

The Challenges Online Supply Management Tools Pose for B2B Marketers



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The Challenges Online Supply Management Tools Pose for B2B Marketers

“Today’s purchasing and supply managers complete over 57% of the buying process before they ever contact a supplier representative.”



If so, what's different about today's B2B Customer Journey?

Market Forces Altering the Customer Journey



Purchasing
Employment
Growth

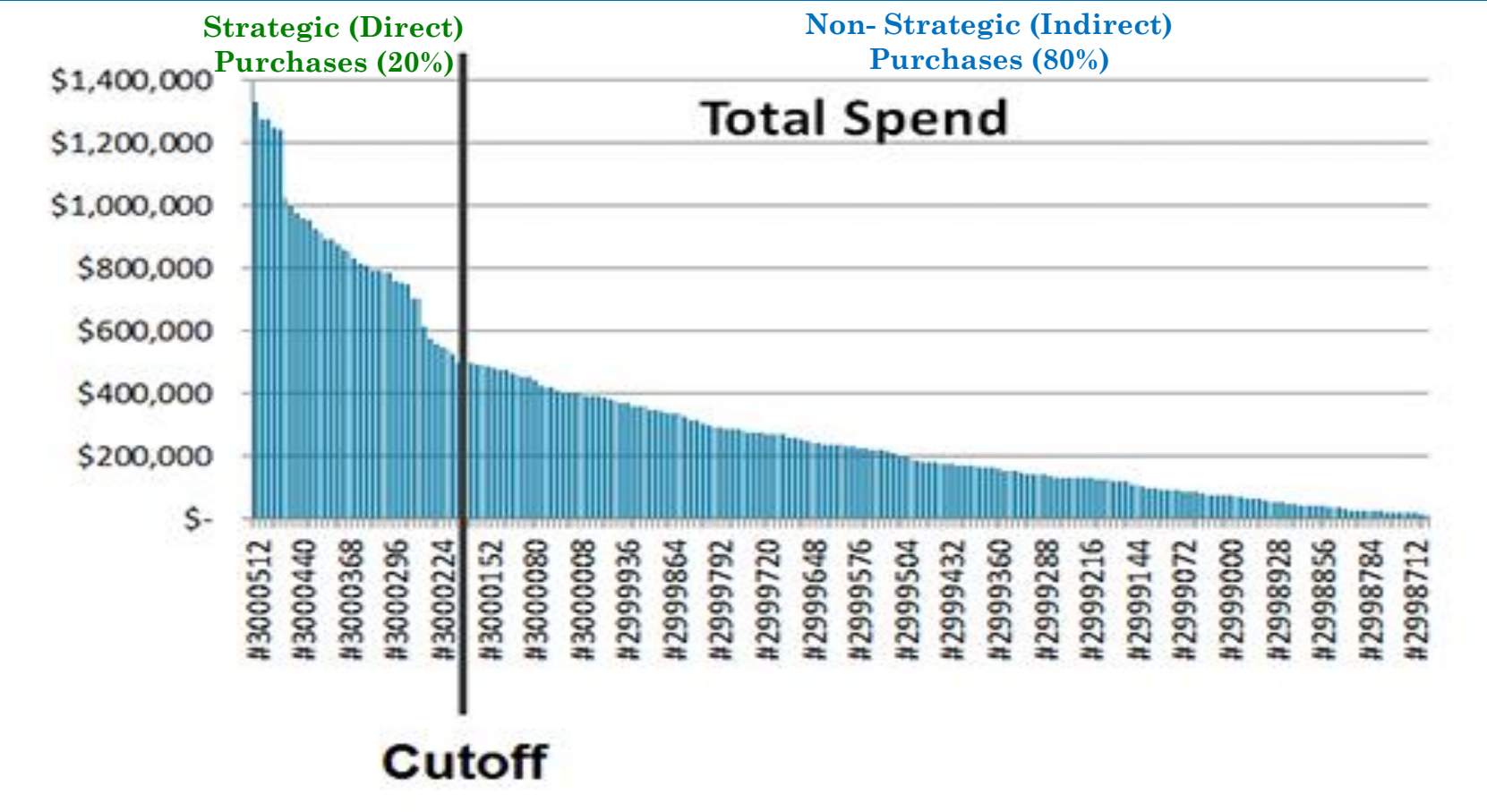


Millennials



Technology

Customer Journeys Vary by Importance of Acquisition



Spend Analysis Pareto Chart

8 Recurring Buying Tasks of Today's Customer Journey

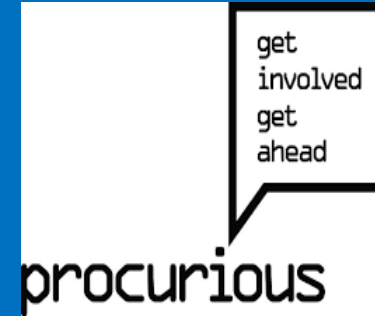
1. Scouting for Emerging Trends & Technologies
2. Searching for Suppliers & Products
3. Assessing & Monitoring Supplier Financial & Legal Risk
4. Verifying Supplier Certifications & Compliance
5. Reviewing Sustainability Practices & Green Products
6. Comparing Alternative Suppliers & Products
7. Transaction Management
8. Managing Ongoing Supplier Relationships & Performance

Online Supply Management Tools:

