

Modernizing legacy systems: A technical strategy for evolving monoliths into modern architectures at HelloFresh

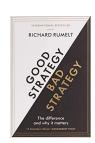
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Essential Elements of a good strategy

- Diagnosis
 - What is the problem/Challenge?
- Guiding Policy
 - Vision, Goals
- Coherent Actions
 - Plan, how to get there?

"Good Strategy, Bad Strategy: The Difference and Why It Matters" Richard Rumelt



Before that, let's get to know HelloFresh...

- Food solution company
- Mission: "Change the way people eat forever"
- Started in 2011 here in Berlin, Germany
- Single Brand, Single Market

Today

- 8 Brands
- 18 Market



Delicious and wholesome A meal kit for every meals everyone will enjoy

We provide our customers with easyto-follow recipes and fresh, highquality ingredients.



lifestyle and diet

We offer our US and UK customers a variety of easy-to-follow meal plans for every lifestyle and diet, from keto to plant-powered and beyond, Green Chef US is a certified organic



Everybody can win at dinner

With EveryPlate, we offer great value by delivering familiar, filling, preportioned ingredients with simple recipes.



Fresh ingredients and simple recipes right to your door every week

In Canada, Chefs Plate customers can say goodbye to meal planning and grocery shopping. With us, they can cook easy and affordable meals in 15 to 30 minutes.

FACTOR_

Eating, Made Simple

We deliver fresh, never frozen meals directly to our customers doorstep. The fully-prepared-meals arrive ready to heat and eat in minutes.



company.

Ready made meals, delivered to your door

We want to change the way our customers think about pre-prepared meals, from how it's cooked (by real chefs!) to how it gets delivered.



Where pets eat best

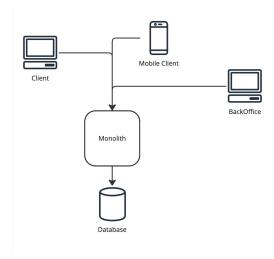
A personalized dog food service developed with veterinarians and designed to keep pets healthy and their parents happy.



Delicious, high-quality meat and seafooddelivered

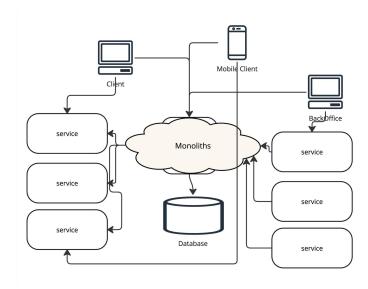
We offer personalized boxes with diverse American beef, pork, chicken, and seafood cuts, delivered straight to customers' doors for ultimate convenience.

And let's get to know the monoliths...



Worked well for HelloFresh at 2011, single brand, single market, small team..

But it got bigger and bigger...



Challenges

- Technical
 - Higher maintenance costs
 - Impact on Engineering metrics (DORA)
 - 35% higher TTR
 - 30% higher LTTC
 - Security and Compliance Risks

Business

- Delayed innovation: competitive disadvantage
- Potential financial and reputational costs
- Decrease customer satisfaction and retention

Guiding Policy: Vision

Vision/Goal: "Empower business innovation by transitioning 100% of customer-critical operations from the monolith to a flexible, scalable platform by the end of 2025"

Is this a good vision?

- Is it clear?
- Does it align with the business goals?
- Is it outcome oriented, measurable?
- Is it realistic and feasible?

But we have some constraints..

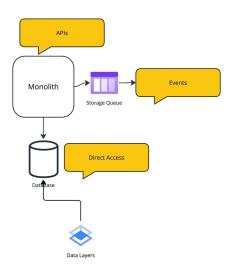
- Ensure operational health
- Support new business opportunities

Key Steps

- Assess The existing system
- Choose Modernisation Approach
- Develop a Roadmap
 - Based on business needs
- Manage Dependencies
 - KRs and Technical Programs

Assess The existing system

- Define domain boundaries
- Identify bottlenecks and security risks
- Identify dependencies
 - APIs
 - Events/Messages
 - Direct DB access
 - Replicas and analytical data layer



Choose Modernisation Approach

- Big Bang / Parallel System
 - Necessary sometimes for outdated technologies
 - Feature parity and the 20/80 problem
- Incremental Migration
 - Gradual replacement without disrupting the business
 - Reduced risk
 - Requires longer time to complete

Develop a Roadmap

- Based and adapted to business needs
- Prioritise bottlenecks and security risks if possible
- Define Success Metrics
- Clear and measurable outcomes of each milestones

Manage Dependencies

- Build abstractions
- Provide alternative data sources
- Cascading KRs to bring alignment and track overall progress
- Technical programs to ensure coordination and de-risk cascading delays

Takeaways

- Modernizing legacy systems is a strategic journey that requires alignment with long-term business goals.
- Incremental and risk-mitigated approaches are essential for maintaining operational health.
- Dependency Management and KRs are essential to bring alignment between teams

Thank You

Reach out for any follow up questions

• <u>LinkedIn</u>