

‘KNOW’ WHAT TO ‘WATCH’: 2022’S TOP TECH — TO MAXIMIZE YOUR IMPACT

The Spend Matters Analyst Team

— HELLO!

Spend Matters provides meaningful market intelligence and tailored solutions to practitioners, consultants, investors and solution providers with a focus on the procurement, finance and supply chain markets.

— AT OUR CORE, WE BELIEVE:

Technology makes the most important things happen for procurement.

All technology deserves air cover, whether established or brand new.

People should be able to make informed technology decisions *for themselves*.

— THIS IS WHY WE MAKE 50/50 AND FUTURE 5

This isn't just a "big list of companies" — it matters more for the buy-side than the vendors

It's a result of continuous market evaluation; not a "one-time" list

It's NOT a paid exercise for vendors to promote themselves (we regularly kick people out!)

It's "participate to play" - all about submitting data and proof; everyone on this list has given a demo/briefing in the past year (along with hundreds of others NOT on the list!)

— ...AND HOW WE DO IT DIFFERENTLY

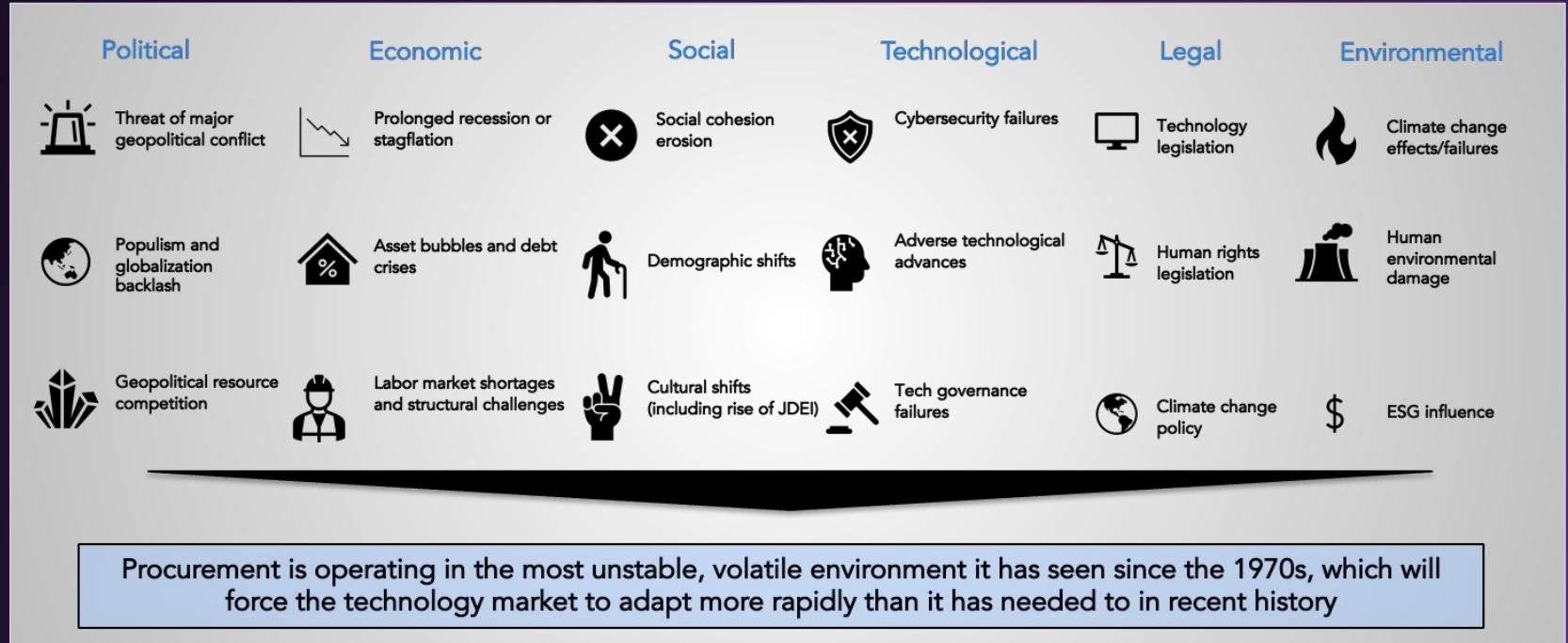
Full, continuous annual evaluation of core and emerging players

Scoring methodology based on demographic, customer satisfaction and “influence” data

Inclusion criteria designed to produce churn (earn your right to stay or move up every year)

We look at “Future 5” as an exercise in finding the next “Knows” over 5 years

TRENDS: MACRO



TRENDS: MICRO

FROM

TO

Suite dominance



"Alt Suite" breakout

Spend / buyer first



Networks / marketplaces

Risk management / ESG
are nice to have



Risk management / ESG
are must-have

Boundaries of procurement
tech = source-to-pay



Boundaries of procurement
tech = limitless??

