

Optimizing your 'Source to Pay' processes with the SAP Ariba Procurement Solutions

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Jim Hagemann Snabe, co-CEO of SAP at CeBit, March 2013

"We have 41 years' experience of optimising *within* companies; now the next phase is optimising relations *between* companies. We can do that with Ariba."



About Ariba



- ▶ **2.500+** Employees
- ▶ **2.000+** Buyers
- ▶ **~ 1,5 Mio.** Suppliers
- ▶ **31.600+** Diversity or Green Sellers
- ▶ **40** Compliant Countries
- ▶ **500** USD Revenue



Latest News: (2010) Ariba acquires Quadrem | (2011) Ariba acquires b-process | (October 2012) Ariba becomes an SAP Company



Solutions overview

SAP's and Ariba's procurement solutions and Business Networks deliver enterprises a set of highly complementary solutions

Combining the software, collaboration tools, network connectivity and intelligence for business networks

#1
in Contingent Workforce / VMS



#1
In Innovation & Sustainability for Supply Chain



Business Networks

#1
in Expense & Travel Management



#1
in Procurement and Finance



SAP Total Spend Management



Ariba Network

Source & Contract

Request & Buy

Invoice & Pay

INDIRECT & MRO

CONTINGENT LABOR & SERVICES

DIRECT & SUPPLY CHAIN

TRAVEL & EXPENSE

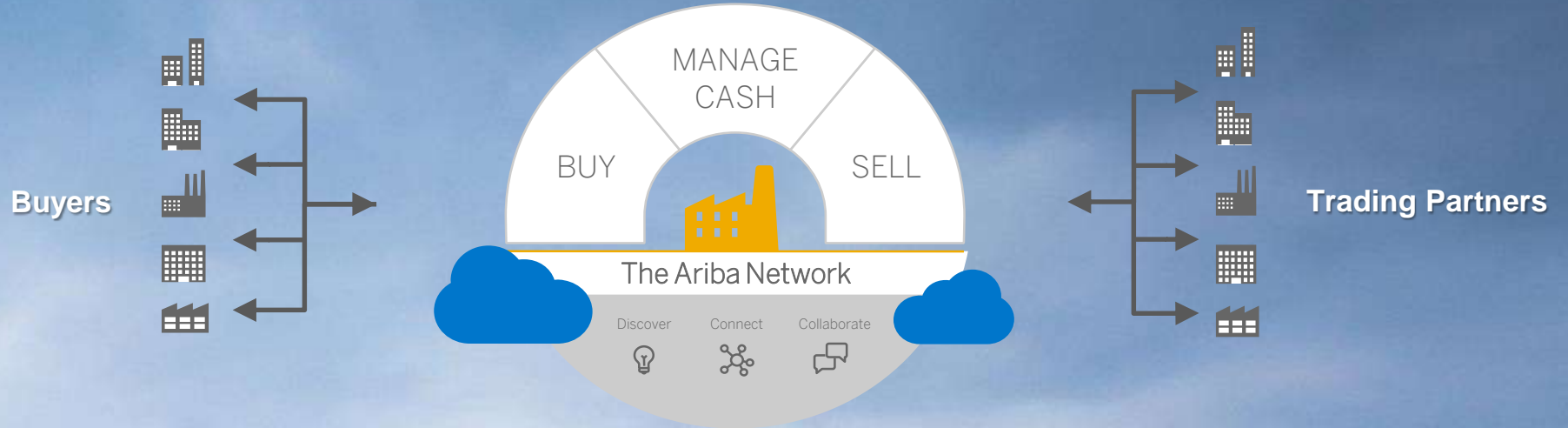
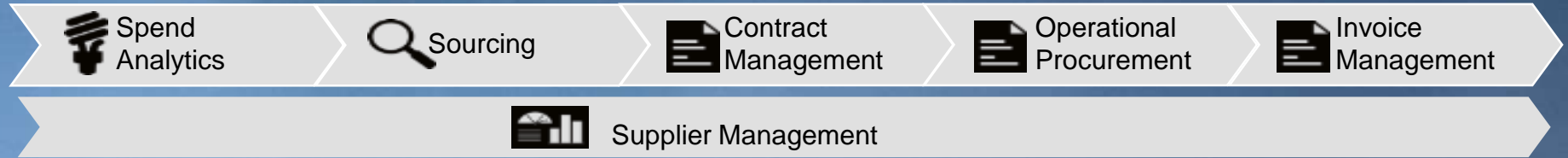
User Experience + HANA Cloud Platform

