

## Intelligent Spend & Business Network

**Out of the silo: How to achieve a n:n collaboration with suppliers, shippers and logistics providers through one single digital connection**

**What everyone should know about the SAP Business Network**

SAP SE | June 22, 2022

PUBLIC

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# The SAP Business Network

**Procurement  
Collaboration**



**Supply Chain  
Collaboration**

**SAP Business  
Network**

**Logistics  
Collaboration**



**Asset Management  
Collaboration**

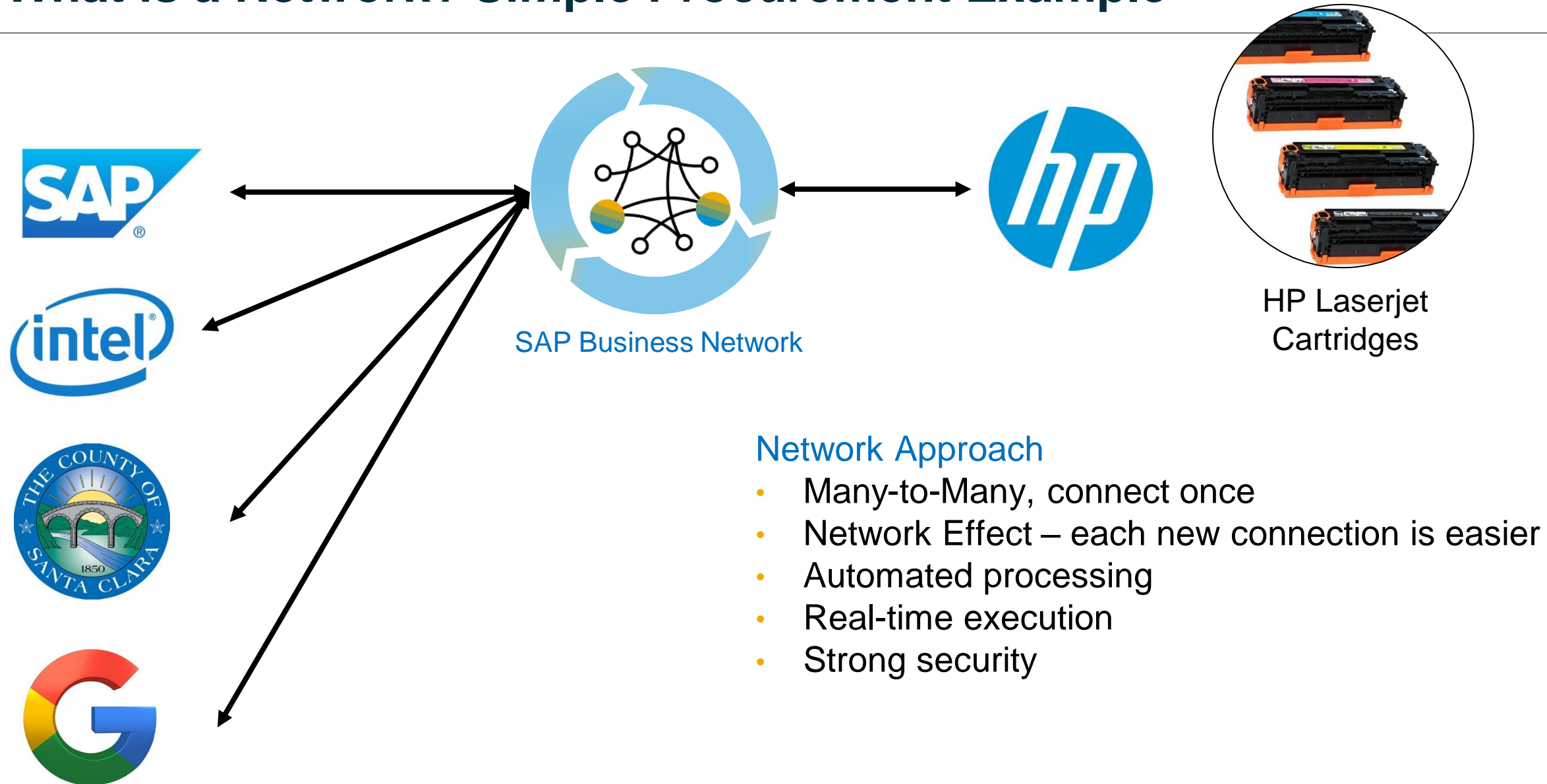
# What if you could have a fully digital, integrated solution that extends your processes beyond your organization?

