

The Children's Place moves fashion forward with AppDynamics

THE CHILDREN'S
PLACE

About The Children's Place

The Children's Place is one of the world's largest pure-play retailers of specialty children's apparel, with more than 700 stores in the United States, Canada and Puerto Rico, and a presence in 90 countries. Whether serving customers in person or through its fast-growing ecommerce and mobile platforms, The Children's Place has a singular goal — to deliver next-level customer experiences.



Challenge

Fueling six weeks of peak holiday sales

As one of the world's largest pure-play retailers of kids' specialty apparel, The Children's Place has long been the go-to store for parents looking to clothe their young ones. With the acquisition of baby-clothes leader Gymboree in 2020 and the launch of its own teenage apparel label, Sugar & Jade, in 2021, The Children's Place has become a one-stop shop for stylish shoppers of all ages.

But growth is only half the story. The retailer is also focused on providing the best customer experience, especially during back-to-school season and peak holiday periods. This became an even bigger priority during the COVID-19 pandemic, when ecommerce purchases soared from 10% to nearly half of company sales.

"Retailers like us live and die by these holiday periods, especially as more of our sales occur online and via mobile," says Madhu Peddaboina, Director of Information Technology eCommerce. "What's more, the holiday peak now lasts up to six weeks, so any delay or disruption could mean millions in lost revenue, not to mention unsatisfied customers."

Building a customer-centric cloud environment

To better manage spikes in holiday demand and future-proof its business, The Children's Place is currently migrating its customer services from a monolithic legacy environment to the cloud. The retailer's mantra for 2022 and beyond is to deliver next-level customer experiences, and it's expanding to cloud native applications to achieve this goal.

"It's not the strongest species that survives, nor the most intelligent. It's the one that's most adaptable," says Peddaboina, paraphrasing Charles Darwin. "In our case, that means adapting the way we create and manage our customer-facing applications to today's digital world."

Peddaboina's customer-experience goals are three-fold: build a dependable cloud-based system that runs 24/7; run applications with little to no latency; and make customer-centricity the focus of every IT initiative. To achieve this, his team needs visibility across the company's applications and network to continuously monitor and refine the customer experience across channels.

Key Benefits

- Managed 5x spike in ecommerce traffic during the holiday peak, avoiding millions of dollars in lost revenue
- Eliminated latency-impacting customer experiences by drawing on full-stack observability across application and network performance
- Delivered insights through real-time observability across teams — from executives to technologists — improving customer experience and business performance

Solution

Full-stack observability in a one-stop package

The Children's Place journey with AppDynamics began a few years ago when it was running its applications on-prem, and continued as it migrated to SaaS. To fuel its latest migration to Amazon Web Services (AWS), the retailer has upleveled to an integrated solution that combines application monitoring from AppDynamics with network intelligence from ThousandEyes.

This full-stack observability provides The Children's Place with a real-time view of its entire business operation, including its ecommerce platform, databases, Amazon cloud clusters, dozens of microservices and more.

"We added ThousandEyes with AppDynamics two months before our recent holiday peak, knowing that no matter how well you prepare, issues will always crop up. Little did we know how important that integration would be," says Peddaboina.

"Complete observability across the stack gave us a better understanding of how data flows between our systems, which meant we could identify and address potential service issues before customers felt any negative impact," he adds. "Together, AppDynamics and ThousandEyes were crucial for us to deliver a seamless shopping experience at the busiest time of year."

A day before The Children's Place expected its annual holiday sales jump, Peddaboina's team noticed a spike in network agents in the ThousandEyes platform — an issue that would cause latency just as the business was preparing for a major traffic surge. Having made no changes to its hosting vendor and seeing no alerts in its internal network layers, the team couldn't find the spike's root cause. Luckily, ThousandEyes visibility into internet and network pathways helped find the culprit: a BGP (Border Gateway Protocol) advertisement that had been popping up in customers' netpath and slowing their experience.

