

# Case Study



## SPAR Österreichische Warenhandels-AG SPAR Becomes a Greener Organization using Unified Communications

SPAR Österreichische Warenhandels-AG is a 100-percent Austrian company. Around 700 of the 1,400 SPAR, EUROSPAR and INTERSPAR outlets are operated by independent SPAR merchants. With 35,000 employees, including 2,700 apprentices, SPAR is the largest private employer and the largest apprentice instructor in Austria. Strategic decisions are made at the SPAR headquarters in Salzburg, while the six regional head offices in Vorarlberg, Tyrol, Upper and Lower Austria, Carinthia and Styria have operational roles and supply the markets on a regional basis.

### Task

- Use of innovative technologies
- Cost reduction and improvement of the workflow
- Efficient use of existing network infrastructure
- Investment protection by integrating existing IT solutions

### Solution

- OpenScape Voice
- OpenScape Video: 25 video conferencing systems for large national and international locations
- HiPath 4000, HiPath 3000
- HiPath Wireless
- OpenStage

### Advantages

#### Cost reductions

- Savings compared with previous telephone costs through least-cost routing of calls: 5%
- Reduction in costs of business travel through video conferencing: 20–30%

#### Workflow improvements

- Unsuccessful contact attempts (calls, emails, etc.) reduced by 15%
- Planned reduction through expansion of technology by 20%
- Increased interaction among employees: 10%

#### Investment protection and flexibility through IT integration

- Protection of existing investments by integrating products of other producers
- Flexibility through the ability to integrate proprietary IT solutions

## Communication for the open minded

Siemens Enterprise Communications  
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The grocer SPAR is the largest private Austrian employer, with 35,000 employees. In Austria alone there are around 1,400 SPAR, EUROSPAR and INTERSPAR outlets, as well as around 70 Hervis sports stores. SPAR Austria also has around 1,100 locations in northern Italy, Slovenia, Hungary, the Czech Republic and Croatia, and operates in Romania through its subsidiary Hervis. The IT division of SPAR in Austria has a workforce of around 230 and is responsible for information and communications technology in Austria and for various international group services. SPAR considers the central task of IT to be the improvement of customer service, optimization of the internal workflow and reduction of operating costs.

## Task

The decision to invest in a UC solution was based on both technological and financial considerations. The most important requirements which the solution must fulfill include:

### ■ Cost reduction

Through free internal calls and least-cost routing, quotes for fixed mobile convergence and the use of flat rates in particular, SPAR intends to reduce costs.

By changing over to IP, SPAR will merge all communications systems worldwide, thereby enabling free internal calls. SPAR uses least-cost routing primarily to make international calls at the local rate. Around 30% of all calls are international calls. Furthermore, around 90% of all calls are internal calls (between different locations in the company-wide network).

Both the management and project staff have to communicate regularly with all national and international locations. Another way to reduce costs is therefore to reduce travel costs and travel times for business trips through the use of video conferencing. Of the total of 35,000 employees, only 1,600 have a company cell phone.

### ■ Workflow efficiency

The existing network infrastructure is to be used more efficiently in future. For this, SPAR requires a solution that accords due consideration to virtual teams, for example, whose employees work at different locations. An important feature of such a solution is the attendance function. Another required feature is the one-number service. This requires cell phone numbers to be kept secret in some cases,

## Advantages of the UC solution

Cost reductions	
Savings compared with previous telephone costs through least-cost routing of calls	5%
Reduction in business travel costs through video conferencing	20–30%
Reduction in fuel consumption through video conferencing in relation to business travel	5%
Decrease in power consumption through centralization / virtualization	5% planned 10%
Workflow efficiency	
Unsuccessful contact attempts (calls, emails, etc.) reduced by	15%
Planned reduction through expansion of technology	20%
Increased interaction among employees	10%

such as for members of the Management team, for example.

In such cases, the manager still receives a number but the main communication channel continues to be routed via his or her assistant.

### ■ Investment protection and flexibility through IT integration

The ability to integrate existing IT solutions is another requirement for the solution. In addition, parts of the existing communication infrastructure must be incorporated into the UC solution.

## Solution

A decisive factor influencing the decision to opt for the OpenScape UC solution was the changeover to innovative technologies. Voice and video are the most important applications run on the UC solution. At the end of September 2008, around 200 employees were already using the solution. In the second phase of implementation, SPAR will incorporate all employees at head office, increasing the number of users to 800 employees. Cell phone fees for international roaming account for around 10% of call costs. A complete changeover to IP is not possible at the current time as some systems, e.g. freezer cabinets, are connected to the central SPAR network by analog lines. SPAR measures the success of the implementation by the degree of satisfaction of the internal customers. To this end, SPAR obtains feedback from users regularly.

## Voice

As part of the solution, SPAR has opted for OpenScape Voice, HiPath 3000, HiPath 4000, HiPath Wireless and OpenScape Video from Siemens Enterprise Communications. SPAR only uses OptiPoint and OpenStage terminals. The UC solution also supports Exchange from Microsoft.

SPAR intends to integrate this application into OpenScape Voice.

The software developers at SPAR are widely dispersed geographically. SPAR employs around 50 software developers. In addition to their normal fixed voice system, they can also make calls via their notebooks. SPAR wishes to enable notebook-supported communication for the developers by combining OpenScape Voice and OCS.

## Video conferencing

SPAR has 25 video conferencing systems for large national and international locations. In Austria, SPAR has 11 video conferencing systems. At the head office of SPAR in Austria there are two video conferencing systems. Each main branch in the Austrian states also has a video conferencing system. The other systems are outside Austria. Management and project staff hold a conference call with more than two parties once per day on average.

