



Supplier Relationship Management (SRM) Research 2016-2017

Solution Analysis and Business Insights



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A note of thanks....

Capgemini Consulting would like to extend its thanks to the vendors who made time to participate in the Supplier Relationship Management Survey. Without their cooperation and support, research of this nature would not have been possible.



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Foreword

Since our last Supplier Relationship Management (SRM) survey, the market for SRM applications has changed with the most important trends being the strong push towards the cloud and greatly increased usability with mobile applications. It is interesting to see that since the first study, which we did more than 14 years ago, the market for SRM is still growing and improving. We hope this study can again help you, as a procurement professional, to maneuver the SRM applications landscape just like the first study did.

In the first section our procurement professionals share with you three focus areas for development in the SRM environment. The first addresses the Future Value Chain and how global developments in Supply Chain Management impact SRM. The second addresses the role of SRM in creating competitive advantage and the third addresses new digital technologies in SRM for collaboration.

The second part of the study analyses the results of the SRM functionality survey. The analysis is based on a series of questions related to our procurement process model and designed to assess whether the software covers a specific set of functions within the SRM environment. In line with our previous editions, we want to ensure that the survey evaluates the market to a level of depth and completion, required to present the relative strengths/weaknesses of the vendor landscape accurately.

In addition to the previous SRM surveys, we assess the level of support in Supplier Data Management and Product Lifecycle Management. We see an increasing need for Procurement to be involved in product design, and be the linking pin for early supplier involvement and collaboration to maximize value from the supply chain. To tackle this new role, procurement professionals need new functionalities to support them in their collaboration with suppliers. These functionalities are currently delivered primarily by Procurement Lifecycle Management (PLM) vendors, but we see an increasing number of SRM providers expanding the scope of their solutions towards these collaboration focused functionalities.

The last part of our research consists of the Supplier Profiles in which we have given our independent view on the different vendors. We have learnt from previous client engagements that this is valuable information for SRM software selection initiatives.

Our procurement experts have worked on this study with great pleasure. We hope you find the study useful to further develop your supply management function and look forward to your input and commentary. We certainly hope to hear those comments through one of our many digital mediums such as the Capgemini Procurement Transformation Blog.

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Business Insights

The Future Supply Chain and the role of Procurement

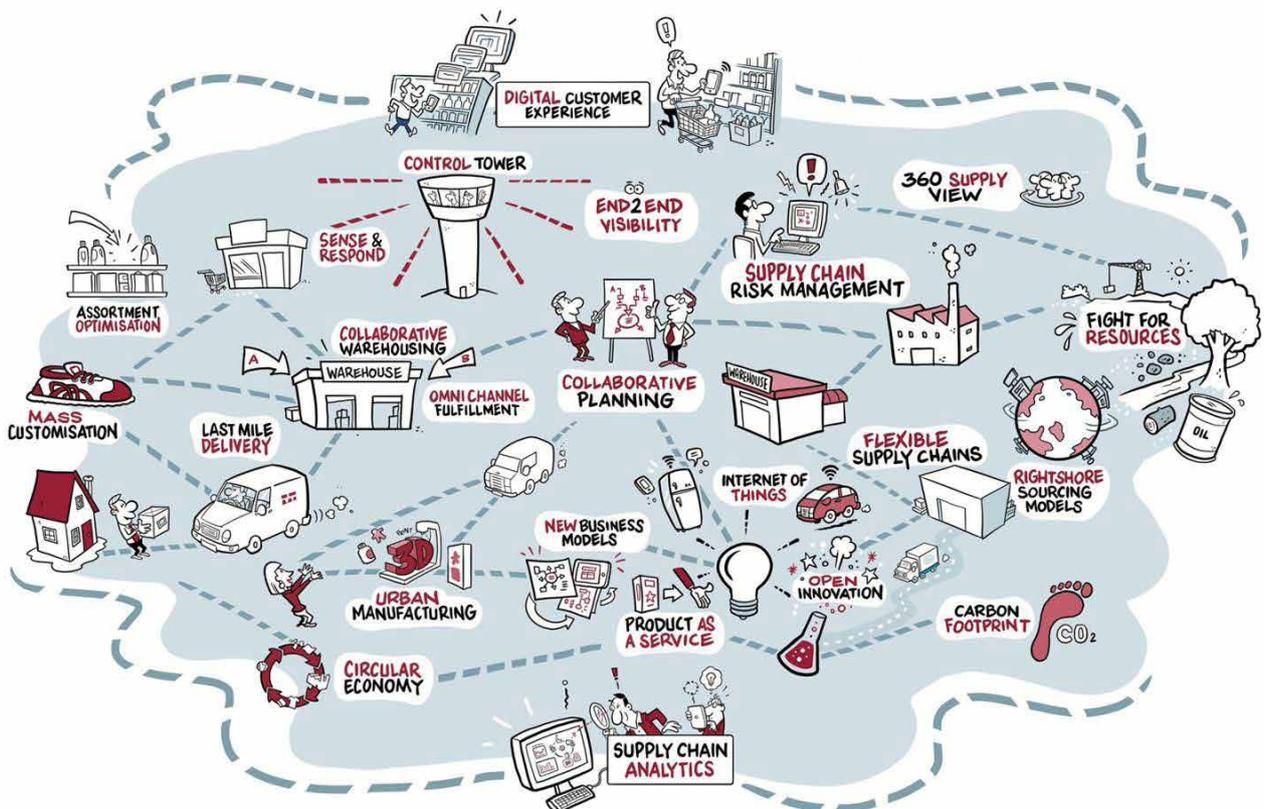
The new economic reality requires procurement to shift focus towards supply chain value and risk management

The supply chain in all industries is rapidly changing due to globalization and other economic, social and technological developments. In the cartoon below we have pictured our vision on the capabilities that are required for organizations to cope with the challenges of the future supply chain.

Four mega trends are driving these changes and the role of suppliers in global supply chain management:

- Digital world - accelerated digitization and technological adoption enable superior collaboration and communication across the supply chain resulting in improved reliability, agility and effectiveness
- Differentiated customer experience - customization and personalization of products/services require to leverage the innovative power of the supply chain
- Fight for resources - scarcity of natural resources and volatile supply markets put pressure on the agility of the supply chain and requires innovative risk mitigation strategies
- Persistent threat of insecurity due to political instability, global security threats, financial crisis and environmental considerations can cause sudden constraints in the supply chain.

Leading organizations are re-thinking the role of procurement and Supply Chain Management in order to transform traditional supply chains into flexible, agile and resilient digital supply chains. They change their approach from cost management to value creation. Supplier Relationship Management and maintaining supplier networks are critical factors in this transformation.



How do these trends influence the relationships with suppliers? And what are the implications for procurement?

Digital world

Technology is the biggest influencer of today's business and impacts every facet of the end-to-end supply chain. Cloud technologies, mobile applications, social media, and big data are buzz words that represent applications of digital technologies that can be disruptive as well as a key differentiator for the supply chain. Machine to machine communication supported by integrated sensors has accelerated production and logistical processes. Extensive information - accessible via digital (cloud) platforms and social media - has increased transparency of the complete value chain. It enables improved decision making resulting in improved reliability, agility and effectiveness.

Other technologies that are changing the supply chains drastically are drones and 3D printing. Companies are not only experimenting with last-mile delivery by drones, but also with applications for safety inspections, network connections or agricultural purposes. 3D printing helps to eliminate the stock of spare parts leading to reduced costs, risks and improved cash flow. It can also be used for rapid prototyping or reverse engineering reducing development costs and increasing time-to-market.

With the rise of the digital world, companies are becoming more and more dependent on their suppliers. Supplier collaboration and communication is becoming a key challenge for the procurement function. This requires the ability of procurement to develop and manage the supplier

network and safeguard its agility. The procurement function needs to have the ability to 'consume' and leverage available data, e.g. to scout for application of new technologies and support the business to assess the possibilities and/or impact.

Differentiated customer experience

Today's customers are well-informed and more demanding. At the same time disruptive start-ups can rapidly build new products and services by using free digital tools and shake up the market. An example of such a disruptive start-up is the dutch company Blendle. Blendle provides a online news platform where users can search and read articles from a variety of newspapers and pay per article. Many customers cancelled their subscription(s) to newspapers and switched to Blendle. It also attracted new customer groups to pay for news articles.

Companies recognize the pressure to customize and personalize products and services. To be innovative and deliver distinctive customer experience a company should have the digital capabilities to interact with their customers through a variety of channels. They need to understand the customer journey and continuously live up to customer expectations and promises. From a supply chain perspective, this requires operational excellence and optimal collaboration with the supplier network. To realize the maximum added value from the supply chain, companies want to become the customer of choice for their most important suppliers. Without the cooperation of the publishers and journalists Blendle cannot deliver any content to its users.

Similar to the customer journey, procurement needs to identify the 'moments of truth' for strategic suppliers in operational, tactical and strategic collaboration. This will bring focus to the right improvement areas for becoming a partner of choice.

Fight for natural resources

World's natural resources are under severe pressure by global population growth, fast-growing emerging economies, and other demographic pressures. Consequently, food and energy prices are rising and demand for fresh water has been steadily increasing. Some countries are buying mining rights for rare earth elements in cases where resources are found in limited number of countries, which can restrict supplies at will.

Typical for today's challenge is the volatile market fluctuation of these natural resources as well as their derivatives. The role of procurement is to understand the drivers that instantly can change the demand for natural resources. They not only need to understand the quota of natural resources in the purchased products but also have market intelligence on neighboring supply chains that use a common supply base.

Leading organizations use the following procurement strategies to mitigate the risk of insufficient supply:

- Build up global know-how on alternative sources for materials at times of uncertainties
- Develop alternative product strategies in line with persistent supply insecurities, to offset loss of business traction in such markets
- Applying circular economy principles, e.g. sourcing secondary raw materials and using renewable primary materials
- Investing in and developing new capabilities with strategic partners (e.g. early market/supplier engagement)
- Partnering with local suppliers in the supply chain, providing micro-financing to local suppliers that jointly develop local economies and secure supply of goods

A growing number of innovative technological solutions are available which support the supply chain function with data analytics and scenario based simulation techniques.

Persistent threat of insecurity

Recent headlines in the news are covered with examples of political instability, global security threats, financial crisis and natural disasters. All these political and macro-economic factors pose a persistent threat to the supply chain, affecting globally spread businesses. Economic sanctions or import restrictions to protect national resources lead to sudden increase of costs and lead-times.

An advanced risk management process is key to an agile supply chain. Analytics must be the balancing factor that takes the increasing complexity and volume of data and distills it into actionable insight to secure the supply chain effectively.

A second strategy to bring agility to the supply chain is to introduce local supplier innovations to the localized product strategy. Especially in emerging markets the usage of local suppliers increases cost effectiveness of the supply chain.

Looking forward

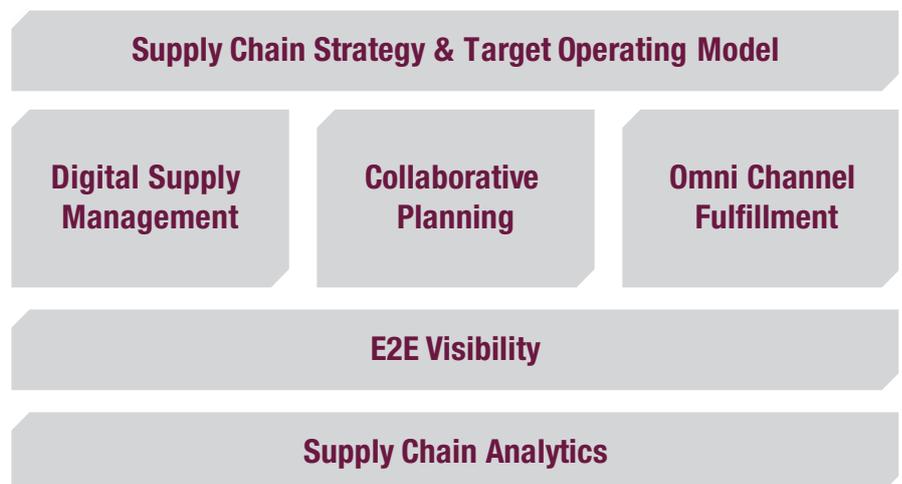
The developments in global markets require supply chains to become flexible, agile, resilient and digital.

Capgemini Consulting helps organizations with this transformation by providing six core capabilities for the future supply chain:

- Supply Chain Strategy and Target Operating Model - strategy and operating model adapted to the requirements of areas such as omni-channel fulfillment and global resilience.
- Digital Supply Management - complete and real-time insight into the value-added, costs and risks of suppliers and supply chain partners.
- Collaborative Planning - demand and supply planning based on planning and real time production data of partners in the supply chain

- Omni-Channel Fulfillment - deliver goods quick and efficient to end customers through all available distribution channels
- E2E Visibility - understand and control the end-to-end supply chain across company boundaries
- Supply Chain Analytics - toolbox of available (big) data sources and digital analytics to support the other five areas.

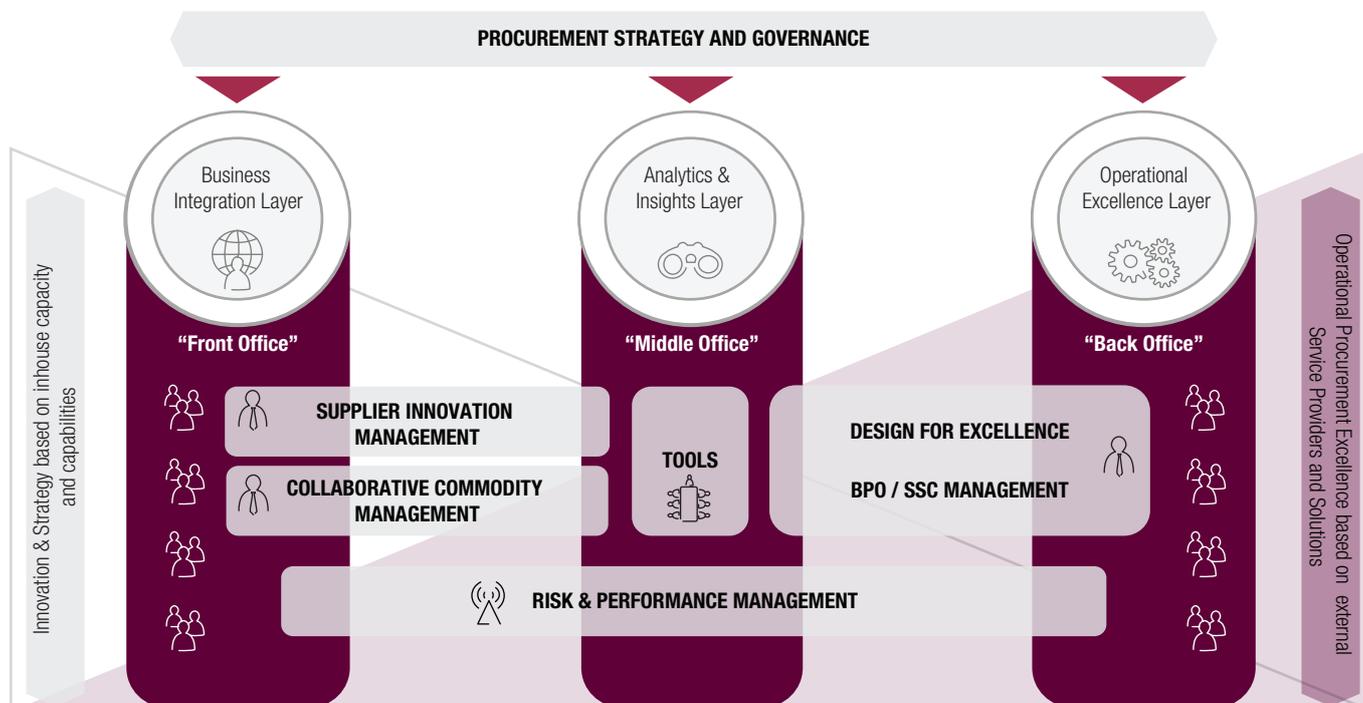
More than ever before, companies need to rely on strong relationship skills of Procurement to strengthen existing alliances and forge new ones. The Procurement function is starting to tap into the rich sources of social media to improve the communication to their supplier network. Supplier Relationship Management tools should be better equipped with functionalities for analytics and supplier collaboration. For this reason our bi-yearly Supplier Relationship Management research has been extended with these functionalities.



Digital Supply Management

Creating competitive advantage through the supply base

Figure 1 - Capgemini Supply Management Excellence Framework



Procurement value

From cost and category management to value and relationship management

Centralizing, standardizing, and outsourcing transactional procurement activities is just the beginning of a more strategic procurement function. It offers procurement organizations time and resources to focus on developing and maintaining relationships with strategic partners. But how do they engage with their suppliers in order to maximize value? Which suppliers provide a competitive advantage? Which offer the opportunity to really add value to both the business as well as external customers? New digital technology can play an important role to support companies in answering these questions.

Becoming a partner of choice

What leading organizations do differently

Our research into the role of procurement in innovation¹ has revealed that supply chain innovation leaders manage to change their procurement business model and maximize supplier value in innovation processes. Those 'early adaptors' are doing things significantly different, especially in four areas:

- Knowing the supply market and successfully scout for technology capabilities;
- Segmenting the supply base and implement supplier involvement strategies for each segment;
- Adopting value and innovation driven KPIs in addition to cost and risk related KPI's;
- Ensuring the company is attractive to its most important sources of innovation.

For the procurement function, this requires a new way of thinking. It aims at developing and implementing these capabilities and moving beyond contract and transaction management towards true Supplier Relationship Management with strategic partners. The key is to find the right supply partners, jointly develop capabilities, control risks and manage performance to improve products and services collaboratively.

Time to change

Most companies are lagging behind on leaders

Capgemini's 2014-2015 Global CPO survey² shows that adopting supply management excellence is not easy to do. Many organizations are still struggling to master the basics: closed loop procurement through spend visibility, sourcing and contract compliance. Almost 80% of the

respondents state that improving the quality and availability of spend information is a current focus area and 70% percent are currently focusing on contract compliance within the business. 27% of the respondents realize that there are no controls in place to monitor compliance.

Furthermore, only 16% of the respondents have a corporate strategy and process in place to manage supplier relationships. In these companies, the Supplier Relationship Management strategy is different per supplier segment and aligned between all business functions involved. At the other end of the spectrum, 30% of the respondents indicate that there is no process at all for Supplier Relationship Management and that Supplier Performance Management is done on a case-by-case basis.

Making it work

The '360 Degree Supplier View'

At Capgemini Consulting, we use a series of methods and digital technologies to support organizations in creating and maintaining innovative, sustainable and value adding supplier relationships. Continuous insight in supplier capabilities and maximizing supplier performance will be procurement's key competitive edge in the near future. Our approach is based on in-depth supplier understanding and derived from inside-out and outside-in views. It identifies the required capabilities and performance of the company to stand out from competition during crucial moments of supplier interaction. Through leveraging analytics, social media, cloud and mobile solutions for Supplier Relationship Management, procurement is able to support the business to maximize value in the upstream supply chain, whether it is in product innovation, delivery excellence or product transparency and sustainability.

In scouting for innovation capabilities of suppliers, we use advanced social network analysis and tooling (Kenedict Innovation Analytics) to map the entire supply network around specific technologies and expertise. It gives the organization insights of capabilities on supplier, technology and inventor level. These market insights are complemented with business and supplier views. These views are mapped in 'supplier journeys', which identify all touch points and activities with strategic suppliers.

What requirements do suppliers expect? What capabilities are needed for building a mutual beneficial partnership from the supplier's perspective? Do I have the necessary processes in place to match supplier expectations? We focus on the interactions which are considered most crucial by the companies strategic suppliers. All information will be combined and used in our Supply Innovation Labs.

Figure 2 - Supply Innovation Labs to determine the roadmap towards Supply Management Excellence



In these labs, we organize interactive sessions with business, procurement and innovation leaders to discuss the supply base potential and the role of procurement as the liaison between the business and their strategic suppliers. Leveraging the Capgemini 'Accelerated Solutions Environment' approach, we collaborate with our clients to combine all information into a scalable and client specific transformation roadmap towards Supply Management excellence.

Way Forward

Summary of the issue and next steps to take

In the years to come, maintaining and strengthening strategic relationships with suppliers will be of crucial importance to deal with the rapidly changing marketplace. The Digital Supply Management approach of Capgemini Consulting will support

companies in developing these insights and capabilities. It builds on advanced analytics and outside in views to establish a business strategy driven, value delivering supply management function. A function with activities and responsibilities beyond the Procurement Department to effectively support the maximization of business and customer value.