- Realize improved operational efficiency and agility, as a result of seamless collaboration with suppliers and near real-time information sharing
- Increase supply assurance, due to enhanced visibility and the ability to mitigate supply risk
- Achieve business process and regulatory compliance, resulting from improved supplier management and spend controls enforced through network validation



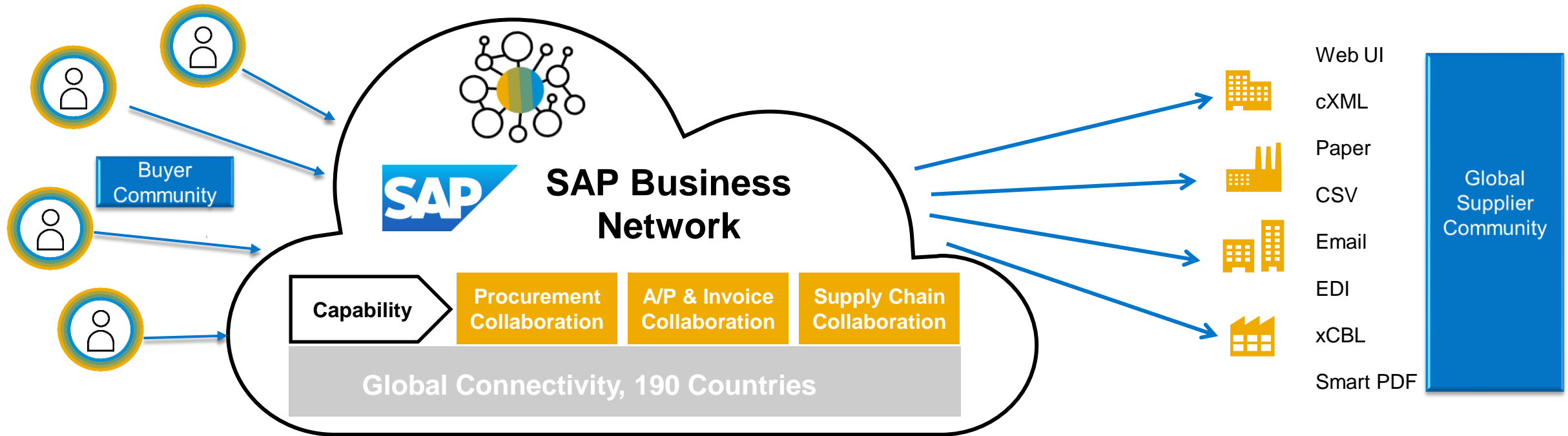


# What is a Network? Simple Procurement Example



# SAP Business Network For Procurement

## Digital Commerce on the world's