"AppDynamics picked up the latency and ThousandEyes helped us pinpoint the source so we could resolve a major network issue right before the most important time of year for our business," says Peddaboina. "We would never have been able to accomplish this without an end-to-end solution."

Full-stack observability in a one-stop package

AppDynamics also helps The Children's Place monitor and shore up its database performance during peak periods.

"In the world of ecommerce, your database is your single source of truth. We can't afford for it to freeze or cause latency for customers. AppDynamics allows us to find and eliminate minor database issues before they snowball into something bigger. That's a huge win," says Peddaboina.

Case in point: one week before the six-week holiday surge, Peddaboina and his team noticed a spike in their AppDynamics flow map pointing to a database latency issue. A latch was causing a number of crucial APIs to shut down when customer traffic reached 200 to 300 connections, causing the database to freeze. The team quickly disabled the latch, stopped all unwanted monitoring, and fixed the problem in a matter of hours. The fix was also set for future use, ensuring that similar issues would not cause latency down the line.

"If our database freezes for 30 seconds to a minute during peak times, when we're seeing five times our usual volume, that could add up to millions in lost revenue. AppDynamics put the issue front and center so we could do the necessary performance tuning and get back to serving customers at full speed," says Peddaboina.

In parallel, The Children's Place is using AppDynamics [Business IQ](#) to build dashboards and monitor its growing portfolio of cloud microservices. The ability to oversee the health of customer-facing applications such as ecommerce shopping carts has helped the business refine its services

and improve time to market for error-free customer experiences.

Once again, the test came during this year's peak holiday period, when a custom AppDynamics dashboard revealed latency in the checkout process. Developers instantly identified and addressed the issue, ensuring an exceptional experience for customers and highlighting the value of cloud-based services.

From developers to boardroom executives, stakeholders across The Children's Place rely on AppDynamics dashboards to check the status of their mission-critical processes. Used initially to monitor the retailer's ecommerce performance, AppDynamics now underpins operations across the company's organizational landscape, from IT infrastructure to in-store customer experiences.

Benefits

"A monitoring tool we can't live without"

AppDynamics has become essential to The Children's Place, and its latest integration with ThousandEyes has only expanded its role. Not only has the integrated solution positioned the retailer to handle holiday demand with ease, it's also helped form a solid base for the company's ongoing cloud migration and future plans.

"We are constantly developing new services and experiences for customers," says Peddaboina. "With our landscape shifting to online and mobile, and as we migrate our platform to a new commerce cloud, the monitoring capabilities of AppDynamics and ThousandEyes have never been more important."

Peddaboina continues: "Together, AppDynamics and ThousandEyes provide us with full-stack observability to handle demand spikes with ease, and deliver next-level experiences to our customers throughout the year, while also underpinning a new wave of innovative cloud-based services."

The Children's Place is now exploring more than 60 new microservices on AWS, most of which are being monitored by AppDynamics. For Peddaboina, the beauty of this solution is that anyone in the business — from the boardroom, to technical managers, to engineering teams — can check the status of these services on their mobile phone, in real-time, ensuring the business fires on all cylinders.



THE CHILDREN'S PLACE

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More than a partnership

The collaboration between The Children's Place and AppDynamics has grown considerably over the years. What began as a three-month trial has since evolved into a true alliance that has helped Peddaboina and his team continuously optimize their application and IT performance, especially ahead of peak periods.

"We see AppDynamics as a genuine extension of our team," says Peddaboina. "In a year when we saw half our business switch to ecommerce, acquired new companies, and launched a new brand of our own, their expertise has been as valuable as their solutions in helping us achieve our goals."

The Children's Place continues to go from strength to strength, according to their leadership a combination of structural changes and accelerated digital investments played a major role in that success.

The business is now building on this momentum and moving ahead with its ambitious digital transformation. With the ability to monitor, track and optimize performance across its application and network stack, all the pieces are in place for more success ahead.