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Buyer-supplier collaboration

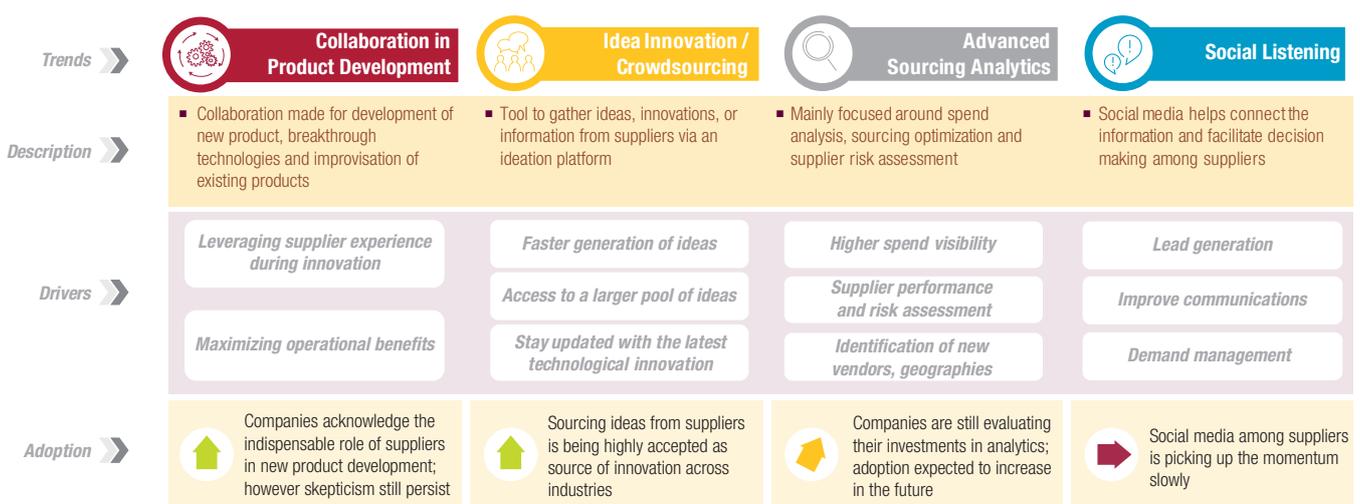
Value based SRM powered by Digital Solutions

Driven by the outsourcing of product development capabilities, declining margins and increasing buying professionalism, firms are now entering collaborative supplier relationships rather than transaction-based relationships. While the general perspective on supplier engagements shifts from being cost-centered to value-focused, the development of an effective approach towards Supplier Relationship Management (SRM) has remained high on the CPO agenda, and not without reason. Profound SRM can yield significant benefits, including more innovation, shorter time-to-market, greater opportunities for cost reduction, and better spend control. To capitalize on these benefits, firms develop new approaches for collaboration and information sharing with suppliers, including a range of digital tools. Recent Capgemini Research¹ has identified four major trends in SRM, supported by various digital technologies:

1. Strengthening supplier bonds – collaboration in product development

In many industries, waves of increased specialization and outsourcing of non-core competencies have been witnessed over the past decades. As a result, firms depend more than ever on the innovative capabilities of their supply base. In addition, the continued success of the entire supply chain requires procurement and suppliers to be involved early on in the product design and development stages. The rationale behind supplier involvement in product development is that the experience of suppliers can be leveraged during product innovation. Firms can tap into the knowledge of their suppliers to avoid design-level errors, drive idea generation, improve quality and shorten development time.

Figure 1 - Current trends in SRM



Source: Capgemini Research 2015

With different levels of development risk and responsibility held by suppliers, four levels of supplier involvement can be distinguished: strategic, critical, routine and arm's length development². While strategic and critical development projects involve high levels of risk and hence require strong involvement of the buyer, arm's length and routine development programs require less intense collaboration and communication. Firms should ensure that an appropriate type of engagement is chosen.

High profile development projects can benefit from digital tools that facilitate buyer-supplier collaboration. Collaboration platforms are offered by a variety of technology firms. Examples are SAP, which has launched software for Integrated Product Development (IPD) and IBM, which has released a Product Development Integration Framework (PDIF). These tools aim to enable idea generation and information exchange, to monitor development progress, and to synchronize communications between suppliers, procurement and different internal customers as they work together on innovations.

An example of an organization that collaborates for innovation is Unilever. In 2011, Unilever launched its 'Partner to Win' program³, which is a strategic plan aimed at building relationships with selected key suppliers in order to achieve mutual growth. Unilever makes meaningful and long-term commitments to the partners that share Unilever's sustainable growth ambitions, and aspires to become their customer of choice. It uses an open innovation portal, hosted by a third party, to encourage suppliers to submit innovative ideas around predefined consumer needs and challenges. The program also incorporates a large event, the Partner to Win Awards, that

Figure 2 - Supplier involvement matrix



Source: Wynstra, F., Ten Pierick, E.

celebrates suppliers who have made a significant innovative contribution. With this program, Unilever is successfully sourcing innovations, operational solutions, and ideas for product development from its supply base. A notable example of an innovative supplier was Novozymes in 2014, creating an ingenious solution for liquid laundering together with Unilever⁴. In 2011, Novozymes was also recognized for replacing chemicals with enzymes in Unilever's detergent powder and liquid formulations⁵.

There are many more examples of successful new products resulting from a shift in Supplier Relationship Management. Henkel believes that close strategic supplier partnerships are the key to create customer value and uses a range of new and sustainable raw material applications from suppliers in their products. Equipment manufacturer Caterpillar partnered with a supplier to create a joint R&D facility to increase the speed to market of a new catalytic converter⁶.

2. Opening up the business – idea innovation/ crowdsourcing

Open innovation and crowdsourcing are emerging as platforms for engaging with suppliers and fostering innovative potential. Open innovation is viewed as making use of not only internally developed, but also externally sourced ideas to accelerate innovation. Simultaneously, the paradigm holds that inventions that are not used within the firm should be continued outside the firm's boundaries, e.g. through licensing or spin-offs. This enables firms to benefit from a rich landscape of valuable knowledge and innovations that were earlier kept away from the market.

Within the realm of open innovation, crowdsourcing is seen as a useful mechanism for gathering ideas, innovations, and information from a specific population, typically via the internet. While crowdsourcing is often used with consumers to identify and respond to 'market pull', the approach is increasingly used with suppliers

in order to develop and 'push' new products to the market. There are numerous benefits to this approach, including: faster generation of ideas, staying up-to-date with the latest technological developments, and offering access to more expertise than could be possible with in-house employment.

One organization which successfully used crowdsourcing in its open innovation program is Wal-Mart. In 2012, this firm launched the "Get on the Shelf" program, opening up their business model to drive supplier innovation and enhance product offerings^{7,8}. The program encourages small suppliers and entrepreneurs to showcase their ideas for new products. Furthermore, it offers suppliers with the most compelling ideas the opportunity to bring their ideas to the market through Wal-Mart's existing promotion and placement channels. As part of the program, customers are then invited to vote online on the products which they would like to see most in Wal-Mart stores. Next, Wal-Mart selects three products that are sold online, and also features a 'grand prize' winner on its home page and in selected stores.

Ultimately, "Get on the Shelf" enables Wal-Mart to successfully leverage supplier experience and bring innovative offerings to its stores, thereby gaining an advantage over its competitors. In addition, this approach helps Wal-Mart in strengthening its relationship with customers, by giving them a say about the product offering. Thus, by opening up its business to external ideas from suppliers and consumers, Wal-Mart acquired a more competitive offering, clearly illustrating the potential of the crowdsourcing approach.

3. Crunching the numbers - advanced sourcing analytics

Sourcing and procurement functions are slowly moving away from a cost reduction to a value generation focus. Whereas cost structure analyses have become commonplace, advanced sourcing analytics that can reveal opportunities for value creation can provide organizations with renewed competitive advantage. These tools can tell organizations what is happening in their business and how well they are servicing its needs. Advanced sourcing analytics cover three main areas:

spend analysis, sourcing optimization and supply risk assessment. Organizations that apply spend analytics typically spend 12 percent less per USD of revenue compared to companies that do not⁹. Furthermore, spend analysis provides higher visibility and compliance, and enables identification of opportunities for leveraging volumes or engaging in partnerships with key suppliers. The second application of sourcing analytics is sourcing optimization. By using tools such as advanced bid analysis, inventory analysis and vendor managed inventory analysis, companies are able to identify new vendors, maintain a lower level of inventory, and successfully analyze alternative, potentially more competitive bids. Finally, sourcing analytics can be applied for supply risk assessment. By evaluating performance and risks metrics based on real-time data, firms can assess financial and operational risks within their supply base. This enables the development of more effective risk measures that either anticipate (pro-active) or counter (reactive) threats to the firm's supply.



One example of powerful sourcing analytics is Sourcemap, a tool that can be used for supply risk management¹⁰. For example, firms can enter data about material types, quality levels, lead times and sourcing locations, while suppliers are also invited to add additional information in order to map the sub-tier supply chain. Based on this information and external sources, Sourcemap, visualizes end-to-end supply chains in real time, identifies the 'weakest links' in firms' global supply chains, and sends automated alerts in case of potential supply disruptions. Ultimately, this enables firms to anticipate and respond to supply threats in time, and to build more resilient supply chains.

4. Tuning in to the market – social listening

By being sensitive to what is happening in the digital environment, firms can better stay on top of supply trends and anticipate more effectively to opportunities and threats. Social listening, or the mining, of data from social media and other forms of digital communication, has been widely used by marketeers in recent years. Its use in the supply chain context is still at a nascent stage. Only slowly, firms are starting to see social listening as a promising means for monitoring and responding to developments in the upstream supply chain.

Figure 3 - Example of supply chain mapping through sourcemap.com



Source: www.sourcemap.com

For example setting up social supplier platforms, companies can significantly improve communications and improve supplier performance. One example of such a platform is Supplier Wire, established by Lockheed Martin¹¹. This platform is specifically targeted at its vast and diverse network of small suppliers. It enables these suppliers to familiarize themselves with Lockheed Martin's procurement practices, and allows them to pose questions to subject matter experts during live chat sessions. Thus, Supplier Wire has enabled Lockheed Martin to strengthen supplier relationships through new connections in a virtual environment. Similarly, Home Depot

has developed 'the Warehouse', an internal social media site where different supply chain actors (e.g. store managers, DC managers, suppliers) can discuss problems, for example related to order quantities or quality levels, and share best practices¹². This program has successfully reinforced connections with the various nodes in the upstream supply chain by enabling them to voice their problems. It has enabled Home Depot and its partners to collaborate more fluently. Despite these promising examples, 60% of procurement departments do currently not interact with suppliers through any social medium, signaling a considerable potential for improvement.

Conclusion

Supplier Relationship Management is undergoing rapid development. It is no longer about minimizing the cost of separate transactions, but about maximizing the value of the complete supplier engagement. Leading procurement executives are beginning to recognize that developing partnerships with key suppliers can indeed deliver substantial benefits to both buyer and supplier.

Digital technology and big data are major drivers for these developments and will continue to change the way supply chain partners collaborate. To keep abreast of these developments, leading organizations must apply appropriate digital tools and develop the necessary capabilities to derive meaningful information and insights from across the entire supply chain. This will only become more important with the increasing complexity of tomorrow's supply chain.

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SRM Functionality Analysis

For organizations embarking on their Supplier Relationship Management (SRM) journey, often the most difficult challenge is the ability to understand the spectrum of vendors that could satisfy the organizations requirements.

The key questions that are often considered are:

- Which applications are available on the market and what functionalities do these applications provide?
- Do applications offer the same services across all aspects of the procurement function or are they specific to one component of SRM?

This chapter will elaborate further on these questions.

Supplier Relationship Management depends on collaboration amongst the enterprise's internal and external suppliers for survival and progress. Collaboration across sourcing strategies, management and governance remains critical to the success of Supplier Relationship Management.

Set up of the Supplier Relationship Management Survey

The SRM Survey is an assessment of the functionalities of SRM systems available in the market. Our research represents the data collected from SRM vendors without any interpretation or judgment. Participation to the SRM Survey is voluntary and some vendors have unfortunately declined our invite to participate*. However, our survey covers the vast majority of current SRM solutions in the global market place.

A functionality analysis was conducted based on a list of 155 questions, covering the entire spectrum of the SRM process. These questions represent the “most asked-for” and the “most-critical functionalities”, as we recognize them from our client discussions and interactions. Vendors were given the opportunity to indicate whether the requested functionality is available or not.

In line with our previous editions we want to ensure that the survey evaluates the market to a level of depth and completion required to accurately present the relative strengths/weaknesses of the vendor landscape. We have built in random checks to ensure that the solutions score as accurate as possible.

While interpreting the data, it is important to remember that this analysis is based on a series of questions designed to address whether the software covers a specific set of functions. It is important to note that all of the questions have been scored without weighing. This means that a high or low score does not indicate whether an application is good or bad; it merely states the coverage of the SRM functionality within the application.

While selecting or evaluating an application, it is important to determine which functions are critical for your company's procurement processes. Therefore a weighted score addressing your preferred functionalities may result in a different outcome from those shown in this survey. In order to distinguish between the functionalities of the applications, it is necessary to understand which functionality supports the procurement processes.

To assess the level of support of the applications in the SRM process, we divided the overall SRM process into nine sub-categories:

1. Procurement Intelligence
2. Product Lifecycle Management (PLM)

3. Sourcing (incl. Electronic Tendering/ eAuctioning)
4. Supplier Data Management
5. Supplier Performance Management
6. Contract Management
7. Catalogue Management
8. Operational Procurement
9. External Resources

In addition to the previous edition we assessed the level of support in the area of Supplier Data Management and Product Lifecycle Management.

We see an increasing need for procurement to be involved in early product design and be the linking pin for earlier supplier involvement and collaboration to gain the maximum out of the supply chain. This has several advantages including cost reduction opportunities, shorter time-to-market, a better shared vision and proposition towards suppliers, greater spend control and more supplier involvement.

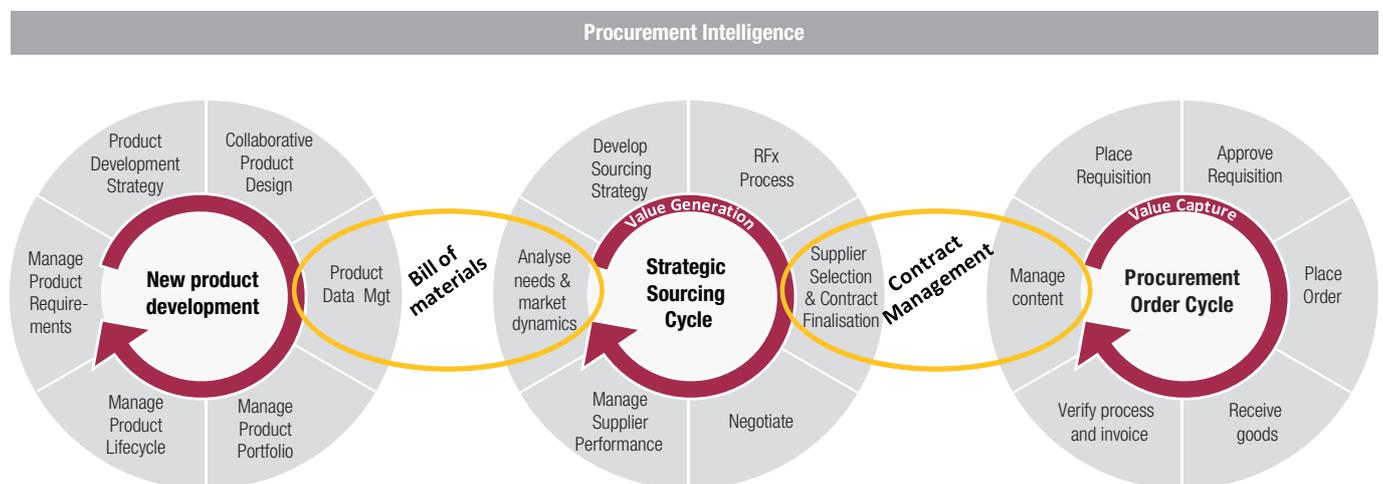
To tackle this new role procurement professionals also need new systems and functionalities to facilitate and support them in their communications.

The functionalities needed for this are currently mostly delivered by PLM vendors, but an increasing number of traditional SRM providers are also moving towards these kinds of functionalities.

We added the New Product Development phase as a new third cycle in our Capgemini Procurement Process Model. Within the New Product Development circle we see six different steps which will result in the Bill of Materials. These six steps and relevant functionalities are assessed in this study (PLM chapter) next to the functionalities in the two 'traditional' cycles: strategic sourcing cycle and the procurement order cycle.

In each chapter we will indicate which part of the procurement process is addressed in the Capgemini Procurement Process Model below.

Figure 1 - Capgemini Procurement Process Model



Overall Functionality Analysis

As in previous studies, this year's vendor review shows that the differences between applications are most visible in coverage at a functional level.

Some applications provide full coverage for all sub-processes, whilst others can be considered niche players supporting only a limited number of functionalities. Although the reviewed SRM applications are very capable, there are substantial differences between these applications and of course each of them will have a different fit within your organization. Although it might seem that certain applications have a low overall score, yet we cannot conclude these applications are of lesser quality.

Before we go into the detailed functionality analysis, we want to give you some insight in new developments in the SRM market.

Main Innovation Points

Looking at all the vendors surveyed, the main innovation points from the **last 2 years** have been:

Functional:

- Full integration between different modules
- Supplier management
- Supplier portal
- Payment solutions to provide visibility into business payments and produce rich remittance information to improve the reconciliation processes
- Collaborative buying tools

Non functional:

- Mobile app support
- Transforming the user experience
- Redesigned interfaces
- Use of the most advanced technologies for increased security

The main innovation points for the next 2 years

Functional:

- Tighter integration for a holistic Source to Pay framework, complete network integration
- Supply chain process integrations
- Stronger integration to ERP's
- Further integration with supplier portals
- Further integration with direct procurement, Product Lifecycle Management (PLM)
- New country and market-specific solutions
- Sustainable procurement
- Supply chain finance & dynamic discounting
- Enhancing supplier risk management capabilities and advanced supplier performance management

- Provide wider capabilities for managing contracts for improving governance, insights, compliance, and value maximization in contract management beyond procurement contracts.
- Enhanced supply chain analytics, real-time spend-analytics with forecasting capabilities and what-if analysis
- Accounts Payable automation, expanding payments coverage
- Services procurement

Non functional:

- User experience upgrade, user interface improvements
- Mobile enablement, securing optimal mobile access

Industry solutions

Some vendors started to develop industry-specific applications, which provide a tailored solution to help organizations. The solution is preconfigured for a particular industry – to provide business users the exact functionality they need, when and where they need it. Up to 40 percent of the vendors indicate that they have an industry/sector specific solution.

Other vendors indicate that they are either:

- "Industry agnostic" meaning the solution set is suitable for any industry;
- Or, there is no specific industry solution since there is one (SaaS) version for all customers.

Integration of Direct Procurement

Direct and Indirect procurement are terms used to indicate if a procurement category is directly related to the primary business of an organization. Direct procurement refers to third party services and goods that are part, or used in the manufacturing, of the organization's products and/or services. Indirect procurement refers to categories of goods and services that are supporting the organization's business processes. Similar terms commonly used by manufacturers are Product Related (PR) vs. Non-Product related (NPR) for respectively Direct- and Indirect procurement.

For most organizations Direct procurement represents a much larger percentage of total spend than Indirect procurement. Subsequently Direct procurement becomes interesting when searching for an eProcurement solution. Therefore we investigated if procurement software facilitates the procurement of direct materials and if the process is related to different stages in the Product Life Cycle.

Some vendors make a distinction between the different stages of the Product Life Cycle for direct materials:

- Sampling
- New product introduction
- Growth
- Maturity
- Decline
- End of life

Every stage could have different processes and templates:

- Processes that contain templates which apply to the different stages of a lifecycle and allow the revision and versioning of material, part, components and semi-finished goods.
- Specific milestones for sampling, new product introduction and technical collaboration processes like upmarking drawings, workflows on drawings and integrating comments to facilitate the sampling and new product introduction.
- End of life is especially supported by the phase out of supplier and transfer processes to the new source. Set expiry dates for products and store history on "dormant" end of life products.

Please see the section on Product Lifecycle Management for more detailed insight in PLM functionality.

Supplier Marketplace (portal)

A marketplace allows the buyers and the suppliers to work together more efficiently and effectively on all the shared aspects of business commerce: proposals, contracts, orders, invoices, and payments. Out of all vendors surveyed 22 vendors offer a supplier marketplace

Table 2 - Supplier Marketplaces

Company	Name	#Suppliers connected	#Buyers connected
Ariba	Ariba Network	1.7 Million	400
BiP Solutions	Delta CompeteFor	> 100.000	>500
b-pack	b-procure	750.000	1.000
BravoSolution	BBNET BravoSolution Network	>700.000	
Capgemini IBX	IBX Supplier Network	550.000	350
CTM/ EU-Supply	Collaboration area	>250.000	>6.500
eeeBid	www.eeebid.com	102.466	87.500
Esize	Esize SupplierWeb	200.000	150.000
GEP	The Hubwoo Business Network	1.000.000	
Ivalua	Ivalua Supplier Portal		
Negometrix	Negometrix Marketplace & Qualification system	30	40.000 users
Oracle			
Perfect Commerce	Perfect Commerce	250.000	200
POOL4TOOL	2relation.com	200.000	240
PROACTIS	PROACTIS Supplier Network	>50.000	
SAP	Ariba Network	>1.7 Million	400
SciQuest	SciQuest Supplier Network	500.000	>500
SupplyOn	SupplyOn	100.000	
Tblox	EflowXpress and FreeSupplierPortal	>250.000	>750.000
TradeStone Software	Bamboo Rose		
VORTAL	VORATAL Suppliers Finder	118.000	2.000
WALLMEDIEN	Meplato Mall	>10000	>50.000

Based on information delivered by solution providers

The costs for using the marketplace are different for suppliers and customers. In most cases there are no charges involved for suppliers. Sometimes, a fixed annual fee or a transaction based fee applies or they offer basic services for free and premium services at a fee. For buyers the charges are mostly transactional volume based subscription fees. Sometimes the usage is included in the modules so without additional charges.