In addition to the video conferencing system at the Austrian head office, Hervis operates four video conferencing systems at the main regional branch.

## Advantages

The main advantages of the UC solution are reduced costs, workflow efficiency and the integration of existing IT and communication solutions. Plus, the solution has enabled SPAR to become a greener organization, by lowering energy usage and reducing business travel.

### ■ Cost reduction

The solution allows SPAR to achieve cost reductions on two levels:

#### Least-cost routing

Once implementation of the UC solution is completed, the SPAR Group expects to achieve cost reductions through least-cost routing of 5% compared with previous telephone costs.

#### Green enterprise and less business travel

Video conferencing leads to savings in business travel and helps to achieve the goal of "green IT". Fuel consumption at SPAR has been reduced through route planning and fewer business trips.

At SPAR, around 30% of meetings between management and project staff are held by video conferencing. At Hervis, the percentage is even higher due to the geographical distances.

The aim of the UC solution is to reduce the business travel costs at SPAR by 20–30% by the end of the financial year. After just two months, video conferencing has already been used for several hundred hours.

### ■ Workflow improvements

The workflow has been improved considerably by the UC solution, allowing SPAR to react to changes and take decisions more quickly.

#### Improved availability

The ability to find the correct contact person directly contributes to a more efficient workflow. Unsuccessful contact attempts (calls, emails etc.) were reduced by 15%. Further expansion of the technologies should lead to a planned reduction of 20%. Interaction among employees increased by one-tenth.

### Increase in productivity

The most important increase in productivity was achieved through video conferencing. Video conferencing has replaced the majority of meetings with regionally distributed employees at SPAR. Apart from personal calls, project meetings are also held by video conference. The time required for personal meetings with long journeys to Austria or a central or eastern European country has been reduced significantly. In addition, the search for suitable conference rooms was always a problem in the past. Now, anyone can quickly convene a meeting from their home location. SPAR is convinced that quicker decisions can be taken thanks to the video conferencing solution. This was demonstrated impressively in a large IT rollout project. In the past, IT staff and employees of specialist departments had to travel to different locations and oversee the rollout on-site. With the video conferencing solution, the participating project staff were able to remain in Salzburg and continue to assist their colleagues at the branches. The employees who implemented the software at a specific location were able to contact an IT expert at the head office with questions by video at any time.

During the development process, the developers at the individual locations made great use of the video conferencing function, which greatly accelerated the decision-making process. The video conferencing solution reduced the duration of implementation by several days. The quality of the results and the speed of decision-making were improved by the use of video conferencing. The feedback from the project participants was also uniformly positive. The video solution also helped to increase job satisfaction by virtue of the reduction in costs achieved by foregoing business travel and the ability to reach decisions more quickly overall.

### ■ Investment protection and flexibility through IT integration

One main reason for opting for the solution was SPAR's desire to integrate individual components from existing communication and IT solutions.

**“Reducing our energy needs 90% by replacing PBXs with OpenScape Voice has been a tremendous value for us, and has made us a greener organization. Being able to move 30 – 50% of our meetings to OpenScape Video, while improving our ability to collaborate frequently, is saving us large amounts of money. The solution is also helping us comply with corporate travel restrictions while reducing our carbon footprint.”**

Christian Steinocher  
Group Information and Communication Technology,  
SPAR Österreichische Warenhandels-AG



The solution from Siemens Enterprise Communication offers SPAR the required degree of openness and flexibility.

**Protection of existing investments by integrating products from other producers**

SPAR requires a solution into which components from other suppliers such as Cisco, HP, Huawei and Microsoft can be integrated. The fact that Siemens Enterprise Communications uses SIP and supports open standards and integrated platforms was crucial to the selection of Siemens Enterprise Communications.

**Flexibility through the ability to integrate proprietary IT solutions**

SPAR adapts many IT solutions to conform to internal requirements and the SPAR business processes, allowing SPAR to react to changing requirements more quickly.

Furthermore, all branches of SPAR work with an inventory management solution which supermarket staff can use to arrange stock replenishments via a mobile terminal. SPAR has also developed internal solutions for the management of mobile employees in the area of logistics. SPAR truck drivers are issued with mobile terminals. The system tells the driver which goods are to be loaded onto the truck at the warehouse, and where they are to be delivered. This solution also includes a route planner. These IT solutions from SPAR are not yet part of the UC solution at the current time.

However, Siemens Enterprise Communications does provide an open standards-based solution with which these aspects of the SPAR IT and communication environment can be integrated by SPAR as and when it requires and at the required speed.

Siemens Enterprise Communications is a premier provider of end-to-end enterprise communications solutions that use open, standards-based architectures to unify communications and business applications for a seamless collaboration experience. This award-winning "Open Communications" approach enables organizations to improve productivity and reduce costs through easy-to-deploy solutions that work within existing IT environments, delivering operational efficiencies. It is the foundation for the company's OpenPath commitment that enables customers to mitigate risk and cost-effectively adopt unified communications. This promise is underwritten through our OpenScale service portfolio, which includes international, managed and outsource capability. Siemens Enterprise Communications is owned by a joint venture of The Gores Group and Siemens AG. The joint venture also encompasses Enterasys Networks, which provides network infrastructure and security systems, delivering a perfect basis for joint communications solutions.

For more information about Siemens Enterprise Communications or Enterasys, please visit [www.siemens-enterprise.com/open](http://www.siemens-enterprise.com/open) or [www.enterasys.com](http://www.enterasys.com)

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Hofmannstr. 51  
81359 Munich, Germany

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