



# **IMPROVING E-PROCUREMENT:**

**HOW CRICKET COMMUNICATIONS TRANSFORMED THEIR PROCESS**



June 29, 2010

# Agenda

- Introduction to Vinimaya & Cricket Communications
- Case Study: How Cricket Communications Transformed Their e-Procurement Process Using Vinimaya Smart Marketplace Technology™
- Q & A
- Upcoming Events



# Your Presenters

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Sean Crowder, B2B e-Commerce Manager,  
Cricket Communications

John Hutchinson, President, Vinimaya, Inc.



# 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

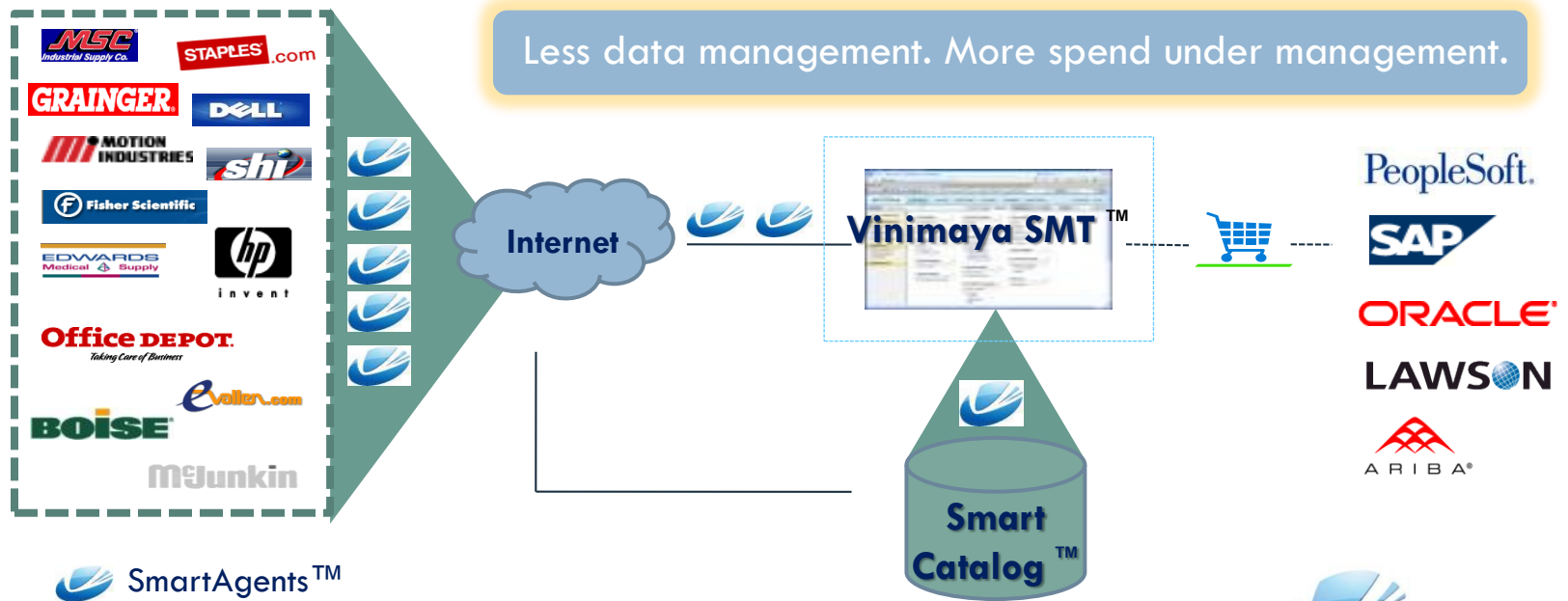
All needed to reduce the time, effort, and cost associated with supplier enablement and content management



# How does Vinimaya address these challenges?

## Vinimaya SMT™ 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

# 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 (Punchout, OCI, Transactive Websites)
  - Locally stored content
- Outsourced Punchout Implementation and Management