— SUITES

Procurement suites may seem the same on the surface, but they all have unique strengths and “ideal” customers



- Each suite has a different remit based on target customer size, industry/vertical strength, geographic reach/focus and overlap with other sectors
- Based on their histories and strategic choices (e.g., acquisitions, partners) certain suites are positioned to solve different kinds of “pain points”
- Some excel at increasing finance-procurement synergies; others strive to bring all S2P processes and spend into a single solution; a new class is homing in on increasing tech adoption/ procurement ability is smaller orgs
- The largest suites are increasingly taking on enterprise orchestration challenges by breaking down silos between functions via spend, risk and value management

SUITE VENDOR EXAMPLES



Finance-procurement synergies

Managing all S2P spend/processes in one place

Driving mid-market maturity and tech adoption

Enterprise process consolidation and orchestration






— NEW TECH: THEORY TO REALITY



- AI
- Blockchain
- Customization
- Intelligent Content Extraction
- Predictive Analytics
- Mobile and Collaboration Technology
- Robotic Process Automation
- No code/low code

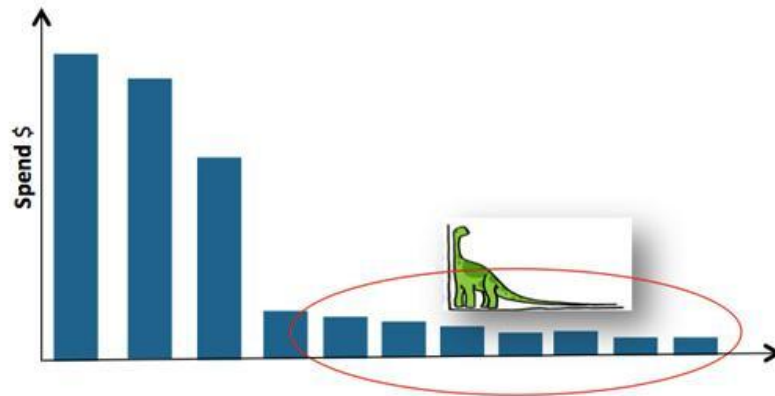


— NEW TECH VENDOR EXAMPLES

	Artificial Intelligence	Everstream uses AI to map n-tier suppliers (past tier 1) with their Everstream Discover tool
	Smart Contracts	DocuSign is in the proof-of-concept stage of blockchain-based SCs
	Advanced Predictive Analytics	Anaplan Predictive Insights enables AI-based predictive modeling
	No-code/low-code	Customers can customize the solution at will with no involvement from Certa
	Mobile App	Jaggaer's mobile app allows for approvals & doc viewing






— TAIL SPEND

- Traditional procurement neglects tail spend as a category
- Lack of proper software and strategy has made it difficult to address historically
- Pandemic has increased one-time, unmanaged purchases
- Recent supply chain disruptions have accelerated the innovation and focus on tail spend
- Visibility, automation and data connectivity are essential to manage tail spend



Source: Adapted from Accenture

— TAIL SPEND VENDOR EXAMPLES

	B2B Sourcing	Used for tail spend purchases and tracking via capabilities such as punch-out
	Tail Spend Management	Manages infrequently used vendors through their punch-out solution
	Purchasing and Spend Management	“All-in-one” purchasing using v-cards and automation
	Sourcing and Tail Spend Management	Uses AI to source tail spend suppliers and track spend metrics
	Expense Management	Spend management through policy and card controls

Source: Adapted from Accenture

— SPEND ANALYTICS: ADDRESSING DIRTY DATA



- The pain around data quality is one that won't go away — see Deloitte CPO survey 2022 or any other large survey
- Systems proliferation compounds the problem, especially when multiple heterogenous systems are involved
- Talent/resources is another constraint, as without the right people (or tools), you can't even get the insights from the data
- AND, savings opportunities are the bare minimum; tying risk and ESG factors to your spend analysis is becoming a "must have"