Network enabled supplier collaboration and content providing real time insight

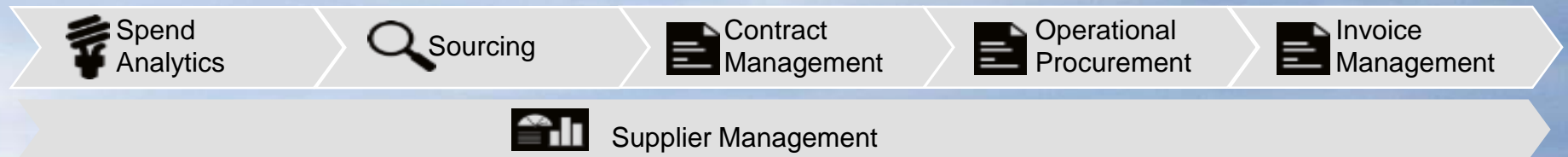
Complete Enterprise Spend visibility and process orchestration

End to end process management for all spend categories, geographies and Industries

SAP's Procurement Solutions Portfolio addresses the Global Trends and offers application deployment choice + inter-enterprise collaboration



OnPremise Solutions

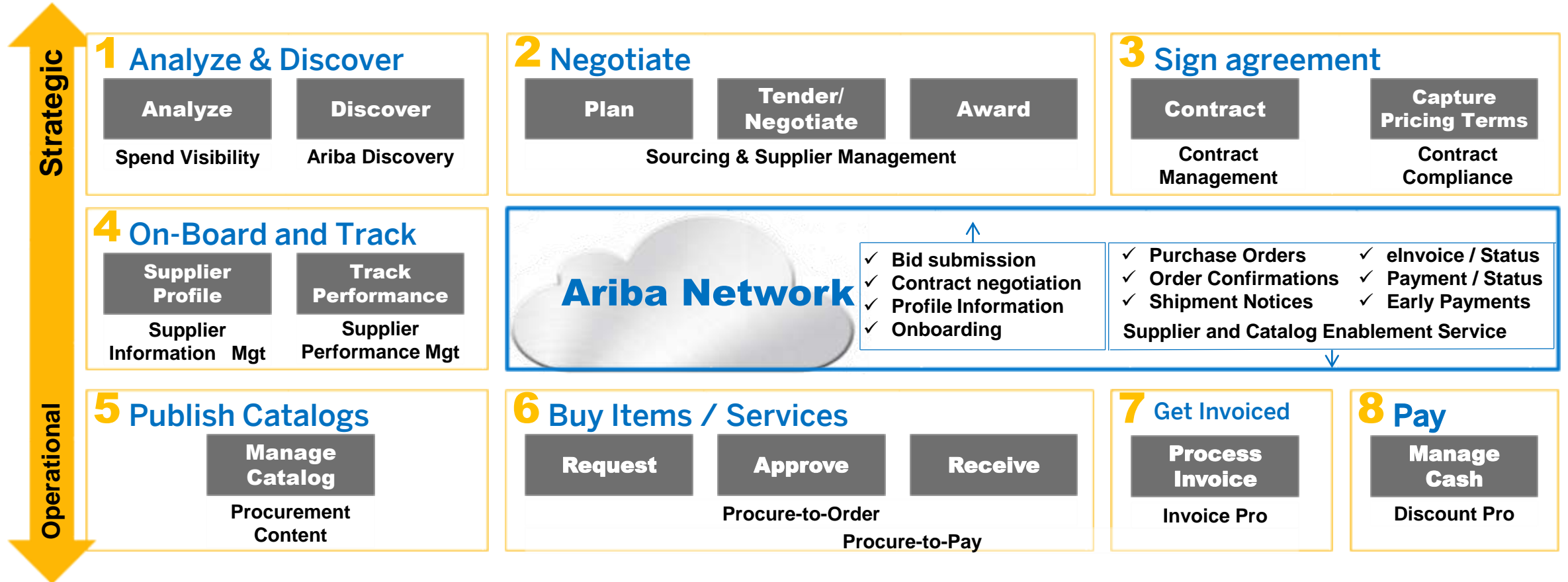


strategic

operational

ARIBA - The complete Source2Pay process

Exploiting the Benefits of the ARIBA Network





Procurement and Business Network

Solutions overview



Ariba Solution Components – Ariba Spend Visibility

Ariba Spend Visibility

- Flexible spend reporting
- Supported by data enrichment and classification service provided by Ariba