Vision on Sustainable Procurement

Nowadays the debate on sustainability exists in every company. Sustainable procurement is a core function for supporting needs related to CSR (corporate social responsibility) and wider GRC (governance, risk and compliance) requirements. Some vendors have specific tools that allow organizations to address these issues. Concepts such as global geographic sustainability dashboards, certification and integration of external sustainability data and consideration of sustainability data in supplier performance ratings are gaining more relevance. Vendors have started to offer the following functionalities:

- Monitoring/tracking supplier requirements (e.g. certifications)
- Automated processes and reminders for supplier certification (renewal and reminder management)
- Revision of product/ingredient certification.
- Dashboards with KPI's on sustainable procurement
- External sustainability enrichment (e.g. Ecovadis, D&B)
- Supplier code of conduct

Overall conclusions from this year's survey

Considering the survey as a whole, the following represents the major findings and conclusions:

1. Amongst the top 10 vendors there is little to choose across the **principle functionality**. Sourcing, Supplier Data Management and Supplier Performance Management are the best supported functionalities demonstrating the focus of the top 10 vendors on the Sourcing circle. Supplier Data Management and Supplier Performance Management are usually part of Strategic Sourcing therefore this link is not surprising. Overall, the key differentiators in functionalities are Product Lifecycle Management and External Resources functionality.
2. Out of all of the vendors surveyed, 90 percent offer **Procurement Intelligence** functionality, which demonstrates the importance of tracking operational improvement benefits and assessing and ensuring compliance. There is, however, a huge diversity in coverage ranging from 45 percent to 100 percent. **Spend analysis** and **reporting** are the functionalities that are most mature within procurement intelligence (average 90 percent) followed by **advanced analytics** (average >80 percent).
3. In order to get maximum value from the supply chain, it becomes more and more important to cooperate with suppliers in specifying products and/or

services. **Product Lifecycle Management (PLM)** is about having cooperation with suppliers in product and process innovation and it starts before the Sourcing process. Overall, 8 vendors offer PLM functionality with an average of 73 percent functional coverage. Product Development Strategy (84 percent) is the highest supported functionality followed by Managing the portfolio strategy (78 percent) and Managing product requirements (75 percent).

4. 80 percent of the vendors surveyed offer **Strategic Sourcing** functionality as compared to 70 percent who offer **Operational Procurement** functionality. 60 percent of the vendors have a higher score on Sourcing functionality compared to Operational Procurement; 20 percent of the vendors have a higher score on Operational Procurement, overall demonstrating a greater focus on Strategic Sourcing.
5. The majority of the vendors see **Electronic Tendering** and develop and issue RFX documents as core functionality of Strategic Sourcing. All of the vendors that offer sourcing provide Electronic Tendering functionality.
6. **Supplier Data Management** consists of defining and maintaining all relevant supplier data. Vendors acknowledge the importance of good Supplier Data Management as the basis for the entire SRM process. All Vendors (except 1) offer this functionality although there is a huge range in diversity (from 10 percent to 100 percent). Overall, 75 percent of

the vendors offer more than 80 percent functionality. The main focus is on **Managing Supplier Attributes** and **Collecting Supplier Information**.

7. Supplier Performance

Management mainly concentrates on performance management, meaning the measurement and evaluation of mutually agreed performance indicators and scorecards. This functionality is still increasing in richness and capability compared to the previous SRM edition. This year's survey shows an average of 79 percent compared to 64 percent last edition. There are only 2 vendors that do not offer this functionality. Defining consistent **performance criteria**, in addition to SLA and other contractual terms and conditions, is important for organizations to measure supplier performance as well as **Evaluating Supplier Performance** by scorecards and/or questionnaires.

8. 11 vendors offer complete (100 percent) **Contract Management** functionality. 4 vendors responded with a score of less than 75 percent coverage in this area, with the average score above 85 percent. This is not surprising given the need to link the benefits that are identified (sourcing) to benefits being delivered (Operational Procurement), which is achieved by benefits being captured as part of contract management activities. The highest functionalities can be found in **using standard templates** when registering a contract; **Contract Lifecycle Management** and **Contract storage**.

9. **Catalogue management** is a fundamental part of the Operational Procurement process. Therefore it is not surprising that the vendors that do not offer Operational Procurement functionality also do not offer Catalogue Management functionality. 21 vendors surveyed provide Catalogue Management functionality of which 9 vendors provide 100 percent coverage.

10. 70 percent of the vendors surveyed provide **Operational Procurement** functionality. Strongest sub-functionalities are Purchase Order generation and Approval functionality (100 percent) followed by Requisition and Invoice functionality (95 percent). The new functionalities **Invoice Scanning** (60 percent) , **Invoice Matching** (4 way match (33 percent) and 5 way match (27 percent) and **Payment** (43 percent) are the main differentiators and we expect that functionality will increase over the next couple of years.

11. This survey shows that 3 vendors have started to develop **External Resource** functionality in the last years but there are still some full suite vendors that do not offer External Resource functionality yet. Out of all of the vendors surveyed, 53 percent offer **External Resources functionality**, as compared to 48 percent in the previous SRM survey. On average 71 percent of functionalities is covered, which still leaves room for improvement. Highest functionality is offered for **Specify and Requisitioning** (average >80

percent). Followed by **Approval and Selection and Ordering** (>65 percent). Lowest functionality is offered within **Monitoring and Evaluation** (>55 percent).

Figure 2 - Overview

Company	Procurement Intelligence	Product Lifecycle Management	Sourcing	Supplier Data Management	Supplier Performance Management	Contract Management	Catalogue Management	Operational Procurement	External Resources
Ariba	100%	0%	95%	100%	92%	100%	100%	92%	100%
BiP Solutions	100%	0%	97%	94%	100%	100%	0%	0%	0%
b-pack	59%	0%	77%	98%	83%	91%	100%	100%	0%
BravoSolution	86%	0%	100%	98%	96%	83%	0%	0%	0%
Capgemini IBX	72%	0%	88%	80%	95%	100%	100%	95%	65%
CTM/ EU-Supply	59%	0%	100%	90%	100%	100%	100%	97%	40%
eeeBid	100%	71%	100%	98%	100%	97%	90%	84%	75%
Esize	97%	0%	98%	94%	88%	100%	95%	92%	95%
GEP	66%	0%	98%	100%	100%	100%	100%	95%	0%
Inconto	41%	0%	5%	10%	0%	74%	60%	73%	55%
Ivalua	93%	0%	88%	100%	92%	94%	100%	62%	80%
Negometrix	45%	0%	92%	96%	83%	94%	0%	3%	70%
Novatus	0%	0%	8%	84%	63%	97%	0%	0%	0%
Oracle	72%	51%	82%	84%	88%	94%	95%	89%	0%
Pactum	0%	0%	0%	59%	79%	74%	0%	0%	0%
Perfect Commerce	76%	0%	80%	73%	88%	86%	100%	76%	65%
POOL4TOOL	72%	87%	88%	100%	96%	46%	60%	95%	0%
PROACTIS	76%	0%	91%	90%	88%	86%	100%	92%	65%
SAP	93%	99%	100%	100%	100%	100%	100%	78%	100%
SciQuest	72%	0%	85%	84%	71%	100%	75%	76%	35%
Selectica IASTA	52%	0%	83%	84%	58%	100%	0%	0%	0%
Spend360	93%	0%	6%	0%	33%	0%	0%	0%	0%
SupplyOn	97%	77%	95%	100%	100%	94%	90%	89%	75%
Symfact	0%	0%	0%	90%	71%	100%	0%	0%	0%
SynerTrade	97%	80%	100%	86%	100%	100%	55%	84%	90%
Tblox	93%	58%	100%	100%	96%	94%	95%	95%	90%
TradeStone Software	79%	62%	71%	94%	67%	74%	80%	86%	0%
VendorLink	97%	0%	0%	96%	100%	80%	0%	0%	0%
VORTAL	45%	0%	82%	90%	92%	94%	70%	41%	0%
WALLMEDIEN	48%	0%	0%	59%	0%	0%	100%	78%	35%

Figure 2 gives an overview of the available functionality of each vendor application based on information delivered by solution providers. The Y axis represents the vendors and the X axis represents the categories within the SRM suite.

Analysis per Category

While selecting an SRM tool, you are likely to have certain requirements that are more critical than others. When you are looking for a full suite application, the overall functionality scores may be sufficient for your selection. However, when you are looking for a particular functionality or a set of functionalities, a more in-depth review of the results might be required.

The in-depth application review is structured according to the nine subcategories listed earlier. These subcategories have been further divided into a number of functional categories as shown in table 3.

Table 3 - Overview of functional categories

Procurement Intelligence	PLM	Sourcing	Supplier Data Management	Supplier Performance Management	Contract Management	Catalogue Management	Operational Procurement	External Resources
Spend analysis	Manage portfolio strategy	Strategy development	Manage supplier attributes	Performance review setup	Manage templates	Catalogue options	Overall	Request specification
Benchmarking		Business requirement	Request new supplier	Performance review criteria	Create supplier contracts	User capabilities	Requisition	Approval
Supplier risk management	Manage product lifecycle	Sourcing approach development	Validate supplier request	Contract implementation	Internal approval	Catalogue functionalities	Purchase order	Requisitioning
Reporting	Manage product requirements	Develop and issue RFX documents	Collect supplier information	Evaluate supplier performance	Contract signing contract		Approval	Selection and ordering
Supplier contact recording	Product development strategy	E-Tendering	Supplier policy check	Performance review meeting	Storage		Receipt	Monitoring
Advanced analytics		Collaborative product design	E-Auctioning	Supplier approval	Manage supplier development	Supplier onboarding		Invoice scanning
	Product data management	Evaluate responses	Maintain supplier data		Contract lifecycle management		Invoicing	
		Negotiate supplier contracts	Supplier portal				Payment	
		Award supplier contracts						

Procurement Intelligence

Procurement Intelligence is the process of collecting, cleansing, structuring and drawing insight from market analysis, benchmarks, process measurements (both sourcing and procurement), spend data, supplier performance management. Procurement Intelligence is key for assessing and ensuring compliance, tracking operational improvement benefits and implementing sourcing strategies.

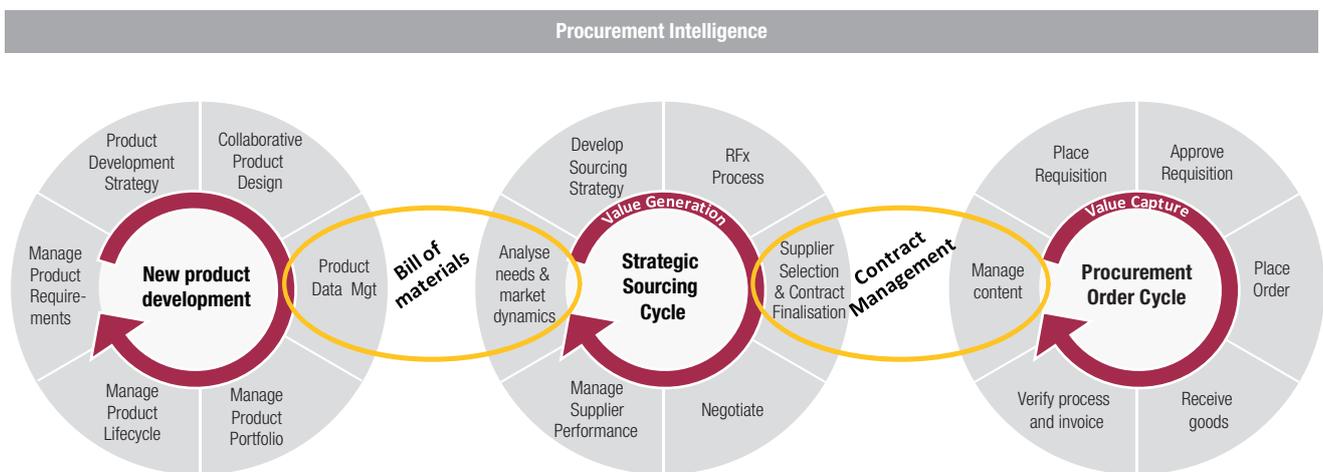
Procurement Intelligence software is typically used to analyze the organization's spend and forecast future spend. More often benchmarks are also used to identify standards, or 'best in class practices' to improve their own performance. Another important functionality of Procurement Intelligence is creating reports, both automated standard and ad-hoc reports for identified areas to support the control of compliance. It is also important for organizations to manage the risk related to suppliers and the entire supply chain to mitigate supply shortages and lack of quality.

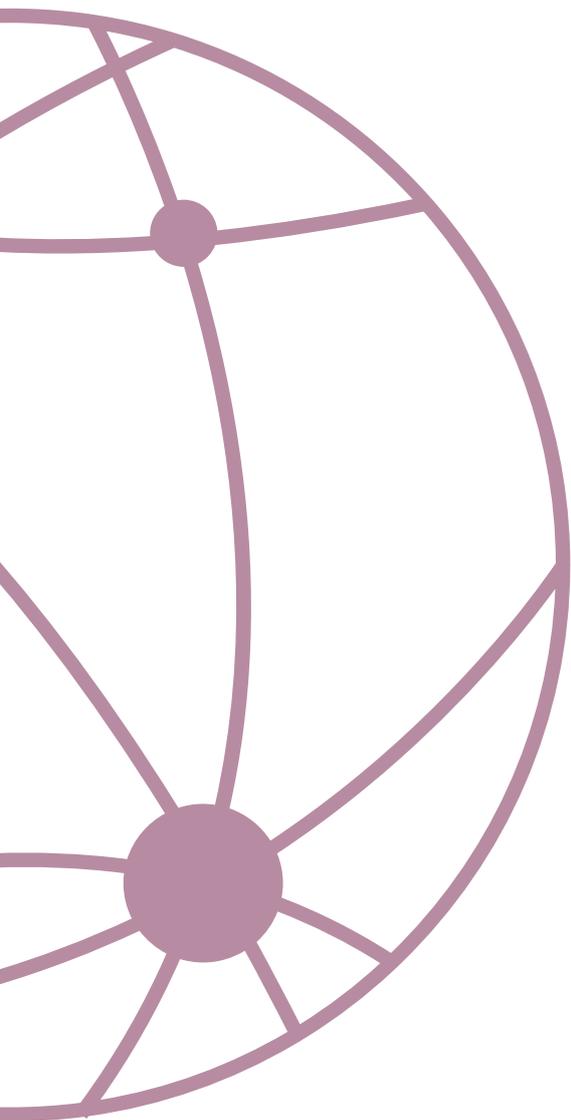
The knowledge gained from Procurement Intelligence aims to simplify decision making, making this sub-process a critical part of both the strategic sourcing process and procurement governance. The ability to clearly communicate findings is critical to achieve staff and management buy-in. Therefore the functionality to graphically represent findings is of high importance in this type of application.

Functionalities reviewed within Procurement Intelligence

- Spend Analysis
- Benchmarking
- Supplier Risk Management
- Reporting
- Supplier Contact Recording
- Advanced Analytics

Figure 3 - Procurement Intelligence





Observations regarding Procurement Intelligence

1. Out of all of the vendors surveyed, 90 percent offer Procurement Intelligence. There is a huge diversity in coverage, ranging from 100 percent to 45 percent.
2. Spend Analysis and Reporting (average 90 percent) are the functionalities that are most mature within Procurement Intelligence followed by Advanced Analytics (average >80 percent).
3. 23 vendors offer 100 percent **Spend Analysis** functionality, 2 vendors offer 67 percent and only 5 vendors do not offer Spend Analysis. Stressing out the importance of understanding spend patterns and the highly requested functionalities to make different spend cubes and to aggregate spend data on different levels.
4. There is a bit more diversity in **Reporting** with coverage ranging from 50 percent to 100 percent.

The functionalities offered by most of the vendors are:

- Creating graphical dashboards
- Creating dashboards on supplier breakdown, commodity, KPI's
- Provide the possibility to easily create user-requested reports

The functionalities which leave room for further development are:

- Performing data analysis on separate data sources
 - Using real-time data for the analysis (only 21 vendors offer this functionality)
5. 73 percent of the vendors offer **Advanced Analytics**. Companies are still evaluating their investments in analytics; adoption is expected to increase in the future. Advanced Analytics functionalities are offered within the SRM module, as an additional module compatible with the SRM module or as a standalone solution.

Examples of Advanced Analytics functionalities offered: classification of spend data based on industry standards or custom taxonomies, supplier data enrichment using D&B database, supplier diversity and sustainability information enrichment, market data insights on price movements and sourcing savings, peer benchmarking program, sub-second reporting of spend data, real time visibility of supplier risk exposures, multi-tier visibility of supplier risk, visibility on geographical and political risk emanating from suppliers.

6. **Benchmarking** (average 57 percent) and **Risk Management** (average 50 percent) functionalities leaves scope for further improvement. Functionalities to improve are "The ability to perform benchmarks" and "Allows end users to model risks and map them to control, remediation and metrics and risk calculation"

Relationship between Procurement Intelligence and Operational Procurement and Sourcing

Procurement Intelligence and Operational Procurement: 5 vendors offer Procurement Intelligence functionality without offering Operational Procurement and are mainly focusing on sourcing and contract analysis. Four vendors are offering strategic sourcing without Procurement Intelligence functionalities.

Subcategory	Spend Analysis	Benchmarking	Supplier Risk Management	Reporting	Supplier Contact Recording	Advanced Analytics	Total Procurement Intelligence
Number of questions	3	3	5	14	3	1	29
Company							
Ariba	100%	100%	100%	100%	100%	100%	100%
BIP Solutions	100%	100%	100%	100%	100%	100%	100%
eeeBid	100%	100%	100%	100%	100%	100%	100%
Esize	100%	67%	100%	100%	100%	100%	97%
SupplyOn	100%	100%	100%	100%	67%	100%	97%
SynerTrade	100%	100%	100%	93%	100%	100%	97%
VendorLink	100%	100%	100%	93%	100%	100%	97%
Ivalua	100%	67%	80%	100%	100%	100%	93%
SAP	100%	100%	80%	100%	67%	100%	93%
Tblox	100%	100%	60%	100%	100%	100%	93%
Spend360	100%	100%	100%	100%	33%	100%	93%
BravoSolution	100%	67%	80%	86%	100%	100%	86%
TradeStone Software	100%	0%	60%	93%	100%	100%	79%
Perfect Commerce	100%	67%	40%	100%	0%	100%	76%
PROACTIS	100%	33%	0%	100%	100%	100%	76%
Capgemini IBX	100%	100%	0%	100%	0%	100%	72%
Oracle	67%	100%	20%	79%	100%	100%	72%
POOL4TOOL	100%	0%	80%	79%	67%	100%	72%
SciQuest	100%	100%	40%	86%	0%	100%	72%
GEP	100%	0%	0%	86%	100%	100%	66%
b-pack	67%	0%	0%	93%	33%	100%	59%
CTM/ EU-Supply	0%	100%	0%	100%	0%	0%	59%
Selectica IASTA	100%	0%	20%	71%	0%	100%	52%
WALLMEDIEN	100%	0%	0%	71%	0%	100%	48%
Negometrix	0%	0%	0%	71%	100%	0%	45%
VORTAL	100%	0%	0%	64%	33%	0%	45%
Inconto	100%	33%	20%	50%	0%	0%	41%

Product Lifecycle Management

In order to get maximum value from the supply chain, it has become even more important to cooperate with suppliers in specifying products and/or services. Therefore we have broadened the SRM scope. In previous editions the process used to start after the specifications of the service or product were determined. In this edition, the cooperation with suppliers in product and process innovation is taken into account.

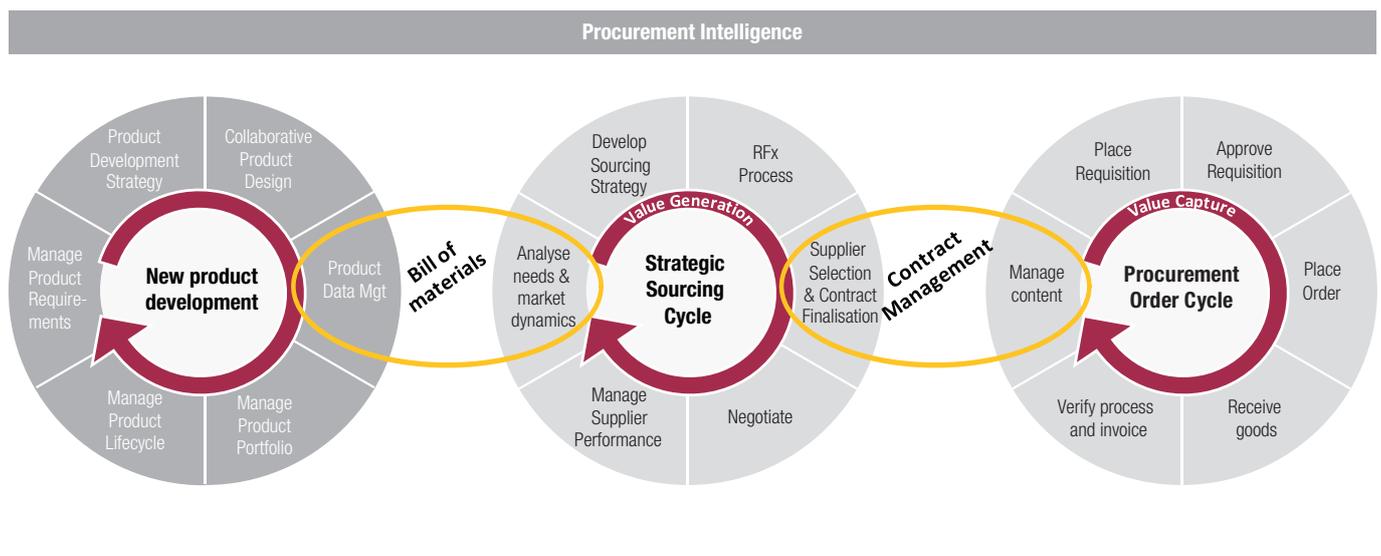
Today's products and processes are getting more complex. PLM Software provides a Product Lifecycle Management solution in support of collaborative creation, management, dissemination and use of product definition information from concept to end of life.

