# Integrated procurement analytics platform drives faster decisions and cost savings

## Background

A leading global provider of electronic components and solutions needed an integrated procurement analytics platform to manage its procurement organization and simplify the process of establishing and tracking key performance indicators (KPIs) across a complex web of products and vendors.

## Complex procurement process overwhelms legacy platforms

As a 75-year-old global organization that manufactures more than 100,000 products, this company has developed a complex network of thousands of vendors that supply thousands of raw materials and components that are used in its manufacturing processes. The company's large procurement organization is in constant negotiations to update annual contracts for each item it purchases.

Procurement data about its vendors and the products they supply, including pricing and negotiation details, are stored primarily in disconnected SAP systems throughout the company. Without integrated procurement data and modern analytics tools, the company endured a long, arduous process of collecting and consolidating data onto complicated Excel spreadsheets to manage the procurement process. They struggled to:

- Identify all the products and prices supplied by a given vendor across the entire organization, including newly acquired companies
- Calculate average cost of each product

- Know when to renegotiate pricing based on changing commodity prices
- Measure the performance of its procurement organization

The company needed a faster way to capture these insights to ensure the best pricing for its raw materials and manage the complexity of negotiating with thousands of vendors in a global connected economy.

## High-performance data and analytics drive procurement workflows

They teamed with Wavicle to develop a state-of-the-art procurement analytics platform in the cloud. The goal was to consolidate data into a single location and develop a portal that drives workflows to support vendor-led and product-led negotiations.

We built the portal on the concept of "guided discovery," allowing users to select which workflow to engage and then use a universal filter to view data by various criteria, including time frame, product, or vendor. We created more than 20 visualizations, which users can incorporate into their own custom screens. We put a lot of effort into performance to ensure visualizations come back in less than three seconds, or less than three clicks.

The solution is built on an AWS platform using Talend to integrate data from multiple SAP systems as well as external data feeds, such as commodity pricing, into a data lake on AWS S3. From there, it's loaded into an Amazon Redshift data warehouse and Tableau is used for visualizations.

## Maximizing cost savings on thousands of products

This solution gives this company's world-class procurement organization fast access to accurate data to negotiate with vendors, make purchase decisions faster, and improve productivity of its team. The combination of integrated data and high-performance front-end visualizations empowers the company to maximize cost savings on the thousands of products it purchases, now that procurement analysts can:

- Automate product-led or vendor-led negotiation workflows
- Optimize the distribution of products among multiple vendors
- Be alerted to potential price changes due to market conditions
- Get a holistic view of products purchased from all vendors across the organization
- Calculate metrics such as average prices paid or cost savings
- View history of vendors, quantities, and prices paid for products over time
- Measure performance of category managers

## About Wavicle

Wavicle's team of consultants, data architects and cloud engineers work with global organizations to build a roadmap to success with unmatched technology expertise, creative innovation, and superior customer service. Our toolkit of proprietary accelerators helps clients deliver world-class data analytics solutions in record time. From data management services and cloud migration consulting to dashboard development and data analytics consulting, our professionals enable and empower data-driven enterprises.