The Rise of Business Networks

Transcript of a sponsored discussion on the emergence of business networks and how that now requires new models of doing business.

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Dana Gardner: Hi, this is Dana Gardner, Principal Analyst at Interarbor Solutions, and you’re listening to BriefingsDirect.

Our next innovation thought leadership discussion focuses on the rise of business networks and how that requires new models of doing business and new ways of relating to customers and partners.

Quite rapidly, we've entered a business world where unprecedented connectedness leads to instant analysis. These insights across entire industries provide powerful new ways for businesses to innovate and to adapt to markets, supply chains, and customer demands.

All things being equal, the companies that best leverage this data-driven innovation and these business network effects will surely win in their markets. We’re here today with two experts to discuss the future of enterprise software and the role that business networks will play in creating new models for sustained success.

To learn more about doing business in our digital and connected world, please join me in welcoming Alex Atzberger, President of SAP Ariba. Welcome, Alex.

Alex Atzberger: Thank you, Dana. Thank you for having me.

Christian Lanng: Welcome, Dana, it’s great to be here, and also with Alex.

Dana Gardner: And we are also here with Christian Lanng, CEO and Co-Founder of Tradeshift. Welcome, Christian.

Christian Lanng: Welcome, Dana, it’s great to be here, and also with Alex.

Dana Gardner: All right, we’ve had this ongoing confluence of cloud, mobile, big data and we’re seeing streamlined business processes happen as a result of these and it seems to be accelerating and empowering business-network effects. So, my first question to you Christian is how is this disrupting businesses and how do they turn that disruption into a benefit and business agility?

Christian Lanng: As you mentioned initially, the confluence of cloud, mobile - all of these things - is happening and it’s a massive disruption for the Fortune 5,000. We’ve never really seen anything on this scale, but I want to point out two key areas. If you go back 10 or 15 years, what you were
doing with your supply chain was very batch driven. It was very large-scale business and was all about reducing the cost of transactions. We saw the rise of let’s say business **BPOs** where you did a lot of outsourcing of your processes, a lot of outsourcing of transactions.

And it was all about a cost-steady supply chain. If you look at today, the main paradigm has switched completely. What you will see is that it’s all about agility. It’s all about the speed of data. We find that a lot of the solutions we implemented in the ‘90s and the early 2000s tended to focus on reducing cost, and that very often came with the flip side of increasing the cost of change, because we put everything into very rigid process and very rigid structures.

**Full supply chain**

One of the things that business networks are transforming right now --both on Alex’s side of the table and our side of the table -- is that we're now wiring the full **supply chain**. We're connecting all of the processes and bringing in all of the data in real time. That’s an extremely fundamental switch from a world where everything used to be faxed via paper, up until, actually, quite recently.

It’s a tremendous disruption, probably the biggest we’ve see in business software in the last 30 years, and it’s very exciting to be here, because we're just at the very tip of the iceberg for this whole revolution.

**Gardner:** Alex, disruption can be a negative, but disruption could also be something that creates opportunity. How are you seeing the market as an opportunity rather than a destruction?

**Atzberger:** All customers are realizing that digitization, the confluence of the different trends that were spoken about, present absolute opportunities to change the business model of companies. And that if they don’t do it, they will die.

If you look at the Fortune 500, versus what it was 20 years ago, you see such an enormous change. It doesn’t matter which part of the industries you're in, retail, financial services, consumer products. You need to adopt a strategy of thinking about how can you use digital technologies for your benefit, because if you don’t, you will fall behind.

But the other fundamental thing that has changed, and it’s actually an opportunity for companies, is that the user has moved to the center of the conversation. So the aspects of the consumer technology that we are bringing into the business context have fundamentally changed the people’s requirements on technology.

But it's also people’s adoption rates of technology. The reason why companies like SAP Ariba or Tradeshift are growing and seeing a lot demands for our solutions is because we see that companies are embracing the change. They know embracing is the only way forward.
Gardner: And of course, we've seen the disruption on the business-to-consumer (B2C) side of things with eBay years ago, Uber now, and Airbnb changing industries rapidly. How does this affect the business-to-business (B2B) interactions of commerce? Is it the same, or do we just extend what we've seen in B2C, to B2B. Why would B2B commerce be different or more challenging? First you, Christian.

Lanng: It’s absolutely impacting. I'll start with a point that Alex made that the consumer, the user, has moved to the center of the conversation. It’s about usability, ease of use. If you take something like Tradeshift, we focused very early on making everything mobile first because we realized that the future of B2B processes were all mobile.

