Cloudinary

Cloudinary proving 'best buy' for major retailer Salling Group

salling group

INDUSTRY
Grocery retailing

SIZE
60,000 employees
1,700 stores

HEADQUARTERS
Aarhus, Denmark

Successful migration from monolithic solutions to modern SaaS-based, composable architecture

Flawless onboarding process and exceptional support

Experienced significant savings in TCO

ABOUT

Denmark's largest retailer

What began in 1906 as a small family draper shop, Salling Group is now Denmark's largest retailer with over 60,000 employees, serving 11 million customers per week. European shoppers know Salling Group as the parent company of popular discount brick-and-mortar supermarket Netto and in Denmark the supermarket and hypermarket chains Bilka and Føtex. The company also owns the toy store chain BR and runs the franchises Starbucks and the burger chain Carl's Jr. in Denmark in addition to other specialized ecommerce sites. Now wholly owned by a special foundation, part of Salling Group's profits are donated to benefit social causes.

'The less we spend on IT, the more society benefits'

For many years Salling Group had been using proprietary technology to manage its vast store of digital assets. However, over time many customizations had accumulated on the system, which was beginning to slow down media management, and, crucially, slowing down time-to-market on new initiatives. It had become virtually impossible, for instance, to intelligently transform and deliver dynamic media without using third-party systems.

Over time, Salling Group's incumbent media management tools diverged with the company's ethos, as Salling Group's enterprise architect Claus Gosmer explains: "As a brand we are all about value for money. Yet we'd ended up with a luxury town car, when a modern, high-performance utility vehicle is what we need today. Because we're now owned by our Foundation, the less I spend, the more there is for our charitable work."

Salling Group not only manages digital assets on a very large scale, it has to happen very fast. The company is constantly updating its offers in the various chains and channels. To stay competitive, the company sets very short lead times for shaping content, making automation essential.

As Gosmer explains, "Every week we produce a set of booklets with offers only valid that week. The next week we produce another set, for all our brands, so the marketing and promotion-based part of our turnover is actually extremely high."

A unified DAM-PIM solution—at scale

Salling Group turned to Cloudinary for its dynamic media capabilities and the flexibility it could immediately give its developers in being able to create coherent digital experiences. The company was also impressed by Cloudinary's overall value proposition, offering the right capabilities at the right price point, combined with excellent support services.

As an open, flexible system, Cloudinary allowed Salling Group's media team to adopt a unified approach to product content creation and management. Salling Group stores all its product-related assets with relevant metadata into Cloudinary. These are then fed into Salling Group's PIM (Product Information Management) system which operates a number of customer-defined business rules to automatically orchestrate and route the product content. All this happens at scale; when it went live, Salling Group had pre-loaded approximately 500,000 production assets into Cloudinary.

"We adopted Cloudinary to modernize our media management practice while still maintaining a coherent PIM and DAM, offering one central, easy-to-use, cross-Group product content service for our end users. I'm pleased to say we have experienced significant savings in TCO for the whole application area."

—Morten Thuesen, PIM/DAM Solution Architect, Salling Group

Finding ease with a modern, composable architecture

In parallel, non-product content is still served out of the firm's in-house CMS stack, but with Cloudinary taking over more of the dynamic content—a strong example of how easily interoperability works in practice at the company.

"We have multiple technology stacks running at Salling Group. As part of our new modern composable stack, we are integrating Netlify as our serverless back end, commercetools as a headless commerce platform, and Cloudinary as the DAM," Gosmer confirms.

Cloudinary also helps Salling Group stay responsive to fast-moving changes in customer preferences. The first big test came when Covid struck. Salling Group ramped up a new grocery home delivery business from scratch with Cloudinary handling all the dynamic media capabilities for website and mobile. Today, Salling Group's home delivery operation has temporarily been de-emphasized in favor of physical stores.

THE RESULTS

From rigid to nimble

How does this busy low-margin retailer regard Cloudinary now? You might say, as a very smart buy!

"Go-live was also completely smooth, with no service outages and was flawlessly executed both from our and the Cloudinary side," Thuesen confirmed.

"We now have an architecture where we have central governance of all our assets and our product information. That means we orchestrate which assets go with which product, and then we publish that so we have one piece of content for a given product across the whole enterprise, brand identity, and channel to market."

—Claus Gosmer, Enterprise Architect, Salling Group

Salling Group is now also much more nimble. The hard-customized processes in its legacy system meant the media team used to be reluctant to make changes and couldn't leverage certain capabilities.

In Thuesen's words: "Now we're in a SaaS universe where it's so much easier for us to innovate."

Gosmer has been particularly impressed with how easy onboarding Cloudinary has proven. "The Cloudinary part of us transitioning off our previous DAM was actually very straightforward, and we spent a lot more time on re-engineering the PIM; if I'd only had to just transition all our content into Cloudinary, we'd probably have been done in a couple of months from planning to production."

"The level of support and the engagement from the Cloudinary customer success team proves they really are listening to us. In fact, they are really good ambassadors for the vendor, as they make sure that our needs are always prioritized. It's never just passing on a support ticket, but true help."

—Claus Gosmer, Enterprise Architect, Salling Group

Both regard the consistent partnership with Cloudinary as their most valuable asset. "We want to utilize standard functionality, but have also done some tweaking. We had some really productive talks with Cloudinary engineering at the highest level that gave us the customizations we needed," enthused Thuesen.

Salling Group's next steps with Cloudinary include exploring features like 3D, spin sets, and more advanced transformations—but given how well the partnership has delivered so far, Thuesen concludes, "We'll gladly walk the road with Cloudinary."

About Cloudinary

Cloudinary's mission is to empower companies to deliver visual experiences that inspire and connect by unleashing the full potential of their media. With 60 billion assets under management and nearly 10,000 customers worldwide, Cloudinary is the industry standard for developers, creators and marketers looking to manage, transform, and deliver images and videos online. As a result, leading brands like Atlassian, Bleacher Report, Bombas, Grubhub, Hinge, NBC, Mediavine, Minted, Peloton and Petco are seeing significant business value in using Cloudinary, including faster time to market, higher user satisfaction and increased engagement and conversions.

For more information, visit www.cloudinary.com.