BENEFITS:

- Higher spend visibility
- Clean data!
- Flexible input data sources
- Option to model what-if scenarios
- > 150 predefined reports



Note: Ariba Spend Visibility runs on SAP HANA technology (as of April 2014)

Ariba Solution Components – Sourcing

Ariba Sourcing

- eBidding/eTendering/auctions/online negotiations
- Template-based sourcing
- Milestones/project management
- Templates for structuring events/reuse

BENEFITS:

- Sourcing optimization
- Group-wide sharing of experience
- Re-use of successful strategies
- Integration with Contracts



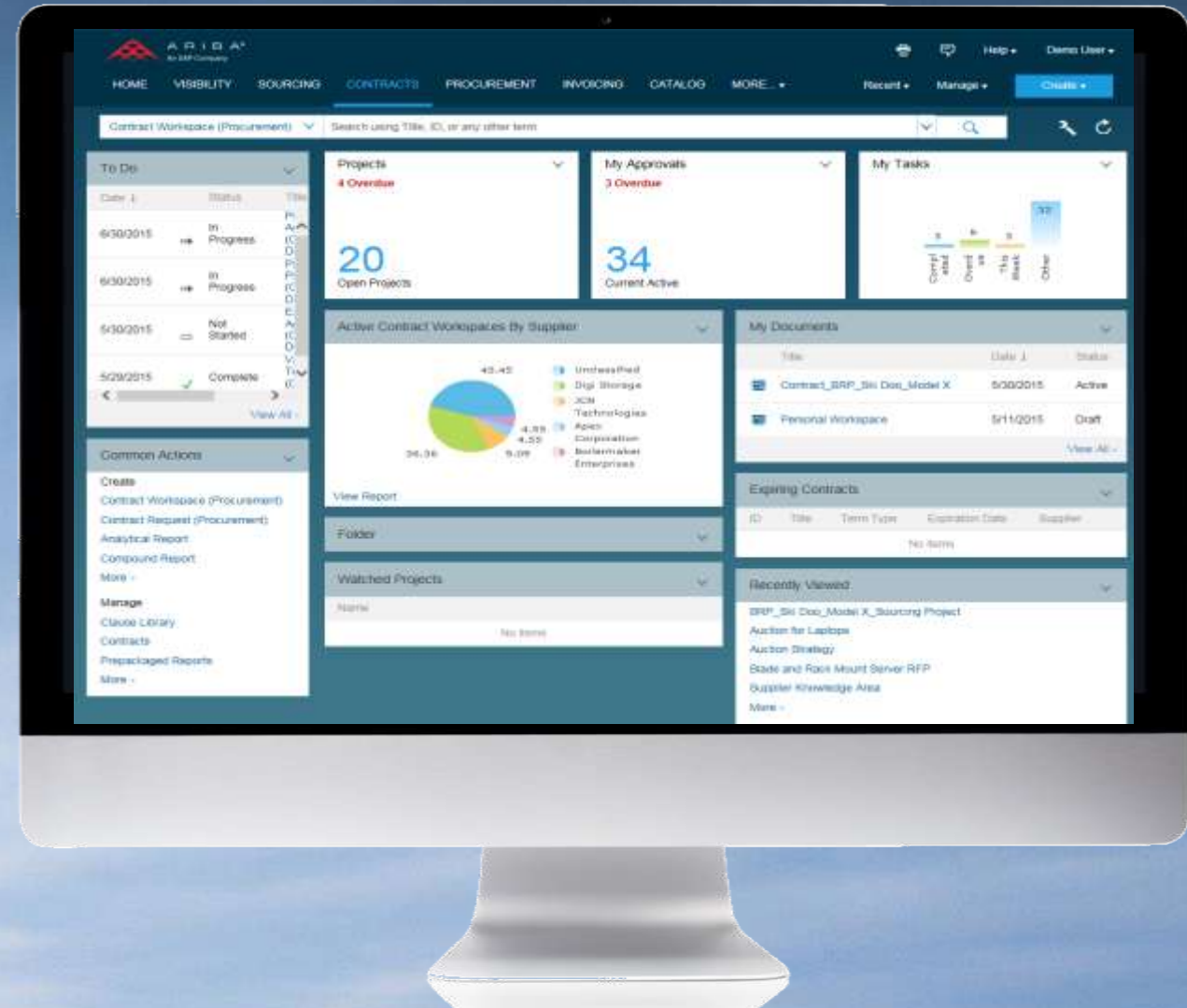
Ariba Solution Components – Ariba Contracts