PLM is the collaborative management of resources, processes, data and IT-infrastructure. It is relevant for all product-related activities across the whole product lifecycle from idea generation to product disposal.

PLM means leveraging advanced methods and IT-technologies and it helps companies:

- Develop products that provide the best possible service to end-users that they need
- Manage the product lifecycle in a way that they make the best possible profit with these products
- Minimize the risks resulting from products by improving quality, fulfilling legal requirements and documenting process results
- Leverage and manage the companies' knowledge/ intellectual capital

Figure 4 - Product Lifecycle Management



Functionalities reviewed within Product Lifecycle Management

Product Lifecycle Management is divided into the following sub-functionalities:

- Manage Portfolio Strategy
- Manage Product Lifecycle
- Manage Product Requirements
- Product Development Strategy
- Collaborative Product Design
- Product Data Management

Observations regarding Product Lifecycle Management:

1. In addition to Oracle and SAP there are some other SRM vendors that have started to incorporate PLM functionality in their solutions. In total 8 vendors offer PLM functionality with an average of 73 percent functional coverage.
2. Scores for **managing the portfolio strategy** (78 percent) demonstrate the importance of Product Portfolio Strategy and Product Portfolio Performance Dashboards. The main differentiator is the possibility to make "what if" analysis for product portfolio management

3. Manage Product Lifecycle

is divided in product life cycle management, product maintenance management and end of life management and also shows large differences in functional coverage.¹

Product life cycle management scores 100 percent functional coverage for all vendors. These functionalities include:

- Workflow processes to be associated with different lifecycle states and gates

- Each lifecycle state should be configurable to have its own revision scheme and rules defining the transition to other lifecycle states

Product Maintenance management

scores on average 58 percent with the main differentiator being "the ability to provide dashboard for the maintenance of key performance indicators (Mean Time Between Failures (MTBF), Mean Time To Repair (MTTR)).

End of life Management is not offered at all demonstrating that waste management is a non valued functionality.

4. Manage Product Requirements

is divided in product requirements management and systems engineering functionalities with large differences in coverage on both aspects.

Product requirements management is well supported with an average of 95 percent coverage. All vendors support 100 percent coverage in:

- Configurable, user-defined requirement types, e.g. for manufacturing, cost & schedule, testing, training & support, operations, performance and disposal
- Ability to define and track requirements across several products, subsystems and parts
- Track requirements from initial entry through entire development process

Systems engineering

functionality scores 50 percent and the main differentiators are:

- Ability to track requirements from customer documentation to product component
- Ability to visualize validated and approved requirements in a product tree of product visualization

5. Product Development Strategy is the category with the highest functional score (84 percent) demonstrating the importance of capturing product and production goals and targets (cycle time, throughput, cost) and the ability to define different suppliers for components with regards to supplier/partner management.

There is still improvement potential in capturing production project information (scale up plan, shift assumptions, wage models, and outsourcing plans) and the ability for suppliers to select multiple components and download all associated models and drawings with regards to.

6. Collaborative Product Design has the lowest functional score compared to the other PLM sub functionalities. File/document management has the highest functional score with 88 percent followed by Collaborative Project Management (75 percent). Technical design and engineering management (CAD) scores 53 percent and Product change management 47 percent.

7. Product Data Management is the category containing the most reviewed functionalities. It contains the following sub categories:

- Data security (100 percent coverage by all vendors)
- Product data management (93 percent coverage)
 - Best supported: classification of materials in categories
 - Main differentiator: raw materials characterization database
- Product cost modelling (66 percent coverage)
 - Best supported: support of different currencies
 - Main differentiator: apply cost changes simultaneously to several user-selected products

- BOM Management (63 percent coverage)
 - Best supported: import and access materials from engineering BOM
 - Main differentiator: different BOM types are linked and changes of components in one BOM are reflected in the other BOM
- Technical integration capabilities (63 percent coverage)
 - Best supported: Support integrations to requirement management systems (systems engineering tools)
 - Main differentiator : support of data exchange standards (STEP, ISA95)

Relationship between PLM and Sourcing

Because PLM starts before the Sourcing cycle, all vendors that offer PLM also offer Sourcing functionality. Moreover, these vendors score high on full suite SRM functionality.

	Product Portfolio Strategy Management	Product Lifecycle Management	Product Requirements Management	Product Development Strategy	Collaborative Product Design	Product Data Management	Total PLM
Number of questions	4	8	9	7	16	25	69
Company							
SAP	100%	88%	100%	100%	100%	100%	99%
POOL4TOOL	100%	75%	89%	100%	75%	92%	87%
SynerTrade	75%	75%	67%	100%	88%	76%	80%
SupplyOn	100%	63%	89%	86%	100%	56%	77%
eeeBid	50%	63%	78%	86%	63%	76%	71%
TradeStone Software	75%	75%	56%	57%	38%	75%	62%
Tblox	75%	88%	78%	71%	63%	32%	58%
Oracle	50%	50%	44%	71%	0%	80%	51%

Strategic Sourcing

Strategic Sourcing is the part of the procurement process that continuously improves and re-evaluates the purchasing activities of a company. It focuses on planning and managing the selection of suppliers of goods and services in a structured and controlled way.

The process usually starts with defining the business requirements under the lead of the business owner with support of procurement. A sourcing team is on boarded to define an action plan and timeframe for the entire sourcing process. This can be based on the category strategy or on ad hoc requests.

The next step is to develop the selection factors which are the criteria and performance measures to be used during the supplier selection. It is also important to assign weights to the selection criteria and determine any “Go-No-Go” criteria. Once you know the selection factor, a long list of screened suppliers can be created.

The relevant RFX documents can be created and issued to the identified suppliers. It is important to use the most adequate selection method (e.g.

electronic tender, eAuction) to receive the best offers from suppliers.

Electronic tendering is the process of Request for Information (RFI)/ Proposal (RFP)/ Quotation (RFQ) from potential suppliers for the purpose of evaluation and comparison. An eAuction is a negotiation tool which can help to select appropriate suppliers.

During the evaluation process, the cost and price data and non-price data are evaluated against selection criteria and create a short list of suppliers for negotiations. It is possible to prepare a fact-base negotiating strategy based on different scenarios. Document the results of the negotiations and select the supplier(s).

Functionalities reviewed within Strategic Sourcing

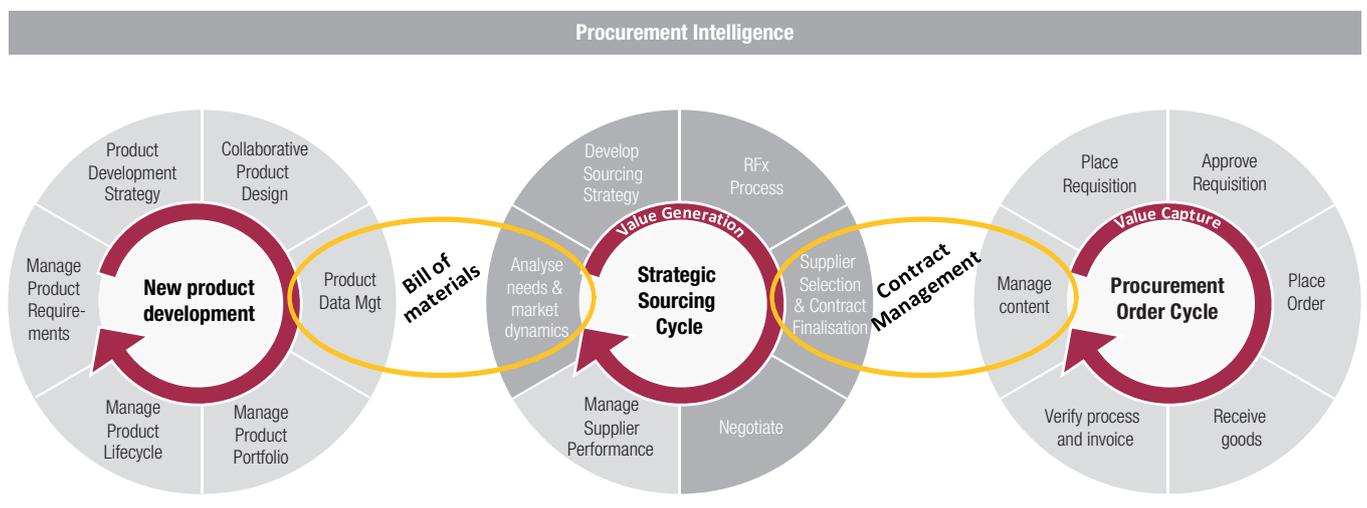
Strategic Sourcing is divided into the following sub-functionalities:

- Strategy Development
- Business Requirement
- Sourcing Approach Development
- Develop and issue RFX documents
- eTendering
- eAuctioning
- Evaluate responses
- Negotiate and award supplier contracts

Observations regarding Strategic Sourcing

1. The most covered functionalities at the beginning of the Sourcing cycle are:
 - Registering the vision and objectives of the category strategy.
 - Assigning different roles and authorization levels in the sourcing process.
2. The core functionality of Strategic Sourcing partially lies in support for **Electronic Tendering**. To a large extent, this is where the value of Strategic Sourcing is captured. Electronic Tendering also includes eRFx (Request for Information, Request for Proposal and Request for Quote), which is often used as part of a tendering exercise. All vendors offering Strategic Sourcing also offer Electronic Tendering with 96 percent functional coverage. In line with previous editions, electronic tendering is perceived by all vendors as core functionality. Supporting predefined templates and allowing multiple users to access/use a questionnaire simultaneously score high in functionality (>90 percent).

Figure 5 - Sourcing



3. eAuctioning is a negotiation tool which can help to select suppliers. Only 2 vendors do not offer eAuctioning functionality. The average score of 62 percent functional coverage highlights that the market is saturated with specialist auction providers and the vendors do not feel the need to enhance the eAuctioning functionality in-house.

4. Regarding **Negotiating and Awarding a supplier contract** it can be helpful for organizations to create a negotiation document/ database in which target price,

previous price and the negotiation strategy per supplier is stored. 80 percent of the vendors offer this functionality.

Relationship between Sourcing and Supplier Management

Supplier Performance Management is usually part of the Sourcing cycle. Therefore, it is in line with expectations that there is only 1 vendor offering Sourcing without offering Supplier Performance Management. In contrast, there are three vendors that offer Supplier Performance

Management while Sourcing functionality is not available.

Relationship between Sourcing and Contract Management:

All vendors offering Sourcing functionality also offer Contract Management which is not surprising since Contract Management would be the next logical step if a vendor has Sourcing functionality. Three vendors offer Contract Management without offering strong Sourcing functionality.

	Strategy Development	Business Requirement	Sourcing Approach Development	Develop and issue RFX documents	E-Tendering	E-Auctioning	Evaluate responses	Negotiate supplier contracts	Award supplier contracts	Total Sourcing
Number of questions	8	4	7	12	9	7	13	3	2	65
Company										
BravoSolution	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CTM/ EU-Supply	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
eeeBid	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
SAP	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
SynerTrade	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Tblox	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Esize	100%	100%	100%	100%	100%	86%	100%	100%	100%	98%
GEP	88%	100%	100%	100%	100%	100%	100%	100%	100%	98%
BiP Solutions	88%	100%	100%	100%	100%	86%	100%	100%	100%	97%
Ariba	63%	100%	100%	100%	100%	100%	100%	100%	100%	95%
SupplyOn	88%	100%	100%	100%	100%	86%	100%	100%	50%	95%
Negometrix	63%	100%	100%	100%	100%	86%	100%	67%	100%	92%
PROACTIS	88%	100%	86%	92%	100%	100%	77%	100%	100%	91%
Capgemini IBX	75%	100%	100%	100%	89%	71%	85%	100%	50%	88%
Ivalua	75%	100%	100%	100%	100%	100%	54%	100%	100%	88%
POOL4TOOL	100%	100%	100%	83%	100%	71%	92%	33%	50%	88%
SciQuest	0%	100%	100%	100%	78%	100%	100%	100%	100%	85%
Selectica IASTA	25%	100%	100%	83%	89%	86%	100%	100%	50%	83%
Oracle	63%	100%	100%	100%	78%	71%	62%	100%	100%	82%
VORTAL	88%	100%	100%	100%	78%	57%	54%	100%	100%	82%
Perfect Commerce	0%	100%	100%	100%	100%	86%	77%	67%	100%	80%
b-pack	88%	75%	86%	100%	100%	0%	92%	33%	0%	77%
TradeStone Software	0%	100%	100%	92%	100%	0%	92%	33%	100%	71%
Novatus	0%	0%	0%	0%	0%	0%	0%	100%	100%	8%

Supplier Data Management

Supplier Data Management consists of defining and maintaining all relevant supplier data. This includes the creation, approval and maintenance of the data in a supplier master database. It is such an important basis for the entire SRM process that we have decided to add Supplier Data Management functionality to our survey this year.

The process starts with defining supplier data attributes, procedures for data access and version management. A new supplier can be requested via a predefined template in which basic supplier information (name, contact person, email, phone) can be provided. Additionally, a system check could ensure that duplicate suppliers are not entered into the system. In addition, a procurement check can be done to validate the new supplier request against procurement standards.

Detailed supplier information should be provided and all required checks on the supplier should be performed according to legal/financial/tax policies. After approval of the supplier information for the transaction the supplier can be created in the system.

Correctness of the supplier information can be checked on a regular basis. Update and verification of supplier data attributes is based on checks or notifications from users or suppliers.

Functionalities reviewed within Supplier Data Management

Supplier Management is divided into the following sub-functionalities:

- Manage Supplier Attributes
- Request New Supplier
- Validate Supplier Request
- Collect Supplier Information
- Supplier Policy check

- Supplier Approval
- Notifications
- Maintain Supplier Data
- Supplier Portal

Observations regarding Supplier Data Management:

1. Vendors also acknowledge the importance of good supplier data management. All suppliers, except one offer this functionality although there is a large range in diversity (from 100 percent to 10 percent). Overall, 75 percent of the suppliers offer more than 80 percent functionality.
 1. Manage Supplier Attributes/ Collect Supplier Information
 2. Supplier Policy Check/ Notifications
 3. Request New Supplier/ Supplier Portal
 4. Validate Supplier Request / Maintain Supplier Data
 5. Supplier Approval / Other Functionalities
2. For organisations it is important to create specific templates with **Supplier Data Attributes** (80 percent of the vendors offers this functionality). It is also important for them to use common supplier classification schemes (e.g. D&B numbering) (83 percent).
3. More than 80 percent of the vendors offer the ability to indicate that a supplier is validated according to different purposes by different roles (e.g. selected according to sourcing guidelines/ fair value principles).
4. In order to **collect Supplier Information** it would be helpful if the supplier has the ability to enter/maintain his own details in a supplier database. From the vendors offering supplier data management more than 90 percent offers thus functionality. A prerequisite should be that the data version control is supported comment so that it is clear when and who updated supplier information (>85 percent).
5. During a **Supplier Policy Check** the supplier is validated according to legal/financial/tax policies. It could help organizations if they can integrate external data sources (e.g. environmental performance, financial performance) in the system.
6. It is important to **approve a supplier** before creating the supplier record in the system. Defining an approval workflow by supplier type or requester is supported by 70 percent of the vendors. A 'fast track' procedure to create, block or unblock a supplier for payment is not fully supported yet (19 vendors). Only 60 percent of the vendors is able to use one-off suppliers for one-off purchases, without adding them to the supplier database.
7. An important aspect of Supplier Data Management is **maintaining the data** on a regular basis. All vendors offering Supplier Data Management offer functionality to maintain data (average score of 85 percent coverage) The most important functionalities are:
 - Allow for soliciting, storing and managing supplier credential documents

- Flag active/non active/ inactive suppliers
 - Search and filter function
8. Data sources can be maintained internally or externally, for example through **supplier self service portals** (90 percent of the vendors offer this functionality).
Self service portals usually offer:
- Supplier access to the solution from outside and update credentials on an ongoing basis
 - Signalling the user (e.g. by email) when a supplier has updated credentials

Link between Supplier Data Management and Sourcing.

All vendors offering Sourcing functionalities also offer Supplier Data Management functionalities. There are 4 vendors who offer Supplier Data Management functionality but no Sourcing functionality.

Subcategory	Manage Supplier Attributes	Request New Supplier	Validate Supplier Request	Collect Supplier Information	Supplier Policy Check	Supplier Approval	Notifications	Maintain Supplier Data	Supplier Portal	Other Functionalities	Total SD
Number of questions	8	6	3	4	5	5	3	9	4	2	49
Company											
Ariba	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
GEP	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Ivalua	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
POOL4TOOL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
SAP	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
SupplyOn	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Tblox	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
b-pack	100%	100%	100%	100%	80%	100%	100%	100%	100%	100%	98%
BravoSolution	100%	100%	100%	100%	100%	100%	100%	100%	100%	50%	98%
eeeBid	100%	100%	100%	100%	100%	100%	100%	100%	100%	50%	98%
Negometrix	100%	83%	100%	100%	100%	100%	100%	89%	100%	100%	96%
VendorLink	100%	100%	100%	100%	100%	80%	100%	100%	100%	50%	96%
BiP Solutions	100%	100%	100%	100%	100%	100%	100%	67%	100%	100%	94%
Esize	88%	83%	100%	100%	100%	80%	100%	100%	100%	100%	94%
TradeStone Software	88%	100%	100%	100%	100%	100%	100%	100%	100%	0%	94%
CTM/ EU-Supply	100%	100%	100%	100%	0%	100%	100%	100%	100%	100%	90%
PROACTIS	88%	83%	100%	100%	100%	80%	100%	78%	100%	100%	90%
Symfact	100%	100%	100%	100%	100%	80%	100%	100%	25%	50%	90%
VORTAL	100%	100%	100%	100%	100%	40%	100%	89%	100%	50%	90%
SynerTrade	63%	100%	100%	100%	100%	100%	0%	100%	100%	50%	86%
Novatus	100%	100%	100%	100%	100%	60%	100%	44%	100%	50%	84%
Oracle	75%	83%	100%	100%	100%	100%	67%	67%	100%	50%	84%
SciQuest	100%	83%	100%	25%	60%	80%	100%	89%	100%	100%	84%
Selectica IASTA	100%	83%	33%	100%	100%	0%	100%	100%	100%	100%	84%
Capgemini IBX	100%	83%	33%	75%	80%	80%	100%	78%	75%	50%	80%
Perfect Commerce	63%	67%	67%	100%	100%	60%	67%	78%	100%	0%	73%
Pactum	75%	83%	0%	100%	80%	0%	100%	56%	0%	100%	59%
WALLMEDIEN	75%	67%	0%	100%	80%	0%	100%	44%	100%	0%	59%
Inconto	13%	17%	0%	0%	0%	0%	0%	22%	0%	50%	10%

Supplier Performance Management

Supplier Performance Management mainly concentrates on performance management, meaning the measurement and evaluation of mutually agreed performance indicators and scorecards. It consists of sending out, collecting, measuring, aggregating and evaluating performance data based on the defined performance criteria and creating specific supplier dashboards.

Both quantitative aspects of the supplier relationship (such as price, quality, delivery and service) and qualitative aspects of this relationship (such as visits, surveys and certifications) are handled. In addition process indicators are important (e.g. lead-times). The performance should be reviewed according to a structured approach and corrective actions should be identified if required to develop the supplier. For example by conducting business review meetings to discuss the performance and relationship with the supplier. This aims to further improve the performance of the supplier and the overall relationship.

