

In-House Procurement Analytics vs. Sievo: A direct comparison

Report

Sievo

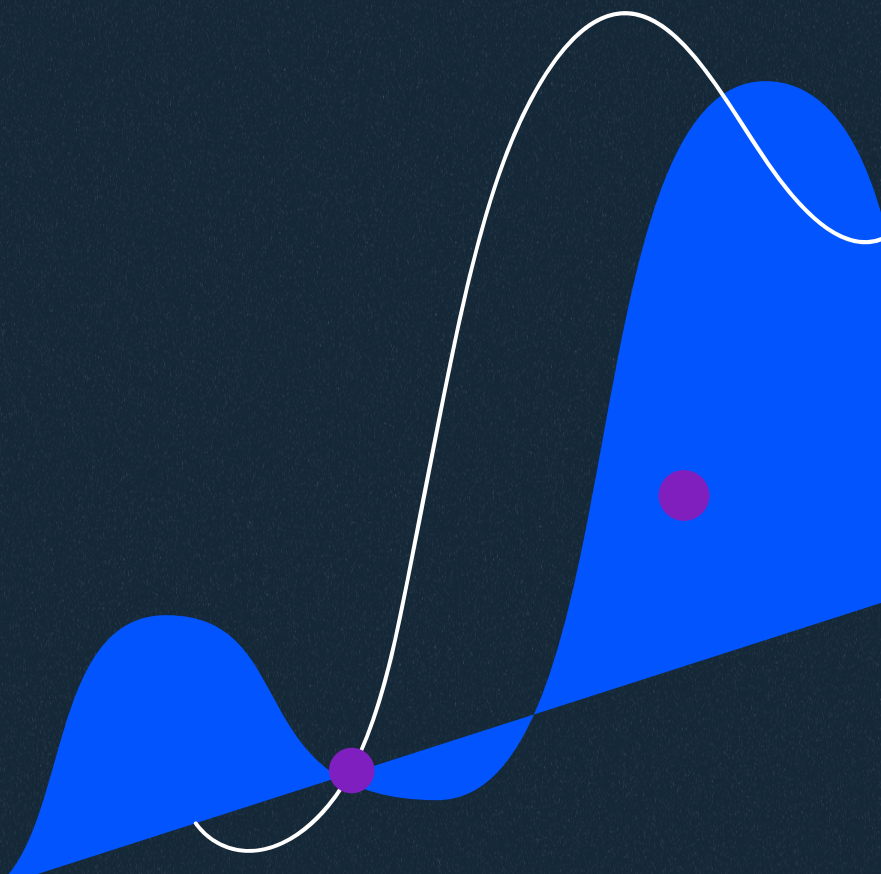


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Introduction

In today's rapidly evolving landscape, leveraging data effectively is no longer optional—it's essential. It is impossible to guide a procurement organization without visibility and insights into relevant data. Yet, the challenges of managing multiple ERP systems and scattered data sources have left many organizations struggling.

A survey of more than 1,500 C-level executives found that the fundamental problems in leveraging analytics for business arise between identifying new business opportunities and the resulting action on those insights, as well as measuring the outcomes.

For the 70% of top performers that used **advanced analytics**, they are considerably more likely to enjoy growth in revenues and operating margins of 15% or more

along with significant improvement in their risk profile¹. To stay competitive and compliant, procurement leaders must embrace innovative solutions that foster agility and facilitate rapid,

informed decision-making at scale. Top-performing procurement organizations are significantly more engaged in digital transformation efforts compared to their peers². They leverage advanced analytics, predictive analytics, and AI/ML-based technologies to enhance decision-making and achieve a strategic advantage.

This guide explains how you can move past the pitfalls of lagging analytics and enjoy the benefits of advanced data insights in procurement to achieve procurement excellence. We explore the critical importance of procurement analytics, the pitfalls of in-house solutions, and the compelling benefits of specialized providers like Sievo. We dive deep into why procurement analytics is crucial for transforming your procurement department from a cost center into a strategic value driver. We highlight the challenges of in-house solutions, like complex data landscapes and poor data quality, and contrast them with the advantages of specialized providers like Sievo.

We hope this can help guide you toward choosing **Sievo** or, at the very least, understanding what an in-house solution entails in the long term.

1. 2023 Global Chief Procurement Officer (CPO) Survey: Orchestrators of Value, Deloitte.

2. Data & Advanced Analytics: High Stakes, High Rewards, Forbes Insights and EY (2017).

The importance of **Procurement Analytics**



The Importance of Procurement Analytics

In simple terms, procurement analytics is the process of collecting and analyzing procurement data to describe, predict, and improve business performance through informed decision-making. It involves collecting, classifying, and analyzing procurement data from multiple sources like ERPs and other systems.

We at Sievo view procurement analytics as the process of turning procurement data into reliable and actionable automated insights and bottom-line impact.

With the ever-growing procurement mandate, the ability to leverage data effectively has become a cornerstone for achieving a competitive advantage with a sustainable, resilient, and diverse supply chain. Procurement analytics is not just a tool but a strategic enabler that transforms procurement from a cost center into a value driver.

The Hackett Group's Procurement Key Issue survey found that:

"data and analytics reporting" is the #1 improvement initiative for procurement teams, with 75% of respondents already pursuing an initiative³.

The capability to gain actionable insights from procurement data is vital to unlocking the full value potential of supply-side commercial opportunities and fully supporting the requirements of business stakeholders.

The companies we talk to usually have one thing in common: they struggle to aggregate and manage the data coming from different ERPs, data lakes, and third-party sources - and struggle even more with making insights easily accessible to the entire team. Whether they go with a procurement analytics provider like us or choose to build a solution in-house, the goal is the same: turning data into insights.

