

Connect to Differentiate

SAP offers a more complete solution for managing the source-to-settle process than any competitive alternative. SAP's solution is — simply put — more complete.

It has breadth.

It can manage each step of this process — from sourcing through procurement through payments.

Intelligent Insights

It has depth.

It can manage diverse spending and expense types — from direct to indirect.

It has reach.

It connects and allows collaboration between your business and a broad network of partners and stakeholders.

SAP Ariba and SAP S/4HANA

SAP is the only solution that can deliver all of these to customers of all sizes in every stage of procurement maturity. SAP Ariba and SAP S/4HANA, individually, are both very powerful, but when you combine them, the story is even stronger. And here's how:

Driving value

SAP Ariba will strengthen every SAP S/4HANA business case.

The simple, easy to use buying experience drives participation of the employee base and allows the company to capture negotiated savings.

Cost reduction

- Rationalize supply base through spend visibility and centralized sourcing
- Negotiate better pricing using consumption history
- Save on ad hoc purchases through demand management and spot quoting

4%–15%
in average unit price reduction

Fiscal control and compliance

- Control maverick spending and fraud through use of contracted suppliers and preferred specs
- Ensure supplier compliance to preferred terms reconciling invoice, PO, receipt & contract

\$20M
reduction in contract leakage per \$1 billion of spend

Process efficiency

- Drive sourcing productivity through deep spend analytics and immediate supplier discovery
- Reduce supply chain operation costs
- Reduce cycle times and increase AP productivity through invoice process automation

40%–60%
in operating cost reduction

Cash management

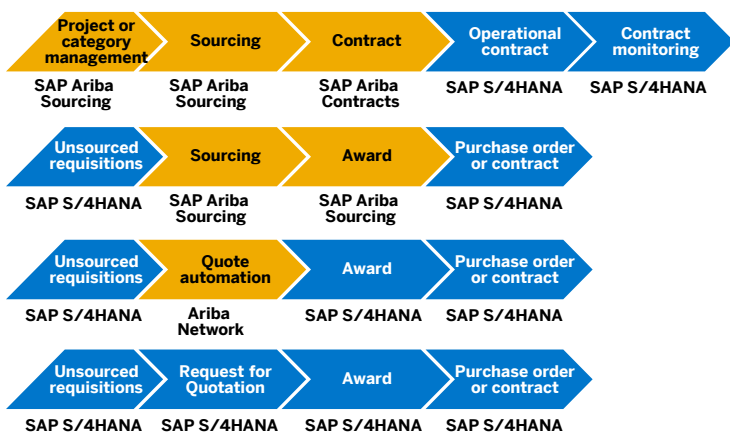
- Avoid unintended cash flow constraints with a formalized payment terms strategy
- Realize early payment discounts or take advantage of supply chain finance margin sharing through shorter invoice processing cycle times

\$1–\$2M
in savings per \$1 billion of target

Our truly end-to-end process

Our end-to-end processes are a clear competitive differentiator. Start your procurement and supply chain transformation and win with bi-directional, delivered integration. SAP Ariba is enriching every type of procurement combination in SAP S/4HANA, without requiring customers to use these capabilities.

Strategic Sourcing

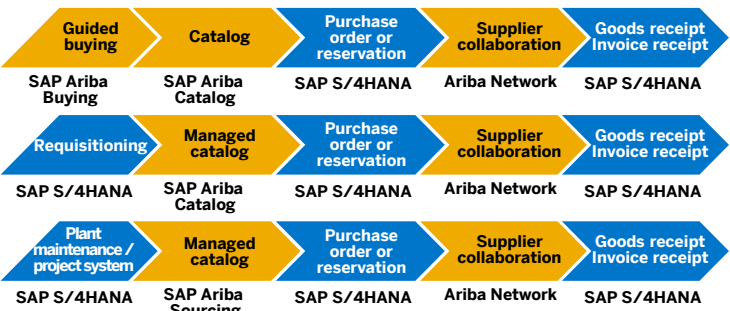


SAP S/4HANA offers basic RFQs with message-based supplier communication.

With SAP Ariba Strategic Sourcing, you can combine category and project management, RFX, workflows, commodity intelligence etc., integrated into SAP S/4HANA Operational Contract, Outline Agreement and Contract Monitoring to drive sourcing efficiency.

Inject supplier innovation into product design processes, integrate BOMs with sourcing events, and manage product cost optimization.