If you take a country like China, there’s 97 percent smartphone penetration and 60 percent PC penetration. If you want to run your supply chain there, you want to be mobile enabled, you want to be mobile centric, and you want to create whole new user experiences. The other area where the consumerization of B2B is happening and increasing is what I call apps.

**Easy to add apps**

In the past, big enterprise systems used the concept of modules. You could load new functionality, but it was very hard to do. It required your IT department. It was very complex and challenging. Today, (and Salesforce were really the pioneers), we have platforms like Tradeshift that make it very easy to add a new app to get a new set of functionality going really, really quickly and it’s easy for the customers to change very quickly and adapt to the business environment.

The last area of active consumerization hitting the enterprise is on insights. When I use Twitter or Airbnb, I get real-time feedback. If I send a tweet, I will immediately know the reach, how many users saw the tweet. I can go in and see that limits of the tweet, and I can make a decision, as a consumer, based on that feedback loop.

In the enterprise, in the past, a lot of the business intelligence and analytics we built, were more like centralized reports going to the top and not benefiting the people who were sitting in the front line doing the work of the business.

Where we're going today is rebuilding using network data, using the real-time data and going to a real-time level with these people. That’s the last huge disruption you'll see in the enterprise: real-time insights, the use of the apps as a driver and a method for delivering new folks. Now, you'll see another whole new paradigm for user experience and user friendliness.

Gardner: And Alex, for companies that maybe have a hard time adapting rapidly, that are still using legacy software, that prefer on-premises deployments that are just really now just moving past paper-based processes, how do we encourage them to recognize the change and adapt?
**Atzberger:** Dana, one expression I tend to use with companies is to say that solutions need to be consumer simple, as well as strong. What I mean by that is that when you're in the B2B space, you need to obviously recognize that the requirements for security, the requirements for integration, the requirements between data and other pieces have a different level of complexity than when you use eBay or a Twitter.

The role of technology companies today is to remove friction as much as possible for companies so that they can enjoy the same benefits as a user in the consumer would. At the same time, providers have to obviously ensure that there is a business strength to the solutions that gives companies the comfort to move to a cloud environment.

So if you're a financial services institution and you've worked on on-premise software all the time, you obviously had full control of making changes to the software. You knew the way it was running, etc., and as you're moving this to the cloud, you're gaining the benefits of fast innovation, but you can’t give up on the necessity for security, for instance, and for sound information.

That’s often where we see customers choosing companies like SAP to go with because of the experience we have managing data, ensuring the integrity of the information, and ensuring that security. But a lot of conversations that we have with companies are about how you, on one hand, deliver that wonderful consumer simplicity, but at the same time, deliver on the business strength.

This is especially relevant in procurement, because you can make it so easy, through an app, to order products. But if you're in procurement, you don’t want your employees to just buy things randomly just because it’s now easy to do it. You want to have the controls and compliance in place to manage your spend, have visibility on the spend, and manage your company.

That’s where the crux of the matter is, and if we solve this, I think customers are ready to move to the cloud.

**The right balance**

**Gardner:** Christian, it sounds as if Alex is calling for a balance between the governance and benefits of traditional software and business applications, while also exploiting the newer agility from mobile, from feedback loops, from the consumer. It’s almost as if we have two companies within one now. How are you seeing that balance and how do you help companies achieve the right balance.

**Lanng:** It’s quite natural, and Alex and I also can probably recognize that we come from both sides of the equation here. Alex is trying to transform what traditionally has been an on-premise company and going towards the cloud. I come from a cloud-first company and I'm trying to break into some of these complex use cases. Alex is spot on; security is still a massive issue especially with the data we deal with here.
So, it’s about finding that balance. It’s also why we can’t use the consumer apps, since consumer apps need to have security models, and we need to have a lot of things. But this stuff is also getting very robust. You saw some recent breaches last year. There was the Sony story with all of the emails that were leaked. That was an on-premise system that was penetrated. I’m quite sure if that has been a cloud-based provider like Google or Microsoft, that penetration would have never happened.

We have to question ourselves that, in a trade environment like today, can each individual enterprise actually uphold the security that’s required? Are we seeing that cloud companies like mine or Alex’s, in a way, become specialists in securing all domains and securing the data within that domain?

Also, when we talk about this balance, when we talk about compliance for instance, there are two paradigms. You can have control and compliance upfront, but obviously you limit adoption and thereby limit impact on the business-case side.