Functionalities reviewed within Supplier Performance Management

Supplier Performance Management is divided into the following sub-functionalities:

- Set up Performance Criteria
- Evaluate Supplier Performance
- Performance Review Meeting
- Manage Supplier Relationship

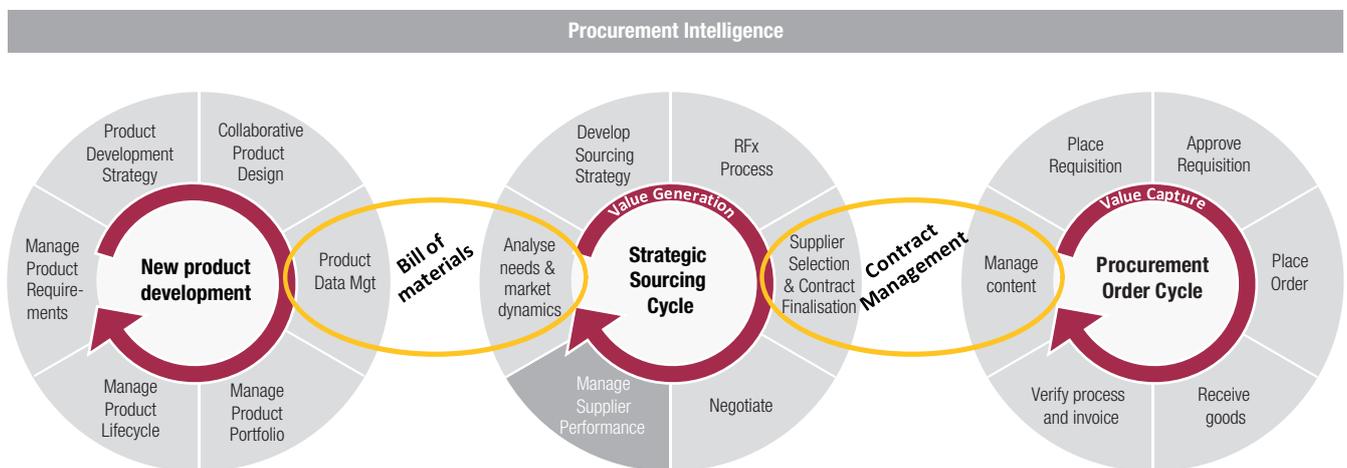
Observations regarding Supplier Performance Management:

1. The observation in the previous SRM research that Supplier Performance Management will further increase in functionality and richness of capability over the next few years seems correct. This year's survey shows an average of 79 percent compared to 64 percent last edition.
2. The process of supplier performance management usually starts with defining different segments of suppliers and by

assigning suppliers accordingly. 90 percent of the vendors support the functionality to make a segmentation of the suppliers. You can also use this segment to define a multi level approach to manage the relationship with the suppliers and define the frequency of reviews per supplier segment.

3. Defining consistent **performance criteria** in addition to SLA and other contractual terms and conditions is important for organizations to measure supplier performance. The surveyed vendors understand this need and show high functional coverage (average > 80 percent).
 - 90 percent offer supplier monitoring on quantitative aspects (price, quality, delivery, service)
 - 90 percent offer set up a score card as an internal questionnaire
 - 87 percent offer supplier monitoring on qualitative aspects (visits, surveys, certifications)

Figure 6 - Supplier Management



- 80 percent offer supplier monitoring on external information (Dun & Bradstreet, other)

4. Evaluating Supplier Performance

Performance is usually done by scorecards and/or questionnaires. Supplier performance solutions can support setting up a scorecards with quantitative and qualitative data elements and making sure the sourcing managers are notified when it is time to administer a scorecard (90 percent coverage).

It is also important to be able to monitor the progress of questionnaires with status information (e.g. send, filled out, aggregated) and include advanced graphical representations of scores obtained (80 percent coverage). Sometimes it is also possible to link data from the operational solution (on supplier performance) to the score card (70 percent coverage).

5. Performance review meetings

are important to discuss the performance and relationship with

the supplier. 75 percent of the vendors offer full functionality on this sub-functionality

- Part of **managing the Supplier Relationship** is creating a supplier development plan. This seems to be a main differentiator for the vendors since only 50 percent of the vendors started to develop functionalities for this. Examples of functionalities are: “Managing timelines and milestones” and “Support a program by which suppliers can submit ideas for relationship development”.

Relationship between Supplier Management and Sourcing

Since Supplier Performance Management is usually part of Sourcing, it is not surprising that there is only 1 vendor offering Sourcing without offering this functionality.

	Set up Performance Criteria	Evaluate Supplier Performance	Performance Review Meeting	Manage Supplier Relationship	Total Supplier Performance Management
Number of questions	8	6	3	4	21
Company					
BiP Solutions	100%	100%	100%	100%	100%
CTM/ EU-Supply	100%	100%	100%	100%	100%
eeeBid	100%	100%	100%	100%	100%
GEP	100%	100%	100%	100%	100%
SAP	100%	100%	100%	100%	100%
SupplyOn	100%	100%	100%	100%	100%
SynerTrade	100%	100%	100%	100%	100%
VendorLink	100%	100%	100%	100%	100%
BravoSolution	100%	89%	100%	100%	96%
POOL4TOOL	100%	89%	100%	100%	96%
Tblox	100%	89%	100%	100%	96%
Capgemini IBX	100%	83%	100%	100%	95%
Ariba	100%	100%	100%	0%	92%
Ivalua	100%	100%	100%	0%	92%
VORTAL	100%	100%	100%	0%	92%
Esize	100%	89%	100%	0%	88%
Oracle	90%	89%	100%	50%	88%
Perfect Commerce	100%	78%	100%	50%	88%
PROACTIS	100%	67%	100%	100%	88%
b-pack	90%	67%	100%	100%	83%
Negometrix	100%	89%	67%	0%	83%
Pactum	100%	56%	100%	50%	79%
SciQuest	90%	78%	0%	50%	71%
Symfact	50%	100%	100%	0%	71%
TradeStone Software	40%	100%	100%	0%	67%
Novatus	90%	56%	33%	0%	63%
Selectica IASTA	90%	44%	33%	0%	58%
Spend360	30%	56%	0%	0%	33%

Contract Management:

Contract Management includes the creation of contracts based on templates and authoring of contracts and their terms and conditions. Once a contract is made and signed the supplier must also sign the contract, keeping in mind validation of the counterparty's signing authority. Then, the scanned version of the agreement should be stored in a contract database.

Contract usage can be monitored against agreed targets and results specified in the contract, when necessary actions can be taken to adjust the agreed terms and conditions or remedy contract breaching behaviour.

Contract Management solutions can support the creation of contracts based on templates, provide overviews of current contracts and contracted parties. It typically also details the related (financial) obligations, flow of funds and critical dates, such as contract renegotiation or dates that trigger penalties if they are not met.

Functionalities reviewed within Contract Management

Contract Management is divided into the following sub-functionalities:

- Manage Templates
- Create Supplier Contracts
- Internal Approval
- Contract Signing
- Contract Storage
- Contract Lifecycle Management

Observations regarding Contract Management:

1. Out of the vendors surveyed 90% offers contract management. 4 vendors responded with a score of less than 75 percent coverage in this area, with the average score above 85 percent. This is not surprising given the need to link the benefits that are identified (sourcing) through to benefits being delivered (Operational Procurement) which is achieved by benefits being captured as part of contract management activities.

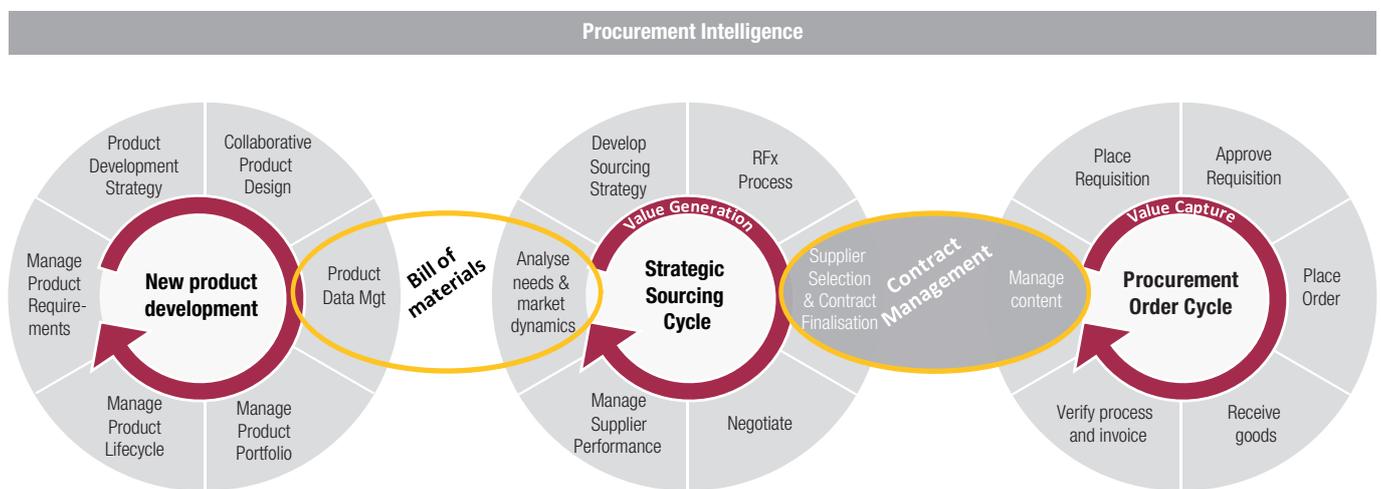
2. Functionalities scoring the highest on coverage:

- Use of **standard templates** when registering a contract
- **Contract Lifecycle Management:** Have alert generation mechanisms for expiration on end dates, volumes and contract rules
- **Contract storage:** Upload contracts different formats (e.g. PDF)/ Search the contract database and filter function on various dimension/ Secure Contract access/ authorization

3. **Functionalities with limited coverage among the vendors include the following:**

- Select a predefined approver based on predefined measures (such as contract value etc.)
- Support contract sign off/ electronic signatures/ support multiple sign off flows
- Support automatic contract creation based on templates and using the relevant documents (i.e. RFQ, price overview etc.)

Figure 7 - Contract Management



Relationship between Contract Management and Sourcing and Operational Procurement

All vendors offering Sourcing functionality also offer Contract Management which is not surprising since Contract Management would be the next logical step if a vendor has Sourcing

functionality. Three vendors offer Contract Management without offering strong Sourcing functionality.

Seven vendors offer Contract Management functionality but no Operational Procurement functionalities.

	Manage Templates	Create Supplier Contracts	Internal Approval	Contract Signing	Contract Storage	Contract Lifecycle Management	Total Contract Management
Number of questions	3	13	4	2	11	2	35
Company							
Ariba	100%	100%	100%	100%	100%	100%	100%
BIP Solutions	100%	100%	100%	100%	100%	100%	100%
CTM/ EU-Supply	100%	100%	100%	100%	100%	100%	100%
Esize	100%	100%	100%	100%	100%	100%	100%
GEP	100%	100%	100%	100%	100%	100%	100%
SAP	100%	100%	100%	100%	100%	100%	100%
SciQuest	100%	100%	100%	100%	100%	100%	100%
Selectica IASTA	100%	100%	100%	100%	100%	100%	100%
Symfact	100%	100%	100%	100%	100%	100%	100%
SynerTrade	100%	100%	100%	100%	100%	100%	100%
Capgemini IBX	100%	100%	100%	100%	100%	100%	100%
eeeBid	100%	100%	100%	50%	100%	100%	97%
Novatus	100%	92%	100%	100%	100%	100%	97%
Ivalua	100%	85%	100%	100%	100%	100%	94%
Negometrix	100%	100%	75%	100%	91%	100%	94%
Oracle	100%	92%	100%	100%	91%	100%	94%
SupplyOn	100%	92%	100%	50%	100%	100%	94%
Tblox	67%	100%	75%	100%	100%	100%	94%
VORTAL	67%	100%	100%	100%	91%	100%	94%
b-pack	100%	100%	50%	50%	100%	100%	91%
Perfect Commerce	100%	92%	50%	100%	82%	100%	86%
PROACTIS	100%	100%	50%	0%	91%	100%	86%
BravoSolution	67%	77%	100%	50%	91%	100%	83%
VendorLink	67%	85%	50%	0%	100%	100%	80%
Inconto	67%	62%	100%	100%	73%	100%	74%
Pactum	67%	85%	25%	0%	91%	100%	74%
TradeStone Software	67%	46%	100%	50%	100%	100%	74%
POOL4TOOL	67%	31%	100%	0%	55%	0%	46%

Catalogue Management

Catalogues contain the preferred goods and services from suppliers that were selected during the Strategic Sourcing process. Catalogues also contain article information and these articles can normally be ordered electronically. Catalogues can either be located in the procurement application itself, at the suppliers' side or at a third party. For companies that have succeeded in placing the majority of their spend onto catalogues, there is often a combination of different types because different purchase-to-pay channels are applicable depending on category profile, order profile, spend profile, supplier profile and the business requirements. Standard catalogues, form catalogues and punch-out catalogues are examples of catalogue-based channels. Catalogue Management involves entering article data, validating the data, and generating and maintaining the catalogue content.

Catalogue Management can be carried out internally or externally and different arrangements are possible. An external catalogue can be accessed in several ways: a relatively simple solution is a punch-out or roundtrip, where the user

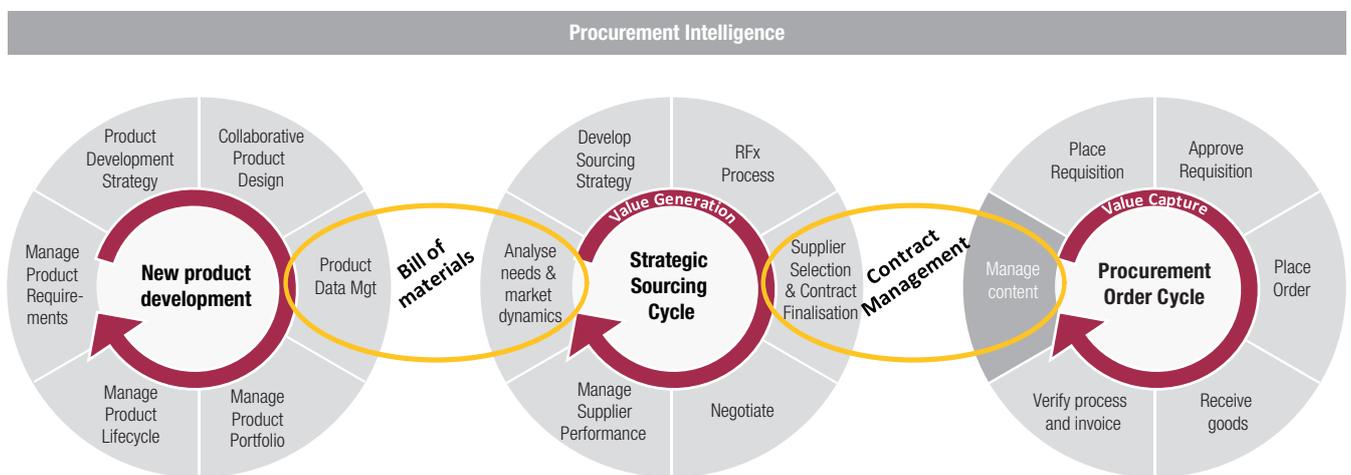
temporarily leaves the procurement application and is typically directed to the supplier's website. After selecting a product he returns with the article information needed to generate a requisition, this will then pass through the normal internal approval procedure. In some solutions, the external catalogue data can be viewed and handled in the procurement application in the same way as internally stored articles. As the critical success factor for self service requisitioning is usability and user friendliness, a coherent working environment for employees is of great importance in achieving good compliance with preferred products, suppliers and contracts.

Functionalities reviewed within Catalogue Management

Catalogue Management is divided into the following sub-functionalities:

- Catalogue Options
- User Capabilities
- Catalogue Functionalities

Figure 8 - Catalogue Management



Observations regarding Catalogue Management

1. 21 vendors surveyed provide Catalogue Management functionality of which 10 vendors provide 100 percent coverage. The average score of vendors that offer catalogue management, ranges from 84 (catalogue functionality) to 95 percent (User capability).
2. Top 3 **catalogue options** covered are:
 1. standard catalogue (95 percent), punch out catalogue (90 percent) and the free form catalogue (86 percent).
 2. Most vendors score high on the functionality coverage of **User capabilities** showing the importance for the user to include good product

descriptions and the possibility to use different setups for look & feel and branding. Users also find it important to use multiple classification schemes and the possibility to have multilingual content.

3. With regards to **Catalogue functionalities** it is important that there is a portal functionality offered to let suppliers update/maintain their catalogue data (20 vendors offer this functionality).

Relationship between Catalogue Management and Operational

Procurement Catalogue management is a fundamental part of the Operational Procurement process. 27 percent of the vendors do not provide Operational Procurement functionality so there is also no Catalogue Management functionality available.

	Catalogue options	User capabilities	Catalogue Functionalities	Total Catalogue Management
Number of questions	4	5	11	20
Company				
Ariba	100%	100%	100%	100%
b-pack	100%	100%	100%	100%
Cappgemini IBX	100%	100%	100%	100%
CTM/ EU-Supply	100%	100%	100%	100%
GEP	100%	100%	100%	100%
Ivalua	100%	100%	100%	100%
Perfect Commerce	100%	100%	100%	100%
PROACTIS	100%	100%	100%	100%
SAP	100%	100%	100%	100%
WALLMEDIEN	100%	100%	100%	100%
Esize	100%	100%	100%	95%
Oracle	100%	80%	100%	95%
Tblox	100%	100%	91%	95%
eeeBid	100%	100%	82%	90%
SupplyOn	100%	100%	82%	90%
TradeStone Software	50%	80%	91%	80%
SciQuest	75%	80%	73%	75%
VORTAL	25%	100%	73%	70%
Inconto	75%	80%	45%	60%
POOL4TOOL	100%	80%	36%	60%
SynerTrade	100%	100%	18%	55%

Operational Procurement

Operational Procurement in this survey refers to the purchasing or procurement process. It is often referred to as Purchase-to-Pay or P2P (sometimes eProcurement is used). In this survey eProcurement refers to the automated solution of the purchasing process. Operational procurement primarily consists of the order process, the supply process and payment process.

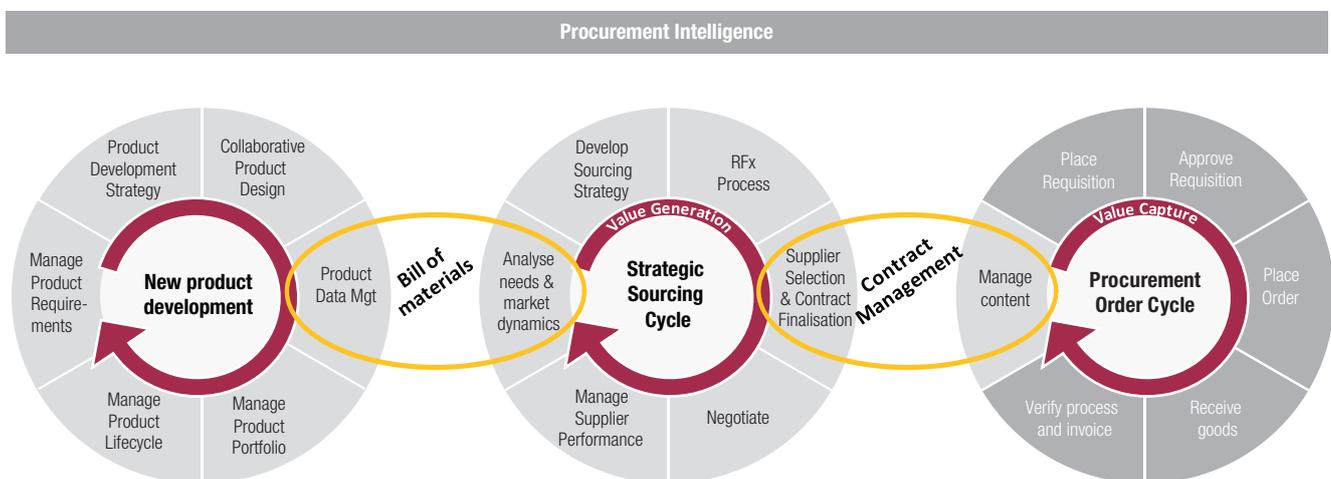
The order process typically follows the following steps:

1. Requisition: Creating a request for ordering goods or services and capture relevant needs, such as quantity or delivery time.
2. Approval: Approve the request for ordering goods or services. This is usually done by the next level line manager, a subject matter expert, or by the finance department according to signing authority.
3. Purchase Order: After approval of the requisition the order is placed at the supplier. In case of special orders (e.g. product not available in the catalogue) parts of the sourcing process must be performed prior to order placement

4. Receipt: Receive the ordered goods or services and perform an assessment with regard to quality and quantity. Measure client satisfaction with a survey if required.
5. Invoice Processing: Finally, in the invoice process the invoice is received, scanned (optional), registered, matched (1 way/ 5 way match) and paid. In case of a successful match the invoice can be settled. Some companies have a self-billing process. In this situation the company will make their own invoice based on the Purchase Order and the goods received.

Applications for Operational Procurement normally support both product related goods & services (direct) and non product related goods & services (indirect).

Figure 9 - Operational Procurement



Functionalities reviewed within Operational Procurement

Operational Procurement is divided into the following sub-functionalities:

- Requisition
- Purchase Order
- Receipt
- Invoice Scanning
- Invoicing (including Matching)
- Payment

Observations regarding Operational Procurement:

70 percent of the vendors surveyed provide Operational Procurement functionality. The following observations were done under the vendors offering Operational Procurement functionalities:

1. With regards to the sub-functionalities, the highest coverage can be seen in the following functionalities: Purchase Order generation and Approval functionality (100 percent), Requisition and invoice functionality (95 percent) and Receipt (91 percent)
2. High coverage in **Receipt** functionality (average 88 percent). Date, quality and deviations of the delivery can be registered as well as partial deliveries. Most development needed in supplier portal functionality and alert mechanism for goods/service receipts that are overdue.
3. **Invoice scanning:** 86 percent of the vendors provide invoice scanning functionality of which one third of the vendors say that invoice scanning is fully integrated. But the majority of the vendors offer this functionality as a separate module (which can be integrated). 80 percent of the vendors offering

scanning functionality have the possibility to support header and line item matching (often in combination with OCR (Optical Character Recognition) software).