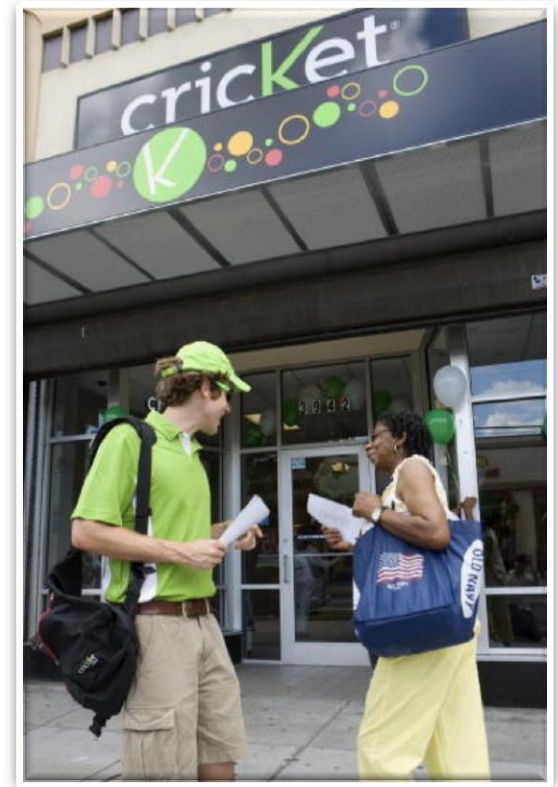


# Case Study: Cricket Communications

Transforming the e-Procurement Process

# About Cricket Communications

- A Leap Wireless Company
- Leading No-Contract Wireless Carrier
  - Nationwide Service
  - Over 5 Million Customers
  - Over \$2B Spend (Direct & Indirect)
- Wireless and Mobile Broadband
- Corp HQ – San Diego



# What business issues brought Cricket to Vinimaya SMT™?

- Double-digit annual OIBDA growth for the last 12 years
  - Minimal consolidation of purchasing
  - End-user compliance needed improvement
  - Missed savings opportunities
- Cricket recognized that one of the keys to success is to capture the end-users
  - Intuitive **B2C-like end-user online shopping experience**
  - **Rapid supplier enablement** to capture spend categories
- Cricket had a lean team, with many concurrent projects
  - High % of key suppliers via **“touchless” punch-out catalog connections**
  - **Simple, proven integration with Oracle**
  - Needed to **quickly show a return-on-investment**



# Cricket e-Procurement Transformation: Many Projects, One Team

- **Goal: Rapidly upgrade to Procurement 2.0**

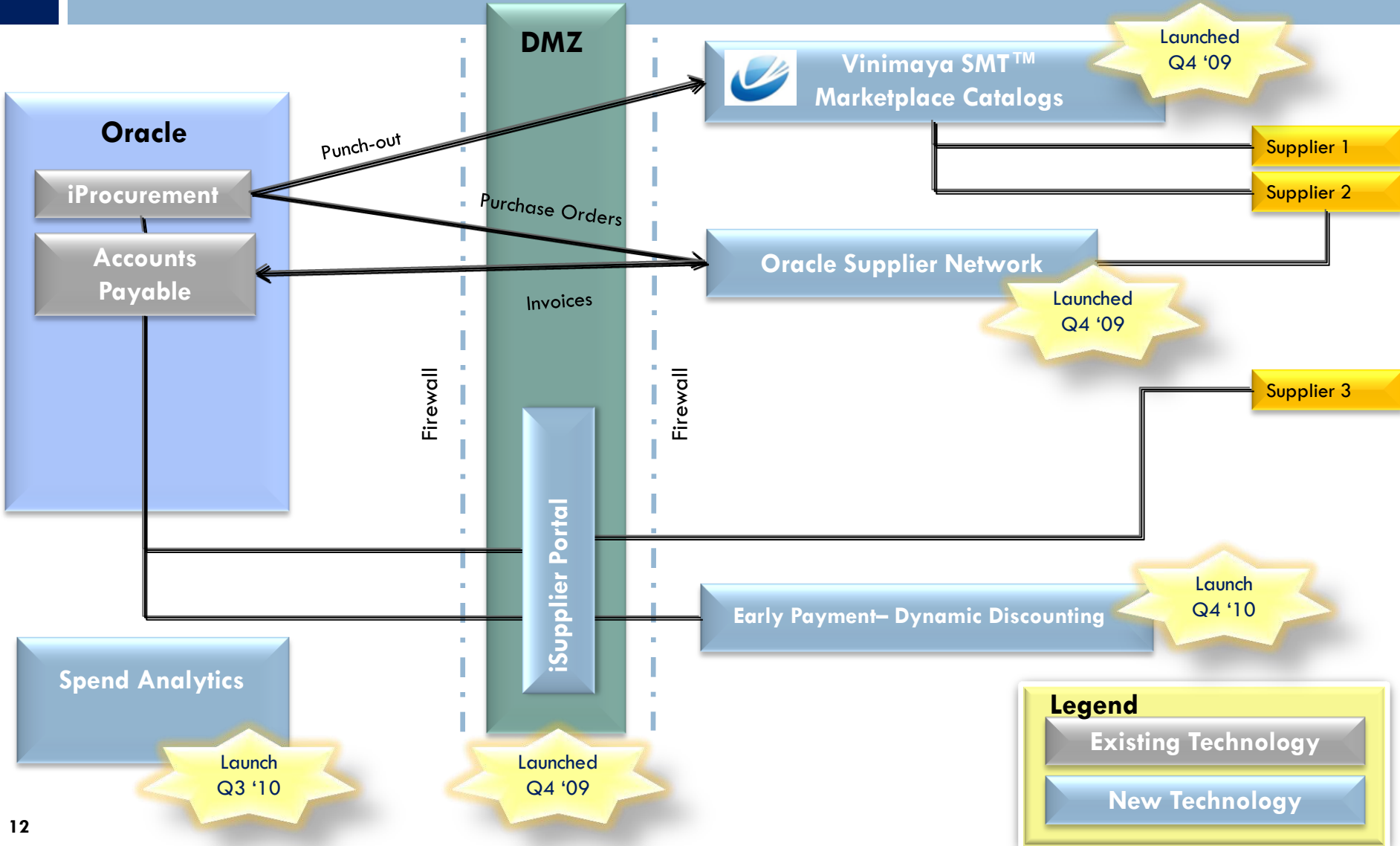
- Concurrent projects:
  - Supplier Portal
  - Contract Management
  - Spend Analytics
  - Inventory Management
  - Supplier Performance Management
  - Early Payment Discount Capture
  - Transactions/Document Transport