3. The CPO Agenda: 2024 Procurement Key Issues, The Hackett Group

The benefits of Procurement Analytics

Companies utilize analytics solutions to try to free up time and focus for strategic decision-making and relationship management. Typically, traditional manual data analysis (like that in Excel) can take up tons of time for procurement managers. To stay competitive, there's a dire need to automate processes to manage strategic procurement initiatives and identify both risks and opportunities while keeping operations on track.

When done right, procurement analytics provides a breadth of information to guide resource management, strategic planning, market research, and business development. There is a wide array of opportunities analytics can support:

1. Cost Optimization

One of the primary objectives of procurement analytics is to identify cost-saving opportunities. By analyzing spend data and benchmarking against industry standards, organizations can uncover areas for cost reductions, such as consolidating suppliers or renegotiating contracts. By integrating spend data with market benchmarks, companies can negotiate better terms and reduce costs.

2. Improved Decision-making

Procurement analytics provides timely, accurate, and actionable insights that empower procurement leaders to make informed decisions. By analyzing historical data and predicting future trends, organizations can proactively manage risks and identify opportunities for cost savings and process improvements. With procurement analytics, decisions are made based on real-time, reliable data.

3. Risk Mitigation

Procurement analytics helps organizations identify potential risks within the supply chain, such as supplier disruptions, regulatory compliance, or market volatility. By proactively managing these risks, organizations can ensure supply continuity and avoid costly disruptions.

The benefits of Procurement Analytics

4. Sustainability and Corporate Social Responsibility (CSR)

Organizations use procurement analytics to assess the sustainability and CSR impact of their procurement decisions and adhere to regulatory compliance. By analyzing supply chain data, like Scope 3 emissions, organizations can identify opportunities for more sustainable practices and meet commitments.

5. Enhanced Supplier Relationships

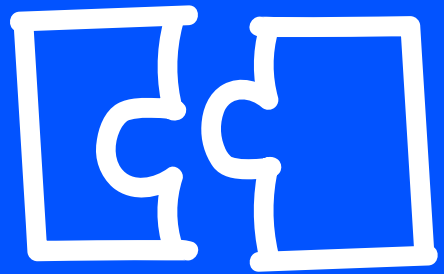
With procurement analytics, organizations can monitor supplier performance, assess risks, and ensure compliance with contractual terms. This fosters stronger supplier relationships and enables organizations to negotiate better terms and conditions, ultimately driving value for both parties. Procurement analytics shines a light on supplier performance, allowing organizations to foster stronger relationships.

From Marketing to Finance, Sustainability to R&D, everyone can benefit from procurement data and its broad range of insights. For instance, procurement analytics can provide benchmarks and industry intelligence on which to base supplier negotiations. Insights on spend trends, changes, and growth in sub-categories can be eye-opening for other functions. With accurate data on hand, Procurement teams can facilitate better collaboration, sparking innovative relationships between suppliers and R&D.

Procurement analytics puts procurement in the driver's seat, increasing its strategic contribution across the board. However, depending on your technical setup, getting quick, accurate, and actionable insights from your data is not a walk in the park.

Challenges

Of Procurement Analytics



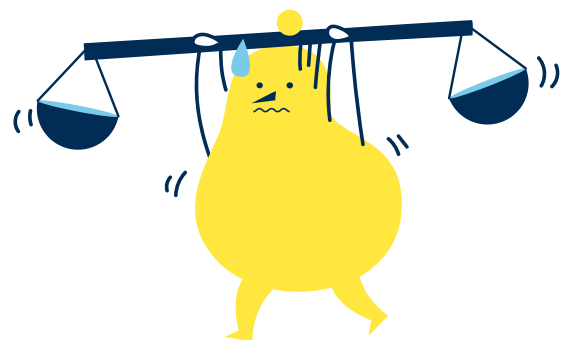
The challenges of Procurement Analytics

The responsibilities of Procurement teams have expanded significantly. These teams are now expected to contribute to managing supply chain risks while maintaining continuity, facilitating digital initiatives with less-than-ideal data, and supporting ESG goals without compromising costs. With this ever-expanding mandate, teams need to do more with less.

The Hackett Group found that the procurement workload is predicted to increase by 8.0% but with little increase in headcount and operating budget³.

Large enterprises truly are swimming in data, which puts a big burden on teams to handle these shifting mandates. Companies operate multiple ERP systems and external data sources. They're struggling to keep up with the data overload and lack a single source of truth on spending patterns.

All these challenges have led many companies to consider what to do next. The procurement analytics market is large, with multiple solution areas and tools out there. As organizations seek more specialized providers, they should also consider how all solutions will interact. For some, outsourcing analytics is not considered customizable enough to meet their unique needs, but this can be a trap. To better understand the multitude of challenges associated with enterprise procurement analytics, let's look at several challenges and their root cause and long-term impacts.



3. The CPO Agenda: 2024 Procurement Key Issues, The Hackett Group

Root Cause

Effect

Complex Data
Landscapes

Procurement departments often deal with a multitude of data sources, including multiple ERP systems, external market data subscriptions, global business entities, and scattered public data. This complexity is exacerbated by mergers, acquisitions, various regional currencies and languages, and decentralized operations, which lead to disparate systems and inconsistent data structures.

The fragmented nature of data landscapes makes it difficult to achieve a unified view of procurement activities. This lack of cohesion results in inefficiencies and hinders strategic decision-making. Organizations struggle to extract meaningful insights from their data, leading to missed opportunities and suboptimal procurement strategies.

