AT-A-GLANCE

CUSTOMER'S BUSINESS:
Alex and Ani is a rapidly growing lifestyle brand best known for their patented signature expandable wire bangles, which may be adjusted and personalized with a variety of special charms.

CHALLENGES:
Because Alex and Ani is growing so dramatically, they need to ensure they can scale their environment quickly as their customer base expands and their software needs change.

RACKSPACE® SOLUTION:
Dedicated Servers, Cloud Servers, RackConnect,® Load Balancers

BUSINESS OUTCOME:
Alex and Ani is forging onward in their digital expansion, confident they can scale and rely on Rackspace to develop new solutions as their needs change.

ALEX AND ANI

Alex and Ani, Rapidly Growing its Lifestyle Brand Online
Company hosts with Rackspace to maximize uptime and ensure they can scale quickly as their needs grow and change.

Alex and Ani is a rapidly growing lifestyle brand created by Rhode Island-based designer Carolyn Rafaelian, Founder, Creative Director and CEO. Rafaelian hails from a family of jewelry manufacturers whose first RI factory opened in 1966. Rafaelian worked in the family business for a decade before launching her own line, named Alex and Ani, after her two eldest daughters. She opened her first store in 2009 in Newport, RI and began selling unique designs influenced by her spiritual outlook and commitment to social and environmental consciousness. Today, Alex and Ani has more than 40 stores in the US, more than 1,500 points of sale worldwide, and is growing at breakneck speed. However, the company remains committed to charitable causes and eco-conscious production. The brand's core product is a patented signature expandable wire bangle that can be adjusted; each bangle is adorned with meaningful charms of either overt or private significance.

> "Rackspace gives us the ability to scale so that we can focus on running a retail operation, as opposed to running a technology company."
>
> **Ryan Bonifacino**
> Vice President of Digital Strategy,
> Alex and Ani

As a company, Alex and Ani has undergone dramatic changes between its inception in 2004 and the present day; transforming from a small local business to a large multi-channel retailer with a wholesale operation, international presence, and a substantial digital sales division. The most substantial changes took hold in 2010 when the company spearheaded an aggressive expansion, in physical store space and on the web, with a targeted digital strategy. This launched the current period of hyper-growth during which time Alex and Ani has seen eye-popping revenue gains. With sales increasing from $4.5 million in 2010, to $80 million in 2012, to a whopping $230 million in 2013, Alex and Ani is currently considered the fastest growing retailer in the world. During this transition, the company turned to Rackspace to manage their increasingly complex environment, deliver round-the-clock support and personalized expertise, so that Alex and Ani can provide top-notch service to their rapidly growing customer base.

GROWING AND SCALING

Current Vice President of Digital Strategy, Ryan Bonifacino, was brought on board at the beginning of Alex and Ani's growth spurt to build the dot-com business. He says his mandate from day one was to create a strategy for multi-channel expansion, to centralize all customer information,

> "Every second costs money, so maximizing uptime was one of our biggest requirements in doing diligence with hosting providers. Rackspace was rated the top."
>
> **Ryan Bonifacino**
> Vice President of Digital Strategy, Alex and Ani

regardless of channel, and enable intelligent decision-making and superior service. As he implemented the new strategy and Alex and Ani's digital operations began to increase quickly in size and scope, Bonifacino says he knew they needed a service provider that would allow them to scale, which is what brought him to Rackspace. He says this reslationship now lets him meet demand and stay focused on core business, without worrying about the challenges future growth may bring: "Rackspace gives us the ability to scale so that we can focus on running a retail operation, as opposed to running a technology company," he explains. "We often times look at Rackspace as an extension of our own internal IT group. So, it's a true partnership model."

Alex and Ani now runs on a large and complex environment consisting of multiple physical servers and dedicated cloud servers to support their Magento enterprise platform. Under the guidance of their Rackspace team, they use a powerful load-balancing mechanism to support both anticipated and unanticipated traffic and have a variety of monitoring features in place. They are also using performance acceleration services to handle high demand and ensure Magento can always serve up an optimum experience for their customers, regardless of device. Bonifacino says Rackspace provides them with "an environment continually ready to accept and facilitate the new demand for our product as a results of what we're doing on the digital marketing side. It's a sophisticated arrangement," he continues, and a responsibility he is glad to offload to a third party. Overall, he stresses the benefits of hosting with Rackspace and notes they have a lot to offer any company in a current or anticipated phase of growth: "Not only would I recommend Rackspace to hyper-growth companies within the multi-channel retail space, but to larger industries that have small to large volumes. Rackspace has very specific teams that are able to help you grow. If you're a small business in hyper-growth, and all of a sudden you're enterprise, your teams may change but you've got a journey that's pre-defined based on your growth, and who better to define growth than those that see the amount of traffic that you're bring to your site, or to your consumers."

MAXIMIZING UPTIME AND STAYING ON TOP OF PEAK TRAFFIC

Not only does Alex and Ani need to stay on top of the increasing demand due to recent growth and digital marketing strategy efforts, they also need to manage the traffic spikes that affect any retailer on peak shopping days like Black Friday or Cyber Monday, or following a successful ad campaign. An ad run during this year's Big Game, for example, brought 28,000 people to Alex and Ani's website at one time, and it was crucial to anticipate the impact of this onslaught to keep the site performing as expected. As Bonifacino explains, the site's performance is directly correlated to revenue: "Every second costs money. For every second you add to the loading process, you're reducing your conversion rate by 7%, and that adds up." For that reason, reliable performance and management of peak traffic was forefront in his mind when selecting a service provider, which is what initially led him to Rackspace. "Maximizing uptime was one of our biggest requirements in doing diligence with hosting providers. Rackspace was rated the top."

LEVERAGING RACKSPACE SPECIALISTS

As Alex and Ani grows in size and scope, the company has shifted to enterprise-level technologies and relies on cutting-edge tools to help them grow their multi-channel operations, like Adobe's Digital Asset Management software. Rackspace has tailored its specialist teams accordingly to deliver highly specific expertise, which Bonifacino says is one of the aspects he values most about Rackspace as a service provider: "Rackspace approach to partnering with all of the enterprise level technologies that we're onboarding into Alex and Ani is to be the best of the best in terms of certification. Rackspace integrates and has dedicated teams for the best-of-breed partners that we work with, from Magento and eBay to Adobe and Akamai. Not only that, but they have subject matter experts for those particular tools. Often times we found that individual Rackspace employees had even worked at those companies in the past, which is exciting because it means they know how the tools work, they know what it's like under the hood and can advise us appropriately."

Bonifacino says Rackspace experts have been able to leverage their experiences with other clients to lead his team to the best solutions for the specific challenges they face. Rackspace can bring him specific business cases for comparison purposes, he says, and explore the solutions others are using. Overall, he says, the service he receives from Rackspace goes far beyond the nuts and bolts of hardware technology. "It becomes a lot more than what a lot of people view technology as, especially hosted technology. It's not a commodity anymore. The people and the experience is what makes the difference."

rackspace