

## *Upscale Retailer Buys into Avotus Intelli-Sourcing Solution*

### Executive Overview

With 151 stores in 27 states, this upscale retailer needed a way to consolidate its telecommunications spending and leverage its combined buying power.

### Business Need

The retailer engaged Avotus Intelli-Sourcing to predict the savings it would achieve through an online auction of its local service and long distance phone services.

### Avotus Advantages

**33%** savings for overall telecom expenses

**49%** savings for local service at retail stores

### Background

After reviewing previous bills and gathering inventory information, Avotus predicted savings of 33% over the retailer's current spend. In order to satisfy their own interest with little investment, the retailer took the numbers Avotus provided and attempted to negotiate with their incumbent carrier on their own. After six months of hard-fought negotiations, the retailer was only able to recognize a fraction of the savings predicted with Avotus Intelli-Sourcing. Realizing that Avotus Intelli-Sourcing was the best choice, the retailer engaged with Avotus for an auction of their long-distance service.

### Auction Process

Within weeks, Avotus was able to achieve exactly the predicted 33% savings. As often happens, the auction winner was the incumbent carrier. The retailer, realizing they had been overcharged for so long, demanded retroactive credits equal to the savings agreed to in the auction. Rather than risk losing a major account to the auction runner-up, the carrier agreed to award the credits.

This credit amounted to 10 times the auction fee paid to Avotus!

After the success of the first auction, Avotus ran a second auction for local services for their retail stores. As the client thought that the only ones with wire in the ground (and therefore the upper hand in negotiations) would be certain local carriers, they did not expect significant savings.

## Sourcing Results

Contrary to expectations, the auction ended with two finalists both offering close to 49% savings. While the incumbent carrier was offering a slightly better rate, they were demanding a significant contractual obligation. The runner's up pricing, while slightly higher, required only minimal contract terms. In this case, flexibility was just as important to the client as price, and the contract for the service was awarded to the runner-up.

## About Avotus

Founded in 1981, Avotus is an award-winning provider of intelligent enterprise Call Accounting solutions. Since its inception, Avotus has worked with corporate telecom administrators to help them tackle the challenges associated with managing their complex enterprise communications assets, which increasingly include a growing number of mobile phones, tablets and other smart devices. Avotus serves customers across 41 global destinations, many of which are industry-leading Fortune 2000 customers.

For more information, please visit [www.avotus.com](http://www.avotus.com).