largest Business Network



Reduced overall procurement time from **17 days to 3 days**



**1,500 Suppliers**

Direct material portal suppliers enabled across 256 supply chains



**\$25B** of commerce transacted on the Supplier Network



**\$300M inventory reduction** and optimized direct material supply chain

# THE SAP Business Network for Procurement

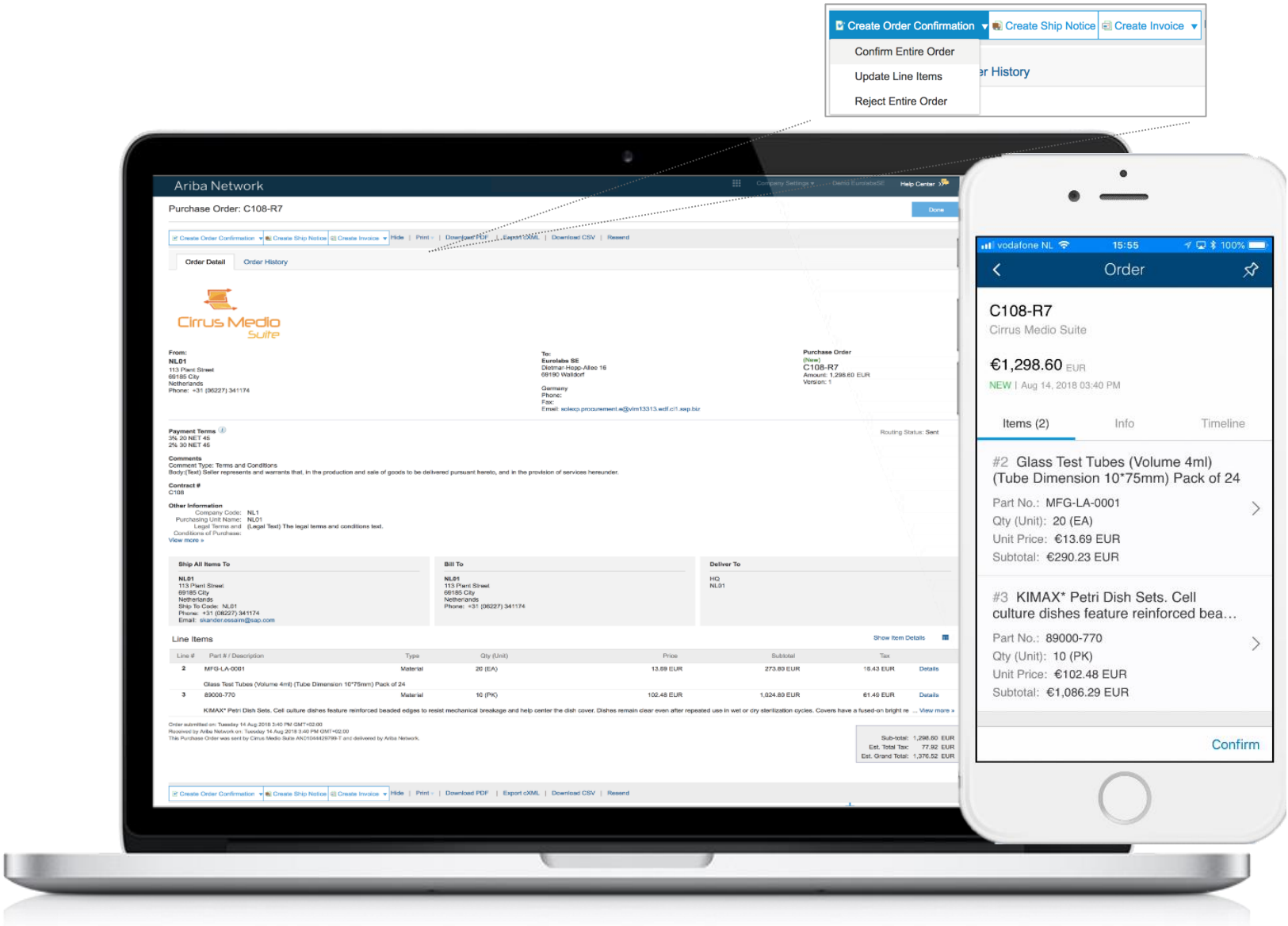
## TOP BENEFITS FOR BUYERS

- Continuity of Supply Chain
- Spend Compliance
- Process Efficiency
- Capture More Discounts
- \$1M+ Savings for every \$1B Spend\*

