CASE STUDY

Sagacity
Part of **Accenture** Song

Delivering Value Insights for Supplier Re-negotiation

Client

Major Telecoms Provider

Value Based Management

Client Problem & Impact

Our telecoms client was experiencing challenges in understanding the link between the handset purchased by a customer and the value they were generating to ensure a positive return on investment.

This was a major problem as they had singular data sources which did not provide a holistic view of value.

Value Model

Customer Profiling

Handset Analysis

How Did Sagacity Help?

Using our proprietary Value Based Management software and analytics capability, we imported multiple data sets which gave us a multi-dimensional view of customer value. We identified:

- the relative value of customers purchasing a handset from a specific manufacturer was significantly less than customers with comparable handsets from different manufacturers
- a specific handset was attracting customers that displayed attributes of low tenure and spend
- the true value of these customers which then enabled the client to enter negotiations with the handset manufacturer

Outcome & Business Benefits

£6m additional savings

Using our value model insights and evidence, our client was able to confidently re-negotiate additional handset subsidies with their supplier to increase their return on investment for 'low' value customers.

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