Ariba Contracts

- Contract creation/authoring/redlining/approvals
- Operational usage of contracted items/services
- Tiered item pricing
- Version control
- Project management

BENEFITS:

- Turning negotiated savings into **REALIZED SAVINGS**
- Increased compliance
- Central contract repository



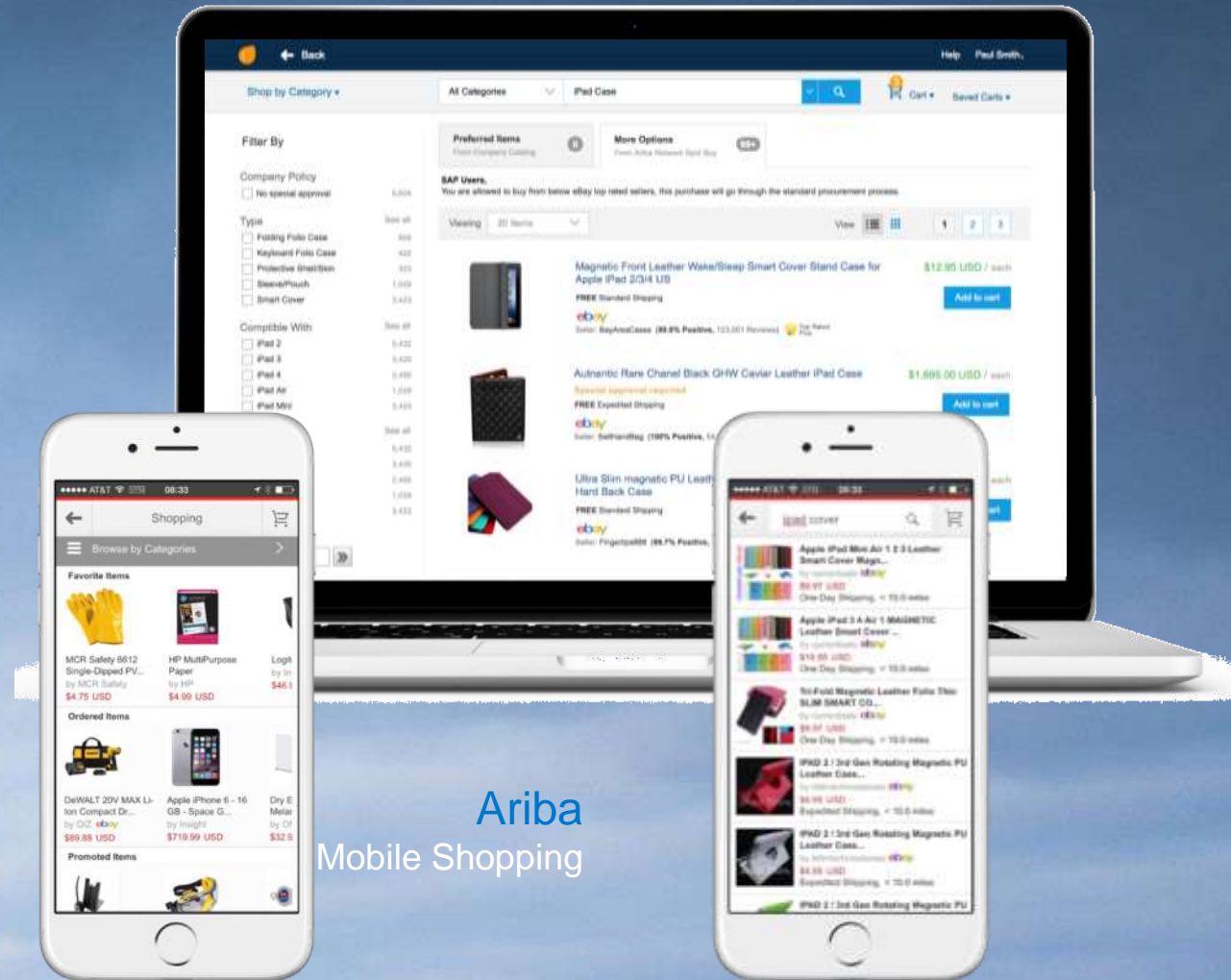
Ariba Solution Components – Ariba Procure-to-Pay

Ariba Procure-to-Pay/Procure-to-Order

- Self-service procurement
- From catalogs/free text/smart forms
- Workflow and approvals
- Easy to use: walk-up user interface

