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ATLANTICUS SWAPS COSTLY DATA CENTERS FOR FINANCIAL SERVICES INNOVATION WITH ZADARA

Flexible cloud storage solution frees resources to deliver measurably better innovation and customer experiences.

When everyday consumers need financial solutions for important purchases or day-to-day expenses, Atlanticus assists banks with providing tools that support their financial wellbeing. In its 24-year history, the company has serviced more than $26 billion in loans for 17 million plus customers. Atlanticus also works with some of the Top 100 merchants in the US to offer their customers sales finance at the point of sale.

Atlanticus is a technology innovator. Data storage has a critical role in the company's ability to expeditiously facilitate the presentment of financial services and products to consumers. The Atlanticus platform is built on over two-decades of technology investments and historical data, which inform a decision-making engine that must be accurate and minimize risk. Decisions are processed and delivered to locations across the country as part of a customer experience that is, ideally, seamless.

"Because of our investment in consumer facing technology, it now takes mere seconds for Atlanticus to determine whether an offer for financing can be presented to a customer in a retail store," says Kas Naderi, SVP Global Technologies, Atlanticus. Technology has also enabled the company to successfully resolve nearly 80% of all customer calls and to use credit "waterfalls" to allow merchants to offer consumers greater spending power. "All these customer facing innovations were built with resources that used to be spent on operational tasks."

> *"No alternative solution was as cost effective or effort effective as Zadara."*
>
> **Kas Naderi**
> SVP Global Technologies,
> *Atlanticus*

HIGHLIGHTS

- Outcome-aligned opex model

- Seamlessly connected Windows and Linux data systems

- Freed teams to innovate new consumer-facing services

- Integrated disaster recovery

- Maintained and enabled work from home during COVID-19 pandemic

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When Atlanticus made the strategic decision to shift from on-premises infrastructure to cloud computing in 2013, the company needed storage that could handle its diverse data types. They also needed a partner to help them shift IT resources from maintaining the data center to a renewed focus on innovation that would benefit their customers. Zadara cloud storage was the solution.

"Zadara was easier, faster and more cost-effective," explains Fred Hendricks, Senior Storage Engineer, Atlanticus. "Zadara started saving us time and money right off the bat."

The company also needed more **flexibility** to meet changing storage needs. "We wanted a storage service that would allow us to refresh our technology in real time, so we could add power and capacity as the company grew," says Naderi. "That would also allow us to replace capital expenditure with operational expense and align our spending with our requirements."

> *"Zadara was easier, faster and more cost-effective from the beginning."*
>
> **Fred Hendricks**
> Senior Storage Engineer,
> *Atlanticus*

THE CHALLENGE

Like many other financial services companies, Atlanticus previously operated its own data center. The company leveraged a Class A facility, which hosted millions of dollars' worth of investments in storage and other standard technologies. In 2013 the company implemented a new cloud computing strategy designed to overcome the many challenges associated with running a data center.

Cost was a significant factor. "Running storage in a data center requires a lot of investment and those investments have a limited shelf-life," explains Naderi. "Over time, equipment becomes obsolete and requires continued investment. We needed a solution that would give us an advantage over on-premises storage costs."

Increasing **focus on delivering services** for consumers was another priority for Atlanticus. With the burden of operating a data center, the company was expending too many resources on maintaining and upgrading storage. "I've always liked my hardware," says Hendricks. "It's what I knew. But why pay to buy and maintain storage hardware when you can have a team like Zadara's take care of everything behind the scenes?"

Atlanticus needed a cloud storage solution that could support its **unique integration requirements**. "We work with many types of data, across two different operating systems and storage protocols, and our applications need to share data among themselves," explains Naderi. "Storing employee data, such as Excel documents in Windows, is relatively easy. But our consumer data needs to be stored for longer periods, we need to make sure nothing gets lost, and we need to use that data in our transaction decisions every day.

> *"Zadara was the first company that said, 'we'll solve this problem for you in multiple ways.'"*
>
> **Kas Naderi**

"We had selected AWS as our cloud computing partner, but it was a challenge at the time to find a unified storage solution that allowed Linux systems using the NFS protocol to interact with Windows systems using CIFS." [1]

THE SOLUTION

Zadara met Atlanticus' challenges by providing a pay-as-you-use solution that connected all the company's systems, fulfilled processing needs in multiple geographies, and provided integrated disaster recovery (DR) features.

