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CASE STUDY

Healthcare Network Saves 28% on Salesforce Renewal Through Optimisation

Contract Optimisation & Negotiation Service

28% reduction on three year renewal

Executive Summary

A regional healthcare provider network's Salesforce estate had expanded faster than its contract terms, leaving it paying for editions and add ons no longer aligned to actual use. Livingstone's Contract Optimisation Service restructured the agreement ahead of renewal, cutting the three year cost by 28%.

The Challenge

A regional healthcare provider network had expanded its Salesforce Health Cloud deployment significantly over a three year term, adding user licences and add on products incrementally without revisiting the overall contract structure.

As the renewal approached, finance flagged that the proposed like for like renewal price had grown disproportionately to actual active usage, but lacked the Salesforce specific commercial expertise to challenge it. Clinical and administrative leadership were wary of any optimisation exercise that risked disrupting care coordination workflows built on the platform.

FAST FACTS

CLIENT
Regional Healthcare Provider Network

SIZE
12,000 employees

SECTOR
Healthcare

LOCATION
United States

SERVICE
Contract Optimisation Service

SAVINGS
28% reduction (approx $2.1M) on three year renewal

The Solution

Livingstone's Contract Optimisation Service analysed actual user level activity and feature adoption against the existing licence and edition mix, identifying inactive seats and underused premium add ons.

A restructured renewal proposal right sized edition tiers by department and consolidated overlapping add on products, validated with clinical and administrative leads to confirm no active workflow would be affected. Livingstone led commercial negotiation with Salesforce directly, using the validated usage data to support a multi year commitment in exchange for improved unit pricing.

The Outcome

The restructured three year agreement reduced total contract value by 28%, approximately $2.1M, while preserving every actively used workflow. The negotiated agreement also included improved flexibility to adjust licence counts at the annual anniversary.

Key Success Factors

- User level usage analysis that distinguished genuinely active seats from dormant licences
- Validation with clinical stakeholders before any change was proposed commercially
- Use of a multi year commitment as negotiating leverage for improved unit pricing

Conclusion

> The client renewed at materially lower cost with no disruption to patient facing workflows, and now has built in flexibility to manage licence counts as the platform continues to evolve.

Want to uncover hidden value in your software estate?

Get in touch with Livingstone to see how our independent advisory services can help you achieve similar results.

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