BENEFITS:

- Automation
- Speed
- Higher efficiency
- Increased compliance
- Larger portion of spend under management



Ariba
Mobile Shopping

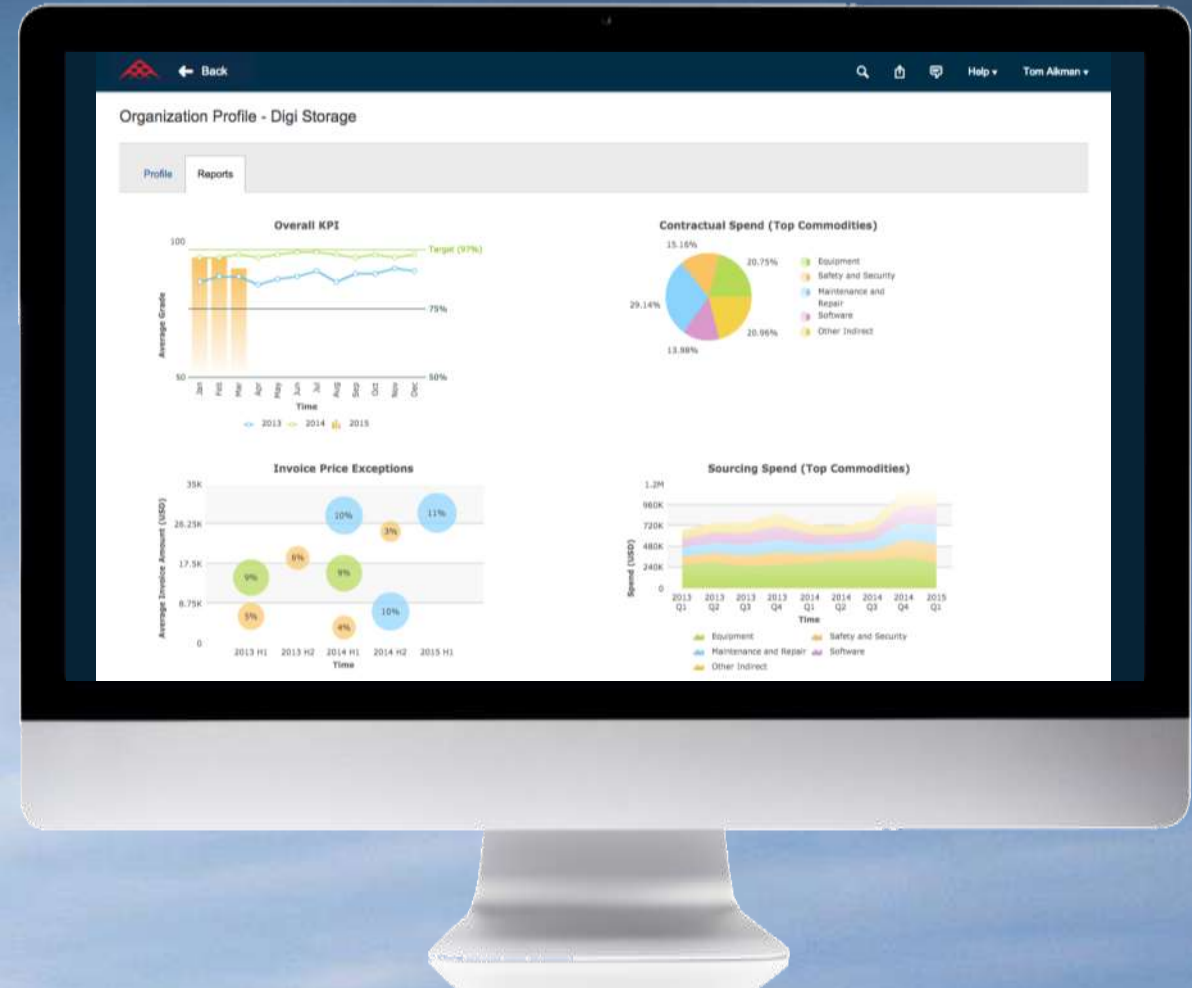
Ariba Solution Components – Ariba Supplier Management