Incorrect and manual
spend classification

Poor spend classification often stems from incorrect and manual data entry errors, incomplete data, inconsistent data formats across systems, and a lack of standardized data governance practices. Messy and duplicated supplier data is caused by several factors, including decentralized procurement systems and varying naming conventions across different departments. These issues often arise in organizations that operate multiple ERP systems without a harmonized taxonomy, leading to inconsistencies and duplication in supplier records. Additionally, when organizations grow through mergers and acquisitions, they inherit diverse data systems that can further complicate data management and increase the likelihood of messy data.

Inaccurate spend classification can lead to bad reporting and analysis, which undermines trust in analytics outputs and decision-making. When procurement teams rely on faulty data to guide their decisions, the risk of making erroneous decisions increases significantly. These inaccuracies may cause difficulties in tracking savings and managing supplier relationships, ultimately affecting the organization's bottom line. Decisions based on inaccurate data can have far-reaching consequences, such as selecting the wrong suppliers, misallocating resources, or misjudging market trends. This can result in financial losses, damaged supplier relationships, and reduced credibility with stakeholders. This impacts all departments of an organization. Over time, consistent reliance on inaccurate data can erode trust in procurement analytics and hinder the organization's ability to achieve strategic goals.

Manual Work
Needed to
Improve Data Quality

Many organizations rely on manual processes to address data quality issues, such as data cleansing and validation. Semi-frequent efforts to cleanse data with data consultants don't address the root problem. This is often due to the lack of automated tools and technologies that can handle these tasks efficiently and upkeep data quality.

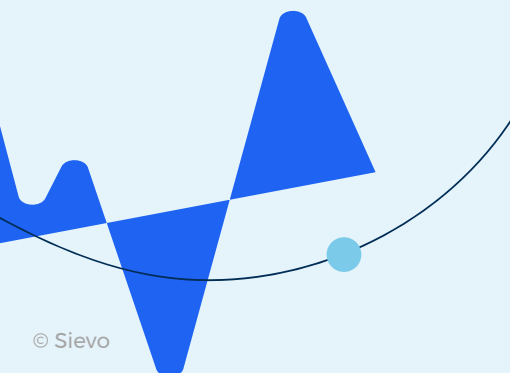
The high manual workload needed to cleanse and validate data delays procurement processes and reduces the overall efficiency of the organization. This not only strains resources but also increases the risk of human error. This labor-intensive process can slow down procurement cycles and limit the ability to respond quickly to market changes or internal demands. It also diverts resources from more strategic activities that could add greater value to the organization.

No single
source of truth

A complex data landscape and poor data quality impede the ability of procurement teams to access reliable and comprehensive data. Without a unified view of data, organizations struggle to leverage data-driven insights for strategic decision-making. Manual data processes further contribute to this issue by consuming time that could otherwise be spent on analysis and strategy. Likewise, financial and sustainability reporting becomes exceedingly time-consuming.

The lack of data-driven decision-making based on a single source of truth results in missed opportunities for efficiency improvements and cost savings. Organizations remain reactive instead of proactive, unable to forecast trends or anticipate market shifts. Over time, this can lead to a competitive disadvantage as more data-savvy organizations capitalize on data insights to optimize procurement processes and supplier relationships.

	Root Cause	Effect
Unable to Find Opportunities Within Data	The inability to identify opportunities within data often results from the limitations of existing analytics tools and the lack of advanced analytical capabilities. Basic tools like spreadsheets or BI reports may not provide the depth of analysis needed to uncover hidden insights. When insights are uncovered, users often do not trust the opportunity due to poor data accuracy. Often, the status quo with traditional tools slows down innovation.	Organizations miss out on potential savings and efficiency improvements because they cannot fully leverage their data for strategic advantage. This limitation hampers the ability to optimize spend, negotiate better contracts, and implement effective risk management strategies.
Low Adoption of Analytics Solutions	Low adoption of procurement analytics solutions can be attributed to poor user experience, lack of training, and tools that do not align with user needs. If the tools are seen as difficult to use or irrelevant, users are unlikely to engage with them.	Low adoption rates mean that the potential benefits of analytics tools are not realized. This results in a failure to improve procurement processes, reduce costs, or enhance decision-making capabilities. It also represents a poor return on investment for the organization and continued losses in upkeep for a tool almost no one is using.
Hidden Costs to Maintain, Scale, and Update Solutions	In-house analytics solutions often incur hidden costs related to maintenance, scaling, and updating. These costs arise from the need for ongoing IT support, software updates, and integration efforts, which are frequently underestimated during initial planning.	Organizations face financial strain and resource allocation challenges as unexpected costs arise. This unpredictability can disrupt budgeting and planning, leading to inefficiencies and potentially jeopardizing other strategic initiatives. Reliance on internal IT teams can delay necessary updates and improvements, leaving the organization vulnerable to technological obsolescence.
Wasting Money and Human Resources on In-House Tools	In-house procurement analytics tools, such as Excel or basic BI tools, often require significant manual effort to maintain and update. These tools may not scale effectively with the organization's growing data needs, leading to hidden costs and inefficiencies.	Investing in maintaining in-house tools that are not effectively used or fail to solve procurement challenges leads to wasted financial and human resources. This diverts resources away from more strategic initiatives and inhibits the organization's ability to meet its targets. Over time, the inability to scale and adapt these tools can result in obsolescence, necessitating further investment in new solutions or technologies.



In-House vs. Best-of- Breed



Building in-house Procurement Analytics

Building an in-house procurement analytics tool involves the development of a custom system tailored to the specific needs and processes of an organization. This approach offers the potential for greater control over data and functionality but also presents significant challenges.

Organizations often use Business Intelligence (BI) tools like PowerBI or Tableau, combined with data processing languages like SQL, Python, or R. The infrastructure may include databases (e.g., SQL Server, Oracle), data lakes, and cloud platforms like AWS or Azure for storage and computing power.

