



Improving e-Procurement Webinar Series

AMR RESEARCH PRESENTS: ACHIEVING MARKETPLACE 2.0
IMPROVING PRODUCTIVITY & END-USER SATISFACTION WITH PRIVATE, VIRTUAL
PROCUREMENT MARKETPLACES

 **AMR Research**

Your Presenters



- Mickey North Rizza, Research Director, AMR Research (recently acquired by Gartner, Inc.)
- Mike Precia, VP of Sales & Marketing, Vinimaya, Inc.

Agenda

- Brief Introduction to Vinimaya, Inc.
- “Achieving Marketplace 2.0”
- Experience a Marketplace 2.0 Platform: Vinimaya Smart Marketplace Technology™
- Marketplace 2.0 Success Stories
- Q&A
- Next Steps / Achieving Your Own Marketplace 2.0



Brief Introduction to Vinimaya, Inc.

Mike Precia

Vinimaya: A leader in Marketplace 2.0 technology

- Vinimaya was founded in 2000
- Headquarters in Cincinnati
- Part of a very successful portfolio of technology companies
- Crested profitability in 2005



Vinimaya Helps Fortune 500 Customers Achieve Marketplace 2.0



What do they all have in common?

All wanted to increase employee adoption of e-Procurement to maximize spend under management

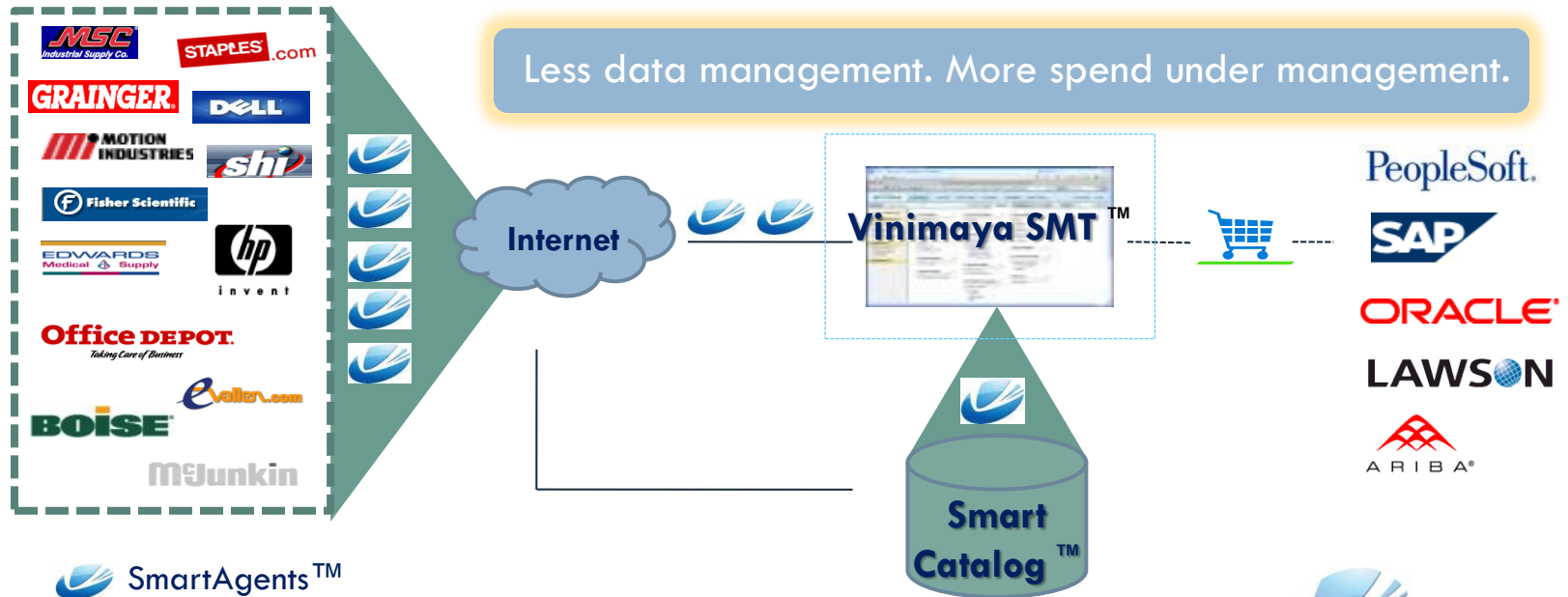
All needed to reduce the time, effort, and cost associated with supplier enablement and content management



How does Vinimaya address these challenges?