Ariba Supplier and Performance Management

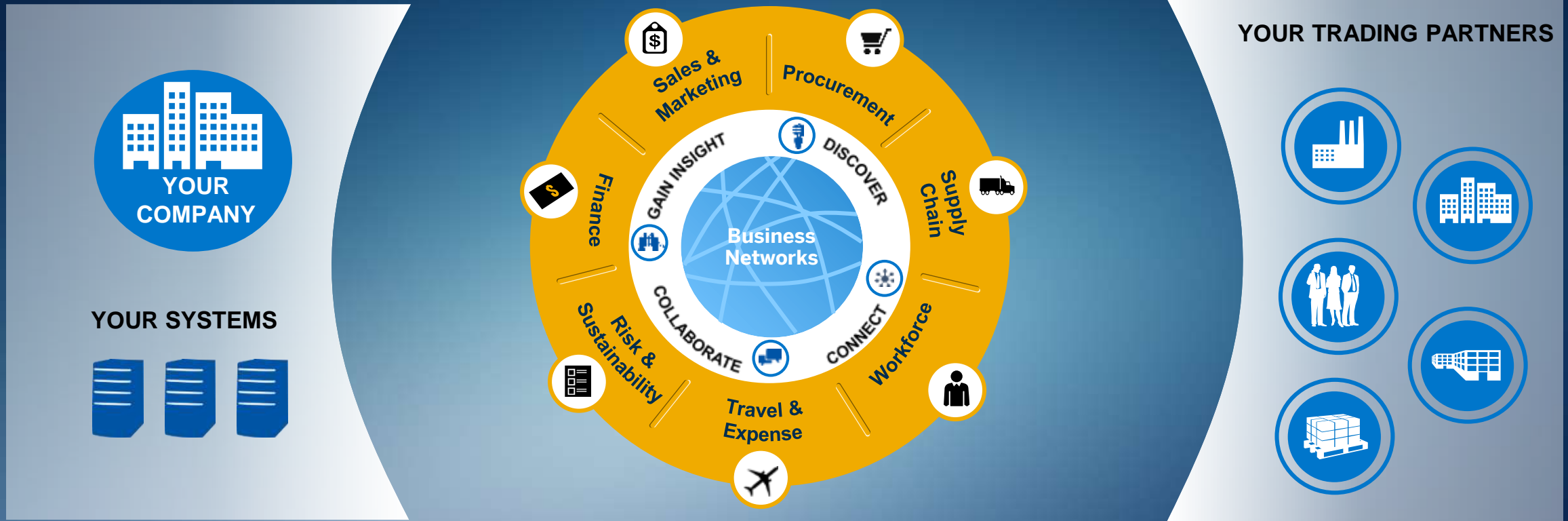
- Detailed profiling
- Contacts
- Dynamic questionnaires/grading/scoring
- Expiration tracking
- Dashboard of tasks
- Configurable KPI dashboards
- Projects (& recurrence)
- Supplier surveys
- Auto-scoring
- Benchmark reporting

BENEFITS:

- Compliance
- Fewer duplicates
- Grouped and classified suppliers
- Supplier performance and benchmarks
- Trend analysis
- Initiate/monitor supplier improvement



SAP's Business Networks simplify business collaboration



Discover

- New trading partners and communities
- New staffing, contingent labor or goods and services
- New business opportunities

Connect

- Trading partners anytime, anywhere
- Any device, back-end system and level of technical ability

