Now we know precisely what stage we are at in every project and can keep our business colleagues informed in a transparent manner.

Renato Baldo, IT Budget Organization and Processing Manager, Lavazza Group

Technological innovation

Even astronauts aboard the International Space Station can now drink the best Italian espresso thanks to Lavazza and a specially designed coffee machine. This achievement is just one example of the innovative approach that has defined the famous company since its establishment in 1895.
It is not surprising that Lavazza turned to technological innovation to cope with the IT complexity resulting from the group’s significant expansion in recent years. In transforming the company’s IT, a key role has been played by innovative solutions for managing internal IT services (service management) and new IT projects to support production and marketing (demand management) activities. For these solutions, the Turin-based company opted for ServiceNow solutions, and the results quickly became clear.

“We are now able to do many things that we weren’t doing before. In short, we are far better equipped to manage complexity, even with limited human resources,” explains Renato Baldo, IT Budget Organization and Processing Manager at Lavazza Group.

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Doubling in size within a few years

Owned by the Lavazza family for four generations, the company has experienced significant growth in recent years. The group acquired the French companies Carte Noire and ESP (in 2016 and 2017), the Danish company Merrild (2015), the Canadian Kicking Horse Coffee (2017), the Italian Nims (2017), and the Australian Blue Pod Coffee Co. (2018).

In late 2018, following the acquisition, the Lavazza Professional business unit was created, comprising the Flavia and Klix systems and operating in the office coffee service (OCS) and automatic beverage distribution sector. Lavazza is now present in more than 140 countries through its subsidiaries and distributors, generates 70% of its revenue outside Italy, and employs more than 4,000 people. In just a few years, the number of employees has more than doubled, and this expansion has naturally resulted in a significant increase in IT complexity. “Numbers matter,” emphasizes Renato. “Managing the tickets and IT requests for 3,000 people is one thing; managing them for 4,500 is another.”

To cope with the increase in IT complexity, Lavazza decided to improve its efficiency by adopting processes that, thanks to new technological solutions, would allow the group to manage a greater number of activities while limiting the resources required to carry them out.
The need for greater efficiency revealed the limits of the solutions that Lavazza had been using until recently. Demand management activities were managed informally through email exchanges and telephone calls, making it difficult to keep track of requests and project progress. Service management relied on the use of different portals that were not integrated and had limited functionality, making it impossible to analyze the causes of IT service disruptions flagged by users. The group also lacked an efficient CMDB. “We needed to simplify internal communications, eliminate telephone calls and emails, combine everything into one portal, and automate certain activities,” explains Rosario Laganà, Head of IT Service Management.

**A flexible, comprehensive platform**

In 2018, Lavazza embarked on a selection process to identify new solutions with the help of the Turin-based systems integrator, Solve.it. The chosen products were ServiceNow IT Service Management (ITSM) and ServiceNow IT Business Management (ITBM).

Explaining the reasons that motivated the group to opt for ServiceNow, Rosario summarizes: “Lavazza represents excellence in coffee, and excellence seeks excellence. Based on the opinions expressed by key analysts, we opted for the market leader. We also appreciated the greater level of flexibility that ServiceNow offers compared to the solutions offered by competitors.”

Renato mentions another element, the direct integration between ITBM and ITSM within the Now Platform: “We saw the opportunity to manage in an integrated manner, using a single solution, more IT processes in different areas. In fact, one of the ways of reducing complexity is also to reduce the number of IT tools that we use. With the solutions offered by competitors, we would have needed more tools to perform the same functions.”

“There has definitely been a reduction in the overall number of tickets, because it is now possible to prevent those that resulted from poor change management.”

– Renato Baldo, IT Budget Organization and Processing Manager, Lavazza Group

70% of tickets generated by users collected by portal
ITBM portal

The first part of the initiative involved the development of a portal based on ITBM to manage IT projects and requests. The portal handles requests relating to new IT solutions or the enhancement of existing solutions. It also allows the IT department to more easily manage these requests – and the associated budget – to keep track of project progress. The platform allows users to create reports and it is also used to manage the evaluation of IT suppliers. Approximately 2,000 requests are entered per year on average, and around 100 projects are managed annually.

The portal based on ITBM has enabled Lavazza to achieve increased efficiency in the management of IT projects and requests and greater budget control. “Now we know precisely what stage we are at in every project and can keep our business colleagues informed in a transparent manner,” says Renato.

ITSM portal

Lavazza then took a hands-on approach to the development of an IT service management portal based on ServiceNow ITSM. The solution allows users who open tickets to communicate with the agent resolving them (the ‘fulfiller’) and to send them opening and closing communications via email. The fulfillers use the portal to manage all the processes required to resolve tickets, produce reports regarding the various KPIs and SLAs that are monitored, and manage suppliers. ITSM has also made it possible to automate several ticket management activities. The solution has been integrated with Active Directory, Success Factors, and Tivoli. The portal is used by approximately 6,000 users; in addition to direct employees of Lavazza around the world, this also includes staff employed by subsidiaries and distributors. The average number of tickets entered per year is 70,000, managed by approximately 250 fulfillers. The response to the platform has been very positive: the portal collects over 70% of the tickets generated by users.

“We now have constant control over all data, ITSM also allows us to analyze every problem to ensure that we don’t receive more tickets linked to the same issue,” explains Rosario. “There has definitely been a reduction in the overall number of tickets, because it is now possible to prevent those that resulted from poor change management.”
Increase in complexity with limited IT resources

Based on the results achieved to date, Lavazza soon intends to boost the use of the solutions: plans include ITSM integrations with SAP identity management and Microsoft Teams. The group is also considering creating new solutions based on the Now Platform to support other departments including finance, human resources, and logistics. It is also evaluating ServiceNow IT Operations Management as part of a project to migrate the Lavazza Group’s entire IT infrastructure to the cloud.

Among the positive effects of adopting the ServiceNow platform, Renato also includes greater efficiency in change management within the IT department: “It has helped us to follow the guidelines set out by our recently appointed director and has facilitated the addition of new resources already familiar with the platform.” Rosario also underlines the importance of the role played by Lavazza’s partner, Solve.it: “The company is knowledgeable and flexible. They opened up a world of possibilities for us and they are still supporting us, with the adoption of the new ServiceNow release.”

Lavazza is satisfied with the results achieved with ServiceNow. “The growth of the Lavazza Group in recent years has required us to do many things that we weren’t doing before. Thanks to the integration of processes that we have implemented on the platform, our governance and capacity to control the company’s economic resources have improved. We are now better equipped to manage complexity,” concludes Renato.