Vinimaya Smart Marketplace Technology™ provides a private, customized marketplace

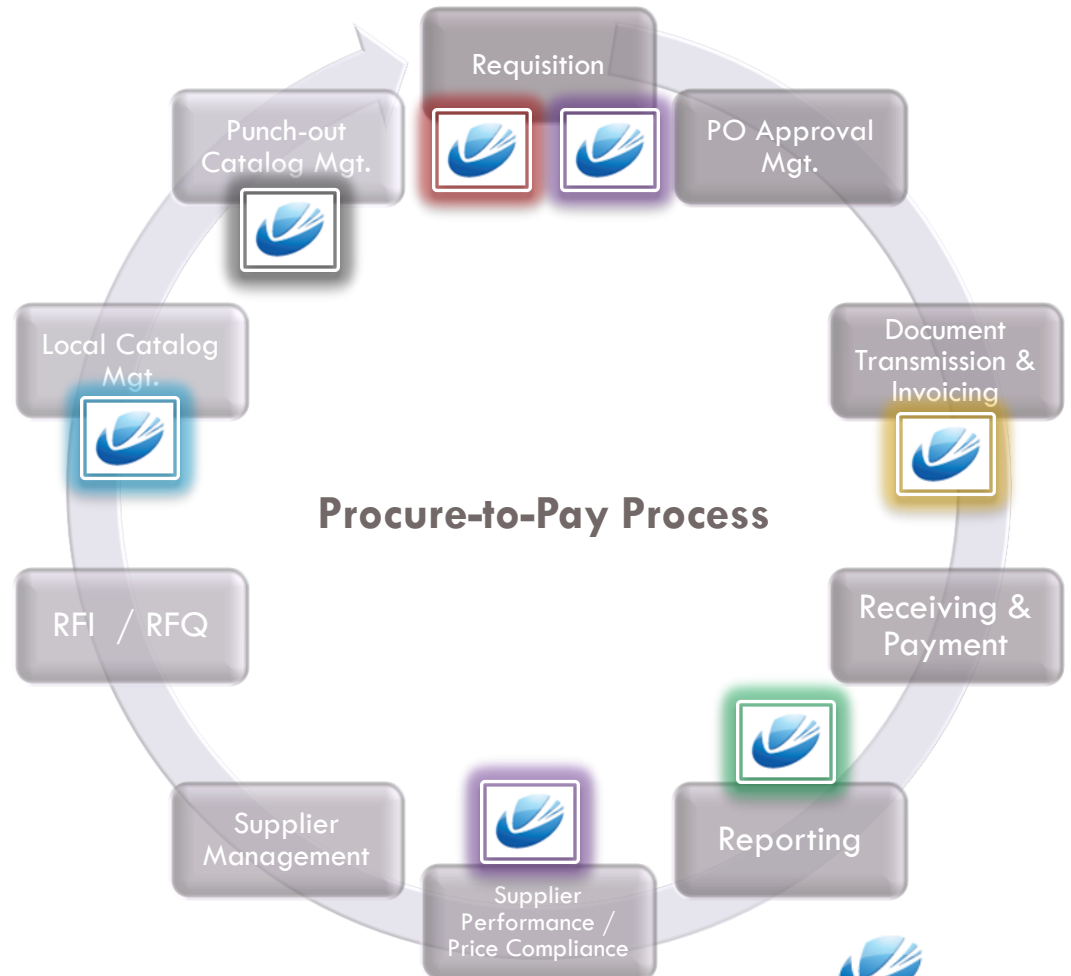
SmartAgents™ enable B2B shoppers to have a simple B2C shopping experience – across multiple catalogs – regardless of their backend e-Procurement system or ERP. This is accomplished within the controls and supplier base defined by the organization.



- SaaS deployed and 100% portable
- Companies can change systems without retraining or loss of data

Vinimaya Smart Marketplace Technology™ Product Suite

- SmartSearch™
- SmartTransport™
- SmartRank Reporting™
- SmartAudit™
- SmartCatalog™
- SmartAgent™



What's unique about Vinimaya SMT™?

