



Case Study:
Large National Retail Chain





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In 2004, five major credit card companies joined together to create the Payment Card Industry (PCI) standard. Their goal was to reduce the liability of credit card providers by ensuring that merchants met basic security standards. The PCI standard quickly became the industry standard, and thousands of companies were required to update their credit card systems to remain PCI compliant.

By 2009, a major chain of national discount variety stores was faced with this very problem and on a very large scale. The chain had more than 9,000 locations in more than 40 states. They were still growing rapidly when they approached a major provider of Internet-based security and alarm systems to help them make the change.

In turn, that provider approached Star2Star Communications with the opportunity to work with them to solve their customer's challenge. They chose Star2Star because they believed that Star2Star's unique architecture offered a significantly more secure system than their customer's current communications system.

As part of the transition, Star2Star tasked with reducing the number of phone lines the chain used to help them in slashing their communications costs. Each of the chain's locations had at least one



A Large National Retail Chain Saves Tens of Millions with Star2Star

Before switching to Star2Star, this national retail chain with stores in 40 states paid over 1,000 separate phone bills every month.

Star2Star saves this customer tens of millions of dollars each year while providing them with vastly improved and better integrated telephone service.

dedicated line for calls, and many had a second dedicated line for faxing and credit cards. Because the chain operated across the country, their dependence on analog lines meant that they were receiving phone service from more than 300 different entities and were paying more than 1,100 phone bills every month. There were approximately 50 employees at the corporate headquarters whose entire job was to analyze, challenge, and pay phone bills.

One of the major reasons Star2Star was chosen was that it was the only business communications VoIP provider that was willing and able to adapt its system to accept inbound calls on analog "POTS" lines.

While most numbers are fully portable, some smaller phone service providers are exempt from this requirement, including those operating in remote areas and on American Indian reservations. This posed a major problem for the discount variety chain, as it specialized in smaller markets exactly like those. Were it not for Star2Star, the switch to VoIP would have forced the chain to change hundreds of its numbers, many of which were well known in their local areas.

The completion goal was aggressive: all systems were to be installed in less than two years. Never before in the history of telecommunications had any company installed that many PBX or equivalent systems in a two-year period. However, Star2Star was confident that the young company was up to the challenge.

Working with two other companies in addition to the Internet security provider, the project began in earnest in August of 2010 when the installations were completed at five locations. The project ramped up quickly, and by December of that year over 500 systems had been installed. Eventually, Star2Star was averaging 500 installations a month. The peak month came in June of 2011, when over 1000 systems were installed over a 30-day period.

Star2Star had the flexibility that no other provider in the industry could provide. It allowed Star2Star to adapt its normal processes to cope with the breakneck pace. Porting, shipping, and billing were handled simultaneously to help meet the time frame. Other providers could only do these tasks sequentially. The key to processing became efficiency and review, both of which Star2Star mastered in providing the solution to the customer.

Star2Star also adapted its installation and testing procedures. Star2Star typically conducts a 48-hour test on each customer location to ensure reliability. That amount of time proved impossible given the sheer volume of installations, and Star2Star developed a much quicker test that could be completed in a few minutes. That faster test is now used for the majority of customer location tests.

Star2Star also adapted its system to work over wireless Internet connections, as this was a necessity for some locations that had no access to wired Internet of any kind. Star2Star's flexibility in adapting their processes to meet the customer needs was previously unheard of in the bureaucratic telecommunications industry. Star2Star took a customer centric and software based approach to solving their customer's business challenges.

Having a new phone system installed company-wide didn't stop with the existing locations of this chain. As they added new locations, Star2Star kept pace with the growth. By the time the final system was installed in August of 2012, Star2Star had installed more than 11,000 Complete and Scalable Cloud Communications Systems in two years. This was a truly historic feat that had never been done by any telecom company before.

The end result was equally dramatic for the discount variety chain as it was for Star2Star. The chain was able to operate with only 3,000 virtual call pathways instead of more than 10,000 analog lines, due to Star2Star's line pooling feature. This reduction drastically reduced monthly costs without reducing functionality, and it saved the company tens of millions of dollars.

During busy times, Star2Star is able to add additional virtual call pathways for a small per minute fee with the line-bursting feature, ensuring that customer calls don't get busy signals and their satisfaction levels stay high.

Star2Star's ability to provide service across North American allowed a single monthly bill from one entity to replace 1,100 bills from approximately 300 entities. It no longer took 50 dedicated employees to pay phone bills. Most importantly, the discount variety chain was now PCI compliant without losing any pre-existing numbers.



Star2Star Communications, LLC

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