Another thing, as Alex says, is that we can’t just have people going in and randomly buying everything. Can we guide them better? Can we give them real-time data to show them the consequences of what they could do instead, rather than put up a wall as the first step? That’s where there’s a lot of innovation happening right now, and a lot of thinking.

Gardner: Let’s and revisit this notion of business networks. It seems to me also that, as we move towards cloud models, as we look to systems of record as services, the data becomes more transferable, shareable, and manageable, not siloed or isolated.

It seems to me that the more data and access to process information you have, the more of an advantage we have by being able to actually analyze these things in context and in total, rather than isolated as in the past.

So, how do we as suppliers to enterprises help them recognize the benefit of combined network efficiencies of looking to a provider to actually help them integrate and understand all of the data that’s at their disposal. Let’s start with Alex. How do we help make business networks palatable to organizations and trust the supplier to do or the vendor to do more and more when it comes to bringing these sources of information together.

**Exciting topics**

Atzberger: This is an exciting topic, Dana, because if you look at it, obviously networks have a network effect. This means that, as more people are connected to a network, the more valuable the network overall becomes to its participants. That’s something that we see very much in the Ariba business model.
Today, we have 2 million companies connected to the network. When I go into certain markets, and we talk to certain customers about their supplier base, it makes a difference when 50 percent, 70 percent, 80 percent of those suppliers are already connected to the platform.

If you step back and think about point-to-point connections like EDI that existed in the past to create connections between companies, now you suddenly have a network where you have the baseline to add additional services to a network to actually enrich the experience for everyone who actually participates in the network.

It’s very, very important to understand that from our perspective, when we talk about procurement, I also look at the supplier as a customer. So there’s value on both sides. When we talk, for instance, about mobile apps, the mobile apps don’t just exist on the buyer’s side; they also exist on the supplier’s side and that’s a very, very important part of this.

As you bring new services, payments, supply chain information, and forecast information into the network, these are some of the most rapidly adopted solutions that we see, because people already have the network in place and can now do more with it. It’s very similar to social networks that started pretty much with the status update, and today, you can share more and more of your lives and do more and more things on a network, and that’s the power of it.

At the same time, the data needs to be secure and companies need to feel they actually do business with other trusted entities. This brings in the whole topic of supplier risk of having transparency into who the suppliers actually are that you do business with, but also identifying new sources of supply. That becomes very powerful, and then underneath, everything is the actual data that sits there. Opening up that information in the platform for companies to analyze and benchmark themselves is extremely powerful.

I often talk about the application, the network, and then the data play as the three dimensions that company should be thinking about as they embrace network strategy.

**Gardner:** A whole greater than the sum of the parts. How do you see organizations take advantage of it?

**Multi-Enterprise Grid**

**Lanng:** First off, this is one of the areas where Alex and I wholeheartedly agree. When Gartner came out with the new hot topic for Procure-to-Payment, one area that they pointed out was a whole new category called Multi-Enterprise Grid, and that’s of course, a mouthful to swallow, but what they really said was that the future for enterprise connectivity is something brand new.

It’s not the business networks in the sense that we know them today, it’s not the EDI networks, but it’s something where information can flow in all directions. It’s a full stack of information, not just transactional data, but also, as Alex talked about, real-time insights, analytics data, logistics data, collaboration, and so on.
There were only two providers mentioned in that category, which is rated by Gartner to be one of the most impactful over the next 5 to 10 years. And the two providers were Tradeshift and Ariba. As a company here, a third of the age of Ariba, we were proud to be in that category. But I think it shows the focus that both of these companies we have on this area.

One thing we did well, and I also think it points to the future of this, is that we started out as a supplier network. Before we built any buyer functionality, we actually designed a completely functional supplier network, and we helped suppliers join for free, get access, and run all of these services. Then, we slowly built out our enterprise portfolio. And that meant that from the beginning, Tradeshift has always been network first.

Every single feature we built on the enterprise, every single aspect of our platform, we designed with this idea of how we would utilize the network, how we would bring collaboration into it, how our partners and app partners would use these things. To the point of the openness, Tradeshift was born with a completely open set of APIs so that anybody can develop on the platform and put out applications.

The long tail of the supply chain will become increasingly important for networks as we move forward, because as we're moving into much more complex transactions and move into much more complex data, we will need to connect every single supplier. If you take something like risk – as one of the examples that Alex mentioned – you are as exposed to the tiny, tiny supplier as you are to the big North American supplier you've been doing business with for 10 years, maybe even more.