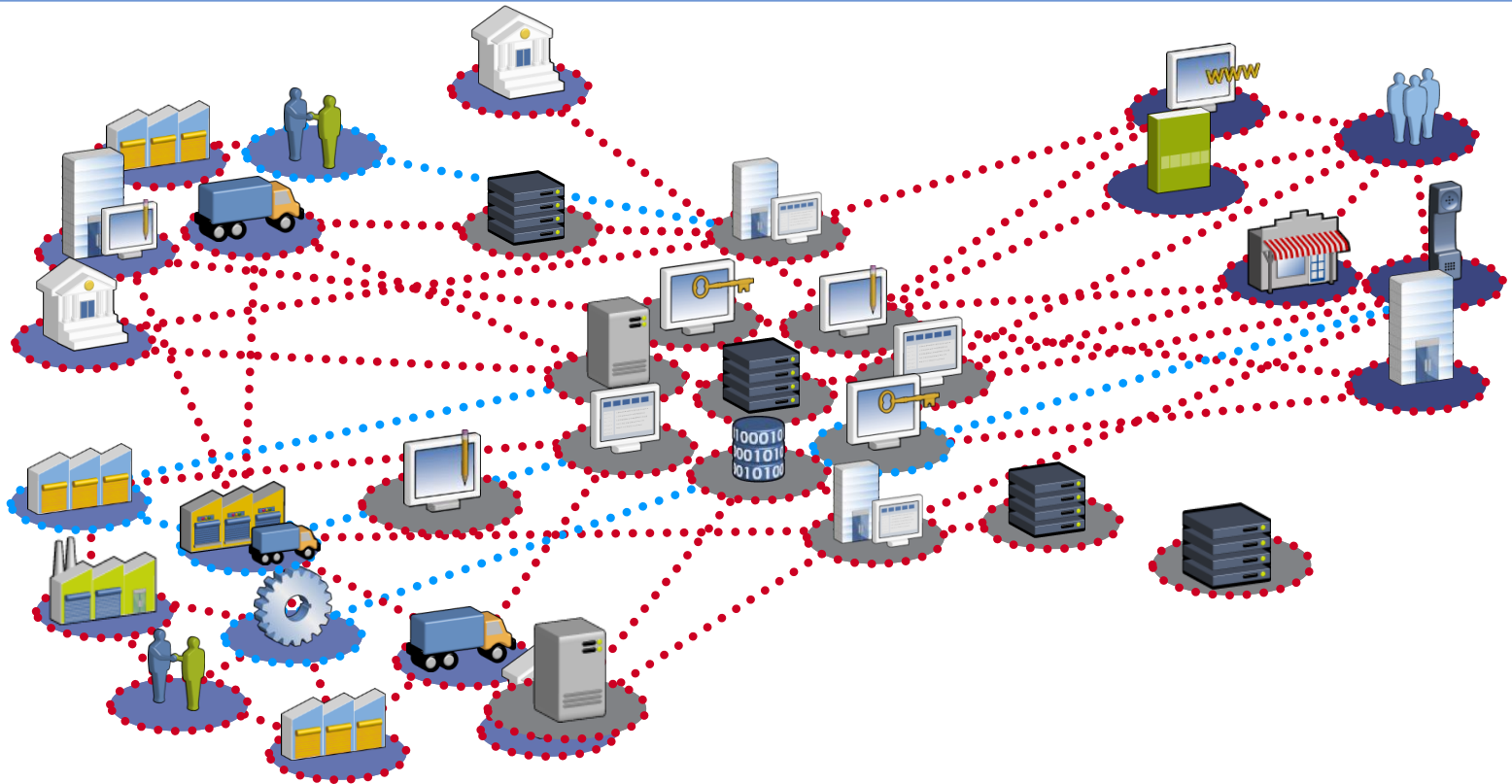
- Federated Searching across catalogs with aggregated Search Results
- Very familiar B2C-like shopping tools and experience to all Buy-Side specific catalogs
- Can be enabled from any catalog source
 - Online
 - Supplier Hosted (Punch-out, OCI, Transactive Websites)
 - Locally stored content
- Outsourced Punch-out Implementation and Management



“Achieving Marketplace 2.0”

Mickey North Rizza

Challenge: Global, Complex, Multi-Enterprise World



Complex

- Customer/Consumer expectations
- Business models
- Systems
- Processes
- Partner sophistication, capabilities, and preferences
- Customer, Sourcing, Distribution, and Fulfillment channels

Topics

- Consumer Virtual Shopping is Easier, Faster and More Efficient than Business Procurement
- Local vs. Global - Growth of B2C
- B2B: Catching up with the Consumer
- Adding VALUE:

ENABLING: End-to-End B2B Supply Chain

B2C vs. B2B

B2C

- Virtual search at fingertips
- Vast supplier resources within personal compliance parameters
- Minutes to purchase, few days to receipt

FAST, EASY and FROM ANYWHERE!

B2B

- Non user friendly work flow, search and purchase abilities
- Supplier content not up to date
- Reduced contract compliance
- Maverick spend

SLOW, INTERNALLY FOCUSED, COSTLY

Journey



The screenshot shows the Google Catalogs BETA website. At the top is the Google logo with 'Catalogs BETA' underneath. Below the logo is a search bar with a 'Google Search' button and links for 'Advanced Catalog Search' and 'Catalog Help'. The main heading reads 'Search and browse mail-order catalogs online', followed by links for 'Help', 'Google Add More Catalogs', and 'Info For Catalog Vendors'. A grid of category links is displayed, including Apparel & Accessories, Computers, Home & Garden, Arts & Crafts, Consumer Electronics, Lifestyle & Gift, Automotive, Education, Sports & Outdoors, Books, Music & Film, Food & Gourmet, Toys & Hobbies, Business to Business, and Health & Personal Care. The source is cited as 'Source: Googleguide'.