Implementing procurement analytics requires alignment between Procurement and IT. It's necessary to consider how the analytics tool will meet the diverse needs of the organization and support strategic objectives. Early involvement of stakeholders is crucial for successful implementation and adoption, as it fosters a shared understanding of goals and expectations.

Here's a check-list list of required resources and skills. How many do you have?

- ❑ **Technical Skills:** Developers proficient in programming languages, database management, and BI tools.
- ❑ **Domain Expertise:** Procurement specialists who understand the process and data requirements and are available to be consulted throughout the solution development to align with the needs of procurement.
- ❑ **Procurement and Data Analysts:** To interpret data insights and apply them to procurement strategies, i.e., end users who will understand the tool and gain value from it.
- ❑ **Project Management:** Strong leadership to oversee the project from initiation to implementation, often lead by a Center of Excellence or Procurement Transformation team.
- ❑ **IT Infrastructure:** Robust IT support to maintain and update the system, ensuring data security and compliance.
- ❑ **Large financial commitment:** taking on an in-house development project can take years. This requires a long-term financial commitment to the staffing and consultation required to see a project of this size through.

Advantages:

- ✓ **Legacy:** Large organizations typically have an in-house BI tool in place that they have invested a lot in. Applying these systems to procurement analytics could be seen as more efficient, but only because of past investment in the setup.
- ✓ **Customization:** Tailored to meet unique business requirements and integrate seamlessly with existing business tools (such as PowerBI with Outlook or Tableau with Slack).
- ✓ **Control:** Full control over data management, system updates, and feature development.
- ✓ **Security:** Potentially enhanced data security, as data does not leave the organization's environment.

Challenges:

- x **Hidden Expenses:** DIY solutions often incur unforeseen costs throughout their lifecycle, including maintenance, scaling, and updates.
- x **Reliance on IT:** Continuous dependence on IT for tool maintenance and data interaction can lead to resource strain. Procurement often isn't the top priority for IT departments, which can lead to insufficient support and delayed responses.
- x **Resource-Intensive Upkeep:** Regular updates, bug fixes, and scaling require significant resources. Manual data classification and cleansing are particularly challenging without automation. It's not just about integrating and connecting data to a BI tool; effective data cleansing is crucial but very difficult to manage manually.
- x **Lack of Benchmarking:** In-house solutions limit access to external data, preventing benchmarking against industry standards and hindering innovation. Without insights from other organizations, there's less opportunity to learn and adapt based on broader industry trends.
- x **Rapid Technological Change:** As technology and business needs evolve, there's a risk that an in-house solution will quickly become outdated.
- x **Impact on Productivity:** Diverting resources to manage an in-house solution can detract from core business activities, impacting overall productivity.
- x **Training Gaps:** While training materials may exist for BI tools, they often focus on general data visualization rather than specialized procurement analytics. Internal resources for training and adoption need to be developed from scratch, with no guarantee of success.
- x **Risk of failure:** Failure to implement effective analytics can jeopardize the position of procurement COE leaders. Relying on IT, which may lack specific experience, poses a risk compared to partnering with experts like Sievo.

Organizations must weigh these factors carefully when deciding whether to build an in-house solution or opt for a third-party procurement analytics solution. The decision often hinges on available resources, the complexity of requirements, and long-term strategic goals. Let's now consider the benefits of switching to a trusted best-of-breed product.

Buying a specialized Procurement Analytics Solution

Purchasing a specialized procurement analytics solution involves selecting third-party software tailored specifically for procurement data analysis. To maintain an agile operating model, procurement leaders must focus on keeping pace with the accelerating speed of the market, leveraging a broad and diverse ecosystem of value-driving partnerships.

Best-of-breed solutions offer the best advancements in the market, with added service you can't beat. These solutions are designed to streamline procurement processes, enhance data visibility, and provide actionable insights without the need for extensive internal development. Companies like Sievo are verified by third parties and can demonstrate an extensive portfolio of large enterprise companies—proving results.

Common tech integrations (any or all can apply):

- ❑ **ERP Systems:** Integration with systems like SAP, Oracle, or Microsoft Dynamics to securely pull procurement data from existing infrastructure. Sometimes, data can be pulled from a centralized data lake.

- ❑ **3rd Party Data Providers:**

Integrations to enrich and improve the understanding of procurement data, such as Dun & Bradstreet (D&B) for vendor enrichment and credit risk ratings, or EcoVadis, used for sustainability scores and supplier responsibility data.

- ❑ **Cloud Platforms:** Solutions often leverage cloud computing for scalability and real-time data processing using platforms like AWS, Azure, or Google Cloud.

- ❑ **APIs:** Application Programming Interfaces enable the connection and data exchange between the analytics solution and other business systems or external data providers.

Required resources and skills checklist:

- ❑ **IT Support:** For initial setup and ongoing maintenance of integrations and system updates, verification of security, but overall, little involvement once the solution is online.

- ❑ **Vendor Management:** Skills to manage relationships with the solution provider and ensure alignment with business needs.

- ❑ **Up-front budget investment:** Unlike an in-house solution, costs are fairly predictable, including a one-off implementation fee and a yearly subscription.

Advantages:

- ✓ **Rapid Deployment:** Specialized solutions can be implemented quickly compared to building an in-house tool, allowing organizations to start leveraging insights sooner.
- ✓ **Expertise and Innovation:** Providers like Sievo invest heavily in R&D, ensuring solutions are up-to-date with the latest procurement trends and technologies. When the product is constantly innovated based on input from leading global companies, customers gain value from cross-customer innovation.
- ✓ **Scalability:** These solutions are designed to handle increasing data volumes and complexity as the organization grows without significant performance degradation.
- ✓ **Procurement-Specific Features:** Tailored functionalities such as supplier risk management, contract compliance, and category management that are not typically available in general BI tools. Specialized providers working across industries understand the most valuable use case for procurement and understand common pain points.
- ✓ **Data connectivity:** Access to proprietary cross-customer datasets and out-of-box connections to 3rd party data can speed up digital transformation efforts and offer insights and benchmarks from leading organizations.

competition with the numerous requests of internal IT teams.

