

BARCELÓ HOTEL GROUP

SAP performance improvements migrating to AWS

The international hotel company improved 25% in performance migrating SAP to AWS in only 6 weeks.



Barceló

HOTEL GROUP

Barceló Hotel Group was founded in Palma de Mallorca (Spain) 85 years ago and their main business activity is focused around hotels and travel industry. As of 2017, the company owns 234 hotels located in 22 countries around the world with more than 51.000 rooms available and 25.000 employees.

Such results have nowadays positioned Barceló Hotel Group as the **3rd hotel company** in **Spain** and the 42nd at an international level. Royal Hideaway Luxury Hotels & Resorts, Barceló Hotels & Resorts, Occidental Hotels & Resorts and Allegro Hotels are the four hotel brands created under the Spanish company with the aim to classify their wide range of hotels depending on their category and the service they provide to their guests. Barceló Hotel Group is part of Grupo Barceló tourist group, founded also in Mallorca in 1931.

They own at the same time the travel agency division Ávoris, previously known as Barceló Viajes with more than 700 agencies present in 4 continents. In 2016, the overall group obtained EUR 2,854.9M revenue and EUR 1,979.7M net sales. In 1989, the group created Fundación Barceló in order to expand their Corporate Social Responsibility contribution in Africa and Latin America. Through educational, development and health programs, the foundation 's purpose is to help people in need on those areas to improve their social, human and economical primary needs.



The Challenge

From 2006 to 2014, Barceló Hotel Group hosted all their SAP systems on a datacenter where all physical machines were managed by the same supplier responsible for all maintenance services: SAP Basis, operating systems, databases, communications, VPN and more.

In 2014, the hotel company experiences a political change of course and, as a result, they decide to move their entire infrastructure to a private cloud. Iván Pons, logistic systems manager, affirms: "private cloud was the

technology that was available at that time, as the public cloud was yet to be extended". The project was implemented in 3 months and the contract was signed for 3 years. During this process, Barceló Hotel Group started to have **performance issues on their database** and such problems forced them to move to a mixed infrastructure.

"Ávoris had made the same journey migrating all their SAP systems to AWS public cloud with Syntax and the results were very positive. Syntax's proposal was competitive, and they demonstrated a deep knowledge on complete migrations with proven real references"

Ramón Ramis e Iván Pons Heads of financial systems and logistics Barceló Hotel Group

In July 2017 the contract with the current supplier was about to expire and this was the time when the final change was put on the table. Ramón Ramis, head of financial systems for Barceló Hotel Group explains why: "the objective was to move to a 100% cloud solution and to stand up for a better technology capable of responding to the needs of our systems that were in constant change, evolution and growing path". In that direction, "one of the main objectives of our department was to migrate to the cloud as much as possible to end up eliminating all physical machines", adds Pons. From all RFP (request for proposal) that were presented, **Barceló Hotel Group finally opted for Amazon Web Services as their cloud public vendor and Syntax as their technological partner in charge of migrating all their SAP systems to the cloud.**



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The Solution

With this handicap as a starting point, Syntax helped Barceló Hotel Group to migrate their 16 system applications, taking into account all applications for SAP ERP, Ledger, SAP XI, SAP Portal, SAP BI, SAP PI and CRM including development, quality and production.

During the same project, installations of the new **SAP Solution Manager, SAPRouter and SAP Web Dispatcher** were also done directly on their cloud versions.

The migration strategy was carried out using mixed methodologies: "On one side, the migrations for the back-up environment and database restoring system were made. On the other side, it was necessary to take into account other types of migrations in order to clone the server due to the product version of the operating system. This was the case of our CRM as it was working on a Windows 2003. ERP environments were the priority as well as the SAP PI secret environments. After that first stage, the rest of the environments were moved", explains Iván Pons.

Syntax, AWS Premier Partner, was responsible for the entire migration process of all Barceló Hotel Group SAP systems, always with the ongoing technical support of the client.

Syntax experience and previous knowledge on SAP migrations to AWS as well as the multidisciplinary team that includes SAP Basis, Developers and AWS Consultant Engineers made possible the decrease of risks such as: issues on the integration of systems between applications, connections and networks or programmed tasks on the operating systems.

AWS services and products that were used to move to a cloud infrastructure are summarized below:

- 29 Amazon EC2 Instances
 SAP environment computing services.
- Amazon S3
 As the back-up storage service for Barceló Hotel Group SAP system applications.
- Amazon Simple Email Service (Amazon SES)
 As the new cloud email sending service for their CRM campaigns.
- Amazon Virtual Private Cloud (VPC)
 To establish a virtual private and secured network connection between AWS and the hotel company.

"The project had to be carried out in 3 months. The migration had to be done before 2017 end of the year which is when the contract with the other supplier was expiring. For various reasons, the decision making was internally delayed, and the migration had to be made in half of the time initially forecasted. Syntax had no issue whatsoever to adapt to the new calendar and execute the migration within the final new time-frame: only one month and a half".

Ramón Ramis e Iván Pons Heads of financial systems and logistics Barceló Hotel Group

During the whole migration process, Ramón Ramis affirms that all down times and projected technical issues that were agreed upon earlier were executed "without any delays. Per contrary, they were mitigated before than what were planned and avoiding further issues later on".

