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Pharmacy Chain Builds a Secure Network and Expands Its Retail Services With Fortinet LAN Edge and Secure SD-WAN

Pague Menos is the second-largest pharmacy chain in Brazil. With approximately 1,600 stores and more than 25,000 employees, and already considering the acquisition of Extrafarma in August 2022, the company has been going through a major transformation that reinforces its purpose—to help people live fully and ensure basic primary healthcare for the entire population.

In the past, customers would go to Pague Menos to buy medicine with great cost-benefit. Now, among the company's many initiatives, the partnership with Fortinet has indirectly supported the pharmacy chain in its consolidation as a true healthcare hub. Customers can now take care of their health with a variety of facilities and services that bring the physical and digital worlds closer together, offered by Clinic Farma's pharmaceutical offices. This new customer experience, backed by solid network infrastructure, supports the company's innovative plans for the future.

A New Scenario With New Challenges

In 2016, Pague Menos executives had an ambitious growth plan. The network model at that time was already showing signs that it would not support the company's future and growth. "Back then, we had more than 900 stores. It was getting hard to depend on two internet service providers [ISPs], and if they did not have an operation in a specific city, we could not have it either," comments Afro Vasconcelos, IT director at Pague Menos. This unavailability of services was hindering the pharmacy's expansion.

Furthermore, the multiprotocol label switching (MPLS) links provided by the ISPs offered very limited bandwidth, only 64K bps, used mainly to enable credit card payments across the pharmacy chain. This was insufficient for the future, as Pague Menos wanted to offer a variety of new services to their customers, which would require a solid, reliable internet connection. "As early as 2016, we envisioned a store with more applications, the ability to track sales with a dashboard, and online sales in the future. That network would not support this demand," says Vasconcelos.

Finally, the redundancy and backup solution, via satellite, was a slow connection and was the source of many complaints. All these factors led Pague Menos to search for a new solution and a new technology partner.

Pague Menos was not sure what kind of solution would fit its needs. The priority was to efficiently connect the entire store network to support expansion and better services. "We were paving the road for several things. At the time, we did not even have a vision of everything that could happen. But the idea was to build the road to pass whatever we needed in the future," explains Vasconcelos.

PagueMenos

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Details

Customer: Pague Menos

Industry: Retail

Location: Brazil

Number of Secure SD-WAN Locations: 1,600

After considering several vendors, Pague Menos chose Fortinet and started the deployment of its Secure SD-WAN project, built on the implementation of FortiGate Next-Generation Firewalls (NGFWs). With the help of Network Secure, a local Fortinet partner, Pague Menos converged its communications and network security throughout its corporate offices and its stores distributed in all units of the federation. With an efficient network that provided availability, reliability, and data confidentiality, along with an intelligent balancing of applications based on the criticality of each one, Pague Menos launched a new suite of customer services. The Secure SD-WAN solution was integrated with Fortinet FortiAP wireless access network solution through access points, providing secure Wi-Fi access for employees and customers in stores.

Transforming the Business

Vasconcelos explains that, in the last few years, Pague Menos is not just a place to buy medicine. "Now, customers have access to the nearly 1,000 pharmaceutical offices, Clinic Farma for healthcare support, laboratory tests, vaccinations, or to join plans and benefits available through Agreements & Partnerships. Consumers are always placed at the center of the decisions and, for this reason, the company has developed a robust customer-experience strategy. With an omnichannel structure, customers can buy the way they want and receive their products wherever they prefer. In addition to e-commerce and the app, launched to reinforce the company's omnichannel through customized navigation, buyers have facilities such as 'Click & Collect,' where consumers buy online and opt to pick up the items in a store; 'Infinity Shelf,' which delivers to customers' home, free of charge, any product they cannot find in the store; lockers; telesales. In addition to the Medication Benefit Program, a subscription program with progressive discounts, SAC Farma, a telephone assistance service by pharmacists, Special Medication Service [AME], and the Sempre Bem Platform," he says.

The integration of the FortiADC solution as an application delivery controller allowed Pague Menos to enhance the scalability, performance, and security of its business applications. FortiADC optimizes application performance and availability while securing the delivery of digital services as a native security tool integrated with the other Fortinet Security Fabric solutions.

"Our physical business has become increasingly digital. Our services depend on proper performance of the network. Laboratory tests, for example, are all real time. Fortinet Secure SD-WAN made this all possible," says Joaquim Garcia, IT vice president at Pague Menos. "The viability of some of our services, whether they originate in the physical or digital store, was all made possible through the partnership of Fortinet's platform. I have no doubt that this was the greatest achievement—availability and quality."

Another main feature of Fortinet's platform was the unified and centralized administration in FortiManager, which provides simplified management of the entire network. With a single panel, Pague Menos can manage its network in real time and make quicker decisions if unusual events occur.

The company's IT team also implemented the FortiAnalyzer tool for event and threat reporting as part of its Fortinet platform. Throughout its network spread over many branches, FortiAnalyzer offers the company centralized, real-time threat and incident log management making security management easier.

Business Impact

- High availability of network infrastructure to support about 1,600 stores

- 60 new digital services available to customers in real time

- Complete network visibility and easy management in a single panel

- Secure connection that ensures reliability and data confidentiality

Solutions

- FortiGate Next-Generation Firewall

- Fortinet Secure SD-WAN

- FortiAP

- FortiADC

- FortiManager

- FortiAnalyzer

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First Steps to a Promising Future

Pague Menos could not be more excited about the future and the expected growth of the company, which added about 400 new stores to its network with the acquisition of Extrafarma. The IT executives have been looking at the next steps together with Fortinet to understand the best architecture to use for the company in full expansion—and that will not stop there.

"We can only be sure of one thing—with this infrastructure, new services and new channels will be created for our consumers," Garcia says. "Today we have a platform that really enables our scalable business, which is great," he concludes.

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