IMPROVING E-PROCUREMENT:
HOW CRICKET COMMUNICATIONS TRANSFORMED THEIR PROCESS
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

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

Oracle
- iProcurement
- Accounts Payable

iSupplier Portal

DMZ

Vinimaya SMT™
Marketplace Catalogs

Oracle Supplier Network

Early Payment – Dynamic Discounting

Legend
- Existing Technology
- New Technology

Launched Q4 ’09
- Supplier 1
- Supplier 2
- Supplier 3

Launch Q4 ‘10

Launch Q3 ‘10
- Spend Analytics

Launch Q4 ‘09
- Punch-out

Launch Q4 ‘09
- Purchase Orders

Launch Q4 ‘09
- Invoices

Launch Q3 ‘10
- Firewall

Launch Q4 ‘09
- Firewall
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

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**Device Partners**

- KYOCERA
- ACTScom
- MOTOROLA
- NOKIA
- PCD
- SAMSUNG
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 29th @ 2:00 EST/11:00 AM PST

- **Vinimaya Customer Webinar Series**
  - “High-level Overview of Vinimaya SMT™ Version 5.3”
  - July 20th @ 2:00 EST/11:00 AM PST

For more information or to register email marketing@vinimaya.com
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Thank You!