4. Development in this sub-functionality is needed regarding the possibility to invoice against contract, without a PO.
5. Of the vendors supporting operational procurement the following invoice matching principles are supported:
 - 91 percent offer 2 way matching (Purchase Order and Invoice)
 - 86 percent offer 3 way matching (Purchase Order, Receipt and Invoice)
 - 48 percent offer 4 way matching (Purchase Order, Receipt + Quality check, and Invoice)
 - 38 percent offer 5 way matching (Purchase Order, Receipt + Quality check, location check (e.g. warehouse) Invoice)
 - 78 percent offer self billing
6. Another new functionality in this research is **Payment**. 65 percent of the vendors offer payment functionality. Payment functionality can be part of the Procurement system, a different system and/or module. Some vendors offer payments via the procurement system other vendors offer the ability to activate the payments in the finance system or only have Pcard functionality

Relationship between Operational Procurement, Catalogue Management and Contract Management

Catalogue management is a fundamental part of the Operational Procurement process. When there is no Operational Procurement functionality, Catalogue Management functionality is not available.

There is one vendor who offers Operational Procurement functionality but not the Contract Management (and Sourcing functionality).

	Overall	Requisition	Purchase Order Generation	Receipt	Invoicing	Invoice Scanning	Payment Functionalities	Total Operational Procurement
Number of questions	6	8	3	6	12	1	1	37
Company								
b-pack	100%	100%	100%	100%	100%	100%	100%	100%
CTM/ EU-Supply	100%	100%	100%	100%	100%	100%	0%	97%
Capgemini IBX	100%	100%	100%	83%	92%	100%	100%	95%
GEP	100%	88%	100%	100%	100%	100%	0%	95%
POOL4TOOL	100%	100%	67%	100%	100%	100%	0%	95%
Tblox	100%	100%	100%	100%	83%	100%	100%	95%
Ariba	100%	88%	100%	100%	83%	100%	100%	92%
Esize	100%	88%	100%	83%	92%	100%	100%	92%
PROACTIS	100%	88%	100%	100%	83%	100%	100%	92%
Oracle	100%	100%	100%	100%	67%	100%	100%	89%
SupplyOn	100%	100%	100%	100%	75%	100%	0%	89%
TradeStone Software	100%	100%	33%	100%	83%	0%	100%	86%
eeeBid	100%	100%	100%	83%	58%	100%	100%	84%
SynerTrade	100%	100%	100%	100%	50%	100%	100%	84%
SAP	100%	88%	100%	100%	50%	100%	0%	78%
WALLMEDIEN	100%	88%	33%	100%	58%	100%	100%	78%
Perfect Commerce	100%	88%	33%	100%	58%	0%	100%	76%
SciQuest	100%	88%	100%	17%	75%	100%	100%	76%
Inconto	67%	100%	33%	83%	58%	100%	100%	73%
Ivalua	100%	88%	100%	100%	0%	100%	0%	62%
VORTAL	67%	63%	33%	17%	33%	0%	0%	41%

External Resources

Many large organizations have a relatively high level of spend on external resources, but have very little visibility as to how that spend is broken down by business unit, division, capability of external resource etc. The process from request to approval and hour recording is complex, since many stakeholders could be involved and modifications are required during the process. For this reason it is very important that this process is well supported. We have chosen to separately survey the vendors on this functionality as we believe that the process of External resources is very different from any other P2P process.

What is External Resources Management?

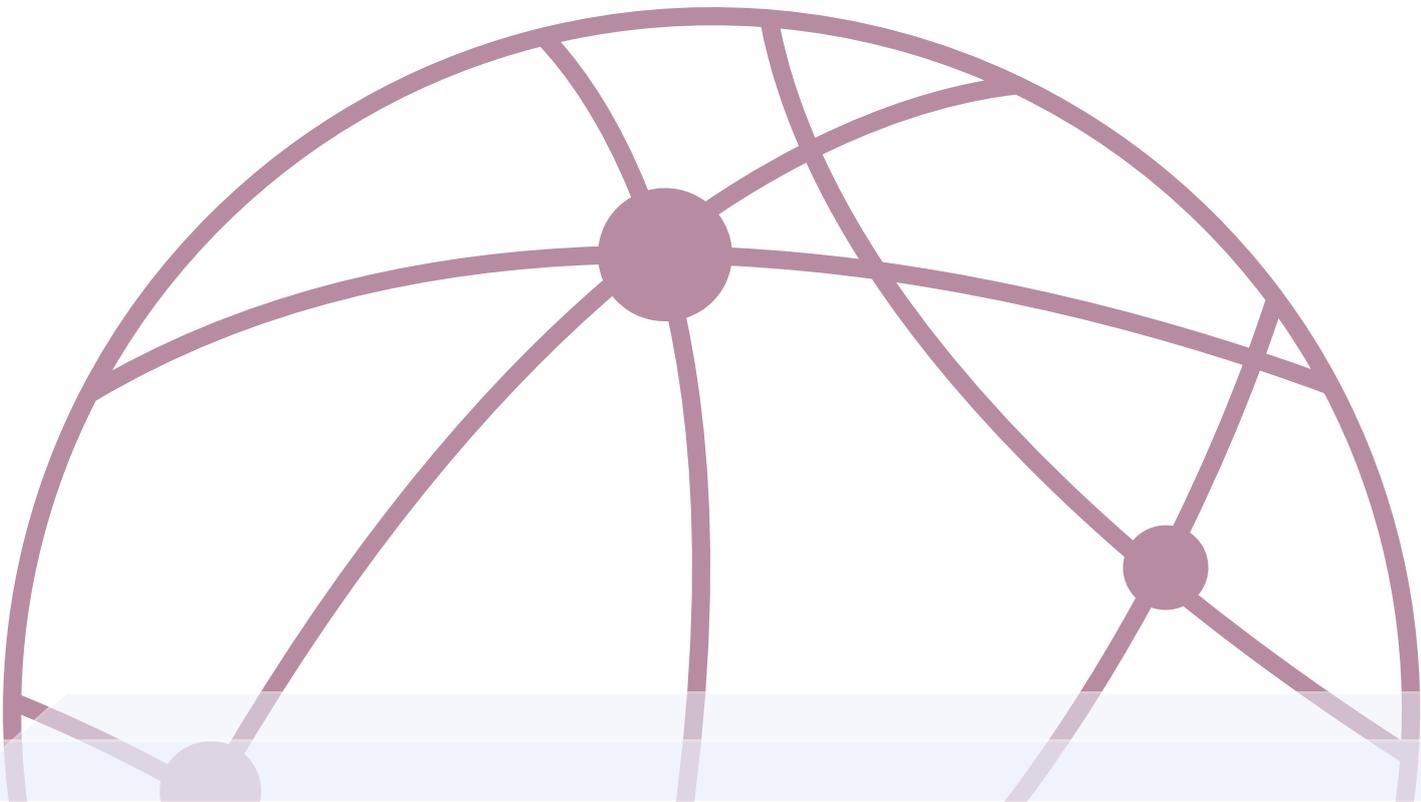
External resources management is a tool to manage an organization's external resources to enable the reduction in the company's management costs of external employees. Organizations often lack insight into their obligations with regard to temporary labour; an external resource solution can create this insight.

This solution will allow an organization to specify its requirements and select the appropriate resource for a particular task or role. The solution allows creation of a contract between the organization and external resources as well as ensuring that they are monitored by creating reports such as time and expenses reports. The solution allows self-billing and evaluation of employees after a role has ended, thus the solution helps to mitigate the organization's risk when employing external resources.

Functionalities reviewed within External Resources

External resources is divided into the following sub - functionalities:

- Specify Request
- Approval
- Requisitioning (ask supplier for offer)
- Selection and Ordering(select on the basis of the offer and place order)
- Monitoring (including hour recording, hours authorise and invoicing)
- Evaluation (evaluating the employee)



Observations regarding External Resources

1. Out of all of the vendors surveyed, 53 percent offer External Resources functionality, as compared to 48 percent in the previous SRM Survey. On average 70 percent of functionalities is covered, which still leaves room for improvement.
2. This year's survey shows that some vendors started to support External Resources functionality, while they did not demonstrate this functionality in the previous SRM Survey.
3. Highest functionality is offered for **Specify and Requisitioning** (average >80 percent). Followed by **Approval** and **Selection and Ordering** (>65 percent). Lowest functionality is offered within monitoring and evaluation (>55 percent).

- **Specify and Requisitioning:**
The highest functionality shows the importance to have the possibility to choose from standard skills / properties of candidates in the requisitioning process. The possibility to automatically direct the requisition to only those preferred suppliers that offer the required role also is offered by most vendors.
- **Selection and Ordering:**
A new requirement from organizations is to handle additional documentation in the system, such as certificates, references or a certificate of good conduct. This relatively new functionality scores high (>50 percent). Like the previous edition "Duplicate submittals (same candidate submitted by multiple vendors) are flagged"

seems to be the least supported functionality.

- **Monitoring and Evaluation:**
Only 8 vendors offer the ability to use external time keeping systems and handle additional hours, that were approved within the organization, but not in the original purchase order.

Relationship between external resources and operational procurement

The assumption that External Resource functionality appears in applications that also offer Operational Procurement still seems valid with a few exceptions:

- Some full suite vendors do not offer External Resource functionality
- There is 1 niche player, looking from a HR perspective, which offer external resource functionality without offering Operational Procurement.

	Specify request	Approval	Requisitioning	Selection and Ordering	Monitoring	Evaluation	Total External Resources
Number of questions	3	2	2	9	3	1	20
Company							
Ariba	100%	100%	100%	100%	100%	100%	100%
SAP	100%	100%	100%	100%	100%	100%	100%
Esize	100%	100%	100%	89%	100%	100%	95%
SynerTrade	100%	100%	100%	89%	67%	100%	90%
Tblox	100%	100%	100%	78%	100%	100%	90%
Ivalua	100%	100%	100%	78%	33%	100%	80%
eeeBid	100%	50%	100%	78%	33%	100%	75%
SupplyOn	67%	100%	100%	78%	67%	0%	75%
Negometrix	100%	50%	100%	67%	33%	100%	70%
Capgemini IBX	100%	100%	100%	44%	33%	100%	65%
Perfect Commerce	67%	100%	100%	56%	67%	0%	65%
PROACTIS	67%	50%	50%	78%	67%	0%	65%
Inconto	33%	100%	50%	56%	67%	0%	55%
CTM/ EU-Supply	100%	0%	0%	33%	33%	100%	40%
SciQuest	100%	0%	100%	22%	0%	0%	35%
WALLMEDIEN	33%	100%	0%	22%	67%	0%	35%



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Ariba

Ariba Spend Visibility, Ariba Sourcing, Ariba Contract Management, Ariba Supplier Information and Performance Management, Ariba Supplier Infonet, Ariba Procure to Pay, Ariba Pay, Ariba Dynamic Discounting, Ariba Network

Ariba was acquired by SAP (October 1, 2012) and they brought together strong assets. SAP as industry leader with global presence in the field of 'enterprise applications ' and Ariba as a provider of a large global 'business network' and cloud / on-demand leader.

This powerhouse can benefit from SAP's installed base, technological innovations like HANA (in-memory solutions), mobile solutions (Sybase) and the concept of Supplier Infonet (supplier risk management), and on the Ariba side the Ariba platform and Ariba Supplier Network.

Ariba, incorporated in 1996, is a provider of collaborative business commerce solutions. Ariba provides "Spend Management solutions" which help companies "analyze, understand, and manage their corporate spending to achieve cost savings and business process efficiency.

The company combines software-as-a-service (SaaS) technology with a web-based community and a global network of trading partners. This has led to a robust SaaS platform for spend and supplier management and collaborative payables management, integrated on a single platform. Ariba claims that its platform can easily be integrated with ERP and other back office systems. Over 700,000 companies worldwide are enabled on the Ariba Commerce Cloud.

Ariba is particularly strong in two key things: purchase-to-pay automation and capability on the buy-side and supplier enablement on the sell-side. Right from the outset Ariba has put great emphasis on improvement of interactions between business partners. This has led to a large web-based trading community, the Ariba Network, where customers can discover, connect, and collaborate with other businesses. Every two minutes, a business joins their network, currently there are over 1.7 million companies doing business in 190 countries around the world connected within the Ariba network.

The spend and supplier management solutions consists of:

- Spend Analysis
- Supplier Discovery
- Sourcing
- Contract Management
- Procurement
- Supplier Management

The collaborative payables management solution contains the following products:

- Invoice Management
- Discount Management
- AribaPay

Main innovation points in the last two years:

Direct integration between Ariba Sourcing and SAP ERP systems. Synchronization of supplier data between Ariba Supplier Information and Performance Management and ERP system using API'. Migration of Ariba Spend Visibility to SAP HANA to enable faster and powerful reporting. Seller Collaboration Console to help suppliers establish many-to-many information sharing model with their buyers and eliminate the need for point-to-point connections. Payment solution (AribaPay) to provide visibility into business payments and produce rich remittance information to improve the reconciliation processes. Improved coverage on unexpected, one-time, and rush orders that usually involve categories that buyers don't tightly manage through Ariba SpotBuy. Collaborative supply chain processes such as Purchase Order Collaboration, Release Order Collaboration and integration to SAP Supply Chain module for Direct Materials coverage.

Main innovation points for the next two years:

User Experience upgrade, Mobile enablement, Enhancing supplier risk management capabilities, Integration to supply chain processes, Stronger integration to ERP's, Expanding payments coverage

BiP Solutions

Delta eSourcing

BiP was established in 1984 to facilitate business between the public and private sectors. Its head offices is located in Glasgow and a second office in London.

BiP Solutions provides tools that buyers and suppliers can use to engage more effectively with one another. These include services that provide details of contract opportunities and other market intelligence, electronic systems that support efficient and effective tendering, consultancy services, training and development and events. The focus is on the source to contract process.

The BiP offering is broader than software. Their capabilities are in Business Intelligence, eSourcing, Consultancy Services, Training & Development, Conferences & Events, IT Services & Solutions and Marketing Services. BiP offers designing, developing, hosting and supporting robust scalable and secure internet solutions. They provide more than one SaaS solution. They built customized solutions. The two SaaS solutions mentioned on the BiP website are: Delta eSourcing and Select Accredited. This last one is a solution offers an independent third-party accreditation for suppliers that tender for public sector contracts. In the business intelligence area they mention four brands on their website, tools to find business opportunities/tenders. For example Tracker which covers UK and ROI tenders plus European tenders and Contrax which provides a gateway to new UK and Irish public sector tenders.

All solutions are enablers for organizations that do business with or want to respond to tenders of the public sector.

Main innovation points in the last two years: Supplier Engagement Portal

Main innovation points for the next two years: End to End Contract Manager

b-pack – A Selectia Company

Determine

On Oct 19th, 2015, the three companies of Selectica, IASTA and b-pack, united under a new company name Determine. b-Pack decided to join forces with Selectica| IASTA, a leading provider in Enterprise Contract Lifecycle Management (ECLM) and Supply Management (SM) solutions.

It was very apparent that this was going to be a strong fit. Selectica provides an integrated solution for enterprise clients to holistically manage compliance, governance and risk throughout the supply-management chain with contracts at the core. Now with the addition of b-pack to the Selectica family of solutions, the combined suite of products offers customers a complete supply management and ECLM solution offering end-to-end upstream and downstream source-to-pay functionality integrated with enterprise contract lifecycle management capabilities.

As b-pack begins a new journey within its new parent company, their goal still remains exactly the same: To offer their customers and prospects the best, most innovative solutions to meet their business needs and objectives.

The three companies will now operate under the name “Determine” offering a full range of Procurement solutions. It will be interesting to see how Determine will develop itself as a new company providing the full range of solutions, and to what extent they will be able to benefit from the capabilities of the former three companies.

BravoSolution

BravoSolution Supply Management Suite

Founded in 2000, BravoSolution has grown to a substantial global presence. BravoAdvantage is the strategic procurement platform that enables organizations to generate more value, influence innovation and reduce risk. Powered by a unique supplier-centered approach that integrates supplier lifetime value throughout the entire procurement process, BravoAdvantage provides the visibility, insight and transparency required to power and improve procurement initiatives and decisions. With the BravoAdvantage offering, BravoSolution continues to strengthen a global reputation influencing innovation in strategic procurement and supply management helping organizations propel business growth and maximize competitive advantage.

BravoAdvantage includes:

- Savings Management
- Spend Analysis
- Supplier Value Management
- Sourcing and Sourcing Plus
- Contract Lifecycle Management
- Catalog
- Purchase Management
- Invoice Management



BravoSolution truly offers end-to-end sourcing capabilities. Capabilities in these areas are powerful. BravoSolution has no weak spots within its core. The solution is available in SaaS form.

With its global strategic procurement platform the company consists of 600 procurement professionals in 18 offices located in 12 countries across 4 continents. As of today, over 600 customers worldwide across 25 industries, both in the private and public sector and 65.000 procurement users and 700.000 suppliers across 70 countries around the world are benefiting from BravoSolution's technology and services.

Main innovation points in the last two years:

Among other important SRM innovations including automated vendor segmentation and risk assessments, the Supplier 360 offers a single point of reference for organizations to view all aspects of Supplier Relationship Management including qualification, segmentation, risk, participation, performance and spend. The supplier 360 breaks through the traditional "narrow" focuses in separate systems and allows companies to begin truly assess and manage the overall supplier relationship. Introduction of supplier assessments along dimensions of qualification (both high level and category specific), segmentation, and risk allows customers to create and manage their own workflows that ensure all company policies are managed and maintained. Access to the Supplier 360 and graphical status of risk, segmentation and qualification have been integrated to every aspect of the procurement process to ensure procurement professionals are aware of this critical supplier information at every interaction, from inviting to an RFQ to managing contract SLA performance.

Main innovation points for the next two years:

The Category 360 will offer a comprehensive view of the selected category across all aspects of procurement including assessed suppliers, spend, contracts and performance as well as an overview of the customers current category performance against industry benchmarks.

In addition to the Category 360 the predictive analytic dashboard will begin apprising our customers of where there are potential areas of the supply base that warrant further analysis. As data becomes more and more integrated and more and more voluminous professionals it is imperative that BravoSolution provide the intelligence to allow our customers to continue to drive value in and risk out of the supply chain.

CTM/EU-supply

CTM

EU-supply's Complete Tender Management (CTM) is a tool that allows tenders to be created, distributed and evaluated without the need to create and manage paper documents. CTM covers the entire process including the contract management phase. Tender Management is used by government organization and general contractors in order to improve the efficiency of the tendering process. For those who respond to tenders, for example general contractors, sub-contractors and trades people, tender management simplifies and speeds up the process of formulating tender responses. Buyers have access to a rich database of their chosen suppliers when issuing a Request for Tender. It is possible to search for potential new suppliers, complete with pre-qualification details, from the supplier database. Suppliers are able to present information to initiating organizations at the time and place that purchasing decisions are made.

CTM offers the following modules:

- Entity Management
- Tender Management
- Contract Management
- Auction Management
- Dynamic Reporting
- Contract Life Cycle Planning
- Spend Aggregation

CTM is available as a fully hosted SaaS, which only requires users to have a browser and internet connection. Furthermore, the services is configurable online, so that it fit with each organization's procurement policies and procedures. Currently over 6,500 authorities within Europe use CTM and the five main platforms handle more than 50,000 tenders each years. Since 1999 over 250,000 full tenders have been handled by CTM.

Main innovation points in the last two years: Procurement planning & Contract management

Main innovation points for the next two years: Supply chain Integrations, securing optimal Mobile access, apart from continuous improvement on UI, and optimizing existing modules and functionalities



ebid Quantum Leap

The eeeBid company is a technology-based company with primary mission to optimize the corporate spend management of their partners via innovative development of the strategic and operative procurement and achieving cost-reductions, furthermore elevating the procurement culture to a higher level. Eeebid offers software solutions for spend management, catalog/ordering management, contract management and supplier management. Within Central and Eastern Europe, they operate headquarters in the Czech Republic and Romania.

The Spend management Suite provided by eeebid group offers solutions for all the activities of operative and strategic purchasing, supplier management, spend analysis, catalogue management and contract management. The system was designed on buyer's experiences for other buyers with the purpose of transact every day's tasks on the most efficient way. The system is built up with different modules that are tightly connected, but also usable individually..

EeeBid has gained experience in almost all industry fields since its existence. EeeBid has more than 300 clients in Central Europe achieving more than 2500 Million EUR savings in 6000 project. They are active in the public fields as well. The fields they cover with their services are as follows: Institutes, public sector, Airplanes & flying, Automotive, Building industry, Banks, Chemicals, Commerce & facilities, Cosmetics, Electrotechnics, Energetic, Food, Health care, IT and telecommunication, Logistics, Machinery, Medical tools, Metalworking, Medical industry, Mining Paper industry, Press, TV, Textiles & Clothing, Tourism and Waste management.