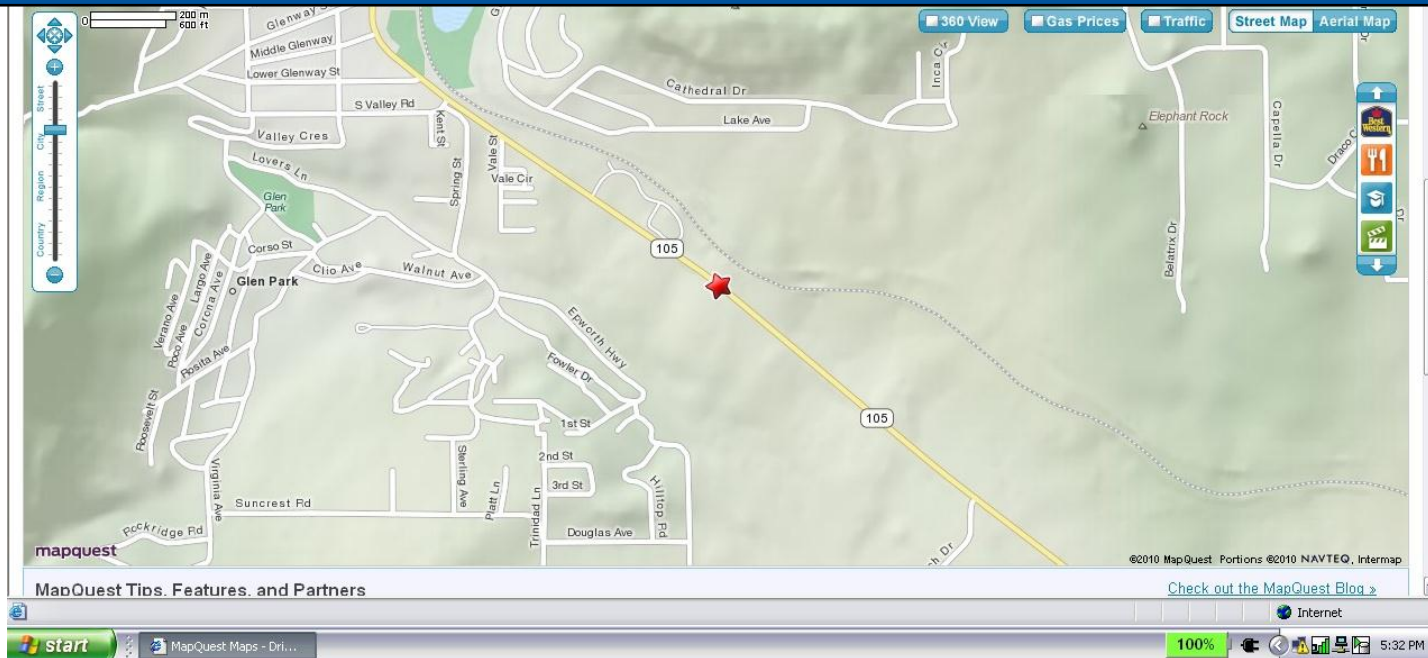
Apparel & Accessories J. Crew, L.L. Bean, Lands' End, ...	Computers Dell, PC Connection, ...	Home & Garden Crate and Barrel, Gump's, PetSmart, Williams- Sonoma, ...
Arts & Crafts Keepsake Quilting, Shar Music, ...	Consumer Electronics B & H, Crutchfield, ...	Lifestyle & Gift Crazy Crow Trading Post, RedEnvelope, ...
Automotive Camping World, Stylin Concepts, ...	Education Curriculum Associates, Discount School Supply, ...	Sports & Outdoors Bart's Watersports, Eastbay, Golfsmith, West Marine, ...
Books, Music & Film Acorn, Bas Bleu, ...	Food & Gourmet Harry and David, Mackenzie Limited, ...	Toys & Hobbies HearthSong, Lego, ...
Business to Business Life Uniform, OfficeMax, ...	Health & Personal Care FootSmart, Garden Botanika, ...	<i>Source: Googleguide</i>

Smith Family Saturday Shopping Adventure

1. Gather family and list of items required and set off on journey 9:00 am
2. Go to Home Depot, Lowes, and Walmart and compare grills, Think about it. 10:30 am
3. Instrument store and purchase flute for Sally 11:30 am
4. Purchase new men's shoes for Charlie 12:15 pm
5. Family lunch 12:30 pm
6. Grocery shopping for family 1:30 pm
7. Special food store for olive oil 2:30 pm
8. Back to Walmart to purchase grill 3:30 pm
9. Home 4:10 pm

