

Leading Consulting Firm Realizes Savings with Avotus Intelli-Sourcing

Executive Overview

A leading consulting, construction, technical services, and engineering firm, headquartered in California, U.S., turned to Avotus to develop and run its award-winning e-procurement product for their domestic wireless voice and data services. The company relies heavily on their communications networks to keep the 12,000 employees in their 300+ offices connected to each other as well as to their clients.

Business Need

The customer needed compelling and aggressive pricing and real-time tracking and reporting for optimization and cost control. In addition, they looked for international coverage capabilities and vendor consolidation.

Background

The Avotus team held executive calls with each bidder to provide a chance to relay the customer goals on an executive level, ensure executive visibility into the RFP project, enable more internal support for the vendor account, and provide faster and easier escalations, if required.

In preparation for the sourcing event, the Avotus team—in collaboration with the customer team—allowed the bidders to compete with each other on issues important to the customer. The customer team assigned weights to the questions.

The weighting provided insight to the bidders on how important particular terms and conditions were to the customer. In addition, the Avotus team prepared a set of 128 bid items that allowed the bidders to compete with each other on the customer's current telecom services. The customer reviewed and approved the current costs, volumes, and other items specific to the customer network.

Sourcing Process

Sourcing event was open to the bidders over a 12-day period. A total of 4 bidders participated and 20 bids were committed. The bidders added 22 collaborative users. The bidders competed directly with each other. They had visibility into how they ranked in relationship to the other participating bidders. They were able to adjust their bids to better their score, thereby driving SLA scores up and prices down. During the development and duration of the event, Avotus provided daily reports via email. During the event, Avotus sent daily tips to the bidders on how to

Avotus Advantages

Savings of \$1.346M (37% of the whole spend)

Improved SLAs

Consolidation of vendors

International coverage capabilities



improve their score. Moreover, Avotus worked with the customer team to answer the 5 bidder questions and post the answers to the site for the bidders' benefit.

The bidders submitted 10 references. By supplying references, and on the basis of the reference responses, the bidders were awarded extra credit points toward their question and answer scores. At the close of the sourcing event, 3 references had completed the online questionnaire sent to them. These references were made available for the customer team to review online.

Sourcing Results

Prior to the sourcing event, the customer had received proposed rates that would reduce the customer's current spend only by 1.3%. The best case scenario savings achieved by the sourcing event was \$1.346M (16%), Avotus was able to achieve an additional 2.4% for a contracted savings of 18.4% or \$1.535M. The savings from the negotiations were over 13 times greater than what the customer had received from carrier offers prior to engaging Avotus.

In addition, since the incumbents bid on their existing business, it encouraged them to come out with improved SLAs from the customer's perspective. This resulted in vendor consolidation and SLAs that were in line with the customer requirements.

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.