"On Syntax's side, we would like to highlight the flexibility they showed incorporating extra technical resources when it was needed. There was a problem migrating DXI and DPI environments and a functional expert resource from Syntax's team was offered at our disposal. The person moved here to work along with our team that was at the moment on the project and together they found the way to solve it. Each time there was an issue, Syntax was adding the necessary resources to support and overcome them".

Ramón Ramis e Iván Pons

Heads of financial systems and logisticsBarceló Hotel Group

The Benefits

Changing the infrastructure of Barceló Hotel Group SAP systems from an on-premises environment to AWS has meant between 20% to 25% performance improvements on their ERP systems, as the hotel company has stated. They have also highlighted the implementation of new possibilities thanks to Amazon Web Services such as the Amazon SES service in which the emails "are now sent without experiencing issues", explains Iván. "This change was made for economical reasons as we would reduce costs but also enable to manage the solution exclusively for SAP environments", adds Pons.

"The result from migrating our SAP systems to AWS has been positive as we have improved in performance, which was one of our main objectives. We can now incorporate and implement new hotels quicker, reducing old VPN issues. We have also achieved the overall digitalization objective that was set to our department and we can now say that we operate 100% on a virtual environment".

Ramón Ramis e Iván Pons Heads of financial systems and logistics Barceló Hotel Group

Likewise, other areas of the business such as the Purchasing Department have experienced an **agility increase on their SAP BI reports that they didn 't have before the migration:**

"Simply by updating to the new cloud version and moving machines to AWS as per Syntax's recommendation, we have noticed improvements on their performance", verifies the logistic systems manager.

"On the list of metrics generated for the purchasing department, which we were previously encountering performance issues, by changing the infrastructure to AWS we have seen a decrease on the answering times and dialogs, as well as in the database. The same week in April compared to last year, the database dialogue response time has improved by 40%, from 333 milliseconds to 190 milliseconds. As per the dialog times in general, the improvement has been of 20% from 979 to a 722 milliseconds".

Iván Pons Logistic Systems Barceló Hotel Group The facilities obtained by the use of Amazon EC2 C5 instances allow Barceló Hotel Group to switch from a VPN network model to a SAPRouter model which brings simplicity to the following processes:

"Before, managing VPN for such large number of hotels was complex, with a high amount of workload and with this new model everything has been streamlined. Each time a new hotel was opened, it was necessary to establish a VPN connection but now, any new hotel with Internet connection can directly access to SAP. This is clearly an improvement for us as it saves time and resources when opening a new hotel".

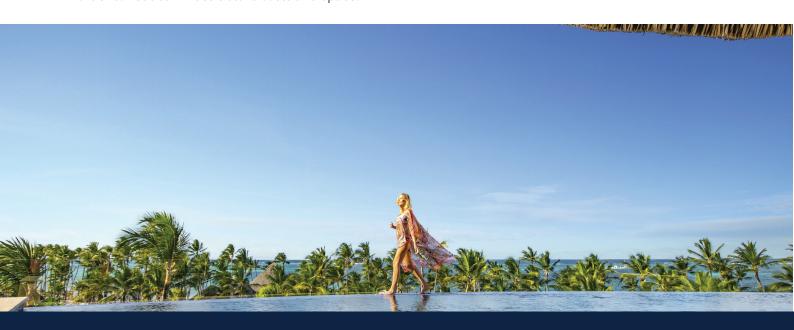
Ramón Ramis Head of financial systems Barceló Hotel Group

To all those improvement factors, we have to add the scalability and flexibility that AWS offers as public cloud provider and that will allow Barceló Hotel Group to keep growing as they need: "the company has planned to grow in a large scale and this will only be possible in a cloud environment. On-premises this would be nearly impossible", adds Pons.

The Future

Syntax will keep supporting Barceló Hotel Group on their technological transformation to the AWS cloud, once the migration process of all SAP systems from the company are carried out successfully. Within the various projects that are currently in the pipeline, the highlights are as follows:

- 24×7 maintenance managed by Syntax on SAP systems & infrastructure on AWS.
- Work on the best way to reduce costs using AWS.
- Implementation of Syntax's product: AWS Connector for SAP to archive SAP ERP to Amazon Web Services in order to reduce infrastructure costs and space.



ABOUT SYNTAX

Since 1972, Syntax has been providing comprehensive technology solutions to businesses of all sizes with thousands of customers trusting Syntax with their IT services and ERP needs. Today, Syntax is a leading Managed Cloud Provider for Mission Critical Enterprise Applications.

Syntax has undisputed strength to implement and manage ERP deployments (Oracle, SAP) in a secure, resilient, private, public or hybrid cloud. With strong technical and functional consulting services, and world class monitoring and automation, Syntax serves corporations across a diverse range of industries and markets.

Syntax has offices worldwide, and partners with Oracle, SAP, AWS, Microsoft, IBM, HPE, and other global technology leaders. Learn more about Syntax at www.syntax.com.

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Syntax Systems GmbH & Co. KG (ehemals Freudenberg IT GmbH & Co. KG) Höhnerweg 2-4 69469 Weinheim, Germany +49 (0)6201 80-8008 kontakt@syntax.com



