



The Digitisation of Procurement

What B2B Sellers can learn from observing the latest procurement trends

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PUBLIC



Agenda

What does it mean to go Digital?

Moving from the Age of Mandate to the Age of Guidance

Results from the latest CPO Procurement Survey

Why Procurement is Demanding a different approach

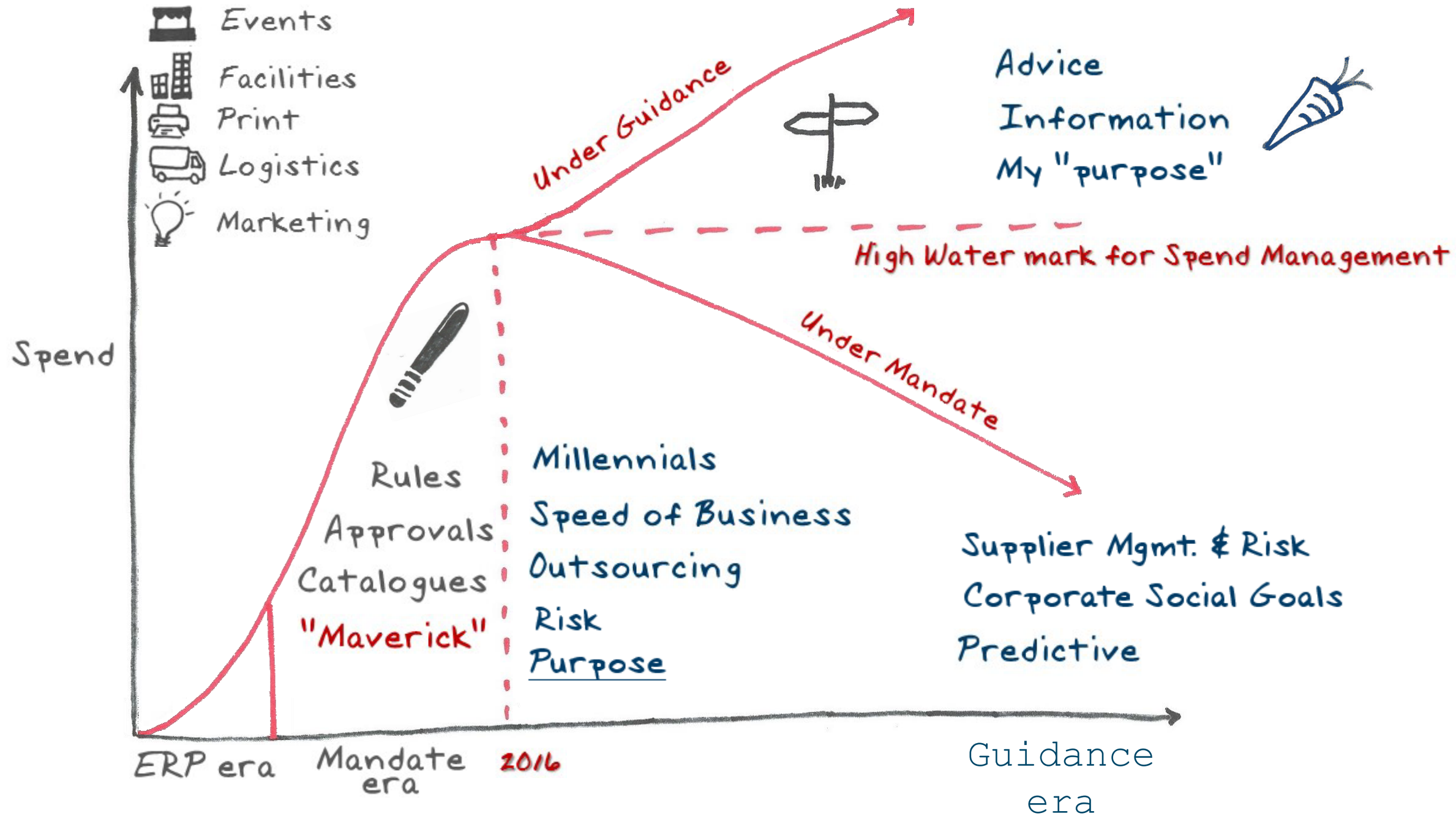


This is one way to go Digital



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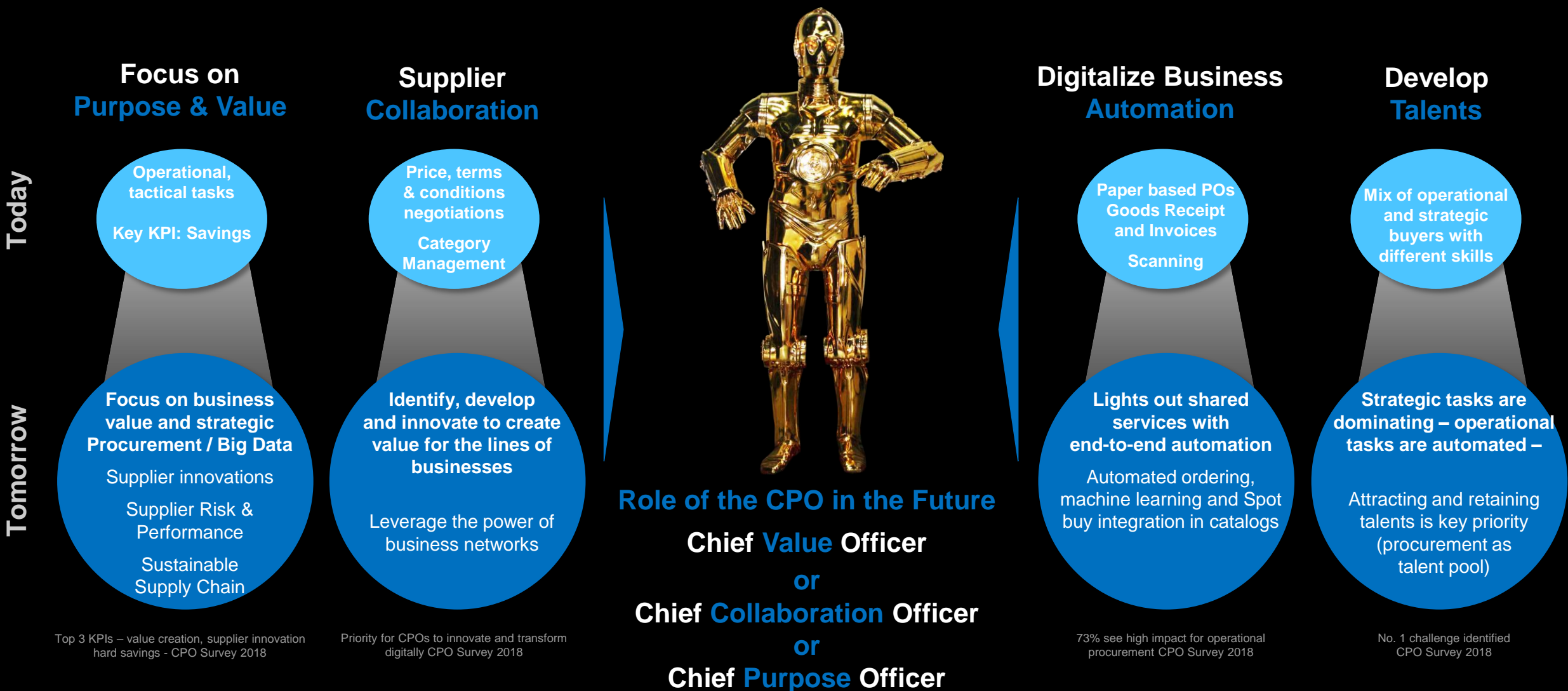




9 Key Elements of the Next Big Thing in Procurement

- 1 Organizations that do good, do well. Create **purpose** beyond traditional procurement objectives
- 2 **Success measurement** with a focus on value beyond cost savings is key to measuring progress
- 3 **Active risk management** will ensure business and operations continuity
- 4 CPO's should embrace **complexity** and new **challenges** – their role will continue to evolve with a focus on **collaboration**
- 5 Regardless of reporting structure, an **adaptive and agile operating model** is necessary to meet business requirements
- 6 Evaluate opportunities to **automate processes** by embracing the wave of Digital Transformation
- 7 Invest in technology of the future **RPA and AI**
- 8 Consider making investments in **data quality** and collaborating with **Finance** on annual budget discussions
- 9 Develop a **talent management strategy** to advance roles, skills and knowledge

How does Digitalization Impact Procurement in the Future



Why can't the CPO be more like C3PO?



