Building more connected retail experiences with SAP on Google Cloud

A conversation with Sam Moses, Vice President of Corporate Systems at The Home Depot
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Home has never been more important. As we spend so much time in our homes, many of us are dreaming up ways to make them more functional and more inspiring. When it’s time to bring those visions to life — whether you’re renovating yourself or you’re a builder bringing your clients’ dreams to fruition — it’s time to turn to a retailer like The Home Depot.

Founded in 1979, The Home Depot is the world’s largest home improvement retailer, operating 2,300 stores in North America and employing approximately 500,000 associates. The company’s values and culture are built around empowering its associates so that they can best serve customers. For the IT organization, that means innovating to put information in the hands of frontline employees and decision-makers at all levels to provide the foundations for exceptional customer experiences.

The Home Depot recently decided that the best next step forward was to migrate its core SAP systems to Google Cloud. Sam Moses, Vice President of Corporate Systems at The Home Depot, spoke with Abdul Razack, Vice President of Technology Solutions at Google Cloud, to share what motivated the company’s migration and how the move is reshaping the business.
It’s been a busy time for the home improvement industry. What are some of the key pressures you’ve been facing?

Some of the key pressures that we’re feeling right now in the industry are just change — especially the pace of change — and the need to be constantly innovating. And that’s where technology plays such an important part in helping us serve our customers. Another key pressure is the war for talent. We’re constantly looking for great, “orange-blooded” associates who want to come in and be part of helping doers get more done.

What are customers’ top priorities and expectations that The Home Depot has been working to address?

Our customers are really focused on two things: value and convenience. They’ve come to expect flexibility — the ability to shop whenever, however, and wherever they want. Another thing that our customers expect is that, when they start a transaction online or they start a project online, when they come into our stores, there is some type of an interconnected experience allowing them to achieve their projects faster and cheaper.

We call this interconnected retail. A few years ago, when so many companies were focused on omni-channel and thinking about their experiences in the digital space, one of the things that I love about what we did here at The Home Depot is that we actually built out the ability for our customers to shop however, whenever, and wherever they wanted. But when we re-engineered our systems, we re-engineered them with the customer in the center and the customer in mind. So it really makes that transaction a lot more seamless as they come together to do their projects.
The larger digital transformation that we're implementing at The Home Depot is ultimately about speed, flexibility, and scale, and just doing it faster than our competition. True digital transformation is not just about migrating to an online service model. True digital transformation is about using technology to transform the business. At The Home Depot, we've transformed to create an interconnected retail experience, and a key part of that interconnected retail experience is the work that we've done within our One Finance program to implement SAP, and also to run SAP on Google Cloud.

What are the drivers behind The Home Depot’s larger digital transformation initiative?

Why did The Home Depot choose Google Cloud to run its SAP applications?

We chose Google Cloud to support our SAP implementation, so our decision had a lot to do with the relationship between Google Cloud and SAP. Also, the applications and services that are offered as part of Google Cloud, like BigQuery, which are helping to enable data and analytics within our organization. To date, some of the SAP applications we've moved to Google Cloud include S/4HANA, our customer activity repository, our general ledger, BusinessObjects, and many other applications. And, as mentioned, we're running BigQuery.
What were some of your top business and technology challenges before moving to Google Cloud?

We had a lot of legacy systems. We had redundancy and processes that required manual efforts and interventions. But now that we've transitioned and we're beginning to move applications to Google Cloud, we actually get to one source of truth — which is a lot more efficient for maintaining our applications and the services that we provide to customers.

What types of insights are you now able to unlock from your SAP data?

We're leveraging BigQuery as our enterprise data warehouse. Now, we have better and faster access from a data and analytics standpoint, so our business can make decisions a lot faster. That's working really well for our team, because it's enabling faster transactions and faster research. We experienced unprecedented change in our customers behavior and their buying patterns, which put a lot of pressure on our supply chain. So having the ability to leverage data and analytics actually gives us insights to know exactly what our customers are needing. And, we plan to get a lot better at predicting those needs.
We're really excited about the changes we've made, because it's enabling us to move with a lot more speed, scale, and flexibility.

In what ways have these improvements affected how The Home Depot team members serve customers?

The transition to Google Cloud has really, really impacted us in a positive way. We're really excited about the changes we've made, because it's enabling us to move with a lot more speed, scale, and flexibility. Our applications and systems are a lot more stable and much more secure — and our customers know that their interactions with us are stable and secure. As an essential retailer, the SAP migration to Google Cloud has enabled us to handle the peaks and valleys within our business, to maintain reliable systems that our customers need and expect from us. Google Cloud has empowered The Home Depot by allowing us to put our customers first — to organize the whole business around the delivery of exceptional experiences.

Something else that's important to us is career growth. Many years ago, our founders taught us and said that if we take care of our frontline associates, our frontline associates will be there to take care of our customers. It's important to The Home Depot to offer a culture and an environment that allows associates to come in and really have a long-term career. And within the technology division, where we're innovating on a daily basis, we need top talent and associates who really want to be around for a great career with us. And that gives our associates the ability to solve real problems and meet real customer needs.
The future of home improvement

For The Home Depot, serving customers begins with listening. As the company continues to evolve to better listen and understand its customers, Google Cloud and The Home Depot will be able to innovate together to develop new solutions that not only provide insights, but also start to predict what customers need.

Learn more about what your organization can achieve by running SAP on Google Cloud.