

# **BIG DATA ANALYTICS**

# **BIG STRATEGIC INSIGHTS**

## BIG DATA? BIG DEAL.

Procurement organizations generate and store massive amounts of data, which is often widely dispersed across different systems, operations and geographies. But how can data help procurement take control of its landscape? How can procurement use data and make it work to provide the insights that will enable better planning, efficiency and effectiveness?

Before there was big data, there was just ... data. Procurement organizations compiled mainly internal, structured data from transactions, operations and partners through laborious processes that often took weeks to complete. Today, sources for data have expanded to include a much more disparate set of both internal and external, structured and unstructured data obtained from automated processes executed within hours or, in many cases, in real time.

Having the data is a good thing — but it's the procurement organization's analytical capabilities that truly change the game, enabling it to unlock the real value of large amounts of structured and unstructured data and get to the next level of impact on enterprise-wide performance.



### BIG SUCCESS WITH BIG DATA

For today's digitally-enabled procurement teams, data is an asset — a doorway to critical insights that can drive timely, informed and effective decision-making. Since every area of business operations generates and consumes data, performance can be improved through analytics. By processing and analyzing both structured and unstructured data, big data technology can help procurement organizations unlock greater insights into their operations and enable improved decision-making.

## A NEW DATA-DRIVEN, STRATEGICALLY FOCUSED PROCUREMENT ORGANIZATION

Analytics help tie together internal data sources, such as spend data, contract data and data related to supplier relationship management, with external data sources, such as supplier databases — providing information anytime and anywhere about supplier markets. Essentially, analytics can help procurement do things like identify the right suppliers, mitigate supplier risk, identify changing market conditions early, shorten procurement cycle times, optimize operations, and unlock new revenue opportunities, among others. Another benefit of analytics is a better understanding of participants and their behavior in the procurement process.

GEP helps enterprises leverage cutting-edge analytical technologies to drive decisive insights from structured as well as unstructured data. Our team of procurement and supply chain experts, data scientists and architects work with you to help you create a roadmap and strategy for big data. We help enterprises build the necessary infrastructure — people, processes and technology — to enable and support their big data strategy.







## FROM REACTIVE TO PROACTIVE

For procurement, big data represents a completely new approach. In the not-so-distant past, procurement was only able to reactively satisfy the demand triggered by requisitions. Big data allows it to become proactive by forecasting demand based on identified patterns, thus widening its traditional scope of action. A further benefit is a more detailed understanding of supplier performance. The results can be used to weigh strengths

and weaknesses and make determinations when designating certain suppliers for key products. This can be achieved by detailed root-cause analysis based, for example, on data about ordering, delivery and quality.

## APPLYING ANALYTICS TO PROCUREMENT

GEP can provide ongoing as well as ad-hoc analytics for procurement organizations in the following areas:

-  **Self-Service Analytics and Reporting:** An approach to data analytics that enables procurement to develop reports and perform analysis on spend, supplier base, compliance and other spend-related data.
-  **Predictive Analytics:** Predictive models typically support in planning or predict the most likely outcomes based on actual conditions. Procurement can forecast spend based on anticipated changes in the business and pricing based on external factors. Additionally, procurement could also support the supply chain with network design and optimization.
-  **Scorecards:** An easy-to-read, real-time graphical snapshot of performance outputs of procurement based on a set of effectiveness and efficiency metrics. This enables instantaneous, informed decision-making.
-  **Risk Analysis:** This technique identifies business risks to the supplier base — including pricing risk, compliance risk, geographical risk, disaster risk and others. It also helps define preventive measures and detect countermeasures to successfully deal with risk scenarios.
-  **Data Mining:** An application that analyzes large amounts of data to identify trends that offer meaningful insight. Procurement can better understand spending trends, supplier performance trends and external pricing trends.
-  **Slice-and-Dice Analysis:** An analytical tool that presents data along different dimensions. Procurement can thus benefit from spend information by supplier, geography and category.

## WHERE IT MATTERS

Big data and analytics can bring about transformative changes in procurement. They will usher in a new frontier for procurement with the potential to deliver on the promise of business intelligence. Enterprises can leverage GEP's expertise to get actionable insight for improved business results. Our unique combination of big data feeds, predictive analytics and reporting frameworks helps deliver greater data assurance, ultimately helping reduce costs, thanks to greater visibility and control.

To learn more about how your procurement team can leverage big data, **contact GEP today.**



GEP helps global enterprises operate more efficiently and effectively, gain competitive advantage, boost profitability, and maximize business and shareholder value.

Fresh thinking, innovative products, unrivaled domain and subject expertise, and smart, passionate people — this is how GEP creates and delivers unified supply chain solutions of unprecedented scale, power and effectiveness.

Named a Leader in Gartner Magic Quadrants, Winner for Best Procurement Software and Best P2P Provider at the World Procurement Awards, Best Procurement Consultancy at CIPS Supply Management Awards, and Best Provider at the EPIC Procurement Excellence Awards, GEP is frequently honored as an innovator and leader in source-to-pay direct and indirect procurement software by Gartner, Forrester, IDC, Procurement Leaders, Spend Matters and CPO Rising.

GEP is also ranked leader in managed procurement services (procurement outsourcing) by Everest Group, NelsonHall, IDC, ISG, HfS and IAOP. In addition, the primary research firm in the management consulting sector, ALM Intelligence, ranks GEP leader in procurement strategy and supply chain consulting.

With 21 offices and operations centers in Europe, Asia and the Americas, Clark, New Jersey-based GEP helps enterprises worldwide realize their strategic, operational and financial objectives. To learn more about our comprehensive range of software and services, please visit [www.gep.com](http://www.gep.com).



GEP SMART is an AI-powered, cloud-native software for direct and indirect procurement that offers comprehensive source-to-pay functionality in one user-friendly platform, inclusive of spend analysis, sourcing, contract management, supplier management, procure-to-pay, savings project management and savings tracking, invoicing and other related functionalities.



GEP NEXXE is a unified and comprehensive supply chain platform that provides end-to-end planning, visibility, execution and collaboration capabilities for today's complex, global supply chains.

Built on a foundation of big data, artificial intelligence and machine learning, GEP NEXXE is next-generation software that helps enterprises make supply chain a competitive advantage.

100 Walnut Avenue, Clark, NJ 07066 | P 732.382.6565 | [info@gep.com](mailto:info@gep.com) | [www.gep.com](http://www.gep.com)

Clark, NJ | Houston | Chicago | Toronto | Mexico City | San Jose, Costa Rica | São Paulo | Dublin | London  
Amsterdam | Frankfurt | Prague | Pretoria | Mumbai | Hyderabad | Kuala Lumpur | Singapore | Shanghai | Sydney

Copyright © 2020 GEP. All rights reserved.