Fluent in over six million forms of communication

Works well with Robotics

Resilient

Good Negotiator

Team Player

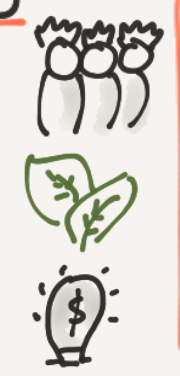


The Spend Mgmt mandate is expanding

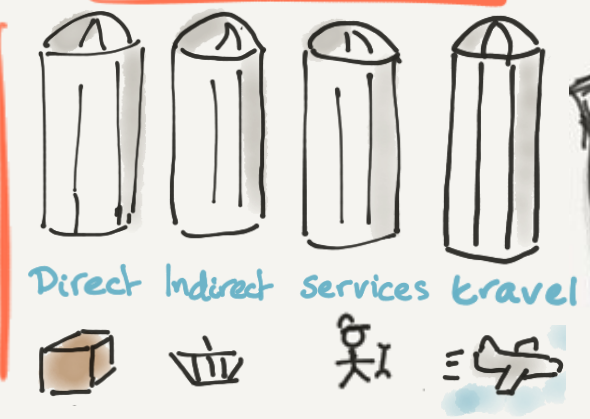
Cost Control



Demanding Consumers
Sustainability
new business models



Spend Silos



CFO cannot manage cash



Purch Conflicting data & processes



End User Too many systems

logistics Fleet

Telecoms

office worker

Components

MRO

Flights

Chemicals

cleaning service

Raw materials

IT

maintenance worker

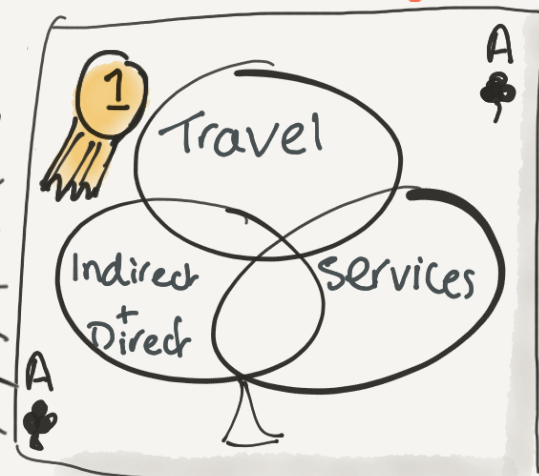
Contingent labour

Intelligent Spend Management

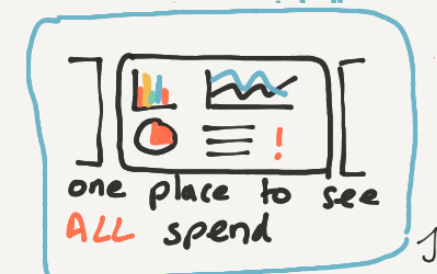
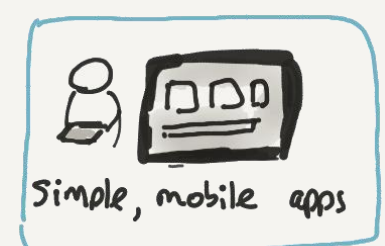
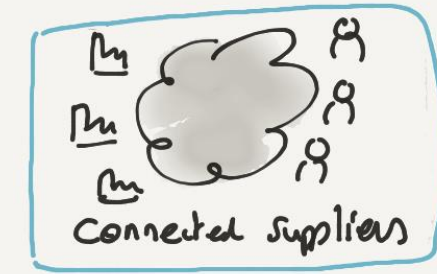
unified data model
APIs for ecosystem

All processes
All categories

Comprehensive policy & Supplier mgmt



Unified view
Supports the
Intelligent Enterprise



What to do : James's POV

1. Millennial Buyers want consumer-grade buying
 - High Quality images
 - SEO-optimised descriptions
 - Experiment with BME-cat catalogue formats
2. Co-develop on-line forms with your customers
 - For non-catalogable items, provide good questions
 - Prevent “no-item found”
3. Embrace Digital Processes
 - E-Invoicing is number one process to automate for buyers, suppliers who offer this are much more sticky
 - Experiment with QR Codes, IoT, Automated ordering
4. Engage with Ariba Spot Buy team, to allow marketplace experience without using Amazon

Questions



Thank you

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