- ✓ **Guaranteed Results:** A provider like Sievo offers a strict SLA for excellence that far surpasses in-house tools.

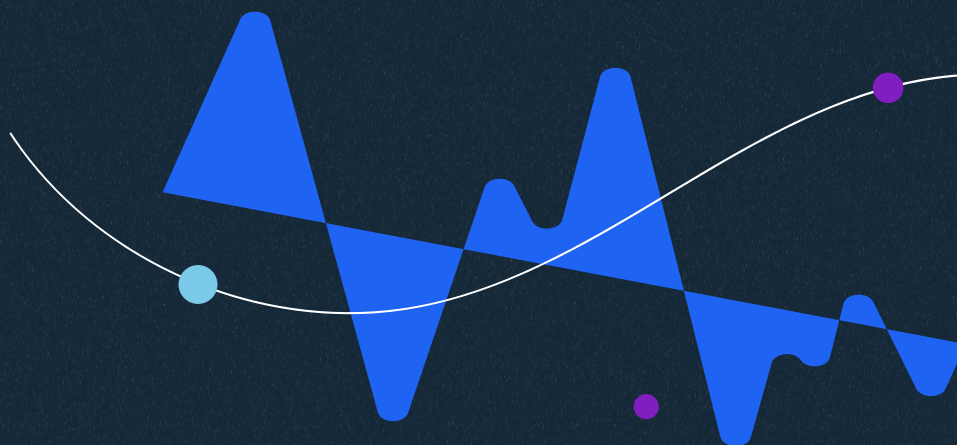
Challenges:

- x **Limited Customization:** While solutions are tailored for procurement, the ability to heavily customize may be limited compared to in-house or BI tool options, where bespoke features are endless—as long as development talent is available. However, Sievo offers many clients flexible solutions designed to meet their needs closely.
- x **Dependency on Vendor:** Organizations may rely heavily on the vendor for updates and support, which can limit flexibility in addressing unique business needs.

Choosing to buy a specialized procurement analytics solution offers a strategic advantage by providing immediate access to advanced analytics capabilities while reducing the burden on internal resources. However, organizations must carefully evaluate the long-term costs and ensure the solution aligns with their specific procurement objectives.

	Advantages	Challenges
In-House	<ul style="list-style-type: none"> ✓ Legacy systems already in place ✓ Customization tailored to unique business needs ✓ Full control over data management and security 	<ul style="list-style-type: none"> x Hidden expenses and resource-intensive upkeep x Reliance on IT for maintenance and updates x Lack of benchmarking against industry standards x Rapid technological change can lead to obsolescence x Detracted resources to manage tools impacting productivity x Training gaps and risk of failure in effective implementation x High risk of failure for a large-scale investment
Specialized Solution Provider	<ul style="list-style-type: none"> ✓ Rapid deployment and scalability ✓ Expertise and innovation with procurement-specific features ✓ Scalability with the organization ✓ Functionalities tailored to Procurement needs and understanding of common pain points ✓ Cross-customer datasets and out-of-the-box integrations to 3rd party data ✓ Dedicated support with procurement analytics experts and learnings from best-in-class organizations ✓ Guaranteed results through strict SLAs 	<ul style="list-style-type: none"> x Limited customization compared to in-house solutions x Dependency on vendor for updates and support

Sievo vs. **In-house:** A direct comparison



Sievo vs. In-House Solutions: A Direct Comparison

An in-house tool may seem like the "path of least resistance." It may seem straightforward to request an analytics tool from internal IT.

Yes, it will provide lots of people with a big project to work on.

Yes, you'll avoid the need to justify the budget for an external provider.

However, as time goes by, you will quickly realize that your company is making critical decisions based on incorrect data.

We have countless examples of current clients who have made the choice to switch from in-house tools to Sievo.

Here, we have summarized the most important consideration points that they faced and supported their thinking on why a specialized solution like Sievo is the superior choice.

The Sievo logo is located in the bottom right corner of the page. It features the word "Sievo" in a dark blue, cursive-style font.

Data Quality and Accuracy

DIY Challenge	Sievo Advantage
<p>In-house solutions often struggle with data accuracy and quality due to manual data entry errors and inconsistent data formats. This leads to critical decisions being made based on incorrect data, resulting in missed savings opportunities and inefficiencies. Having an in-house procurement analytics tool requires building internal data capabilities (mostly) from scratch with a lengthy learning curve that still results in poor data management and low-quality output. Procurement data is siloed because it isn't trustworthy enough to fuel strategic decision-making for other functions.</p>	<p>Built on data equivalent to 2% of the world's global GDP annually, Sievo's data management services map 100M+ suppliers and 9.5M+ material codes. Sievo's end-to-end data responsibility includes AI-powered classification, supplier normalization, and material harmonization backed by collective intelligence—leveraging community benchmarks and prior validated decisions from across the Sievo network. We guarantee data quality and accuracy with SLA guarantees and end-to-end data accountability.</p> <p>Sievo's AI-enhanced collaborative approach ensures the highest level of classification accuracy in the industry, with 98%+ coverage and 94%+ accuracy at the most granular level feasible. Through Sievo's cross-customer Community Data, you gain access to best-in-class data cleansing and enrichment, delivering 3x higher classification accuracy than in-house or traditional models. Our proprietary algorithms, trained on cross-client data, offer data accuracy you simply can't access alone, uncovering personalized AI-driven insights and surfacing opportunities for savings, working capital improvements, and decarbonization.</p>