... this is EASY

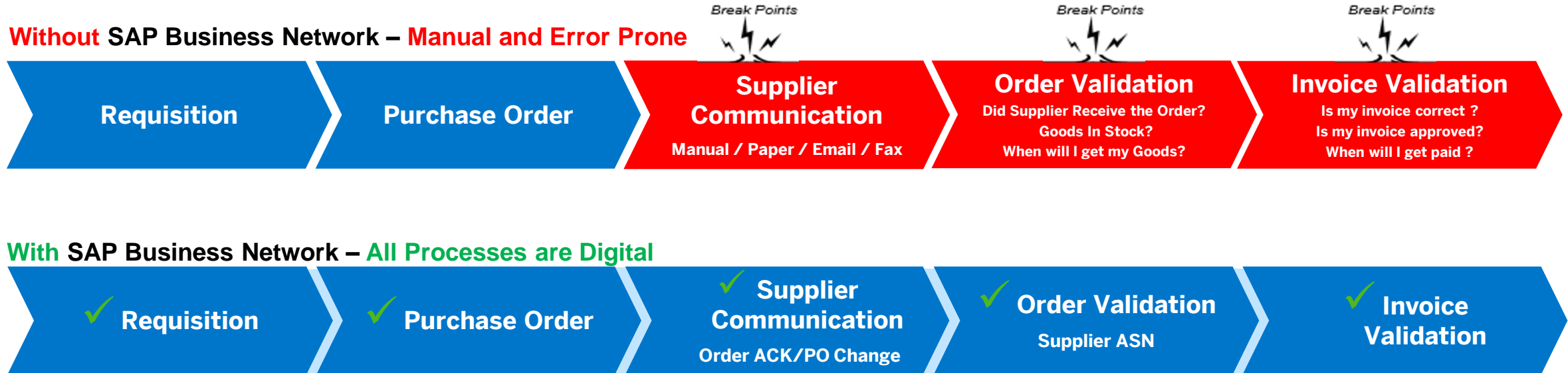


# THE SAP Business Network for Procurement IS MOBILE





# SAP Business Network for Procurement



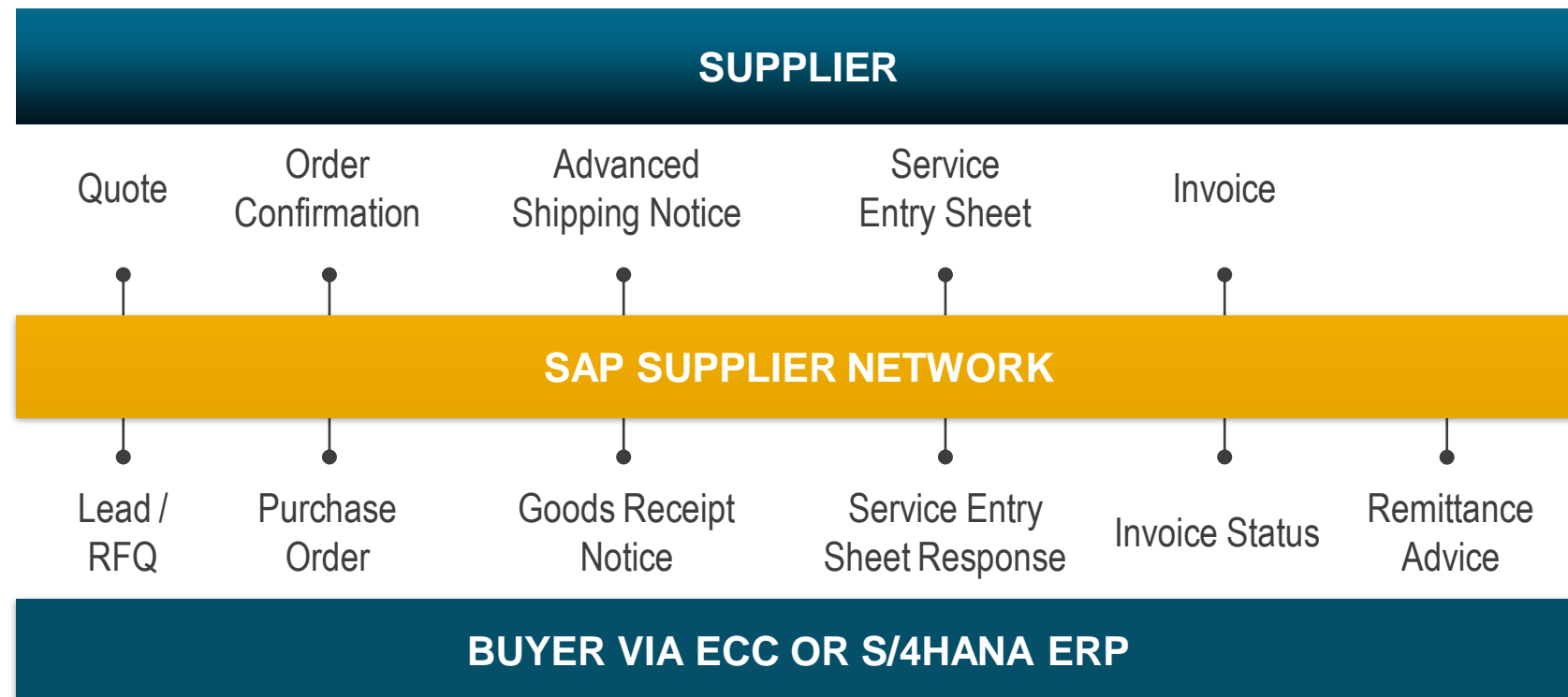
## Primary Business Outcomes

- Buyers have near real time visibility to order status
- Buyer can use tool to find alternate sources of supply
- Spend compliance is enforced thereby eliminating duplicate or over payments
- P2P process is digitally transformed, driving workforce efficiencies
- Capture rate of pre negotiated discounts drives income statement benefit + suppliers gain improved cash flow

# What does The SAP Business Network for Procurement do?

IT DIGITIZES COMMUNICATION BETWEEN BUYERS AND SUPPLIERS

**NO MORE PAPER!** THESE ARE THE BASIC DOCUMENTS THAT ARE NOW DIGITAL



**INTEGRATION**  
NATIVE INTEGRATION  
WITH S/4 HANA /ECC

**SMART**  
120+  
BUSINESS RULES

**FREE**  
TO JOIN & TRANSACT  
ON STANDARD  
SUPPLIER ACCOUNT

**SUPPLY CHAIN**  
EXPANDABLE TO 50+  
SUPPLY CHAIN  
TRANSACTIONS

# SAP Business Network for Procurement

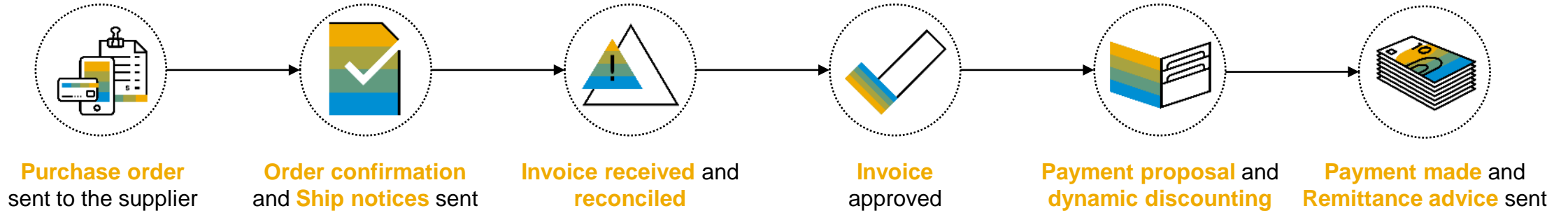
