more tools to support customers? How do we stabilize a platform that was growing pre-pandemic in numbers of users and has simply just exploded?"



Pandemic alters ways of working



Already having had a longstanding relationship with IBM, Corbridge and his team looked to IBM® Consulting to assist in their digital makeover. Due to the pandemic, travel was restricted which meant it was no longer an option to sit down together and be face-to-face in a war room. Consultants from IBM iX®, a

division of IBM® Consulting, had to adjust their way of working with the Boots group, and the two teams quickly learned how to collaborate differently. To bring together people, processes and technology, the joint Boots and IBM Consulting team followed the IBM Garage Methodology—co-create (design), co-execute (build), co-operate (scale)—a proven framework for rapid transformation.

"With IBM, there were new ways of working that still brought people together," says Corbridge. "We built relationships over a virtual platform and could still collaborate and perform together. That was important to me because it shows the attitude, not just the aptitude, of IBM colleagues has been spot on for this account."

At first, being remote for such a large project was intimidating, but the

circumstances didn't impede the team's ability to remain fully engaged in getting everything over the line. An upside to virtual working allowed IBM to assemble the best SMEs quickly from around the world to work with Boots and deliver success. Corbridge admits that the unexpected opportunity for collaborators to be relatively comfortable in their own homes helped alleviate some situational stress. IBM and the team at Boots worked seamlessly together, adhering to the time constraints while remaining on deadline.

Corbridge explains: "We all couldn't sit in big rooms together, planning the biggest thing that Boots' IT has ever done. It was video links and virtual meetings with people from across the world, ranging from India, China, the US. Still, IBM really pulled together to deliver a huge change and ultimately delivered on time and budget."



A digital "heart and lung transplant"

The goal at hand consisted of moving the infrastructure and its legacy programs over to IBM Cloud®. For over a year, the two companies worked together using the Red Hat® OpenShift® on IBM Cloud container platform to build, replicate and test the digital environment. Finally, after a year and a half, the dress rehearsal was over, and it was time for the opening weekend.

To take a legacy site and evolve it to meet a modern e-commerce world is no simple task, and to do it over the course of a single weekend is incredibly ambitious. But because the teams had done so much preparation and checks leading up to rollout weekend, the new platform experienced zero incidents during the launch, affecting zero customers.

"The work can be described as akin to a heart and lung transplant at the same time," comments Corbridge. "We made the decision to move to what we term IBM Cloud inside Boots and migrate to HCL Commerce (formerly IBM Websphere Commerce) to version nine in the same weekend. We were asking so much of people, asking them to give up a huge amount of time to get this done in the middle of the night so that it wouldn't impact customers. Everybody truly pulled together to make it happen in that short period of time."

The post-launch engagement set the collaboration apart from other experiences, explains Corbridge.

Though the project contracts were up as the site was live, that didn't stop the IBM team from continuing to assist Boots in its transformation. The IBM team extended their support to ensure there was a smooth handover of knowledge transfer, making sure nothing fell through the cracks.

"Being able to work and collaborate with IBM as sort of a lead partner in this



has given us the ability to have a much wider, better and more useful site for our customers and patients that come to us," says Corbridge. "People now really do see digitally that Boots is there for them as well as physically. That has been very important as people aren't out and about as much because of COVID-19."



Growth across the board



Then came the real test—Black Friday. The peak event used to intimidate Boots, but now the company welcomed the day with ease. The company's website saw an average basket size that far exceeded anything the team had forecasted. The site had a horrific outage just a year prior, but that was in the past. Boots' new infrastructure didn't just run smoothly, it performed exponentially faster and,

at its peak, handled over 27,000 visitors without a hitch.

The site's improved search and personalized features showcased products in ways the previous infrastructure couldn't. Items that had never taken off for Boots, including a ketchup, were now experiencing skyrocketing sales.

"None of us even knew we were selling it," laughs Corbridge. "To see how well the search capability held up as millions of people searched for ketchup, though silly, was just unbelievably amazing."

Another hugely important date for Boots came on December 23, 2021, during a sales launch. The company's website saw its most significant day to date, which Corbridge credits to the new platform: "We wouldn't have even come a third of the way there on the previous versions and infrastructure."

Boots is now measuring significant growth rates following its digital transformation:

- Revenue is up more than 54% annually, and up more than 115% over two years.
- The company's customer base has grown by more than 45%, and orders increased by more than 42% annually.
- Conversion rates are up by more than 16% annually and 43% over two years.
- Average order value increased by more than 8% annually and by more than 13% over two years.



An explosive partnership

Suffice to say, the Boots team accomplished everything it set out to do, even if, at times, they went about it in different ways. With a modernized infrastructure in place, the retailer's digital scalability and e-commerce capabilities seem limitless. So, what's next for the iconic brand? Equipped with a strong foundation, Corbridge and his team can set their sights on a handful of new projects, including a new payment and checkout process and a newly designed mobile app, and digital store initiatives which IBM will be a part of.

"IBM has not only set us up with a new modernized infrastructure and tools, but also an environment that allows us to build on continuously," says Corbridge. "This is a testament to the way the collaboration worked between the teams. It isn't a one-hit wonder and we're done; it's a continuation, a real explosion of how a partnership can work."







About Boots UK

Established in 1849, Boots (external link), the UK's leading pharmacy-led health and beauty retailer, is part of the Retail Pharmacy International Division of Walgreens Boots Alliance, Inc. The retail chain has more than 2,460 stores and roughly 51,000 employees. Boots is a global leader in retail pharmacy, impacting millions of lives every day by dispensing medicines and providing accessible, high-quality care.

Solution components

- IBM Cloud®
- · IBM® Consulting
- IBM iX®
- Red Hat® OpenShift®

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