Insights and Actionability

DIY Challenge	Sievo Advantage
In-house solutions cannot provide personalized insights nor initiate actions directly from the setup. This leaves users to manually interpret data without clear guidance on the next course of action, leaving a gap between data analysis and actionable outcomes. BI tools lack procurement-specific features, making them less effective for complex procurement environments.	<p>Sievo Insights automates time-consuming analytics tasks, leveraging AI to analyze your entire data landscape. Automated actions are available in each Sievo insight, enabling you to email suppliers, launch savings or decarbonization initiatives, trigger automated negotiations, and more with a single click. Designed to learn over time, Sievo Insights improves its personalization and relevancy based on users' actions; simply flag, discard, or assign the Insight to others.</p> <p>From high-value opportunities to previously unexplored avenues like tail spend, Sievo helps you save time previously consumed by manual analysis and make confident decisions based on reliable data, backed by industry-leading data quality and accuracy. Gain up to 11% annual savings with actionable insights based on data you can trust. Sievo provides in-depth Insights built on internal data + third-party data and Sievo's Cross-Customer Community Data to provide unique high-value opportunities, recommendations and benchmarks.</p>

Peer Benchmarking

DIY Challenge	Sievo Advantage
<p>In your own internal systems, benchmarks are typically limited to your own historical data or manually gathered benchmarks from public sources or paid reports. These often lack granularity (category, country, supplier tier) or the benchmarks may be outdated, anecdotal, or based on small peer groups.</p> <p>This takes a high effort to maintain, with questionable coverage and reliability, and there is a significant risk of bias or cherry-picking, leading to missed opportunities.</p>	<p>With Sievo, you get access to dynamic, transaction-driven benchmarks built on real data from Sievo's global customer base (2%+ of global GDP, 100M+ suppliers). This gives you granular insights, allowing you to benchmark payment terms, prices, and supplier performance across 130+ countries and 130+ L4 categories. These benchmarks are automated, always up-to-date, and enriched through AI-powered classification and validation.</p> <p>Sievo Community Data allows you to discover commonly used suppliers within the Sievo community and track price development to uncover savings. Improve your working capital using tailored, supplier-specific recommendations and AI-powered insights to enhance working capital by identifying suppliers with the greatest potential for extending payment terms. Rest assured, Community Data is available via opt-in only, and is fully anonymized and aggregated, generating no risk to your confidential data.</p>

Total Cost of Ownership (TCO)

DIY Challenge	Sievo Advantage
Building and maintaining an in-house tool can lead to many high hidden costs, requiring significant IT resources for updates and maintenance. This can strain budgets and divert resources from core business activities. Does your organization have a long-term dedication to developing a dedicated software solution? Will the same investment be available for years down the line to upkeep and develop the solution?	Sievo offers a low TCO with a subscription model that includes software updates, maintenance, and support. This relieves IT departments from unexpected costs and frees up resources for strategic initiatives. With Sievo's immediate ROI, you will gain 15-55M on every 500M of spend every year - justifying the yearly investment of Sievo with just one actionable opportunity that Sievo surfaces.

Deployment Speed and Scalability

DIY Challenge	Sievo Advantage
Developing an in-house solution is time-consuming and often lacks the scalability needed to handle growing data volumes and complexity. This results in delays and limited capacity to adapt to changing business needs. For all the time spent developing maintaining an internal solution, you could be pursuing strategic initiatives with your team.	Sievo delivers the solutions, data, and services essential for procurement success. We offer rapid deployment and exceptional scalability. Our implementation NPS score of 71 (on a scale of -100 to 100) demonstrates our commitment to providing rapid and efficient value. Designed to evolve with your organization, our solution seamlessly integrates with existing systems and effortlessly manages increasing data demands

User Experience and Adoption

DIY Challenge	Sievo Advantage
In-house tools can be difficult to use by the average user and require significant training, leading to low user adoption rates. This limits the effectiveness of the analytics solution and the ability to derive value from the data. With varied pricing between different users and roles, it's hard to optimally ensure you're getting the most value per seat. Are you interested in learning how best-in-class procurement organizations are developing to stay ahead of the game?	Sievo is user-friendly and assures high adoption rates through intuitive interfaces and comprehensive onboarding materials for admins and users. Designed for all roles and functions, Sievo gives everyone the flexibility to create what they need without technical know-how while gaining from best practices. Sievo focuses on the maximum value you can get through unlimited seating for any type of user and all functions; this encourages cross-collaboration and an effective single source of truth for procurement data.

Services

DIY Challenge	Sievo Advantage
With in-house tools, you may need to invest in consultancy services to support you at every phase of your procurement analytics maturity journey, wracking up large fees. It's also very hard to contact support teams for major BI tools, and you are often stuck with general self-help resources. There are basic onboarding materials available, but admins need to learn by themselves. You will need to acquire specialized procurement analytics materials from external training platforms to maximize the value of these tools.	Our Super User program, support services, and online training platform, SievoAcademy, emphasize engagement across your procurement department and beyond. Sievo's SLA guarantees a response time of only one business day for any service request. We provide a dedicated account team that consults and supports the client with industry best practices at every phase of their maturity journey, promoting long-term success. We empower users in their career development in Procurement Analytics through learning paths, instructor-led training, and certifications. We regularly offer learning opportunities in the form of events and webinars to put industry leaders together.