If you ask me what the future of networks, I think it will be three things. It will be connect everyone, rather than to connect the top-10 percent. It will be a Multi-Enterprise Grid, which means it’s moving in all directions and data are connected in all directions both from the supplier side and from the buyer side. Finally, it will be open, but to echo Alex, open but secure. People will be able to build and innovate on top of these platforms, but within a secured framework and secured context.

Gardner: Thank you. Now, Alex, SAP has been around for quite some time, and conventional wisdom nowadays is that if you're a legacy provider, you're somehow at a disadvantage in the cloud environment. Yet SAP recently reported very strong growth, and I think this validates a somewhat different approach or a different perception of a legacy vendor. Tell us why you think SAP is growing while other vendors in some cases are struggling?

**Technology cycles**

Atzberger: Dana, if you look at it as a company that has been in business for 42 years, we know one or two things about going through different technology cycles. Each technology cycle requires you to transform your company. What SAP did right in this transformation is that it
acquired businesses to move the business forward, and a significant investment in outside R&D basically by bringing in capabilities into SAP.

But then, when the companies got acquired, each company is actually managed as an entrepreneurial entity inside the business. For me, that’s a very important. I belong to a family where my father had his own business. I believe that it’s really important that companies focus on innovation and actually have a capability to have an entrepreneurial mindset, and a commerce mindset inside a business.

I respect companies like Tradeshift and other companies that are emerging very much because of that commerce mindset of those businesses. The power is the scale at which you can impact change at a company like SAP, and that’s where actually so much of the transformational capabilities are coming from.

With 250,000 customers on the SAP side touching 70 percent of the world’s transactions, imagine what type of base this gives to Ariba, which today now facilities $1 trillion worth of commerce, to expand and build on it, and all the technical capabilities that come with it.

I always like to say that I want SAP Ariba to be the fastest growing startup inside a large company. And how do we do this? It’s by both focusing on that innovative mindset of a startup company and combining it with all the assets that come from a larger company. That’s a very valuable proposition both for the customer as well as for having passionate employees to actually deliver the best results.

**Gardner:** Now Christian, there’s also conventional wisdom that says if you're an agile newcomer, if you're out buying for the cloud, then you have advantages and you can run circles around all the companies. How does that work for you and how do you see that playing out?

**Lanng:** I want to start by saying, that we're the challenger to SAP Ariba in this market. It obviously has its advantages, but I also want to say that Ariba is obviously one of the competitors that we respect the most. Alex has been doing an excellent job also of really integrating a company like Ariba, which is 20 years old.

You’ve got to remember, moving from a whole new stack and a whole new sort of solution also has its advantages. Sure, we're a challenger, but we're not that new anymore. We actually have 500,000 companies on our network. We have total global coverage. We have some of the largest companies in the world also on our customer list, but obviously not as big as SAP.

But it’s true that we can probably move a little faster and innovate a little faster, and maybe also sometimes tease Alex and friends on social media a little faster. But I think we’ve done it with a lot of respect and I definitely see that’s place for us as a competitor and challenger in this market. It’s a very healthy competition, because we're both striving to really do better for our customers.
**Attracting innovators**

One thing as a challenger is that we've also been attracting a lot of innovators within this industry. Other players have focused much more on companies where Ariba was today and not really innovating. I think that’s the wrong way to think about what you want to do.

We always came with first principles. We wanted to build something different. We've done that within procurement. We've done that within our risk offering, within our network. It's very, very different. Also, there is a choice in the market and that’s actually really healthy. We're also tracking customers that like that innovation, and that are thinking new ways of supply chain.

At the end of the day, my biggest integration partner is still SAP. I don’t know if you want to talk about friendly competition here, but it’s certainly a market that has multiple angles.

**Atzberger:** If I can make one more comment on that, it’s also important to understand that often times for customers, it’s important to see that a trend, a movement gets validated by multiple companies. When the cloud came about some of the innovators, Salesforce for instance, has become absolutely mainstream. All companies have different sorts of cloud offerings, and that's good to hear.

That’s actually important because companies know that when they invest in something, it’s actually a concept. That’s why you're talking to two innovators in this space and that gives more companies confidence to invest in something new and to say, "We want to go on this journey. I think this is good that you're taking this topic on this call today, because I do think it’s a massive trend of going forward.

**Gardner:** I am a big fan of showing and not just telling and doing that through a used case or a customer example. So, Christian, I wonder if you could relate to us, maybe by name or maybe just by generic description, a customer scenario or use case scenario that really demonstrates Tradeshift’s approach and value and help our audience understand why your network effects through your lens are so powerful?

