

# Metro speeds up payment with Software-as-a-Service solution

A household name in Singapore, Metro Holdings runs a chain of four department stores on the island and is active in property management and holding companies. It also operates retail and office properties in China, Malaysia and Indonesia.

Given its wide range of business in Singapore and overseas, Metro requires a full suite of infocomm solutions to manage its operations. Many of these solutions have to be customised to suit the business environment in each country. Metro has to incur up-front costs to buy these solutions, as well as maintenance costs to keep them running.

Thus, in 2008, Metro decided to tap on cloud provider Alatum and its Melioris to streamline costs and boost productivity. Melioris is a business process outsourcing company that helps deliver solutions using the Software-as-a Service (SaaS) model.

## The business challenge

One task that Metro found labour- and time-intensive was locating and collecting overdue payments from customers holding its Metro credit cards.

For this task, it used a spreadsheet-based database in the past, which had to be constantly updated manually by staff.

Staff also had to run reports based on the data in these static worksheets for the management. Again, this was done manually – by a staff member who worked full time on this. A lot of data had to pass back and forth among staff, as part of a complex workflow.



### ORGANISATION

**Metro Holdings**

### INDUSTRY

**Tourism, Hospitality & Retail**

### CHALLENGE

Metro had to find an efficient way to locate and collect overdue payments from Metro credit card holders.

### SOLUTION

Metro used a web-based cloud solution to track and manage the collection and recovery of owed payments.

### BENEFITS

- Cost savings
- Reduction in manpower
- Time savings

## Solution

An outsourced SaaS model was the solution. But technology itself did not convince Metro to change things in 2008, when it met Alatum and its partner Melioris. The business case did.

“When Metro spoke with us, what drew their interest was not the technology of SaaS or cloud services,” said Mr Yue Yew Hoong, Melioris’ director of Asia Pacific. “They were interested in the business benefits.”

The solution came in the form of Melioris’ ADX Collections, a Web-based hosted service with a single, centralised interface to track and manage the collection and recovery of monies owed to Metro.

Melioris’ ADX Collections was accessible by Metro’s internal and external collectors, third-party debt recovery companies and legal firms. ADX tapped on cloud services to make this more efficient and effective.

“ADX Collections provides the convenience of a one-stop access to a panel of third party debt recovery agencies on a single platform,” said Ms Teo Siew Lay, finance manager of Metro.

“This has greatly helped us in the efficient management of our collection and recovery activities. With the time saved, we can now concentrate on the core aspects of our business.”



## Benefits

By switching to a SaaS solution instead of buying its own hardware and software, Metro's total cost of ownership is cut by close to S\$40,000 over three years (see Table 1).

| Cost comparison                       |                                 |                        |   |
|---------------------------------------|---------------------------------|------------------------|---|
| Cost components                       | Cost (\$S)                      |                        | Remarks   |
|                                       | Purchase Own Infocomm Resources | Purchase SaaS Services |   |
| Full software cost and deployment     | S\$50,000                       | —                      | Software and deployment cost  |
| Software maintenance                  | S\$16,200                       | —                      | Software maintenance  |
| SQL database server and hardware      | S\$10,000                       | —                      | SQL database server and hardware cost   |
| Hosting and backup services           | S\$14,400                       | —                      | Hosting and backup services costs   |
| Manpower expenses (technical support) | S\$39,720                       | —                      | Manpower effort required for technical setup and support  |
| Software-as-a-Service (SaaS)          | —                               | S\$91,400              | Pricing for SaaS includes monthly subscription, one-time set-up fee and 10mbps shared bandwidth |
| Total                                 | S\$130,320                      | S\$91,400              | Savings of S\$38,920  |

\* Based on estimate by National Grid Office, with input from Metro and Alatum.

The ADX solution offers transparency as well. Managers can easily scrutinise the details with ADX. Instead of pulling out massive spreadsheets, they can look up details in a logical manner on a Web browser.

Being hosted off-site, the solution lets Metro do away with maintenance issues, like upgrades and patches, which are handled by the vendor. There is also no worry about scalability when it comes to hardware, software or bandwidth – they are taken care of by both Alatum and Melioris.

### About the National Grid

The National Grid is a national effort that draws together commercial cloud service providers to offer pay-per-use access to compute, storage and software facilities. The three consortia who have been appointed National Cloud Service Providers are Alatum led by Singapore Computer Systems Ltd (now part of SingTel), nGrid led by New Media Express Pte Ltd and PTC System (S) Pte Ltd.

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