Main innovation points in the last two years:

Flexible general workflow solution allowing the handling of vacation requests, travel requests and any form of approval request. Full word integration of the contract management solution allowing online editing of word files and version comparison including change tracking of word files. Advanced Scoring, Optimization and Awarding Scenario management.

Main innovation points for the next two years: ebid QuantumLeap 7 incl. 163 new features and some very attractive UI improvements.

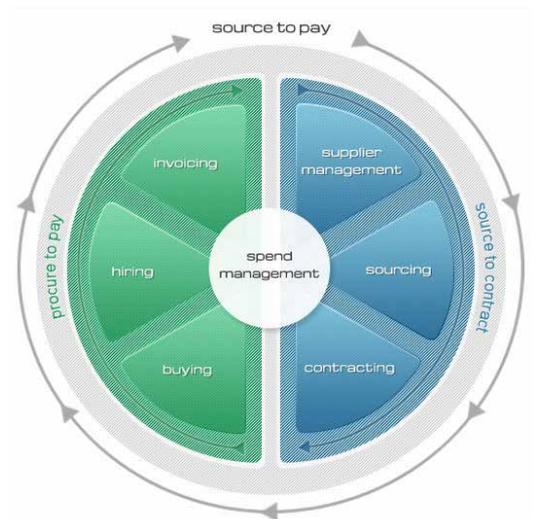
Esize Cloud Spend Management

Esize started to develop a new generation of procurement software in 1999. The market introduction took place at the end of 2001 and the first customers were connected. Today, they are a recognized leader in Cloud Spend Management. The ambition of ESIZE is to help organizations obtain better insight and control over their corporate spending by linking all procurement and invoicing processes together and making them more efficient and transparent.

Their solutions fully integrates the procurement and invoice management processes.

ESIZE modules

- Sourcing,
- Project Management
- Contract Management,
- Vendor Management,
- Reporting,
- Spend Intelligence,
- Procurement,
- Workforce,
- Invoice Management,
- Invoice scan and capture



This is where the strength of the solutions lies. All functionality is delivered fully integrated on the same platform. This also allows growth, as the different modules can be activated separately. This truly distinguishes ESIZE from comparable solutions in the market.

ESIZE solution is offered as Software as a service (SAAS). You can configure all financial and organizational parameters based on the working method in your organization due to the flexible set-up of the system. Compared to competitors e.g. SAP and Oracle, it is not possible to fully customize the solutions to your specific needs.

ESZIE realized a number of successful implementations for leading organizations in various sectors. The solutions offer support to the full procurement cycle regardless of the sector in which organizations are active. Their customers can be found amongst the financial and business services, construction, industry, healthcare, education and public organizations.

Main innovation points in the last two years: User Experience, Sourcing, Spend Analysis, Analytics

Main innovation points for the next two years: User Experience, Mobile Devices, Responsive Design, Alignment with financial domain.



SMART by GEP

GEP offers a broad range of Procurement solutions. GEP has its own SMART platform. SMART by GEP delivers comprehensive spend, sourcing and procurement functionality in a single, unified platform native to cloud, mobile and touch technologies,

SMART offers a solution and module for:

- Spend Analysis
- Savings Tracking
- Sourcing
- Contract Management
- Supplier Management
- Procure-to-Pay

Furthermore GEP offers outsourcing services, helping their clients with Procurement BPO, Source-to-Contract, Category Management, Spend Analysis, Supply Market Intelligence, Transactions Management, Procurement Support Services, Tail-Spend Management, Supply Chain Services and Cost Recovery and Invoice auditing.

GEP's global headquarter is just outside of New York City from which they lead their operations in the United States and Canada. They also have locations in São Paulo and Mexico City, to expand their operations in Latin America. Locations in Prague and London to support their strong and rapidly growing operations in Europe. And GEP has locations in Asia in Mumbai, Shanghai, Huderabad, Singapore and Sydney, to be able to keep up with their momentum.

GEP helps more than 180 Fortune 500 and Global 2000 clients worldwide to be more efficient and effective in their operations, with greater reach, improved performance and increased impact. GEP employs over 1500 people, is active in over 20 industries and serves more than 180 clients worldwide, processing more than 6 million transactions every year.

Main innovation points in the last two years: Unified software platform, mobile app support, intuitive UI, world-leading features.

Main innovation points for the next two years: Extending beyond upstream/downstream model, demand planning, supply chain, category workbench, inventory management.

Capgemini IBX

IBX Business Network

IBX Business Network, originally a Swedish start-up company, was established in year 2000. In 2010, it was acquired by Capgemini and has been a part of Capgemini BPO since. Under the IBX brand, the company is continuing to develop best-practice procurement services and software, supporting large and medium sized organizations across the globe by providing procurement expertise driving transformation and world class results.

The cloud applications, enablers and services are developed with the objective to deliver outstanding business outcomes, for example maximizing PO and AP automation rates (no-touch PO-rates), driving compliance and productivity in the line of operational procurement.

IBX Business Network today serves over 340 customers globally in 140 markets, connecting them to 550 000 suppliers across the globe. It provides both support and application user interfaces in a magnitude of languages, over 25 individual ones for the UI targeting casual users. A substantial part of the customer brands reside in the Fortune 500 cluster, like Ericsson, SEB, Volvo Group, Deutsche Post DHL, Skanska, Mondelez, Kraft Foods, SAAB, Hilti, Vorwerk, Warner Bros., Hydro One and Eastman Chemical Company, but IBX Business Network also serves customers in the public sector. For example it provides services and software to the Norwegian State, holding the frame agreement for all local, regional and national offices in Norway.

Being part of the technology powerhouse Capgemini, IBX Business Network often collaborate with its neighbouring business divisions in client interaction. This includes partnering with the system integrators and application developers in Capgemini Apps to optimize customers' existing procurement systems and infrastructure based on for example SAP MM, SAP SRM, Oracle EBS or any other OCI-compatible system. An example of joint engagements is the carrier Telia Sonera.

Residing in Capgemini BPO, Capgemini's business process outsourcing division, IBX Business Network is also often deeply integrated into Capgemini's P2P-outsourcing engagements, delivering both people and processes as well as industrialized technology, off the shelf. Examples of joint engagements are Deutsche Post DHL and Ferro.

The IBX Business Network is being recognized by analysts and customers for its ease-of-use and its user-friendly, consumerized application-layer - accessible on any device at any time, just like any web shop in the consumer world. It also enjoys recognition for its vast supplier network and supplier collaboration and on boarding capabilities.

The full IBX Business Network offers:

- **IBX Source-to-Contract:** This solution supports the full strategic process, with tools for sourcing, spend analysis, contract management and implementation services.
- **IBX Purchase-to-Pay:** This suite serves customers with a complete Purchase-to-Pay cloud solution that supports the full procurement process, from requisition to approval to purchase order to invoice, providing a solid platform for efficient procurement. Within this suite, customers can also choose to buy just the "skin" applications, delivered from the cloud, enhancing the customers instance of any ERP behind the firewall, putting a consumerized user experience on top of legacy systems. This setup allows for an enterprise with a diverse and distributed ERP landscape to enjoy one requisitioning tool for causal users around the globe, regardless of having various ERP systems in different geographies. This suite also includes a content management tool to manage, for example, rich supplier catalogs as well as a business intelligence tool. Lastly, this suite also holds the invoicing services and tools closing the Purchase-to-Pay loop and driving productivity through pre-matching and touchless invoice processing.
- **IBX Supplier Network** is one of the largest independent supplier networks providing you with instant collaboration to preferred suppliers and beyond.
- **BPO Procurement:** To meet the demands of modern CPOs, our BPO Procurement service, Procurement as a Service, provides procurement process best practices and tools/technology in order to maximize savings.

Main innovation points in the last two years: Consumerized usability, ERP agnostic user interface layer, mobility; launch of new products SHOP and Invoice Status Dashboard

Main innovation points for the next two years: Bridging upstream and downstream procurement processes by seamlessly integrating Source-Procure-Pay-Supplier; enhanced spot buy support, AP automation, services procurement, dynamic discounting.

Inconto BV

INCONTO

Inconto is a label of Emeritor® and specializes in procurement services since 1998. It offers an eProcurement module which supports the complete purchase-to-pay process from ordering to permissions and delivery to payment. This module is also equipped with a report generator, which generates several standardized reports but also offers the opportunity to create customized reports. For the invoice handling process they offer two additional modules. The first is the 'Scan and Identify' module in which is made use of identification techniques (OCR). The second is the 'Electronic invoicing' module.

Besides the eProcurement module, they also offer a contract management- and a Invoice management module. The source-to-contract cycle on the other hand, seems somewhat under-exposed with only a RFQ-module.

In addition, Inconto offers a budget- and stock control module and functional management. Functional management means that Inconto manages all the customers' data in Inconto.

Customers can choose between two different deployment options: on the one hand SaaS, in which the customers pays a monthly fee and on the other hand on premises, in which the customer pays once for the license while the number of users is unlimited.

Inconto cooperates with twenty catalogue suppliers like staples, Office Depot and Overtoom, by integrating the catalogues of the suppliers in the procurement software of Inconto. This makes it for customers of Inconto more convenient to purchase at those suppliers.

More than fifty organizations, such as Samskip and Bol.com, with thousands of users in thirty countries, have streamlined their procurement or contract management process with the Inconto software.

Main innovation points in the last two years: P2P Consultancy, temp labour, e-invoicing

Main innovation points for the next two years: Change management and Process services

Ivalua

Ivalua Buyer V8

Ivalua platform a unified platform on a single code base that simplifies deployment and strengthens analytics and process management. The suite of Ivalua offers the following modules/services:

- Supplier Management (Supplier Repository, Registration & Data Management, Performance & Risk Management, Improvement Plans, Exception Management)
- Strategic Sourcing (Sourcing Projects, RFx, Auctions, Bills of Materials)
- Contracts & Catalogs (Contract Repository, Contract Authoring & Lifecycle, Items & Catalogues, Asset & Tooling Management)
- Procurement (Purchase Requisitions, Purchase Orders, Good Receipts, Budget Tracking)
- Invoicing (Invoices & Payments, Dynamic Discounting, Expenses, Accruals)
- Purchasing intelligence (Analytics & Dashboard, Spend Enrichment Workbench, Savings Tracking & Action Plans, Procurement Project Management)

The service of Ivalua goes past offering a platform, they also have partners through which they offer Implementation, Technology and Consulting services, helping their clients to make use of expertise, knowledge and resources to get organizations and their projects up and running quickly.

Ivalua offers a platform that connects over 500,000 users and millions of suppliers from over 70 countries. Today they serve over 200 customers.

Main innovation points in the last two years: More than 800 enhancements have been implemented in the Ivalua Buyer V8 release, in four main areas of innovations: Redesigned Interface; Administrative and configuration autonomy; Use of the most advanced technologies for increased security; Functional enrichments on the whole Ivalua Buyer V8 suite:

Main innovation points for the next two years: Undisclosed

Negometrix

Negometrix

In February 2000 Negometrix was established (as EumediX - European Medical Exchange) and the first web based version of a platform for purchasing for hospitals was built. In 2001, the name Negometrix has been adopted to indicate that the platform is more widely usable than for Hospitals only.

Negometrix offers web based software for tender projects for both the public and the private market supported by consultancy - and helpdesk services. Negometrix also prepare bidders for reverse auctions and they can play the role of auctioneer in a reverse auction.

According to Negometrix the core of their platform is: "An interactive web based module accessible to both sellers and buyers. This core module contains a multi-attribute supply and demand analysis with on-line dynamic quotation algorithms calculating the Best Buy proposal. "

Some of the features mentioned by Negometrix are: Creation via the web of public and private tender projects, creation of a weighted multi-criteria decision making structure, specification library for the most common tenders, suppliers can log in via the web, answer questions and upload documents, price/quality calculation and simulation, exchange messages with suppliers, share documents, Web based Auction (reverse clock auction).

Negometrix states that dozens of tenders are conducted on their platform on any given day and that more than 3 billion worth of contracts has been conducted so far. Besides 45 hospitals, references include 1. Tennet (leading European electricity transmission system operator Netherlands /Germany) 2. (joint) Bulgarian Ministries 3. Framework with all Dutch Uni. Medical Centers.

Main innovation points in the last two years: Creation of Organizational purchasing policy tools and templates based on € thresholds and buying categories. Management of efficient interactive framework agreements with large numbers of suppliers. Extension of collaborative buying tools.

Main innovation points for the next two years: Further move to mobile.

Novatus

Novatus Contract Management

Novatus provides cloud-based contract, compliance and supplier management software. They offer scalable contract lifecycle management solutions for companies of every size. Novatus easy to use solutions enables organizations to securely and seamlessly manage sales, purchasing and partner agreements, in one secure repository.

Novatus automates the entire contract lifecycle management (CLM) process, including drafting, negotiation, workflow and approvals, renewal management and electronic signature. Offering comprehensive functionality with an easy-to-use administration dashboard that enables organizations to manage and change configurations quickly. Real-time access to compliance reporting gives greater visibility between departments and throughout the organization, reducing risk and exposure. All upgrades and enhancements are included.

The software of Novatus has six main features:

- Management repository, including contract creation, approval & workflows, mobile access & alerts, and event alerts.
- Negotiation portal, featuring automated notifications, check in & check out documents, review, redline, negotiate & execute, and finally version control.
- Sales connect which offers full visibility, easy-to-use format, and a faster contract cycle
- Single sign on (SSO), offering time savings, ease of user administration and decreased password fatigue.
- E Signature
- Supplier registration, including self registration, vital supplier information and expiration setting.

This year, Novatus has gained special attention of SpendMatters, as they have earned a place in the 50 providers to watch.

Main innovation points in the last two years: Supplier registration and supplier scorecarding.

Main innovation points for the next two years: There is a roadmap for the next 3 years.



Oracle Cloud Applications

Oracle Corporation, founded in 1977, is an enterprise software company. With more than 420,000 customers—including 100 of the Fortune 100— and with deployments across a wide variety of industries in more than 145 countries, Oracle offers a comprehensive and fully integrated cloud applications, platform services, and engineered systems.

Oracle acquired Peoplesoft in 2005. This entailed a significant consolidation in the ERP-market, since Peoplesoft had shortly before that moment incorporated JD Edwards. In the same period Oracle also acquired Siebel (CRM software). The consequence of all these acquisitions is that Oracle offers a wide array of solutions under the brand labels of Oracle, JD Edwards and Peoplesoft.

Oracle's cloud-based and on-premises solutions give customers complete deployment flexibility and unmatched benefits including application integration, advanced security, high availability, scalability, energy efficiency, powerful performance, and low total cost of ownership.

Oracle offers maximum choice and flexibility, including SaaS applications for customer experience, enterprise performance management, enterprise resource planning, human capital management, supply chain management, and more. Whether organizations require a fully integrated stack or a modular solution, Oracle's open architecture and multiple operating system options (Oracle Linux, Oracle Solaris, and more) provide unrivaled choice and flexibility for all deployment scenarios, including hybrid clouds.

Part of the supply chain management module is Oracle Procurement. Oracle Fusion Procurement is a modular suite of procurement applications designed to work as a complete procurement solution or as modular extensions to your existing procurement applications portfolio.

Oracle Fusion Procurement provides the intelligence needed to help professionals uncover savings opportunities. It uses state-of-the-art analytics to pinpoint top opportunities, monitor trends, and deliver performance metrics across an organization's heterogeneous system. It provides integrated sourcing and contract management to help negotiate enforceable agreements. By integrating e-sourcing with universal contract standards, a universal contract repository, and universal search, it provides visibility into contracts while standardizing collaboration and compliance.

The interface delivers friendly and familiar Web features such as search, favourites, recent items, tagging, and embedded learning for infrequent users. This improves requisitioning efficiency, boosts utilization, and slashes training burdens. The interface also features embedded analytics within the context of self-service requisitioning to help end users make better choices. It gives users visibility into supplier lead times and performance, which expands the range of transactions suitable for self-service.

Oracle's dedicated vertical industry organizations provide unmatched industry specific expertise and best-of-breed technology to deliver transformational business impact and value. Key industries include communications, education, financial services, health sciences, hospitality, public sector, retail, utilities, and more.

Main innovation points in the last two years: Mobile, Social, Collaboration, Embedded Analytics

Main innovation points for the next two years: Enhance product capabilities.

Pactum

Pactum Contract Management

Pactum is a powerful online contract management application that provides the ability to manage all contracts in an efficient manner. The mission of Pactum is to create insights through providing an overview, with which cost savings, efficiency and ease of use can be realized. Pactum was founded in 2009 by people with knowledge of contract management and procurement. Now they have over 10 years experience in the area of contract management , purchasing and facilities management. From late 2010 / early 2011, they connected their first customers.

Three most important customer references: Carglass, Deli XL, Woningstichting Accolade

Main innovation points in the last two years: Supplier Management.

Main innovation points for the next two years: Managing sales contracts.

PerfectCommerce

PERFECT PROCURE & OSN

Perfect Commerce develops Supplier software that streamlines processes such as accounts payable and receivable, invoicing, purchasing, sourcing, and spend analysis. Their On-Demand applications cover every aspect of Spend Management, from spend analytics and source to contract, procurement, and invoice management. Each application works well together or in concert with a leading procurement or ERP system, including SAP and Oracle/PeopleSoft.

PerfectCommerce offerings:

- Spend Analysis
- Event & Auction
- Contract Management
- Catalog Management
- Purchasing Management
- Invoice Management
- Supplier Network
- eCommerce

Perfect Commerce was born as a SaaS (Software as a service) provider since its inception, as opposed to most of software providers trying to propose a so-called “on-demand” model. With Perfect Commerce, all customers access the same unique version of the software through the internet. Perfect Commerce has a track-record in supporting large international roll-out projects. Perfect Commerce serves more than 300 clients (majority in the Fortune 500) in 150 countries and 18 languages. Perfect Commerce serves over 1.3 million users in a wide variety of industries, including chemicals, retail, education, energy, financial services, food products, health/medical, hospitality, manufacturing, technology and transportation. Furthermore, they also own and operate the world’s single largest independent supplier network, with over 500,000 suppliers. Perfect Commerce global customers include market leaders such as IBM, Hitachi, Lexmark, State Street, TIAA-CREF, BNP Paribas, UCLA, Schlumberger and others.

In June 2015, it was announced that Perfect commerce offered to acquire Hubwoo, a procure-to-pay software company for nearly \$30 million dollars. Providing an opportunity for perfect commerce to expand its customer base, geographic presence and its supplier network capabilities. The acquisition has been completed.

Main innovation points in the last two years: Mobile Apps, Full synchronous XML messages based integration with limitless number of customer's ERPs.

Main innovation points for the next two years: Services Procurement, Supplier MDM.

POOL4TOOL AG

POOL4TOOL

The software has been continually developing since the year 2000 at their headquarters in Vienna. With more than 100 employees and locations in Munich, Stuttgart, Belgrade, Singapore, and Detroit, they optimize the processes of manufacturing firms, service companies, and trade corporations while focusing on cost effectiveness, flexibility, and security.

Global projects, international rollouts, as well as 24-hour support are carried out by their subsidiaries in the USA and Singapore as well as by their consulting subsidiary Alengis.

POOL4TOOL's portfolio supports all processes from product development to strategic and operational purchasing to electronic data exchange with suppliers to quality management. POOL4TOOL has a focus on four main areas:

- Global implementation of Lead Buyer concepts and material group-specific supplier strategies
- Electronic supplier integration via Web EDI/EDI for logistics and quality processes
- Procurement of production materials from production costs calculations to the inspection of incoming goods
- Streamlining of operational procurement processes with regards to MRO

Offering a wide set of solutions is not unique anymore these times, but POOL4TOOL distinguishes itself from its competitors by specializing in integrating their solutions in ERP and building one central platform for all their clients' systems and processes. Through numerous ready-made interfaces, POOL4TOOL claims that they can also get more out of your existing IT investments.

With over 10 years of experience in the manufacturing industry POOL4TOOL claims that this industry is their specializations by offering tailor made solutions for manufacturing procurement (e.g. sourcing of direct material based on bill of material or CAD drawings, should cost model, VMI functionality).

POOL4TOOL is used worldwide by over 100,000 users and world market leaders such as Amcor, Bayer, Behr, Carl Zeiss, Grohe, Hella, Jungheinrich, Kärcher, Knorr Bremse, Mann+Hummel, Miele, Rittal, Sick, SMA Solar, Stihl, Tchibo, ThyssenKrupp, Trumpf, VoestAlpine and Wabco.

Main innovation points in the last two years : Advanced cost breakdown analysis including benchmarks/market index in sourcing, advanced demand aggregation module, product costing/PLC, collaboration2RFQ including bill of material - with ERP integration.

Main innovation points for the next two years: New user interface, tool management, relaunch of the category management module including enhanced functionalities for global communication, relaunch of supplier performance management module.

PROACTIS Benelux b.v.

PROACTIS P2P & S2C

PROACTIS was founded in 1996 and is headquartered in the UK with operations in Europe, North America and Asia Pacific. PROACTIS is a provider of Spend Control and eProcurement solutions. Their approach is based first and foremost on understanding and improving business processes.

PROACTIS solutions automate and streamline the entire Source to Pay Procurement process.