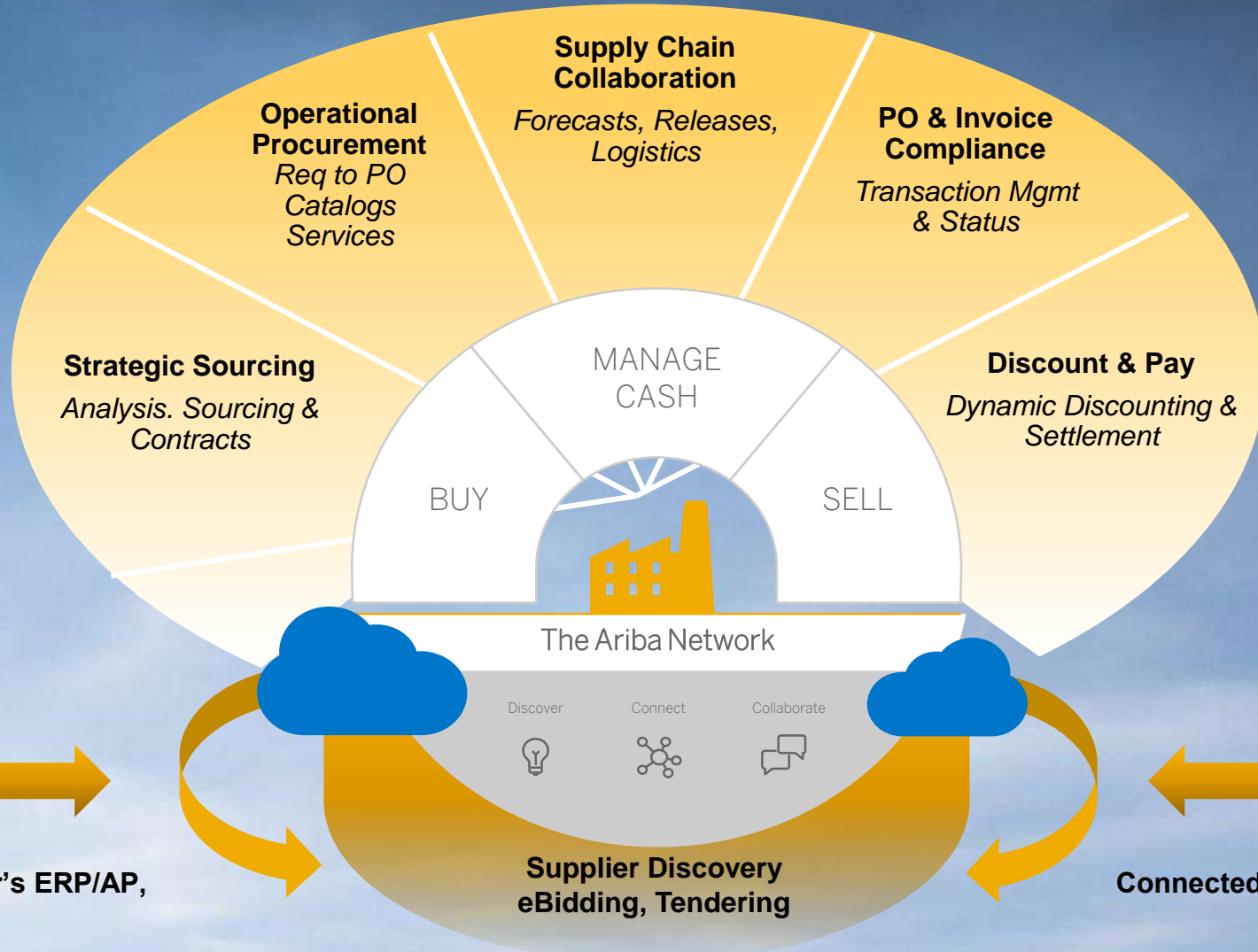
Collaborate

- Comprehensive set of inter-company collaboration processes
- Any commerce category and/or spend type

Gain Insights

- Unique analytics and benchmarking data
- Real-time alerts and notifications
- 3rd party data, risk and insurance information

Ariba Network at a glance



LARGEST BUSINESS NETWORK IN THE WORLD

- Highest number of trading partners
- Largest transaction volume
- Broadest range of business processes
- Standard integration with SAP and Ariba applications
- Adapters for non-SAP ERP's

Connected to Buyer's ERP/AP, Ariba P2P, non-SAP ERP/FI

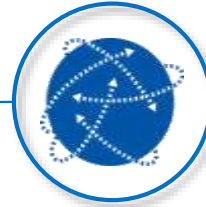
Connected to Supplier's ERP/AR

The **Ariba Network** is the largest B2B Network in the world

1.9+
million
Trading Partners



350 million
Contingent
worker job
placements



\$835
billion
in annual commerce



108+
million
Documents
annually



11+
million
Timesheets
processed
annually



3/min
New company
Joins the Network



394+
million
Catalog items



23.6
million
Leads
sent to Sellers



>10
Million
Users



There are significant benefits for all involved parties!

Procurement

- 100% electronic collaboration
- Out-of-the-box **integration with SAP ERP**
- **Lifetime** Supplier Enablement
- Electronic Invoices **legal and tax compliant**
- **One Interface** to the supplier
- Supplier Discovery



Supplier

- **Reduction** of operating costs by Ø 75%
- **Faster Receipt of Payment**
- Ø 6 days **DSO reduction**
- **15% higher** wallet share
- **Transparency** on order, invoice and payment status



Accounts Payable

- Significantly **higher invoice accuracy**
- **Less** clarifications
- >90% **“Auto-Match”** rate
- **Self-Service** for suppliers
- **Fewer calls** from suppliers
- **Higher on-time payment rate/** discount consumption