- **Goal: Achieve Marketplace 2.0**

- Provide end-users with a one-stop shopping experience
  - A private, virtual Marketplace to search and shop for goods and services within the universe of approved suppliers
- ‘Outsource’ the management of dynamic content connections (punch-out, etc.)
- Offer simple comparison shopping to give end-users the opportunity to purchase goods and services at the lowest prices

# Cricket Project: Legacy Systems, New Solutions & Timelines



# Cricket Marketplace Project Requirements

- **Business Requirements**
  - Contract Compliance Monitoring
    - Including Punch-out Suppliers
  - Visibility to Product Detail
  - 'Outsourced' Supplier Enablement
- **One-Stop Shopping Experience**
  - Superior B2C-like Search Functionality
    - Cross Punch-Out Capable
  - Includes Internal & 'Punch-out' Content
  - Tiered Supplier Categories in Search Results
    - Preferred / Approved / Contracted



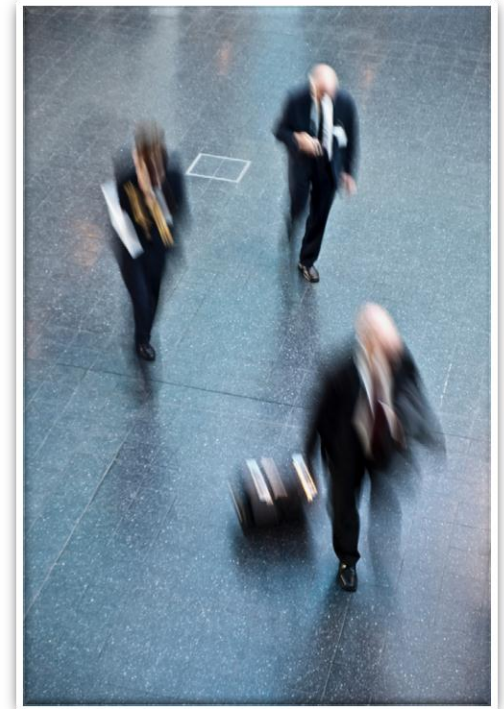
# Cricket e-Procurement Project Requirements

## ■ Functional Requirements

- Oracle Compatible
- Business Unit Level Customization
- Ability to include Oracle inventoried items in search experience
- UNSPSC code tracking ability

## ■ Power Tools and Collaboration

- Packages/Kits/Bill of Materials
- Share Shopping Carts
- Favorites & Saved Carts



*"Now we have a tool that makes the online buying process as easy at work as it is at home."*

*-Cricket End-User After Vinimaya SMT Implementation*

# Cricket e-Procurement Project – Results Achieved

- Integration completed in 8 weeks!
  - Partnership with Vinimaya Technical Team
- Instant Spend Visibility & Control
  - In conjunction with electronic transactions
- Immediate Reduction in Transaction Costs
  - In conjunction with electronic transactions/portal
  - Eliminated supplier-dependant sites
    - Office Supplies, Marketing, IT, Sales
  - Maximized Procurement resources