Gas: 5 Gallons

Time: 7 hours



Computer Shopping Marketplace



Source: Snappytomato



Source: Ferret

Computer Shopping Marketplace

Purchase 4 Items in One Moment

Shopping Cart Items--To Buy Now

	Price:	Qty:
Item added on August 25, 2010 Pikolinos Hand-sewn Leather Oxford Shoe - Orvis Condition: New In Stock Shipped from: Orvis Save for later Delete <input type="checkbox"/> This will be a Gift (Learn more)	\$169.00	1
Item added on August 25, 2010 Mantova Organic Flavored Extra Virgin Olive Oil, Basil, Garlic, Lemon, Chili 8.5 oz each. - Mantova Condition: New In Stock Shipped from: Fine Italian Food Save for later Delete <input type="checkbox"/> This will be a Gift (Learn more)	\$29.99 You Save: \$1.97 (6%)	1
Item added on August 25, 2010 Conductor Sterling Silver Plated Flute w/ Deluxe Leather Case, 1 Year Warranty - Conductor Condition: New In Stock Shipped from: The Instrument Store Save for later Delete	\$109.99 You Save: \$290.00 (73%)	1
Item added on August 25, 2010 Canon PIXMA MP560 Wireless Inkjet All-In-One Photo Printer (3747B002) - Canon USA Inc. Condition: New In Stock Save for later	\$68.99 You Save: \$81.00 (54%)	1

[Proceed to Checkout](#)
[Sign in](#) to turn on 1-Click ordering.
 This will be a Gift [\(Learn more\)](#)

Express Checkout with PayPhrase
[Dormant Civilians](#)
[What's this?](#) | [Create PayPhrase](#)

Recently Viewed Items

- [Pikolinos Hand-sewn Leather Oxford Shoe](#) by Orvis
- [Mantova Organic Flavored Extra Virgin Olive Oil, Basil, Garlic, Lemon, Chili 8.5 oz each.](#) by Mantova
- [Conductor Sterling Silver Plated Flute w/ Deluxe Leather Case, 1 Year Warranty](#) by Conductor

[View & edit Your Browsing History](#)

Featured Item

start Amazon.com Shoppin... 100% 5:30 PM

Gas: 0 Gallons
Time: Minutes

Creates more time for fun activities with family & friends

Gartner®

B2B: Slow to Adopt to B2C Trend

B2B e-Procurement Enterprise Centric NOT Value Driven Supply!

- IT Investments Are Enterprise Centric Focused: Internal Use, Costly to Implement & Maintain
- Enterprise enabled/managed supplier product content: Costly for enterprise
- Punch-out to supplier's web catalog, search at site, & return to e-Procurement shopping cart

WHAT DOES THIS REALLY MEAN?

- 68% of buyers are not satisfied with B2B e-Procurement experience
- 60% of content management solution buyers have NOT moved past content management.
- 28% of e-Procurement executives report gaps in the performance of the technology, the business process, & end-user satisfaction

Enterprise: Slower user adoption, costly to maintain, limited one-time choices

Suppliers: Slower time to value, new products introduced late

Improving B2B: Enabling End-to-End VALUE

Visibility

- Across all facilities, and preferred suppliers
- Choice in the 'buyer's hands

Unlimited Search Capability

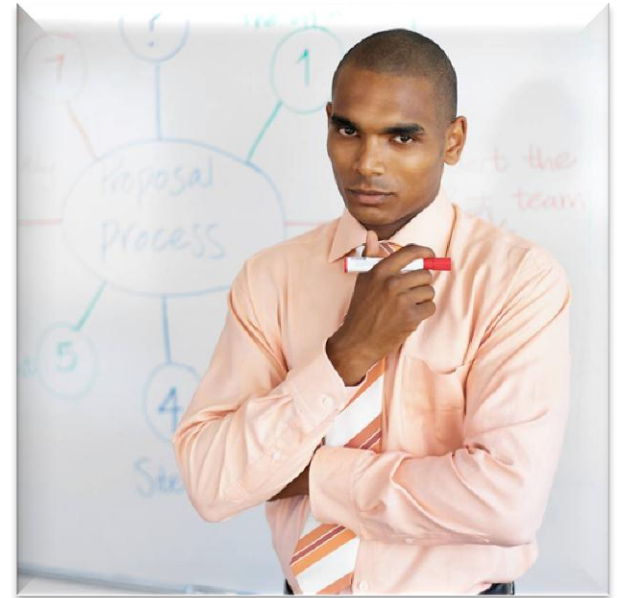
- Search across supplier websites, internal sites
- Aggregated information simplifies search and provides options
- Up to date supplier information

'Touchless' or Effortless Experience

- Across all facilities, and preferred suppliers
- Experience not required

B2C Experience

- Easy, accessible
- Time to value
- Reduced costs



e-Procurement : Value Driven End-to-End Supply Chain

B2B Marketplace 2.0

Search and Content Enabling Solutions

- Increased Spend Under Management: 38% average increase of spend under management
- Increased Employee Adoption: 3x Improvement
- Supplier Enablement and Content Management:
\$28/average reduction in purchase transaction (Time/FTE/On Contract)

Why?