## Example of Invoice Exception Analysis against Rules

- Real customer invoice exception analysis capturing exception causes with business rules
  - We identified configurable business rules that remove **78%** of invoice exceptions.
  - This greatly reduces AP invoice exception resolution and allows suppliers to be paid on time or faster
  - Reduces inbound queries from suppliers  
Faster end of month/year closing

Row Labels	% Exceptions	# Invoices	# PO Inv	Network Resolves	% addressed
QTY REC	58.76%	1909	1909	47.01%	80%
QTY ORD	25.73%	836	836	20.58%	80%
PRICE	2.99%	97	97	2.99%	100%
DIST VARIANCE	2.95%	96	0	2.95%	100%
SO/DD/CHAPS	2.19%	71	0	0.00%	0%
Accounts Payable	1.85%	60	0	1.48%	80%
MAX SHIP AMOUNT	1.29%	42	42	1.03%	80%
DIST ACCT INVALID	1.23%	40	0	0.00%	0%
LINE VARIANCE	1.11%	36	0	1.11%	100%
Possible Duplicate	0.68%	22	0	0.34%	50%
Bank Details	0.65%	21	0	0.65%	100%
DISPUTE	0.34%	11	0	0.00%	0%
AP Manager	0.09%	3	0	0.00%	0%
PO REQUIRED	0.06%	2	0	0.06%	100%
NO RATE	0.06%	2	0	0.00%	0%
AMOUNT	0.03%	1	0	0.03%	100%
Grand Total	100.00%	3249	2884	78.23%	