Innovation and Future-Proofing

DIY Challenge	Sievo Advantage
Keeping up with state-of-the-art technology and innovation can be challenging for in-house solutions, leading to outdated capabilities and missed opportunities to leverage new technologies. Do you feel capable of investing in constant updates as procurement technology advances at a rapid pace? Do you plan on dedicating internal resources to developing more advanced insights, or are you content with the bare minimum?	Sievo leads the Procurement Analytics tech market in R&D investment, empowering a dedicated AI team focused on continuous innovation and future-proof solutions. We drive product development through close collaboration with our clients, bridging the data-to-action gap with AI-powered insights, cross-customer community insights, benchmarks, recommendations, and GenAI-captured public data enrichments. Sievo's cross-customer community data provides users with insights derived from trillions in spend data across our opted-in users, ensuring your business remains competitive.

Case studies

By choosing Sievo over an in-house solution, organizations can overcome the limitations of traditional analytics approaches and fully leverage their procurement data for strategic advantage. To demonstrate how Sievo customers are gaining value, let's walk through two case examples that are sure to convince you to make the switch.

Sievo with Hero

Hero chose Sievo as its Procurement Analytics provider because its integration capabilities and approach to data management assisted in creating a centralized platform for the organization. The agility provided by Sievo was considered an essential factor. Here's how Sievo tackled the common roadblocks faced with in-house analytics:

Centralized Data Platform and Visibility

- Hero faced challenges with fragmented spend data across multiple systems, leading to a lack of overall visibility and outdated insights due to time-consuming data management processes.
- Sievo Benefit: Sievo provided a unified platform that centralized all spend and savings project data. This integration facilitated direct visibility into all categories across global locations, enabling data-driven decision-making and improved procurement efficiency.

"Sievo did not bring change, it was THE change. We now have direct visibility into all of our categories in all of our global locations."

- Marc Roth, Vice-President of Procurement at Hero Group

User-Friendly and Efficient Reporting

- Traditional in-house solutions often involve complex and cumbersome reporting tools, making it difficult for procurement teams to access timely and actionable insights.
- Sievo Benefit: Sievo's user-friendly reporting tools allowed Hero's lead buyers to quickly access group-wide spend data and identify savings opportunities. The ease of use and regular data updates enabled more strategic sourcing decisions and reduced the time spent on analysis.

"Actionable insights are found in just a couple of seconds instead of time-consuming analysis workshops"

- ibid.

Effective Savings Management:

- In-house solutions may lack the sophistication needed to effectively track and manage savings projects, resulting in missed opportunities for cost reduction.
- Sievo Benefit: Sievo provided Hero with governance and tracking capabilities for savings projects. This enabled Hero to prioritize projects effectively and track progress, capturing **a savings opportunity pipeline of more than 5% of total spend** in the first year alone.

Sievo with Hero

On-Time, On-Budget Implementation

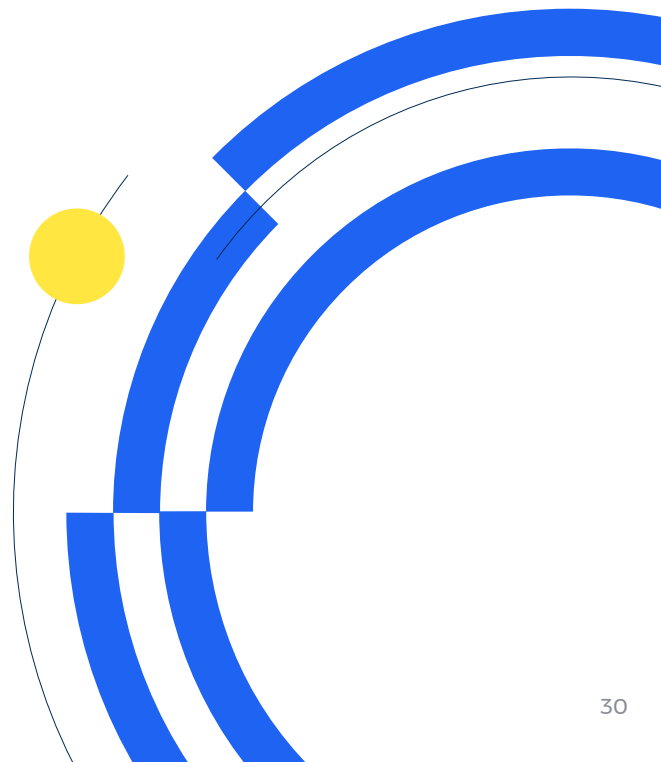
- In-house projects often face delays and budget overruns due to the complexity of development and integration.
- Sievo Benefit: The implementation of Sievo at Hero was completed on-time, on-budget, and within scope, demonstrating the reliability and efficiency of the solution. This success contributed to a positive user experience and smooth transition to the new system.

"Sievo was the first IT project I have seen in my career that was in-time, on-budget and in-scope. Working with Sievo has been an absolute joy."

- ibid.

Overall, Sievo transformed Hero's procurement function by enhancing data visibility, streamlining reporting, and effectively managing savings projects, all while ensuring a seamless implementation process. These benefits significantly outweighed the limitations of traditional DIY or in-house solutions.

[Learn more about Sievo Spend Analytics](#)



Sievo with **WERNERCO**TM

WernerCo's usage of Sievo has supported in their operational and risk management successes. Sievo's globally connected platform has enhanced information sharing between business units. Especially in the times of the Covid-19 pandemic where quick responses were needed, WernerCo's digital spend and savings data knowledge gave them the advantage of leveraging their supply chain actively instead of taking weeks trying to collect and understand data manually.

Enhanced Data-Driven Decision Making

- WernerCo's previous reliance on manual processes and tribal knowledge led to inefficiencies and limited data visibility, hindering strategic decision-making.
- Sievo Benefit: With Sievo, WernerCo gained comprehensive visibility into global spend data, enabling data-driven decision-making and strategic procurement practices. This shift allowed the company to move from reactive to proactive procurement management.