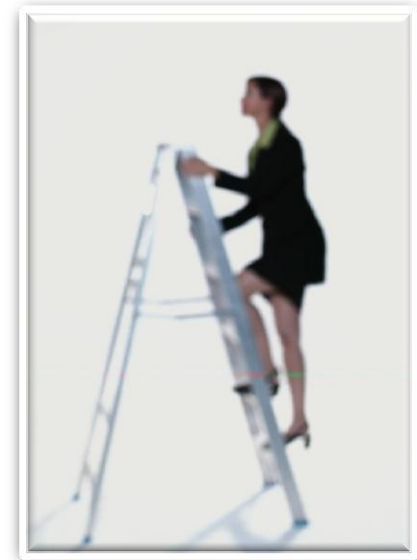
*“Our Suppliers really appreciate Vinimaya SMT; it’s the key to less on-boarding tasks for them and more transactions from Cricket.”*

*-Cricket Procurement Project Executive Team Member*

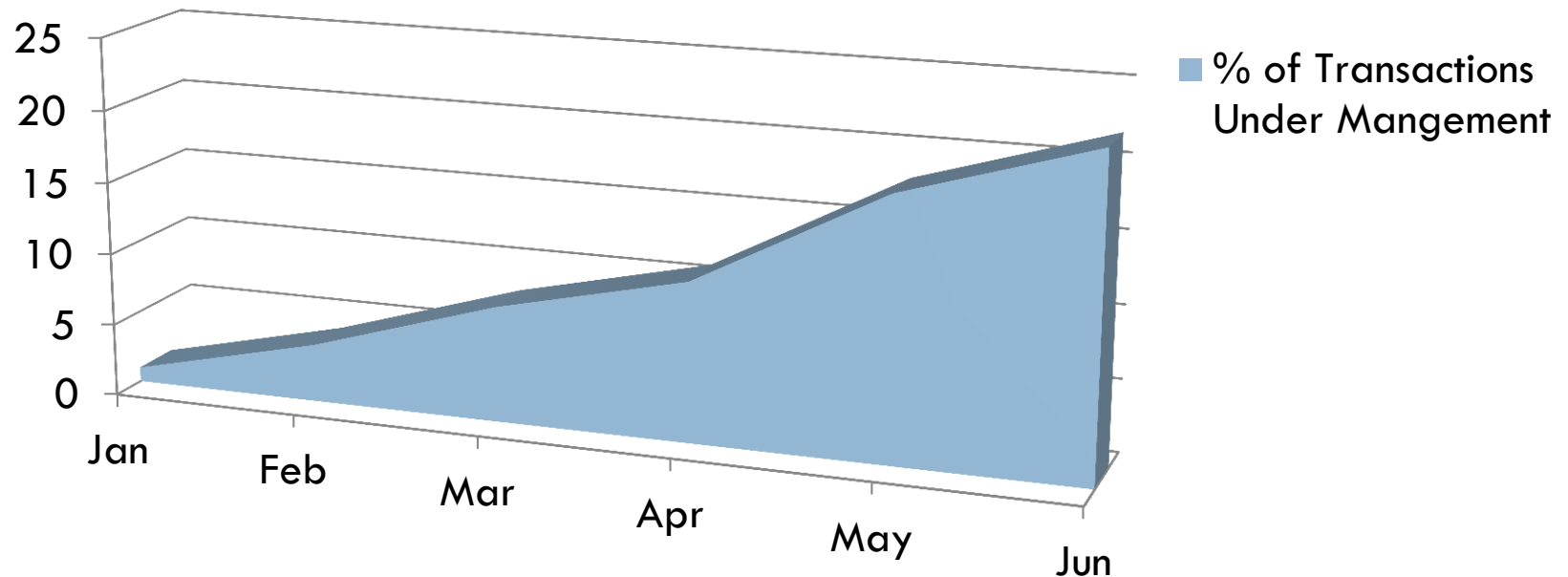
# Cricket e-Procurement Project – Results Achieved

## Key Data & Performance Indicators

- 88% of Marketplace Indirect Spend is now conducted via punch-out suppliers
  - No further time, cost, or effort for Procurement resources to handle supplier catalog data
- Rapid increase in spend under management
- 22% of all PO's now flow through the Marketplace – significant transaction cost savings
  - Goal is 60% by Dec. 2010



# Cricket e-Procurement Project – Rapid User Adoption



## Transaction Costs Reduced by:

- Comparison Searching
- No need for quotes
- No need to maintain approvals/accounting/product catalogs on separate suppliers sites
- No punchout management costs

