

ZERO-RISK, SIX-FIGURE SAVINGS AFTER SOFTWARE VENDOR'S "BEST AND FINAL" OFFER

BACKGROUND

A national IT and electrical contractor had consistently renewed its enterprise-wide software agreement for numerous years. The platform provided valuable access to advanced server and cloud technology for its employees.

Coinciding with its next renewal were changes that impacted the size of the updated contract. It not only needed fewer licenses, but it also sought to reduce its overall cost per license. So, leadership decided to adopt a new strategy by engaging KontractOne to streamline the all-in investment.

APPROACH

As always, we began by understanding the state of our client's discussions with the partner. **This included reviewing the last offer it received for the proposed package.**



Combining our institutional knowledge of these agreements and real-time benchmarking data, we **estimated an additional savings of 14-22%** beyond the "best and final" price.



However, two primary factors caused us to tread carefully with a strategy:

1. Our client had a **well-established relationship** with its vendor.
2. Vendors in such relationships **expect these agreements to grow over time**, not downsize.

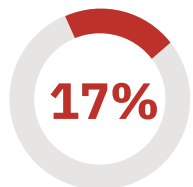


We therefore constructed a plan that included **reliable, but respectful negotiation tactics** that would optimize its deal terms while **preserving its longstanding business partnership.**

RESULTS

Our client considered the renewal an all around success.

Through skillful discussion, it managed to reduce costs by



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\$231,000

off the renewed package.



Just as important, **it maintained a solid relationship** with its vendor contacts during the process.

Happily, with our fee as a mere percentage of the final savings, our client was able to reallocate a substantial amount of its operating income to other priorities at **no risk to its overall budget.**

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