

Airline Receives Best-of-Class Services with Avotus Intelli-Sourcing

As one of the largest North American airlines, this customer has enjoyed significant growth and has expanded to serve more than 80 cities in continental United States, as well as Canada and Mexico. The airline relies significantly on voice and data communications to keep its 10,000 employees connected and its reservations, maintenance, and operations systems running across its network.

Recently, it turned to Avotus to facilitate a data services sourcing project and opted to run Avotus' award-winning Intelli-Sourcing.

Background

The airline ran Intelli-Sourcing in support of and seeking bids on its data services. It assembled a nine-member multidisciplinary team with representatives from Information and Communications Services (ICS) development, customer support and administration, networking, and procurement.

The nine-member team worked with Avotus to develop 241 technology and geography specific bid items and 235 service level agreement (SLA) questions. The auction presented some special challenges since service levels were critical to the airline and the airline service network covered continental United States, Alaska, Canada, and Mexico.

Using its best-of-class database comprising over 5.5 million elements, Avotus projected 47% savings on the company's 36-month spend of \$5.6M on data services.

Sourcing Process

Five bidders participated. Bidders were invited to submit references, which were surveyed by Avotus during the auction. While managing the auction process, Avotus also handled SLA-related questions addressed by the bidders, and responses were shared with all participants.

Avotus Advantages

Industry: Airline

Sourcing Services:
Data Services

Spend before sourcing: \$5.6M

Spend After sourcing: \$2.7M

Savings: \$2.9M
representing a 52% savings over the current spend.

Sourcing Duration:
11 days



The auction ran over 11 business days during which 29 bids representing thousands of line items were committed. One bidder, in particular, showed constant improvements in both its financial and SLA standings, while another bid on 100% of the items. The others bid on portions of the tender offer.

Results

Avotus Intelli-Sourcing delivered overall savings of 52% (\$2.9M) over the 36-month contract duration—higher than Avotus' projection prior to start of the sourcing event. Savings varied on the basis of global location, with Alaska returning 40% savings and Mexico offering 61% savings. The auction put the airline in an excellent position to negotiate as it balanced incumbency, price, and best-of-class services.

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.