- Consumer-oriented approach
- Federated search across all catalogs (internal & external)
- Aggregation of information for immediate selection
- Company enabled virtual private marketplace
- Cloud solutions



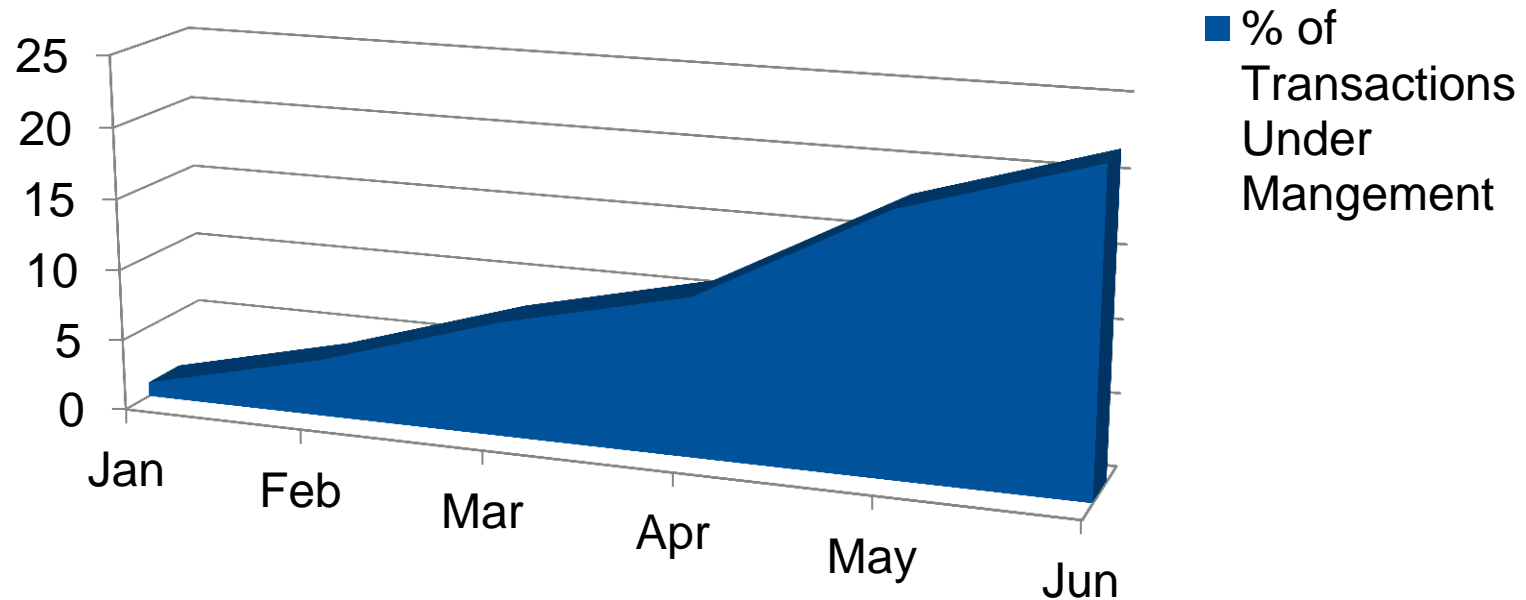
Improved Spend Under Management

Spend Management KPIs	Laggards	Average	Leaders
Average Savings	4%	8%	17%
Cost Avoidance*	10%	17%	25%
Managed Spend	8%	25%	72%
Manual Touches	11	8	3
Technology Applications	1	3	4

Managed Spend Increased By:

- ✓ Comparison Searching to Contracts: lower cost or purchased goods
- ✓ Improved User Experience
- ✓ No need to maintain approvals/accounting/product catalogs on separate suppliers sites: contract compliance and reduced maverick spend