**Lanng:** I absolutely can and I'll take a very recent example. We just announced, about a month ago, a big international customer, **Zurich**, which is an insurance company. It's a huge global company, very conservative industry. It's been around for 150 years and, of course, has very sensitive customer data. They were having a lot of struggles with this whole process, and they got the people inside the company engaged around actually driving impact and value in these processes.

We showed them at the time our brand new procurement platform called Tradeshift Buy combined with the Tradeshift Network. There were three things that stood out for them. The first thing we addressed were rogue buyers; people who are going outside procurement rules, and we said, “Hey these are actually people who are passionate about their company, who are trying to drive value and even willing to take enough risk that they are not always following the rules.
Let’s try to give them some tools so they at least participate, and we can get the spend under control.”

The second thing we did was we showed collaboration aspects with the supply chain and showed how, in real time, you can collaborate with your suppliers around categories and also the procurement department, because in a lot of companies procurement departments get a little alienated; they become the enemy. If I'm trying to do something, they're the bottleneck. One person said, "We are the Department of Cheap."

**Strategic part**

I don’t think that’s the case. They are actually a strategic part of driving value in your business. So we really try to build a procurement platform where suppliers become equal citizens and became helpers, so that if you are trying to buy something to try to solve the problem, you can engage with them in the solution phase, not just when it’s the last step and you got us in the PO.

The last step was the ability to roll out locally for their supply chain. They are a huge global company and needed confidence they could get the onboarding rates. They looked at a lot of solutions and what it comes to down to today is that there is only reach through two network solutions in the world. Those are Ariba and Tradeshift. The rest don't have all of these platform capabilities and this broad scope.

**Gardner:** Alex, the same question to you. Do you have a use case example, by name or generically, that illustrates the power of the composition that Ariba services and the ability of network effects to benefit customers?

**Atzberger:** Absolutely. I'll give you couple of different examples. If you take a company like AIG, the insurance company, I urge you to look at on YouTube at their video talking about how they saved about $300 million through the Ariba platform and that was driven through -- taking all categories of spend actually on to the Ariba platform including, by the way, legal services, which is something where a lot of companies say, you can’t actually bring this into an e-sourcing environment. So that’s an exciting case.

Another one for instance is, Auchan the French Company that actually went to suppliers and said, no Ariba, no business. Basically, you need to be on Ariba in order to do business with them. It's a strong business-driven case of what actually it means if you have a strong procurement department to lead the change and do this not just in France, but across Russia, China, and markets where they operate.

Take companies like BHP in Australia and Singapore. They drive more than 90 percent of their spend over the SAP Ariba platform and connect their suppliers to it. It's one of the best-in-class examples of a sourcing and procurement organization. Also, they’re going into China to identify new sources of supply and that’s something where we're working with them and really extending their reach, which is becoming so important to global sourcing strategies.
Then, I'd point out new customers that we're excited to have as part of the SAP Ariba community, like First Data. First Data has the largest IPO last year in the US. It’s a payment company, but really a technology company as well. If I look at what they want to do with the platform and also what we are doing in partnership with them around B2B payments, it's a very exciting uses case as well.

When you look at the some of the names I just gave you, at the size of those companies and the suppliers, we're talking about tens of thousands of suppliers that those companies have. In the last quarter alone, we enabled another 80,000-plus suppliers on the network. That’s where a lot of the power of the community and the network comes from.

**Lanng:** I just wanted to add one thing to what Alex said, because I think what he's also showing with his cases is the breadth of industries and global reach of this customer base and who can use networks. We see exactly the same within airlines, such as Air France, and companies in retail, fashion, manufacturing. I don’t think there is a single industry we don’t have on the platform, also new companies like LinkedIn within services and so on.

I just want to echo what Alex said. It's a really broad set of industries and customers who are trying to use live networks. I don’t think there's anyone who won’t use this or, in the future, won’t have this. It will be a default, as having an ERP system as today.

**Data feedback**

**Gardner:** Well that segues very well to my last area to touch on today and that’s looking to the future, I think we’ve only begun to explore the depths of the data feedback and analysis capabilities within commerce and within retail for example of the user experience and real-time interactions and customization.

So before we close out, think about any companies that might be resisting this notion of taking advantage of the network and starting to do the groundwork in order to be able to realize those feedback loops and analysis benefits.

Starting with you Christian, what would you say to a company that is still somehow not interested in taking advantage of networks, business networks, and what potentially could they miss out on if they don't start doing the groundwork now in order to be able to be a digital business with deep data-driven analysis capabilities being pervasive?