— SPEND ANALYTICS: VENDOR EXAMPLES



People/external resources to clean, maintain or find insights from data

Multi-data-source integration and harmonization

Enriching and extending scope of spend analysis out of the box

AI (or: DIY) for speed

— CONTINGENT WORKFORCE + SERVICES

PROCUREMENT TRYING TO FIND TALENT AND LABOR AT AFFORDABLE PRICES



- Procurement is caught dead center in the “war for talent” — both internally and for labor/services sourcing
- The overall number of independent workers exploded in 2021, up 34% to 51.1 million from 38.2 million in 2020 (MBO Partners)
- The issue is in many areas of the economy, including not only white-collar remote workers but also a labor market that favors workers of all types (see: recent rail strike staredown)
- Rate opacity is an issue, too — prices are climbing and finding good benchmarks is hard

— CW/S VENDOR EXAMPLES

beeline* Utmost SAP Fieldglass

 **ProcureWise**
Procure Talent Wisely

nétive

pixid


Brightfield

- The ability to address the extended workforce is becoming a major point of differentiation
- Total talent management around HR-centric capabilities is changing VMS
- Talent data and services program optimization

— ESG + RISK

From being the best in the world to being the best for the world...

Paint points (some)

VUCA (volatility, uncertainty, complexity, ambiguity)

Transform supply chain from a "utility" to a force for good (self- and ecosystem-survival)

More data to collect, maintain, analyze, ...

... about more companies (not just tier-1 suppliers)

Low maturity (internal & external): new "fuzzy" regulations, where/how to start, etc.



Critical capabilities (some)

Descriptive ☐ Predictive ☐ Prescriptive

Interoperability (to embed into all processes)

Supply chain transparency

Content and "frameworks"

Guidance and support for suppliers (ecosystem approach)



ecovadis



— SXM



Quiz: is it

1. A buyer talking to a stakeholder?
2. A buyer talking a supplier?
3. A supplier talking to a buyer?
4. All the above...

Paint points (some)

KYS (Know Your Suppliers)
KYS (Know Your Stakeholders)
KYS (Know Your Spend)

Manage, distribute, maintain information
about suppliers (trust)

Define and nurture (relevant)
relationships (even beyond tier 1)

Portal fatigue (stakeholders and
suppliers)

Critical capabilities (some)

Supplier Information Management
(MDM and cross-process fertilization)
beyond identity and transactional details

Efficiencies to collect, manage, and
verify/vet data

Extended collaboration (internal,
external, free-form) beyond tasks and
activities



apexanalytix.

graphite Connect



STATE OF FLUX



ZIP

— INTELLIGENCE

In God we
trust, all
others bring
data.

—William E. Deming



Paint points (some)

VUCA (volatility, uncertainty, complexity, ambiguity)

Interdependencies (supply webs and trade-offs)

Information overload and analysis paralysis

Firefighting, no time to take a step back...

Critical capabilities (some)

Outside-in: companies (suppliers, competitors), categories, markets, commodities, supply, currencies, etc...

Contextual and actionable: analysis and recommendations delivered into and enhanced from (orchestration) "workflows" and processes (even if executed in other apps)

Embedded explainability

Ad-hoc services



BEROE



— CLM: CONTRACT DIGITIZATION

- Contract lifecycle management is not possible without digitization of existing records
- Companies lose money and time by using filing cabinets — even “virtual” filing cabinets like Excel or SharePoint that do not truly digitize contract metadata
- Solutions that digitize contracts offer OCR, metadata extraction, legacy contract analysis, and more
- Digitization of future contracts can also be achieved through authoring and collaboration tools



Contract Value Realization & Process Acceleration

- Digitization alone would leave companies without the tools to continuously gain value from contracts
- Existing contracts can be made more valuable with contract analytics, advanced reporting, customizable dashboards, and more
- Value leakage is prevented by ensuring deliverables/contract execution, or by helping with reconciliation when necessary
- Future contracts can be executed faster with counterparty collaboration, online negotiation, AI, etc.



— CLM: VENDOR EXAMPLES



— B2B PAYMENTS + FINANCING



Pain points include:

- Handling large volumes of payables
- Having visibility and control over payments
- Consolidation of all types of payments —
Check, ACH, SEPA, Cross-border
- Card programs (v-card/p-card)
- Payment reconciliation
- Avoiding frauds
- Approving invoices on time to offer finance
- Financing adoption

— VENDOR EXAMPLES



— E-INVOICING AND COMPLIANCE



Pain points include:

- Converting all invoices into e-invoices
- Automating invoicing process (capture, match and validate)
- Keeping e-invoicing government regulations compliance
- Tax validation

— VENDOR EXAMPLES



— THANK YOU!

For more, including our complete lists of 50 providers to know, 50 providers to watch and our Future 5, please visit our website (www.spendmatters.com).

Want to work with Spend Matters?

Let's be friends. Reach out to Sheena: ssmith@spendmatters.com