KMD SPEND ANALYSIS

ANALYTICS TOOL FOR OPTIMISING YOUR SPEND
Lacking knowledge of what and from who is purchased, and who in the organization is doing it. Are we contract covered on all our buying, and are the contracts competitive? Are the organization purchasing smart, efficient and within policy? What are the potential savings?

Capture insights
- Machine Learning categorization of every purchased item and service
- Structuring of invoice data and contract data so analysis can be made
- Reports that provides insights to support strategic and operational work throughout the procurement value chain

Increased potential
- Make better agreements by having better insight into the organization’s procurement behavior
- Identify new potentials throughout the procurement value chain
- Increase the possibility of realizing potentials by doing precise effect and compliance measurements

Need for structured data to create overview and insights into the procurement area
- +5,000 suppliers
- +2 million invoices
- spread over various categories and purchased by +1000 people

PROBLEM

SOLUTION

REWARD
KMD SPEND ANALYSIS SUPPORTS THE ENTIRE PROCUREMENT PROCESS (VALUE CHAIN)...

**Agreement coverage**
- Overview and insight in spend/framework agreement areas – complete business case
- Dynamic procurement program
- Fact based procurement categories and potential savings

**Conclusion of agreement**
- Basic categorization profil
- Analysing the procurement practise
- Market analysis (States, regions, municipality)
- Profit analysis in terms of cost drivers, including simulation of standardization, TCO, pricebenchmark, etc.
- Tender materials

**Agreement use**
- Tracking of customer business cases
- Increased loyalty of supplier
- Increased loyalty in terms of tender list
- Supplier meetings (Compliance)
- Management information

**Activity**
- Mapping out procurement areas
- Prioritization of procurement areas
- Tender on procurement areas
- Implementation of agreements
- Follow-up on agreements

"Finding profit"  "Collect profit"  "Actualize profit"
…BY TRANSFORMING UNSTRUCTURED DATA INTO STRUCTURED DATA PROVIDING OVERVIEW AND INSIGHTS…

(WHERE, WHO AND HOW MUCH TONER HAVE WE BOUGHT?)
...WHICH ENSURES THE POSSIBILITY OF IDENTIFYING AND REALIZING SIGNIFICANT POTENTIALS

- Identification of areas not yet exposed to competition, as well as an estimate of potential per spend category
- Benchmarking of prices paid, and identifying potential in best buy

- Identification of purchases made outside the agreed contract, and the cost of being noncompliant
- Identification of all overbilling (higher than the agreed prices), and aggregation of potential on suppliers
- Identification of all invoiced fees and delivery costs