

Case Study

Efftel achieves 30% reduction in mobile and landline expenditure for major publishing group

The Challenge

The Client, one of the largest publishing groups in the UK, wanted to reduce their landline and mobile telephony costs and institute an ongoing support programme. The 30% cost reduction objective amounted to a six-figure sum.

Our approach

In order to achieve the substantial reduction in the landline and mobile costs required, Efftel's approach was to:

- Conduct a comprehensive audit of the supplier billing data and contracts
- Establish an inventory of billed services, ensuring that they were all correctly accounted for
- Conduct the tender process focussing on existing supplier relationships
- Provide a detailed forecast of projected savings at each step of the process.

A key element of the project was the introduction of detailed monthly reports that would enable senior management to monitor and control expenditure.

Method of operation

Efftel's modus operandi followed their own tried and tested process, which involved the following 4 stages:

Step 1: Data collection and audit

A vital part of the project, it starts with the collection of recent billing data from the client's landline and mobile suppliers, performing in-depth analysis using Efftel's in-house bill analysis software, producing an up-to-date inventory.

"Following a competitive tendering process, Efftel were awarded a contract to provide us with their specialist telecoms cost-reduction expertise. They had an excellent track record for meeting the kinds of objectives we had set ourselves – a 30% reduction in our mobile and landline telecoms expenditure over a two-year period – and Efftel duly succeeded in achieving substantial savings for the Group".
Operations Manager

Step 2: Billing and inventory analysis

The next stage of the process involved running the updated inventory against the latest billing information. This provided the baseline against which the supplier tenders could be measured.

Step 3: Contract negotiation

Based on their substantial market knowledge, Efftel then renegotiated the client's existing contracts with both landline and mobile providers. Once these were successfully concluded, a detailed forecast of projected savings was produced, which met the client's stated cost-reduction target.

Step 4: Ongoing billing reports and analysis

In order to maintain a program of continuous control, Efftel introduced its Telecom Expense Management (TEM) services, designed to:

- Highlight exceptional or incorrect usage patterns, enabling managers to take appropriate action
- Provide managers with a clear picture of their costs
- Allocate costs to the correct cost centre
- Enable ongoing maintenance of the mobile and landline inventories.

These monthly reports in turn provide much greater control of usage and internal accounting:

- All mobiles are accurately accounted for
- Mobile costs are apportioned to the correct cost centres
- All users are put on to the appropriate tariff for their usage profile
- Incorrect or unnecessary usage is eliminated.

Outcome

By focusing on these different cost areas in a systematic way, Efftel was able to:

- ✓ Make an overall 30% saving on landline and mobile contracts
- ✓ Generate savings by terminating redundant services, including unused SIMS
- ✓ Reduce administration costs by cutting the number of suppliers to a single provider of both mobile and landline services