

Telecoms Supplier Consolidation

Client: confidential - national standards institute

Industry: business services

At a Glance

- **£65k** pa (13%) savings achieved
- Free services gained and outdated lines removed
- Supplier base streamlined

Client Challenge

The client is a national institute, the world's largest certification body and a leading global provider of standards, management systems, business improvement and regulatory approval information.

The institute required consolidation of telecoms service providers. It had acquired several vendors over the years who provided overlapping services.

The existing mobiles contract had not been re-tendered for some time. Turnstone were deployed to re-negotiate the Vodafone mobiles contract mid-term, to include new requirements and reduction of tariffs.

Some additional requirements on fixed line and mobile were not being used to gain cost reductions. Turnstone were asked to consolidate the supplier base and cancel any unnecessary contracts.

Solution

After reviewing the requirements with the client, Turnstone undertook all of the procurement workload with suppliers, conducting re-negotiations and contract drafting. The Client's management team was kept informed of the progress and took all the key decisions.

Turnstone consultants set out a strategy specifically for the Client, using deep category expertise.

All the current telecoms contracts were reviewed, to assess the opportunities and risks.

A practical output report then provided recommendations for improvement, which led to a number of small and rapid supplier negotiations.

As a result of the negotiations, the client has realised a substantial saving and gained a wealth of added service improvements.

Outcomes

Cost savings

- End savings of £65k pa were realised, comprising 13% of the total costs.

Commercial benefits

The service improvements included:

- Free extra bandwidth on 3G card usage per user per month
- Removal of fixed lines that were being paid for but no longer used
- Benchmarking of MPLS costs, reduction of committed contract term for new lines so that all the lines co-terminate for ease of switch in future