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# SAP®'s Ariba® Network
# Cloud-enabled business collaboration

As companies increasingly look to their supply chains for the efficiency gains they need to remain competitive, the cloud has emerged as a potential game-changer— especially when it comes to managing extensive networks of supplier relationships more effectively. This is a welcome development in an environment where companies are still struggling with arduous paper-based invoice processing systems, a hobbled supplier discounting process, rising technology costs, procurement headaches, and other all-too-familiar challenges. That's where SAP's Ariba Network can help streamline these inefficiencies.

## Tested strength

When it was acquired by SAP in 2012, Ariba was already widely recognized as a leader in cloud-based sourcing and procurement capabilities. Today nearly a million companies around the world execute over a billion dollars in transactions every day through Ariba Network. Ariba Network is a go-to cloud solution for sourcing and procurement within SAP's suite of products.

Ariba can help companies migrate to more flexible supply networks that can be quickly created to extend collaboration opportunities between suppliers and buyers well beyond the limits of today's supply chains and point-to-point communication technology such as Electronic Data Interchange (EDI).

## How we can help

To realize the full potential of Ariba Network, it's important to have a deep understanding of the underlying business realities. This is where Deloitte excels. We are widely recognized for the depth of our capabilities in supply chain, as well as our long history with SAP solutions. In practical terms, that means that we are frequently able to help clients define and implement their cloud-based sourcing and procurement capabilities quickly—and get on the fast track to realizing benefits.

Here are a few of services we offer:
- Strategy and business case development
- Project implementation and deployment
- Business process transformation and organizational alignment
- Supplier registration
- Supplier testing
- Supplier education and certification
- Supplier training
- Methodology to facilitate new supplier enrollment
- Spend analysis and savings tracking

## Potential bottom-line benefits
### Financial benefits
- Reduced procurement document processing costs
- Collaboration with suppliers on dynamic discounts
- Lower technology costs
- Compliance through dynamic content and document history audit
- Lower purchase order and invoicing costs
- Improved compliance to contracts
- Better customer retention

### Enterprise-level benefits
- Faster path to value realization
- Enhanced performance management and risk migration
- Expanded access to a global network of suppliers
- Improved procurement efficiency across the organization with fewer errors
- Streamlined business processes delivering value

## Starting questions

For clients considering using Ariba Network to make their supply chains more efficient, we typically start with the following core questions:

### Are your current suppliers performing to your expectations?

If supplier performance is central to your organization's performance, the network's capacity to help find, evaluate, and connect with additional suppliers can be a significant benefit. This is just as important for existing and prospective suppliers.

### How big a role are new types of goods and services likely to play in your business?

If your organization is entering into a new area of business, and existing suppliers are unable to meet new demands, Ariba Network could fast-track your discovery and evaluation process. How? With increased transparency into networked suppliers, organizations are better able to identify and assess alternative commodities, suppliers, and trading partners.

### Where could you be achieving greater efficiencies?

In one-to-one transactions facilitated through EDI, neither the buyer nor the supplier achieves visibility into the procurement lifecycle. Not only is this a costly and burdensome approach to transmitting unintelligent data, it limits opportunities to collaborate. Ariba Network can change the equation here. Just as important in terms of efficiency, with Ariba Network it's possible to incorporate business rules to more effectively manage business transactions.

### How many of your existing suppliers are currently subscribed to Ariba Network? For those that are not, is Ariba in their near- to mid-term plans?

For those who are not on Ariba Network today, Ariba has a full set of onboarding and training tools to get suppliers up and running fast.

### How to get more value from Ariba Network

We've already helped companies around the world use Ariba Network to improve their approach to managing supplier relationships, enablement, and connectivity. Here are a few lessons we've learned along the way.

### Enhance your buyers' relationship with suppliers

We encourage companies to have their strategic sourcing professionals, commodity managers, and professional buyers own the end-to-end relationship with their suppliers—not just the sourcing and negotiation. Ariba Network provides tools to help manage supplier relationships and create visibility on supplier performance, but it's vital that companies are committed to being the "face" in front of those relationships.

### Routinely revise your supplier enablement and transaction strategies

Once you implement an Ariba Network-based collaboration platform, focus on developing, assessing, and revising strategies tailored to specific purchasing categories or business scenarios.

### Ensure new suppliers are Ariba Network-enabled

If you make the decision to move forward, Ariba Network enablement should become one of your key evaluation criteria when conducting strategic sourcing, supplier selection, and supplier performance evaluation.

### Use as much of the functionality of the Ariba Network as necessary to "close the loop"

We often advise organizations to walk before they run—and to set careful priorities when participating in Ariba Network. At the same time, we encourage clients to consider the full breadth of an integrated, closed-loop system of electronic collaboration it can support.

### Related offerings

- Sourcing and Procurement transformation
- Concur for Travel & Expenses
- Fieldglass for Contingent Workforce

### For additional information please visit:

www.deloitte.com/SAP

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