Modules include:

- Supplier Management
- Sourcing
- Contract Management
- Content Management
- Purchasing
- Invoice Receipt
- Invoice Processing
- Supplier Network
- Electronic Commerce
- eMarketplace

Used in mid-to-large sized organizations across private, public and not-for-profit sectors, PROACTIS is routinely integrated with ERP and financial systems. PROACTIS also offers a range of on-premise and cloud-based delivery options, including Software-as-a-Service (SaaS) and dedicated-hosted application delivery, and flexible licensing models.

Clients of PROACTIS range from global Fortune100 companies, government agencies, and national associations; to mid-sized companies in about every industry, state governments and authorities and charities focused on different causes.

Main innovation points in the last two years: Mobile Apps, MultiSource Search and Invoice Processing Automation.

Main innovation points for the next two years: Supply Chain Finance & dynamic Discounting, Supplier Risk en advanced SPM, real-time spend-analytics with forecast capabilities, what-if analysis.



SAP Supplier Relationship Management, SAP Sourcing, SAP Contract Lifecycle Management, SAP Supplier Lifecycle Management, SAP Supplier Self Services, SAP ERP - Materials Management.

SAP, founded in 1972, is a dominant player in the market for procurement applications. It is a German multinational software corporation that makes enterprise software to manage business operations. It is a true global player with representation in all continents.

SAP focuses on six industry sectors: process industries, discrete industries, consumer industries, service industries, financial services, and public services. It offers more than 25 industry solution portfolios for large enterprises and more than 550 micro-vertical solutions for midsize companies and small businesses

SAP's main product is SAP ERP (Enterprise Resource Planning). Other important applications are: Customer Relationship Management (CRM), Product Lifecycle Management (PLM), Supply Chain Management (SCM), Supplier Relationship Management (SRM).

SAP is one of the old hands in the market for specific procurement applications. This has yielded the SAP SRM platform. In 2006 SAP acquired Frictionless Commerce a provider of online commerce technologies. This was converted into SAP Sourcing, an on demand solution consisting of strategic sourcing, contract lifecycle management, supplier management.

As recently as 2012, Ariba was overtaken by SAP. Ariba is a leading provider of on-demand solutions for procurement. After the acquisition of Ariba nobody can deny that SAP has the richest portfolio of procurement applications. Both in functionality (strategic, tactic, operational) and in deployment options (on premise, on demand). This powerhouse brings together very strong assets like SAP's installed base, technological innovations like HANA (in-memory solutions), mobile solutions (Sybase) and the concept of Supplier Infonet (supplier risk management), and on the Ariba side the Ariba platform and Ariba Supplier Network.

Main innovation points in the last two years:

Overhaul of the shopping experience in SRM. 10+ Procurement-related Fiori apps (approvals, shopping, reports). Addition of web services to SAP Sourcing/CLM. SAP Spend Performance Mgmt on HANA. Many new features in SAP Supplier Lifecycle Management.

Main innovation points for the next two years:

Continuing with Fiori app releases. Re-working SRM/procurement functionality in S/4 HANA. Customer-driven improvements to all apps.

SciQuest

Total Supplier Manager

SciQuest has rapidly gone from a narrow eProcurement focus to offering a full source-to-pay suite of products. SciQuest acquired the sourcing solution, CombineNet in 2013. Then over the next year, SciQuest completed its source-to-settle roadmap goals by combining supplier management, sourcing, contract management, eProcurement and spend analysis capabilities onto a single platform, transforming the user experience and driving greater eProcurement efficiency and better insight into spending. Coupled with new, compelling mobile capabilities in 2015, each release builds on SciQuest's commitment to providing an unparalleled user experience along with the functionality that customers expect as their business requirements and needs evolve. Unveiled in 2015, SciQuest Benchmarking provides deep insight into industry purchase order data. And a new partnership with Transcepta supports invoice automation for international customers, providing an alternative to scanning or paper-based invoicing solutions.

SciQuest claims to be a global leading SaaS-provider in on-demand strategic procurement and supplier enablement technology. They tailor their solution for each vertical marketplaces they serve.

Their eProcurement solutions comprise of cloud based automation software: spend analytics, supplier management, sourcing, contract lifecycle management, eProcurement, inventory management, accounts payable and supplier network. These modules can be deployed together in order to automate the complete source-to-settle process or modules can be deployed separately to meet an organization's specific procurement automation needs.

They offer customers their SciQuest Supplier Network, in which customers have access to thousands of integrated supplier catalogs with millions of products in an easy-to-use web-based shopping environment. SciQuest distinguish itself from competitors with their so-called 'Power of Q', which is a philosophy within SciQuest in which they establish a partnership with their customer and put their customer at the center of everything what they do.

SciQuest's customer base represents a diverse mix of public and private sector organizations including: Airlines & Automotive, Construction, Government, Finance & Banking, Healthcare, Higher Education, Hospitality & Gaming, Life Science & Pharmaceuticals, Manufacturing, Oil & Gas, Retail & Consumer Products and Utilities

Main innovation points in the last two years:

Multiple languages are supported and the Spanish language is available across the integrated platform.

Main innovation points for the next two years:

SciQuest is leading the way in providing deep, integrated functionality that spans the entire source to settle process. SciQuest's product roadmap will continually include an unparalleled user experience along with expanding the functionality that customers expect as their business requirements and needs evolve. Whether it is from their desktop, tablet or smartphone, SciQuest customers will see improvements across all solutions that will expand value, gain more efficiency, control of more spend, and continue the ease of use.

SciQuests is highlighted by Spendmatters.com as one of the 50 providers to know in 2015.

Selectica | IASTA

Determine

On Oct 19th, 2015, the three companies of Selectica, IASTA and b-pack, united under a new company name Determine.

Selectica originally was an early innovator of Contract Lifecycle Management (CLM) and one of the remaining CLM “pure plays” in the market. Their Enterprise CLM solution connects sourcing and procure-to-pay functions in new ways for improved visibility across the enterprise that translates into better supply management.

Two years ago Selectia recognized that the source-to-pay continuum requires a solution that puts compliance and risk management on par with cost savings. For this reason, in 2014 they joined forces with IASTA. Since then, the integration of eSourcing, supplier management and spend analytics with the robust CLM has empowered companies to follow the money with newfound clarity for understanding the effectiveness of strategic sourcing efforts. This ultimately transforms spend and supplier information into process efficiency and realized savings.

The drive to complete the source-to-pay picture led to the merger with the P2P solution b-pack. As the final link in the source-to-pay chain, b-pack’s cloud-based solutions in Europe and the U.S. have transformed procurement from an operational service to a strategic role. This will give Selectia the ability to handle the requisition to order process (eProcurement) as well as invoice processing (ePayables) which rounds out its supply management suite, while at the same time strengthening solutions around compliance.

The three companies will now operate under the name “Determine” offering a full range of Procurement solutions. It will be interesting to see how Determine will develop itself as a new company providing the full range of solutions, and to what extent they will be able to benefit from the capabilities of the former three companies.

B-Pack – A Selectia Company

Determine

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Spend360 International LTD

Spend360 Spend Analysis

Spend360 is specialized in solutions for spend analysis. Spend360 has grown from over 20 years of procurement, large scale data quality integration and interrogation, and artificial intelligence knowledge to provide dynamic, actionable information anywhere in the world, synchronised, in multiple languages and currencies.

Spend Analysis with the Spend360 solution provides insight into your complete spend, of all types, from all sources, with all of your suppliers. This view can then be used to underpin key activities such as: Sourcing, Auctions, Contract management, Compliance and Supplier consolidation. Using spend analysis to underpin these activities can result in cost reduction and cash-generation/preservation. The benefits of Spend360's complete view, and the actions that arise from it, accrue to both Finance and Procurement functions and are measureable at balance sheet level.

Unlike so many other parties in the market they have chosen not to extend the scope of their solutions. So, at present they do not have a solution for the sourcing and operational procurement process (P2P). They do offer solutions related to spend analysis, such a data cleansing, due diligence and supplier compliance.

What truly distinguished Spend360 is their immense flexibility in method of collection of source data and a virtually zero footprint. Key benefits are the flexibility as to how source data can be collected and classified.

Since Spend360 is effectively a service, with a very small client footprint for free viewers, or chargeable power-users it is a very cost-effective solution to any size organization, in any industry, including public sector, in most currencies and languages. They have worked with some very large organizations and some very small ones. They have Retail, Hospitality, Manufacturing, Distribution, Finance and Insurance customers as well as key partnerships with Global Advisory bodies and technology partners like IBM. Customers of spend 360 are for example, Nissan, BBC worldwide, Britvic and HSBC.

Main innovation points in the last two years: Artificial Intelligence redevelopment for procurement industry.

Main innovation points for the next two years: Self Service Artificial Intelligence

SupplyOn AG

Supply Chain Collaboration

SupplyOn is the shared supply chain collaboration platform for a growing number of globally active companies. SupplyOn is used as a central online platform to manage business processes with suppliers and service providers across continents in a structured transparent and secure manner. Their solutions are provided as Software as a Service and are aligned with the process requirements of the manufacturing industry. SupplyOn has established a network of companies in the manufacturing industry, with a focus on automotive, aerospace, railway and transport, machine engineering and plant construction, and high-tech and electronics industries, that connects some 12,000 business in 70 countries. Customers of SupplyOn are Airbus Group, BMW Group, Bosch, Continental, Siemens, Yazaki and ZF.

The solutions of SupplyOn consist of the following:

- Source to contract
- Supplier management
- Quality management
- Purchase to pay
- Supply chain performance management
- Transport management

The approach of Supply on knows four key components for success. First, a global network of active users, with 12,000 companies linked worldwide already making use of SupplyOn's solutions. Second, they offer SaaS, instead of software, which means that software does not need to be installed or that additional hardware is required. Their solutions can be easily integrated with ERP systems or existing employee or supplier portals via defined interfaces. Third, they also offer consulting and support services to their customers. Finally, as all their customers work on a shared platform with one and the same solution, each customer may view and manage only its own data. Making implementation of industry-specific processes or modifications due to statutory regulations are immediately made available to all users with one single update.

Main innovation points in the last two years: Integrated Transport Management

Main innovation points for the next two years: Enhanced Supply Chain Analytics

Symfact Inc.

Symfact Contract and Compliance Product Suite

Symfact, founded in 2001, is a provider of contract management and compliance management solutions. Symfact solutions allow customer to effectively manage the documentation, deadlines, budgets, commitments, workflow, secure access and analysis tools related to contract management and compliance.

By using Symfact, expirations dates, sole sourcing clauses, minimum volume agreements, and other terms can be authored and managed efficiently. Providing automatic alerts and visibility into key terms in a contract, Symfact helps identify vendor overbilling and other compliance-related aspects of purchase contracts. By offering instant access to contracts, organizations gain greater insight into their negotiation position and needs. Integration to ERP solutions can then provide a complete procurement environment.

Symfacts' customers are from a diverse range of industries such as financial services, aviation, pharmaceutical and life sciences, and sports and event management. Examples of their customers are: The Boston consulting Group, Cartier, FIFA, ING, Kärcher, and Zurich airport.

Main innovation points in the last two years: Contract authoring tools that are fully integrated within MS Word. Workflow template for review and approval, along with eSignature. User defined search and integrated dashboards.

Main innovation points for the next two years: Obligation and Compliance tracking tools, and Third Party Integrity testing/control.

SynerTrade SA

Accelerate

SynerTrade offers a wide range of solutions and applications.

They offer solutions in:

- Operative procurement
- Strategic procurement
- Collaboration
- Controlling
- Sustainability
- Risk management
- Supplier management

Each application has been developed according to an absolute best practice standard, and is continuously being further developed. All applications can be combined in any manner to create a uniform, seamless and individualized comprehensive solution.

The strategic procurement solution is aimed at reducing the operative workload in purchasing and for increasing purchasing productivity and strategic purchasing activities. An application within their solution is for example SynerTrade tender, with which organizations can quickly generate and distribute tenders with just a few mouse clicks. This also includes the analyses of a comprehensive library at the disposal of clients.

With more than 260 customers, including 50 companies ranked in the Fortune 1000, and 10 DAX30 listed companies, SynerTrade has in-depth knowledge of purchasing issues in numerous industries (Aerospace, Automotive, Building, Chemistry-Pharmaceuticals, Consumer goods, Energy and utilities, Finance, Healthcare, Manufacturing, Retail and Transportation). SynerTrade's customers include : Alstom, Beiersdorf, Carrefour, Décathlon, GDF Suez, Henkel, Osram, Saint-Gobain, Total, Yves Rocher, etc.

Main innovation points in the last two years: Launch of new major release accelerate, mobile clients for Android and iOS (allowing to work offline in a plane), picture search on mobile and non mobile devices taking photos of products to identify suppliers and alternative products, social-buying (TM of Synertrade), Synertrade cell-flex (TM of Synertrade) allowing independent upgrade of individual Apps, 3rd Generation eProcurement (Web-Shop App)

Main innovation points for the next two years: 3rd Generation Category Planning, Spend Projection App, Advanced Ingredient and Recipe Management.

TBlox B.V.

TBlox

Tblox was founded in 2004 in the Netherlands, and is headquartered in Rotterdam. Their main client base is Western Europe (Germany, France and the Netherlands) and Northern America.

Tblox renewed their concept into an App store. It is possible to select all or individual apps according to the needs of the company.

Tblox Apps include:

- Procurement Only (fully integrated procurement application)
- Sourcing (fully integrated sourcing application)
- P2P (fully integrated P2P application)
- e-invoices & workflow (online approval process of invoices with the powerful workflow app)
- Invoice Processing (online invoice processing of paper, PDF, scan and electronic invoices)
- Three way match (Fully automated invoice processing, including 3 way match with your procurement orders)
- ERP (fully integrated online ERP application)
- eCommunication (open distribution platform for eCatalog, eOrders, eASN and e-Invoices.)
- Sales (free and premium sales apps)

Tblox invites suppliers to link with their webshop beforehand so that all products from the supplier are available for users and no separate catalogs need to be uploaded. It promotes a pure paperless process which is underscribed by its users.

References include: GE Healthcare, NIBC Bank, Phillips.

Main innovation points in the last two years: Online ERP, Open E-invoicing, Personalized Dashboards (Xentral Station), Open system integration (Connect yourself).

Main innovation points for the next two years: B2C products, Personalized Dashboards (Xentral Station), Open e-communication portal.

<http://www.tblox.com/>

TradeStone Software

TradeStone

TradeStone is a collaborative platform used by the global retail community to Find, Design, Source, Buy and Sell products. Customers shorten cycle times, increase market share and improve margins while reducing brand and product risk. With TradeStone it is possible to discover a new trend, collaborate fast and easy and find the inspiration, products, partners and capabilities you need across your dynamic retail community.

TradeStone's platform encompasses:

- PLM
- Sourcing
- Order management
- B2B sales management
- Business Intelligence

TradeStone's PLM solution is for retailers, brands and wholesalers looking for rapid, collaborative product design to drive growth, improve margins and reduce cycle times. From initial inspiration to technical specification, TradeStone facilitates the design and development of private label and branded merchandise.

TradeStone Sourcing eliminates spreadsheets and emails from the sourcing process by automating day-to-day tasks allowing buyers and agents to dramatically cut administration and focus on delivering great products to market. The digital sourcing platform enables sourcing offices, suppliers, factories and internal customers to dynamically collaborate.

TradeStone's progressive order management was designed for the way retailers buy. From pre-buy to replenishment, they handle sample, factory, customer/divisional and replenishment ordering. Manage orders and refine them as trends emerge staying flexible before pushing final POs to ERP system. TradeStone's global trade management includes logistics and finance capabilities that complement ERP and 3rd party systems to provide end-to-end supply chain visibility and full costing transparency.

Business-to-Business selling delivers international and channel growth. Use digital showrooms to present product offerings, concepts and collections to global and local channel partners. Manage customer relationships and process sales orders.

TradeStone's Intelligent Assistant (TIA) eliminates mundane and repetitive administration tasks providing suggested remedies and alternatives to real-time situations. Additionally, TradeStone offers a set of business intelligence tools to deliver analytics across the design-to-delivery process providing powerful, visual reports and dashboards.

References include: Adidas, Urban Outfitters, Banana Republic, Lowe's, Macy's.

Main innovation points in the last two years: Started the Mobility / Retail MarketPlace.

Main innovation points for the next two years: Further develop Mobility / Retail MarketPlace.

Vendorlink

Vendorlink

Vendorlink BV is established in 2009 in The Netherlands. Vendorlink is founded by four procurement professionals. The main focus of this solution is spend visibility and performance as well of suppliers as contracts. It provides user friendly dashboard functionality.

The solution does not cover the full source to contract and procure to pay processes, but it uses the data from ERP systems to enable users to link this data to the performance indicators agreed upon with suppliers or with the business.

The four focus areas of the Vendorlink solution are:

- Spend management
- Contract management
- Vendor rating
- Supplier portal

The scores on the self defined indicators are shown in a management dashboards which facilitates preparation of vendor and contract evaluations. These indicators can be objective as well as subjective.

The supplier portal, is aimed to exchange documents and data with suppliers. The portal is fully web based and offers the possibility that suppliers upload the required documents themselves. Suppliers can do this without any additional cost. Making the exchange of documents faster and more efficient

The references mentioned on the Vendorlink website are Dutch (semi-)public organizations (municipalities and universities) and a couple of organizations in the healthcare, industry and financial services.

Main innovation points in the last two years: Full integration between Spend data, contract management and performance (Vendor Rating).

Main innovation points for the next two years: Further integration with Supplier Portal. Connection between customer and supplier in strategic partnerships. Measure more and more on KPI's.

VORTAL

VORTALNEXT 15.2

VORTAL has a eMarketplace where everyday thousands of public and private sector buyers connect with an international community of qualified suppliers. Buyers and suppliers can take part in an efficient, openly competitive tendering process, bringing opportunities for everyone to creatively expand their business.

VORTAL started to grow its domestic business when Portugal gave government bodies a mandate to use e-sourcing (advertising of contracts and communication of documents at least) in Europe. They used this base as a platform for expansion. It now has individual clients in a number of European countries, including Spain and Germany, and have won significant “national” contracts with the governments of Columbia and the Czech Republic.

While its product set is probably strongest around the sourcing process, the firm covers the full range of source-to-pay (S2P) activity (catalogs, e-invoicing, etc). As well as supporting all the standard EU/public sector-type processes and requirements within that (e.g. audit trail, tender opening protections), it has a range of additional features. It has the capability to support collaborative buying processes and will cope with different sourcing processes such as auctions or the “dynamic purchasing system” EU procedure. It also enables the buyer to carry out tender evaluations within the system, with built-in marking options, for instance.

VORTAL has another angle because the platform also creates and utilizes supplier networks. Most e-sourcing platforms (certainly in the public sector) don't retain data about suppliers from any particular sourcing exercise. But every supplier that participates in a VORTAL competition becomes a member of its network, which means that they can participate not only in future large “OJEU” tenders but also any smaller procurement exercises that the buyer may run.

That takes us onto another differentiator: VORTAL also provides services to suppliers in its network, using the data it collects via its platform to support information and education services to firms within that network and indeed others.

Most important customer references: ANA Aeroportos - eSourcing suite for corporate sector; MotaEngil – eSourcing suite for construction sector; SPMS - eSourcing and eProcurement suite for central purchasing bodies.

Main innovation points in the last two years:

Ever since it was founded VORTAL has promoted a policy of permanent investment in Research and Development (R&D), with the aim of achieving exceptional levels of performance and competitiveness. To this end, the company has established various partnerships with universities and other companies. The development of the platforms is at the heart of the policy for growth by continuous innovation, spurred by the demands of clients on whom they currently invest around 13.5% of their revenue. In the two Research and Development laboratories, they have conceived and developed various R&D activities. As a result, a multitude of new features and products have been created for their electronic platforms. Their main goals are always to promote creativity, receive ideas and feedbacks from our clients and partners, promote Knowledge Networking and to study new concepts- develop prototypes and use cases to prove and test the innovations.

Main innovation points for the next two years:

New country and market-specific localization. Advanced Contract Management Module. Auctions module with multi-parameter real-time assessment. Access authentication via mobile devices (mobile phones). Document signing via mobile devices. Interoperability of electronic platforms. Module Vortal Analytics. Module Vortal Docs. Multiple interconnection categorization systems via semantic engines.

WALLMEDIEN

Wallmediem Procurement System (WPS)

Since it was first introduced in 2002, the WALLMEDIEN Procurement System establishes itself as an alternative to SAP SRM and other e-procurement solutions. They have a special suite for SAP SRM. This suite for SAP SRM can be put together in modular format for an overall solution and can be expanded and extended. An extension is possible at any time, for example with the service procurement solution, SPE, the document exchange solution, WPS Portal, or the OCI hub.

In the SAP environment, WALLMEDIEN's solutions form a standard in electronic procurement. WALLMEDIEN develops and operates concepts for the automation of processes in operational and strategic purchasing.

Modules include:

- Catscout: Catalog Management
- Catbuy: Catalog engine
- SPE: Services Procurement Engine
- EasyRFX: Request to Buy
- MDE: Supplier Portal
- Hub: Punch out Integration

Customers include internationally operating companies, and likewise successful small- and medium-sized companies.

Main innovation points in the last two years: Service Procurement Engine, UI5 Solution Set for SAP SRM, Catalog Cloud Services.

Main innovation points for the next two years: There will be some major innovations regarding the concept of hybrid purchasing channels cross supplier communication and integration services through homogenous portal approaches.

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