Improved Employee Adoption

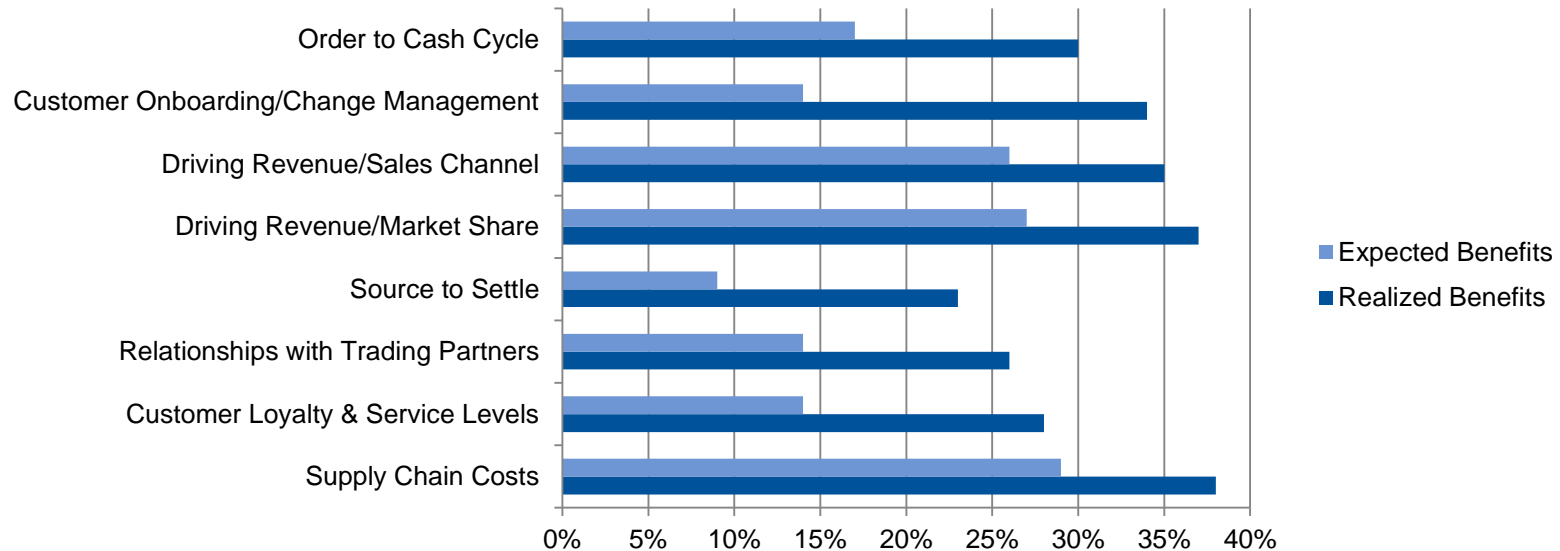


Transaction Costs Reduced by:

- ✓ Comparison searching: lower cost or purchased goods
- ✓ No need for quotes: fewer required Procurement resources
- ✓ No need to maintain approvals/accounting/product catalogs on separate suppliers sites: contract compliance and reduced maverick spend
- ✓ No punch-out management costs: reduce supplier management costs

Improved Supplier Enablement & Content Management

Cloud: Benefits Realized Exceed Expectations!



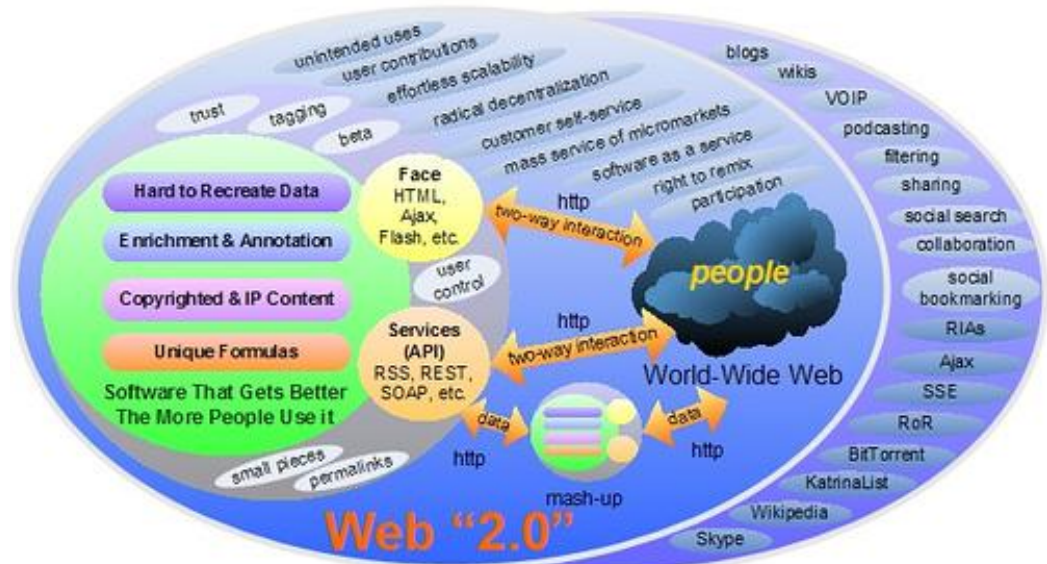
Costs Reduced by:

- ✓ Less FTE's to manage supplier enablement and content
- ✓ Buying against supplier contracts
- ✓ Short time to value for both buyers and suppliers
- ✓ Cloud solutions



Marketplace 2.0: Delivering End to End Value

Elements of the Web's Next Generation



Source: <http://web2.wsj2.com>

Thank you

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Experience a Marketplace 2.0 Platform

Vinimaya Smart Marketplace Technology™

Mike Precia

Vinimaya SmartSearch™

- Robust, yet extremely simple to use, cross-content shopping features:
 - Searching
 - Refining
 - Sorting
 - Quick Order
 - Saved Carts
 - Packages

Quick Order

Supplier Name	Select	▼
Qty	Item#	
<input type="text"/>	<input type="text"/>	
<input type="text"/>	<input type="text"/>	

