

Accelerating Your Supply Chain

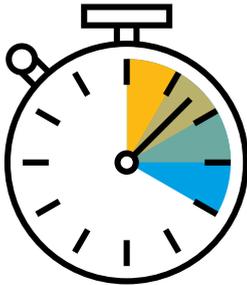
Maximize Collaboration with Marketing Products Subcontractors

The Challenge

While some marketing initiatives – such as product launches and relaunches – are executed in-house, many midcycle initiatives are typically not, including samples, bundles, stickers, and inserts. These initiatives are disruptive to production cycles, standardization, and lean processes. And because many manufacturers do not have on-site capability to accommodate these ad hoc, special, and varying activities, they engage subcontractors to handle the tasks. As these initiatives are often accompanied by scheduled and expensive promotional activities and advertising, product availability and timing

are critical. And promotional materials must be in stores when the advertising airs.

As the type, scope, and target of marketing activities vary widely, manufacturers do not always have active, suitable, and capable pools of suppliers at hand. Therefore, entirely new and complex supply chains – new SKUs and consigned inventories – are born for a limited time, and collaboration with the subcontractors requires excellent responsiveness for these high-volume, high-value transactions and critical items.



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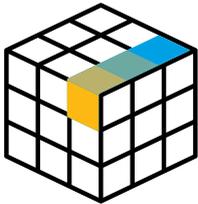
The Opportunity

The SAP® Ariba® Supplier Lifecycle and Performance solution allows procurement to identify high-performing and cost-efficient, current and former suppliers for comparable initiatives across the product portfolio and across the category lines upon which marketing and brand functions are structured. For instance, cost-effective, high-performing suppliers for beauty product samples can be identified, qualified, and engaged for a detergent sample production. By creating subcategories such as “liquid sample,” suppliers can easily be qualified across categories for a portfolio of marketing activities.

Ariba Network and the SAP Ariba Sourcing solution enable procurement to identify and launch e-auctions with suitable suppliers against a set of criteria such as capability, certification, real-time capacity, and references.

Bids can be evaluated against total cost of ownership criteria such as logistics, turnaround time, quality assurance, capacity, financial risk, and the like. Expediting time-consuming activities is essential to the success of short-lived but critical initiatives, increasing go-to-market speed by cutting the sourcing cycle by 50% and requisition-to-order time by 77%.¹

The SAP Ariba Buying and Invoicing² and SAP Ariba Supply Chain Collaboration for Buyers solutions empower organizations to exchange and require information at every stage of the process, such as production status, quality assurance, and stock, and feed it into the SAP ERP application to help ensure perfect customer orders. This provides the marketing and production teams with excellent visibility into the supply chain.



Identify suppliers, launch e-auctions, evaluate bids, and exchange information at every stage of the process – for faster time to market, greater visibility, and lower total cost of ownership.

1. This is only an example of results that can be achieved and is not a guarantee of product performance or results.

2. The product name “Ariba Procure-to-Pay” has been retired and replaced by “SAP Ariba Buying and Invoicing.”