"Zadara was the first company that said, 'we'll solve this problem for you in multiple ways,'" recalls Naderi. "One, the storage works with Windows and Linux at the same time, which AWS couldn't offer back then. And two, we didn't have to buy assets anymore. We pay for as much storage as we use. We can add capacity and processing power as we grow, and we have flexibility to scale down if our needs shrink."

> *"We went from a huge capital outlay to no capital outlay."*
>
> **Kas Naderi**

"Zadara saved us a ton of time on DR too," says Hendricks. "We had been so focused on moving out storage, when we started talking DR, Zadara had a cost-effective, off-site solution right there for us."

> *"Anytime we had an issue, we had an entire team of experts that were always responsive."*
>
> **Fred Hendricks**

[1] CIFS (Common Internet File System) and NFS (Network File System): protocols for sharing files over a network

THE BENEFITS

HIGH CAPEX TO NO CAPEX

The Zadara solution has contributed to a significant reduction in storage costs, explains Naderi.

"Before we moved to Zadara we owned three primary storage systems from other vendors. Each system carried initial and annual expenditures that continued to rise in cost. We also had to continuously replace aged disks."

"With Zadara we went from a huge capital outlay to no capital outlay. We also removed a huge maintenance expense and gained a solution that gave us much better technology, which we could refresh more often."

LESS TIME KEEPING THE LIGHTS ON

Having a Zadara managed solution allowed Atlanticus to spend less time on managing and monitoring storage, improving efficiency. "You ask a CIO running a data center what percentage of their money is spent keeping the lights on," says Naderi, "and they'll tell you it's well north of 70%. It's a fixed amount and there isn't much left to spend on agility. After moving to the cloud and deploying Zadara storage, we're spending less than 25% on those tasks."

"Now, we no longer need to have three people monitoring storage and replacing disks. It's allowed us to take those people and those dollars and use them where they're more valuable."

"With Zadara you can significantly lower your expenses"

Kas Naderi

MORE ROOM FOR INNOVATION

With savings on infrastructure in the millions, Atlanticus was able to shift resources to innovation. That included 10+ employees who could focus on digital service delivery.

IMPROVED CUSTOMER EXPERIENCE

The shift to innovation, made possible by eliminating storage management burden, has helped Atlanticus to deliver measurably better customer experiences.

"More than 70% of our customers use our self-service solutions to interact with us. We've also given merchants the ability to integrate with multiple waterfalls, where consumers are automatically referred to a second or third lender if declined by the first, in order to increase consumers' purchasing power." The company has also driven down credit decision times to mere seconds.

AVERTING DISASTER

Zadara for disaster recovery also delivers cost-efficient storage redundancy and high availability of data. "Having those features at a price point equivalent to what you'd pay for private cloud [PC] storage was a driving factor in us pursuing a relationship with Zadara," says Naderi.

Running a managed cloud storage infrastructure even allowed the business to stay at full capacity during the COVID-19 pandemic. "Shelter in place impacted everyone," says Naderi. "But because we had cloud technologies like Zadara in place, we had full capacity irrespective of the global challenges. Our employees, including our call center agents, were able to work from home and access data securely."

"Zadara saved us a ton of time on DR"

Fred Hendricks

> *"Customers of many financial services companies may have had long delays recently, but not ours."*
>
> **Kas Naderi**

To learn more about Atlanticus, please visit www.atlanticus.com.

WHAT'S NEXT

Atlanticus completed its transition to cloud infrastructure, replacing one of its last remaining colocation facilities with Zadara storage. "The ease of use with Zadara really helped," recalls Hendricks. "Anytime we had an issue, we had an entire team of experts that were always responsive. And with Zadara, you know you'll get an answer you can take to leadership."

The company is continuing to work with Zadara to explore new technologies that can further modernize the business, solve back office challenges, and give consumers the best and shortest possible experience.

"Improved servicing ensures our customers can move on with their lives more quickly; , no half-hour wait time," explains Naderi. "Customers of many financial services companies may have had long delays recently, but not our customers.

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Zadara is enterprise storage made easy.
Any data type. Any protocol. Any location.

Contact us at:
www.zadara.com
info@zadara.com