

GameStop Answers the Call for Savings

Any business—large or small—would agree that growth is good.

GameStop, a software retailer founded in 1996 with 400 locations, grew to more than 6,600 stores in less than 15 years. They have experienced the challenges and opportunities of rapid expansion, particularly the toll it can take on human resources.

Simply keeping up with the demands of monitoring hundreds of telecom vendors and charges across the organization kept internal staff working late into the night, and as a result, paying the bills became the priority, with little time to analyze or manage these charges. Even with this shift in priorities, the mechanics and time needed to process this large volume of invoices was overtaxing, leading to late fees and service interruptions.

The extraordinary growth of the company resulted in rising costs, demanding more proactive management. GameStop's internal Cost Control Group was assigned the task of driving unnecessary expenses out of the escalating telecom environment. Having partnered with ENGIE Insight for expense and data management in other areas of their business, GameStop had established trust in the data, reporting and expertise provided by ENGIE Insight and turned to them once again, this time in support of their telecom portfolio.

GameStop's Cost Control group was strong, but had limited telecom domain experience. The team knew it was important to develop and execute a proactive plan to tackle the myriad problems of a large national chain, rather than disjointed, "reactive" moves. The foundation for this plan was a comprehensive approach to telecom lifecycle management that would reduce costs and ensure the appropriate mix of technology to support the growing organizational demands.

Using an "invoice first" methodology, the team identified all telecom charges running through GameStop's financial systems, and used this data to develop a corresponding inventory. In less than six months, GameStop had gained full control over the processing of 25,000 accounts, and was armed with an accurate, detailed inventory of all contracts, including all voice and data service information across all locations.



GameStop worked through a systematic plan to eliminate overspending and optimize services:

- Bill audits captured \$600,000 in recovered billing errors
- Service validation has resulted in over \$1.5 million in savings
- Improved sourcing efforts have resulted in over \$1.6 million in annualized savings

Business & process efficiencies have improved, supporting \$1 million in off-set labor costs

GameStop
POWER TO THE PLAYERS™

CASE STUDY

Next, GameStop worked through a systematic plan to eliminate overspending and optimize services:

- **Charge validation:** All vendor charges were audited to ensure that invoice-to-inventory billing elements—as well as invoice-to-contract prices—were aligned, capturing \$600,000 in recovered billing errors.
- **Service validation:** Unnecessary services were eliminated based on detailed traffic studies that helped shape the establishment of service standards. Excess lines, unnecessary features and duplicate services were eliminated with special care not to impact quality of service, resulting in over \$1.5 million in savings.
- **Strategic vendor assessment and contract negotiations:** Existing contracts were tracked and reviewed for required improvements and a strategic sourcing plan was set in place. Cost efficiencies and aggressive price points were gained through vendor consolidation and national agreements. Improved sourcing efforts have resulted in over \$1.6 million in annualized savings.
- **Improve business & process efficiency:** With ENGIE Insight now managing these activities, GameStop employees were freed up to focus on their “core vs. chore” business of managing the overall network, not just an invoice or an order. This shift translated to \$1 million in off-set labor costs from processing and order management, freeing up resources to attend to higher level network management issues.

Today, GameStop’s Cost Control Group has transitioned telecom from an undermanaged and outsize expense to a fully-implemented Telecom Lifecycle Management environment. The team learned that forward-thinking, holistic activities offered better outcomes, and they also learned to more successfully work with providers. Now GameStop tells their providers what they expect from the business relationship and only keeps those who work to earn their business.

GameStop’s efforts to address telecom spend by embracing a fully-implemented Telecom Lifecycle Management environment has resulted in annualized savings well in excess of \$4 million in just three years.

The team’s proactive efforts will continue with additional strategic initiatives to improve vendor contracts and performance, and also to evaluate and deploy new technologies that can support its expansive business objectives.



See More

Through our powerful reporting and dashboards, gain visibility into the vast amount of telecom information across the enterprise to determine opportunities for improvement.



Save More

Reduce overall telecom expenses by properly validating and correcting charges, reducing unnecessary circuits and services, aligning your spend with contracted rates, strategically sourcing services from carriers and deploying the best and most cost effective network.



Sustain More

Understand and plan your company’s telecom demand, capacity and requirements to accurately meet the needs of your business.

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