Package

Line	Package Name ▲	Package Owner
1	Corp Sales Team Golf Event Shirts with Logo	demobuyer
2	Mgmt Travelers Wireless Cellular Modem Options	buyer
3	Monthly Office Supplies Package	buyer

Favorite Searches

Line	Name of the Favorite
1	Drill
2	Staplers from Staples
3	Mouse From Inmac Germany

Saved Carts

Line	Cart Name	Creation Date
1	ManPower Accounting Temps for Qtr Closing	08-11-2009
2	Accounting Kit Ledger and Calculator	07-09-2009
3	Last Active Cart	01-07-2010

Marketplace 2.0 Success Stories

Mike Precia

Success Story: User Adoption at Siemens

- Suppliers must re-create catalog content from their Web shops
- File format places limits on description lengths and product information
- The end product is lower quality than what is in supplier's web shop
- Static catalogs do not provide availability status nor real time price
- Tool search functionality is not very user friendly
- Data quality makes it difficult for shopper to know exactly what they are ordering

Before



SIEMENS
Catalog Access Service, CatMgmtUS

Quick search | Advanced search | Search result | Product Selection | Your Product Selection: no items

Logitech VX Revolution Wireless Notebook Mouse

Product no.	1025451
Supplier	CDW Computer Centers, Inc.
Short description	Logitech VX Revolution Wireless Notebook Mouse
Manufacturer	Logitech
Manufacturer no.	931690-0403
Long description	LOG VX REVOLUTION NB LASER MOUSE
Leadtime	3 day(s)
Packing quantity	1.0
Material group	NNA
Supplier duns no.	107627952
Hazardous substance	No
Hazardous good	No
Keywords	Logitech VX Revolution Wireless Notebook Mouse
Uom (order unit)	piece
Customer price pu	67.10 /1 USD

Order amount: 1

No picture available

- After going “live” with Vinimaya, 80% of catalogs are supplier-hosted
- Connects Siemens shoppers to rich, up to date online content of preferred suppliers
- Shop across multiple supplier catalogs in one environment
- “If users can shop online at home, they can shop online at Siemens”

After



Logitech

Logitech VX Revolution Wireless Notebook Mouse

Product ID: 1025451
CDW Part: 931690-0403
UNSPSC: 43211708

Price: **\$64.99**

Qty: [Add to cart](#)

Availability: In stock and ready for shipment. Ships same day if ordered before 4 p.m. CT

Overview | **Specs**

Main Features

- Cordless
- USB
- PC and Mac Compatible

Specifications are provided by the manufacturer. Refer to the manufacturer for an explanation of the print speed and other ratings.

The ultimate notebook mouse, VX Revolution? turbocharges your digital experience with a near's frictionless scroll wheel that lets you fly through long documents at hyper-speed. Perform instant web queries with the convenient search button, and effortlessly zoom in and out of photos and documents. The sculpted, right-hand shape with rubber grips provides exceptional comfort, while laser tracking and ultra-slippery feet give you pinpoint control. Robust 2.4GHz Digital Cordless with storable micro-receiver.

Hyper-fast Scrolling: Hyper-fast scrolling lets you fly through long documents, and instantly stop wherever you want.

Touch to Search: Touch to Search button for instant results.

Success Story: Contract Compliance at UPMC



Background

The University of Pittsburgh Medical Center (UPMC) had grown from \$2b in revenues to over \$7b in 10 years. Despite having a major ERP system in place, contract compliance was below 20%, special requests and maverick spending was rampant, and the growing user base and supplier base was compounding the issue.

Decision Points

In early 2007, UPMC made the decision (after a thorough technology review) to implement Vinimaya's eMarketplace technology as an enhancement to the existing eProcurement module.

UPMC

Solution

UPMC implemented the eMarketplace solution as a single connection from ERP. The supply chain group then began a systematic onboarding of 30 punch-out suppliers, along with hosted supplier catalogs. Further, UPMC integrated the Item Master file (60k+items; 850 suppliers) into the eMarketplace.

Results

\$3M Annual Hard Dollar Savings
ROI > 35%

15 months post implementation:

UPMC is fully deployed at 20 locations (including Corporate)
Transaction level: 340,000 (past 12 months)

Compliance: 50% increase in contract compliance

Automation: 15% increase ; currently 40% of total purchase transactions are "touchless" (estimate \$30 savings per transaction).

Process: 33% reduction in time spent on placing orders. Also, UPMC experienced a 40% reduction in FTE headcount for catalog management.

Q&A



Next Steps / Achieving Your Own Marketplace 2.0

- Contact Vinimaya, Inc. to schedule a demo of our latest Smart Marketplace Technology™ release, Version 5.3, at **Sales@Vinimaya.com**
- Mike Precia, VP of Sales & Marketing
 - mprecia@vinimaya.com
 - (262) 252-8834 office
 - (262) 951-6296 mobile