**Lanng:** We have to go all the way back to the beginning of this discussion which is what also Alex pointed out, that companies that don’t change and innovate will be gone. We've seen more companies disappear out of the Fortune 500 in the last 20 years than we have in the history of business, and it’s accelerating.
There are three key things you miss out on if you don’t invest in networks. First is the ability to know and know fast. Today, knowing is way more important than just the cost of things or the cost of transactions. We see huge Fortune 500s shocking us with reporting their most basic numbers to their shareholders. You see the shareholders being more and more aggressive on having insights on how these companies are run.

The second thing is agility. Agility is probably the single most important strategic capability in 2016 and onwards. And I think if you look at companies we are taking about they have new competitors coming up. You can take a company like P&amp;G who recently got disrupted by the Dollar Shave Club, a company that spent less than a million dollars on marketing to take a shot at $13 billion market.

If your supply chain is in such a way that you cannot react to that kind of disruption quickly, and if you can't acquire new suppliers that can help you find all of these threats, you are done. Lastly is, if you don’t have a connected supply chain, you miss out on the advantage of getting new processes rolled out.

Social networks typically have a status feed. In our case, once you're connected on Tradeshift, once you have a supplier up and running, if you want to roll out any new business process, any kind of new connectivity, it is as easy as pushing a new app. Whereas somebody who doesn't have this technology and is rolling out a new business process, we're talking about a three- to five-year lifespan to get to the old supply chain. So agility, speed, and just not being disrupted are the three key reasons I will point to.

**Gardner:** Alex, Christian paints the picture of business networks as existential. You really don’t have a choice, but a lot of companies are still struggling with how to go about this. Is there an order to it? How should I begin rationally without getting caught up in complexity and losing control of my company? What advice, Alex, would you give companies on how to start the process of becoming a digital business to retain that governance but still get these agility benefits?

**Back to basics**

**Atzberger:** If your company is conservative or wondering about how best to take advantage of this you know, you would have to go back to some of the basics. Of course there has to be business case. Start with a business case around the benefits and the cost. What does the infrastructure currently cost you, the paper based processes cost you, to do business with your suppliers? What are the benefits that you would have, as Christian pointed out, if you could actually extend more and more capabilities over the network and that itself is very good.

Then the second piece is to engage some things like design thinking, about envisioning what the future could be like. Bring together different people out of your companies cross functionally to think about how you could envision doing more with the assets you have in actually creating new capabilities.
And that’s where things get really exciting, when you think about maybe we shouldn’t be thinking about the network just as something where we have a buying from, but maybe it is something that we become a supplier into. We have many customers, by the way, who do both, who are both buyers and suppliers on the network, and they are valuing that as well.

Finally, it’s about understanding. Anything that you digitize doesn’t mean that your business becomes somehow less involved, somehow detached from your suppliers. It’s actually the opposite. You become more relevant. You, as a buyer, become a customer of choice to your supplier.

That’s very powerful, because at the end of the day, you can argue that, as a consumer, you start to prefer those companies that have a digital relationship with you. That’s what networks have built and allow you to do - build a digital relationship between your suppliers and the buyers.

As far as conservative companies, I’m happy to talk to them Dana. If you have any names, send them my name my way. We love to engage and we love to have that conversation, but it comes back to the fact that there is a real value in this, and it gives all the things that Christian talks about with the agility and other benefits as well. It both makes sense strategically, as well as from the business case, and if those things come together, companies have a great future.

Gardner: I’m afraid we will have to leave it there. You have been listening to a BriefingsDirect discussion focused on the emergence of business networks and how that now requires new models of doing business. We have heard how companies that best leverage this data-driven innovation and these business networks will gain significant advantages in their markets.

And lastly we have learned that the use of business networks creates new models to sustain success. So please join me now in thanking Alex Atzberger, President of SAP Ariba. Thank you, Alex.

Atzberger: Thank you so much, Dana, I enjoyed this thoroughly and thank you, Christian.

Gardner: Yes, and thank you Christian Lanng, CEO and Co-Founder of Tradeshift.

Lanng: Thank you so much, Dana, and thank you, Alex.

Atzberger: Absolutely.

Gardner: And also a big thank you to our audience for joining us for this SAP Ariba-sponsored business innovation thought leadership discussion. I’m Dana Gardner, Principal Analyst at Interarbor Solutions, your host and moderator. Thanks again for listening, and do come back next time.

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