"Like many immature procurement functions, there was an over-reliance on manual processes, tribal

knowledge and whatever outcomes were achieved, were the result of extraordinary effort rather than repeatable reliable and sustainable procurement practices."

- Darren McGrath, Global Chief Procurement Officer at WernerCo

Improved Savings Management

- Traditional in-house solutions often lack the sophistication to effectively track and manage savings, leading to missed opportunities for cost reduction.
- Sievo Benefit: Sievo enabled WernerCo to manage savings projects effectively and track savings to the bottom line. This provided a clear view of savings performance, enhancing financial accountability and transparency.

"The work we have done with the Sievo team [...] has dramatically improved our visibility to global spend and our ability to manage savings projects and track savings and benefits through to our bottom line."

- ibid.

Sievo with **WERNERCO**TM

Operational Efficiency and Risk Management

- In-house solutions can be cumbersome and slow to adapt, particularly in crisis situations, where quick access to data is crucial.
- Sievo Benefit: Sievo's globally connected platform improved information sharing between WernerCo's business units, supporting effective risk management. During the pandemic, this allowed WernerCo to leverage their supply chain actively, rather than spending weeks manually collecting data.

"From the risk mitigation perspective, to have visibility on our spend really helped us to formulate plans either to mitigate risks or create opportunities and leverage our strength. The ability to react quickly by having access to data and being able to visualize data, not have to rely on manual accumulation of information or spreadsheets that are a million miles long.

- ibid.

Cultural and Behavioral Transformation

- In-house systems often do not support a cultural shift towards digitalization and continuous improvement due to their limited capabilities.
- Sievo Benefit: Sievo facilitated a cultural transformation at WernerCo, embedding a hunger for data and continuous improvement into the company's DNA. This shift fostered a winning company culture focused on proactive and strategic procurement.

This success story highlights Sievo's ability to transform procurement functions through enhanced data visibility, effective savings management, improved operational efficiency, and cultural transformation. Compared to traditional DIY solutions, Sievo offers a comprehensive, scalable, and user-friendly platform that addresses the complexities and challenges of modern procurement.

[Read the case study at Sievo.com](https://sievo.com)

Final thoughts

When you consider all these points, it's apparent that best-of-breed procurement analytics solutions like Sievo are the better choice to capture savings. Sievo provides a comprehensive, scalable, and secure platform tailored to Procurement needs, offering significant ROI and reducing the operational burden on internal teams. In contrast, in-house tools might seem cost-effective initially but can incur higher long-term costs and resource demands while offering limited procurement-specific insights and scalability.

Only the most robust internal IT teams with unlimited budgets are ready to take on development projects required by large Procurement teams. Even so, it's still an insular project-lacking exposure to community advancements among the leading organizations Sievo partners with to develop best-in-class software. To paraphrase a Sievo customer sharing their insights at DPW 2024: "Mondelez is an FMCG company, not an IT company. Our competitive advantage is our expertise in selling and marketing snacks, not developing software."

Our platform's seamless scalability ensures it can grow with your organization's needs. Sievo's advanced features, such as AI-driven insights, are constantly in development with the largest R&D budget in the industry. With quick deployment, low TCO, future-proof setup, and outstanding services, you only pay a 1-time implementation fee and a yearly subscription while gaining 3-11% annual savings and freeing up resources for IT, Procurement, Finance, and Sustainability. Compare this to in-house IT costs, which can lead to wasting millions of dollars in missed savings opportunities.

Ultimately, the choice comes down to whether you want to continue investing in maintaining an internal tool with limited capabilities or leverage a comprehensive, scalable, and secure solution that empowers your procurement team to focus on strategic initiatives and stay ahead of the competition. The decision to embrace Sievo is not just about immediate savings—it's about positioning your organization for future success. We hope you join us in your journey towards **procurement excellence**.

About the authors



Diana Zheng

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Diana is an experienced Product Marketing Manager at Sievo, contributing to the leading procurement analytics software on the market. With over 5 years at Sievo, Diana plays a key role in shaping the company's product messaging and go-to-market strategy. She has years of experience working closely with Sievo customers, managing their data, and supporting the implementation process. Currently, she leads critical initiatives working cross-functionally to crystallize Sievo's unique value proposition in the competitive procurement analytics landscape.



Ossi Karali

VP – Sales, Sievo

Ossi is a seasoned sales executive and strategic leader at Sievo. As VP of Sales, Ossi has developed deep expertise in helping Fortune 500 companies leverage data analytics to transform their procurement operations. He has a keen understanding of complex IT landscapes and data architectures, enabling him to navigate intricate technical discussions with both procurement and IT stakeholders. A thought leader in the procurement analytics space, Ossi frequently represents Sievo at major industry events like Digital Procurement World (DPW) and Procurement Innovator Roundtables.

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About *Sievo*

Sievo provides actionable procurement analytics based on data you can trust.

Designed for large enterprises with \$1B+ in revenue, loved by global companies featuring Mars, Levi's, and Deutsche Telekom, and praised by key analysts, we provide a future-proof solution with immediate ROI.

We empower Procurement, Finance, IT, and Sustainability teams to overcome their data chaos and capture all insights, drive bottom-line savings, improve ESG performance, and streamline budgeting and forecasting.

Sievo goes beyond world-class analytics and dashboards. We help our customers close the data-to-action gap with reliable insights, recommendations, and benchmarks by combining internal, third-party, and cross-customer data.

By processing spend data equivalent to 2% of the world's GDP annually, we enable fast, informed decision-making and deliver the industry's highest data quality with end-to-end data accountability.

We call it procurement excellence – but you can call it Sievo.

BOOK DEMO

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Learn more at sievo.com

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