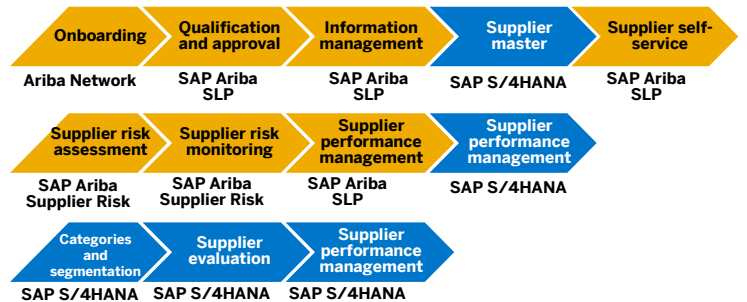
Procurement



SAP Ariba guided buying provides an intuitive buying experience tightly integrated into SAP S/4HANA. SAP S/4HANA offers a catalog based requisitioning process, leveraging content from SAP Ariba catalogs and marketplaces, to promote buying channel compliance.

Plan Driven Procurement automates ordering processes for frequently needed production materials integrated into Ariba Network.

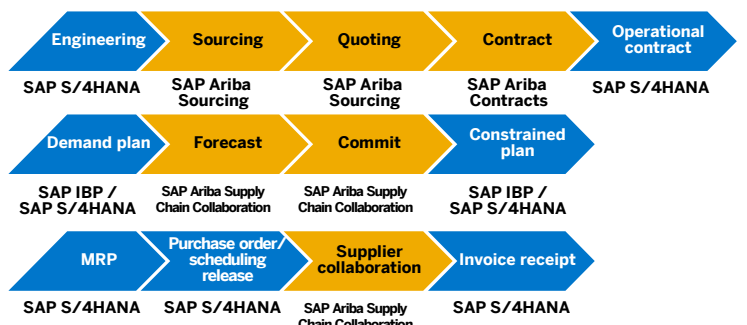
Supplier Management



SAP S/4HANA provides the core functionality to evaluate the supplier performance based on transactional facts and questionnaires.

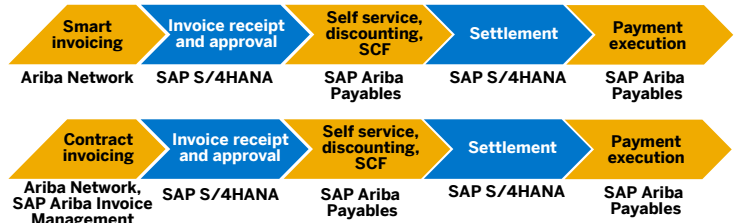
Manage suppliers at scale with SAP Ariba Supplier Management: onboarding, supplier information management, supplier lifecycle for qualification, segmentation, and risk, and vendor master sync.

Supply Chain



SAP S/4HANA with SAP Ariba Supply Chain Collaboration supports sophisticated supply chain planning and direct procurement processes to reduce inventory levels and improve order fill rates.

Financial Supply Chain



Streamline accounts payables and reduce costs with smart invoicing for more than 92% clean invoices into SAP S/4HANA, allowing for short approval cycles to leverage payment terms and dynamic discounts, and improving cash flow.

Visualized integration scenarios range from native integration to project based integration. Next level details on capabilities, value drivers as well as integration by process are available in the [Transform Procurement with SAP S/4HANA and SAP Ariba whitepaper](#).

Options that work for you

SAP S/4HANA and SAP Ariba Apps and Ariba Network

- You are driving a digital IT transformation agenda including procurement transformation
- Procurement will be tightly connected to the backend in a single end to end system
- The recommendation is for you to manage procurement processes in SAP Ariba applications integrated to SAP S/4HANA for core processes - single or multiple backends based on business needs

SAP S/4HANA and Ariba Network

- You are focused on transforming IT with an ERP suite, and expect essential procurement process support as part of the core foundation
- Main focus is digital IT transformation
- This is typically the case for companies with less than \$1 billion in revenue

SAP Ariba Apps and Ariba Network

- Your primary business case is procurement transformation
- Strategic sourcing and supplier management is critical to the business goal; operational procurement scope is indirect, MRO & services spend
- IT has no immediate plan to go to SAP S/4HANA; system landscape may be heterogeneous and have multiple ERPs across the globe

Your IT strategy drives SAP's recommendation for either SAP S/4HANA OnPremise or Cloud edition.

For detailed recommendations on how to transform procurement with SAP Ariba and SAP S/4HANA, please read our [whitepaper](#).