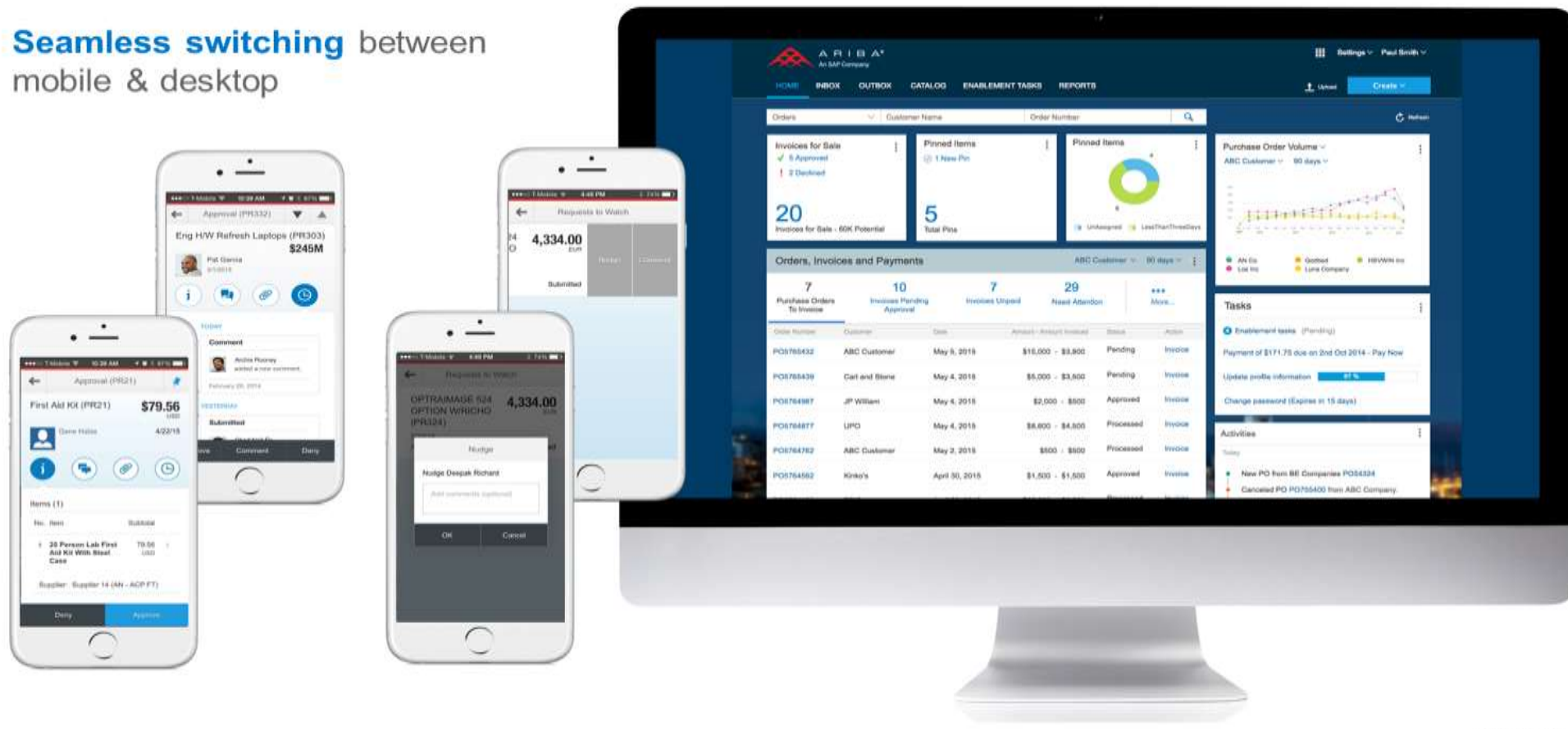


Total User Experience (TUX)

Total user experience approach

Work Anywhere: Designed for mobility from ground up

Seamless switching between mobile & desktop



Ariba Video

https://www.youtube.com/watch?v=_6itvFMvdDE



Selected References

Customer Success

Financial Services



CPG & Retail



Technology



Chemicals, Energy, Mining



Healthcare and Pharmaceutical



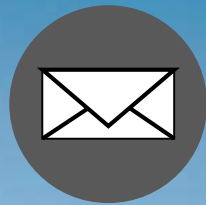
Manufacturing and Construction



Services and Other



Thank you!



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