# The SAP Business Network for Procurement – Value Drivers

Core process



Customer benefits \*

## Improve efficiency

- **44%** more invoices processed per FTE for SAP customers vs others
- **25%–30%** reduction in BPO costs
- **€125K** savings per 100K invoices processed for an SAP customer vs others

## Digitize the process and improve transparency

### Top performers:

- **90%** electronic invoices received and over 80% touchless processing
- **60%–80%** reduction in supplier payment inquiries

## Improve working capital

- **3x** more discount savings per billion of spend for SAP customers vs others
- **47%** higher days payable outstanding for organizations with a compliance program to optimize working capital

## Improve compliance

- **Country-specific** compliance requirements
- **Faster** close due to automated reconciliations
- **Lower** error rate than manual reconciliations

## Automate your processes



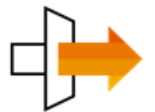
Gain process efficiencies with automation and standardized workflows

## Achieve procurement transparency



Improve spend visibility and supplier management with a centralized procurement platform

## Take the complexity out of compliance



Achieve regulatory and process compliance with configurable business rules and network validation

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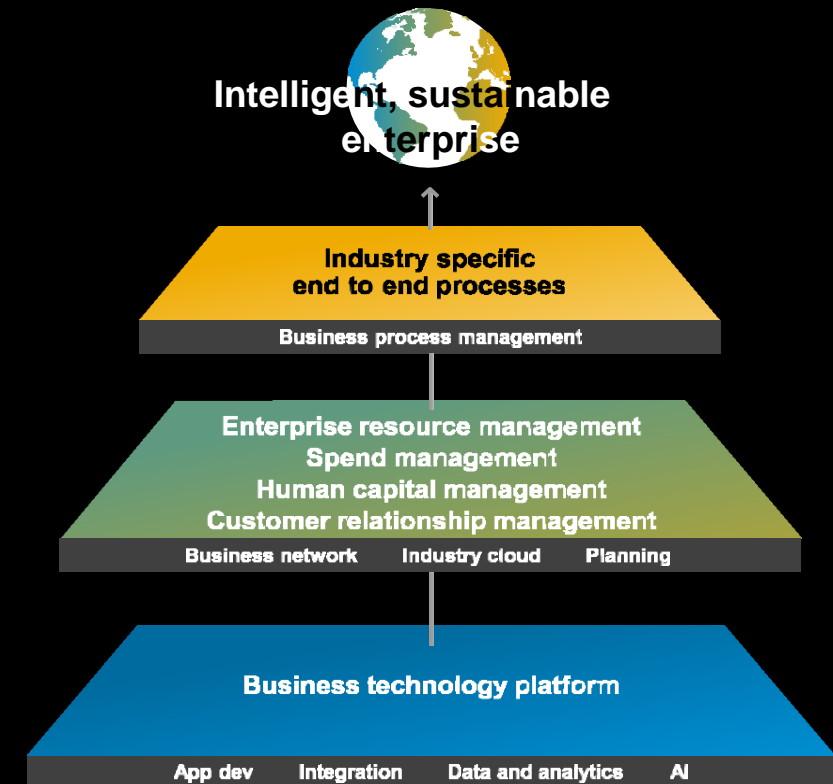
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## SAP is pleased to invite you to this **Virtual Event on June 22, 2022**

Companies spend significant time building and maintaining connections to suppliers, shippers, logistics providers, maintenance contractors and more. The last couple of years taught us that to meet a massive shifting demand a one-to-one relationship with partners outside of the four walls is no more an option for businesses. Today **SAP Business Network** can make the difference and bring your inter-company process collaboration to the next level.

Join us for an overview and deep-dive sessions with SAP-experts and learn:

- What SAP Business Network is
- What the technology can do for your business
- How it integrates into your IT-infrastructure
- How Van Genechten, a packaging material supplier, takes advantage of a connected collaboration via the network
- More about the roadmap for SAP Business Network



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