# Cricket e-Procurement Project – Keys to Success / Key Learning

- **User adoption is paramount**
  - Must make it easy for users
  - Capture the user ‘eyeball’, then use the tool to influence
- **Leave punchout to the experts**
  - Many organizations struggle with this connection when trying to manage internally
  - Allows Procurement resources to focus on strategic, rather than tactical opportunities
- **Dynamic content is better than internal catalogs**
  - With proper pricing controls via Vinimaya SmartAudit™, punch-outs provide a richer user experience, and greatly reduce the required Procurement resources to manage content

# Cricket e-Procurement Project – How Will We Measure Success?

- **Cost Savings, Cost Savings, Cost Savings!**
  - Contract compliance (reduced maverick spend)
  - Lower cost of purchased goods via comparison shopping
  - Fewer required Procurement resources
  - Lower average transaction cost
- **Maintain & Expand User Adoption**
- **Increase Spend Under Management**
  - Goal is 90% of Corporate Spend; 30% of this is Marketplace Spend



# Cricket Rate Plans & Device Partners

## 2010 – Cricket National Wireless Rate Plans

	\$30	\$40	\$50	\$60
<b>Voice</b>	talk long distance	talk long distance voice features 411	talk long distance voice features 411	talk long distance voice features 411 roaming 100
<b>Messaging</b>		text msg picture msg video msg	text msg picture msg video msg global text email	text msg picture msg video msg global text email
<b>Data &amp; Entertainment</b>		mobile web	mobile web	mobile web mobile video
<b>Premium</b>			data back-up navigation	data back-up navigation
<b>Network</b>	<b>nationwide</b>	<b>nationwide</b>	<b>nationwide</b>	<b>nationwide</b>



# Why is Vinimaya successful?

Vinimaya helps Fortune 1000 companies where their e-Procurement systems are falling short ... by addressing the needs of ALL stakeholders

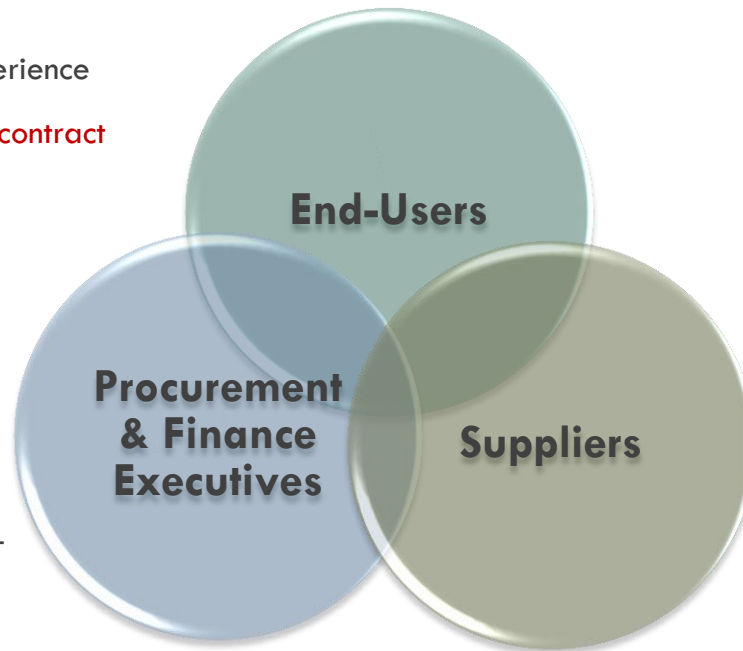
## Save Time

- Familiar 'B2C-like' interface
- One location for all needs
- Simple search and shopping experience

**Result:** Reduced "Maverick" or off-contract spend

## Save Money

- Increases user adoption, driving maverick spend to preferred vendors
- Outsourced supplier connectivity, reducing catalog resources and IT resource requirement
- Real-Time audit of pricing for supplier-hosted (punch-out) content



## Save Time and Money

(Eventually would be passed to the buyer, anyway)

- Vinimaya can connect to any level of eCommerce capability, not requiring additional supplier investment
- No 'Network Fees' charged to suppliers
- Experienced Vinimaya resources configure new 'punch-out' connections in less than 48 hours



# Q & A

Please enter your questions in the Q&A panel in the console on the right side of your screen.



# Vinimaya - Upcoming Events

## ■ Improving e-Procurement Webinar Series

- “Evaluating Your e-Procurement Solution: Start with the End-User”
- Presentation w/The Shelby Group
- July 29<sup>th</sup> @ 2:00 EST/11:00 AM PST

For more information  
or to register email  
[marketing@vinimaya.com](mailto:marketing@vinimaya.com)

## ■ Vinimaya Customer Webinar Series

- “High-level Overview of Vinimaya SMT™ Version 5.3”
- July 20<sup>th</sup> @ 2:00 EST/11:00 AM PST



# Contact Us

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Thank You!