1. Scouting for Emerging Trends & Technologies



Online Resources from
Trade Associations



Online Professional Communities



E-Mail Supplier Promotions
Focused on Learning



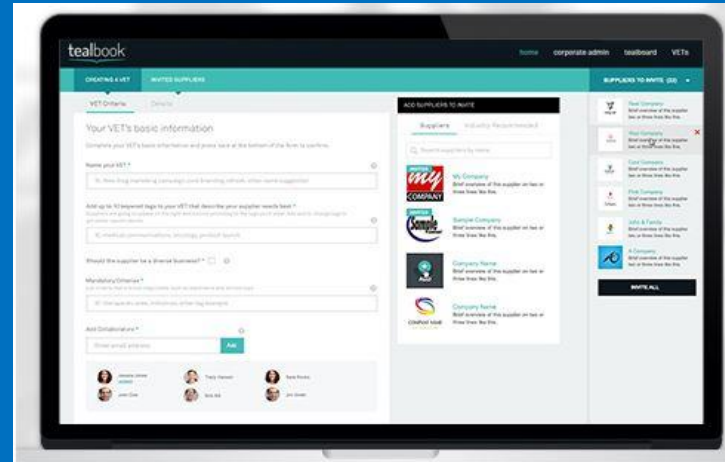
Online Market Reports

Online Supply Management Tools:

2. Searching for Suppliers & Products



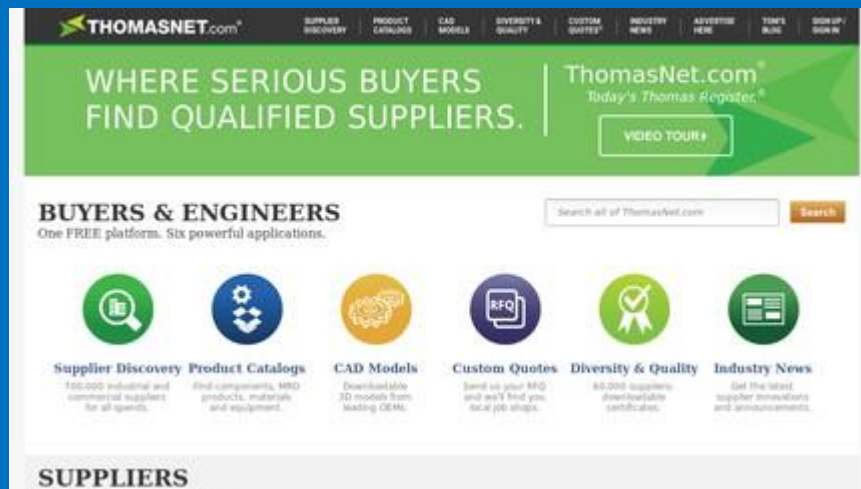
Search Engines



Social Media Based Sites



Professional Communities



Online Catalogues



Real World or Online Trade Shows

Online Supply Management Tools:

3. Assessing Supplier Financial & Legal Risk

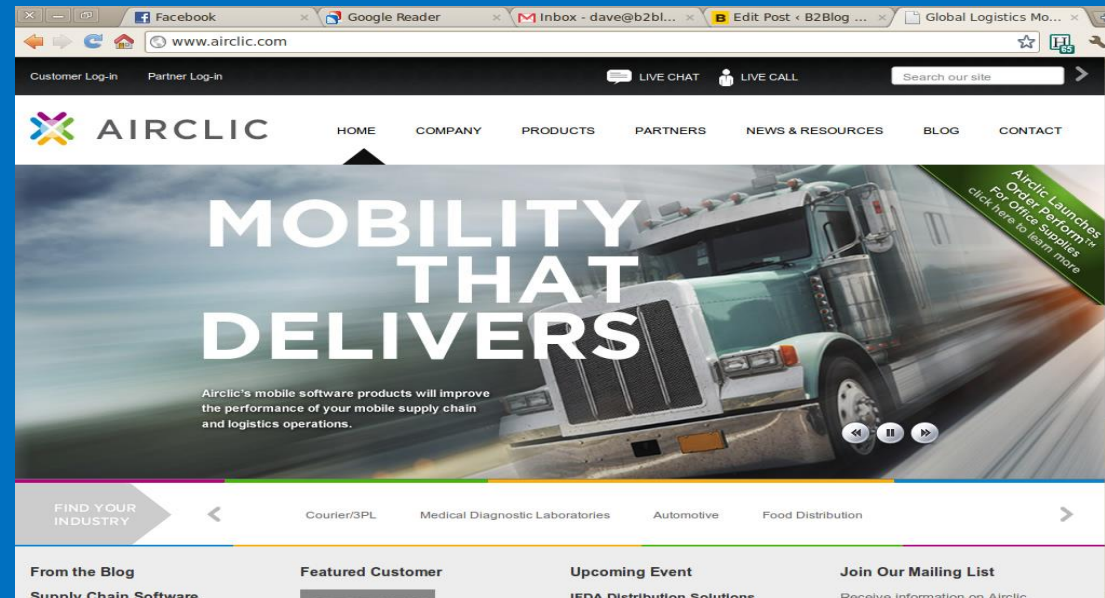
dun & bradstreet



MetricStream



Risk Assessment & Monitoring Services



Supplier Websites

Online Supply Management Tools:

4. Verifying Supplier Certifications & Compliance



ISO 9000 Certifications



Compliance Management Services

Online Supply Management Tools:

5. Reviewing Sustainability Practices & Green Products

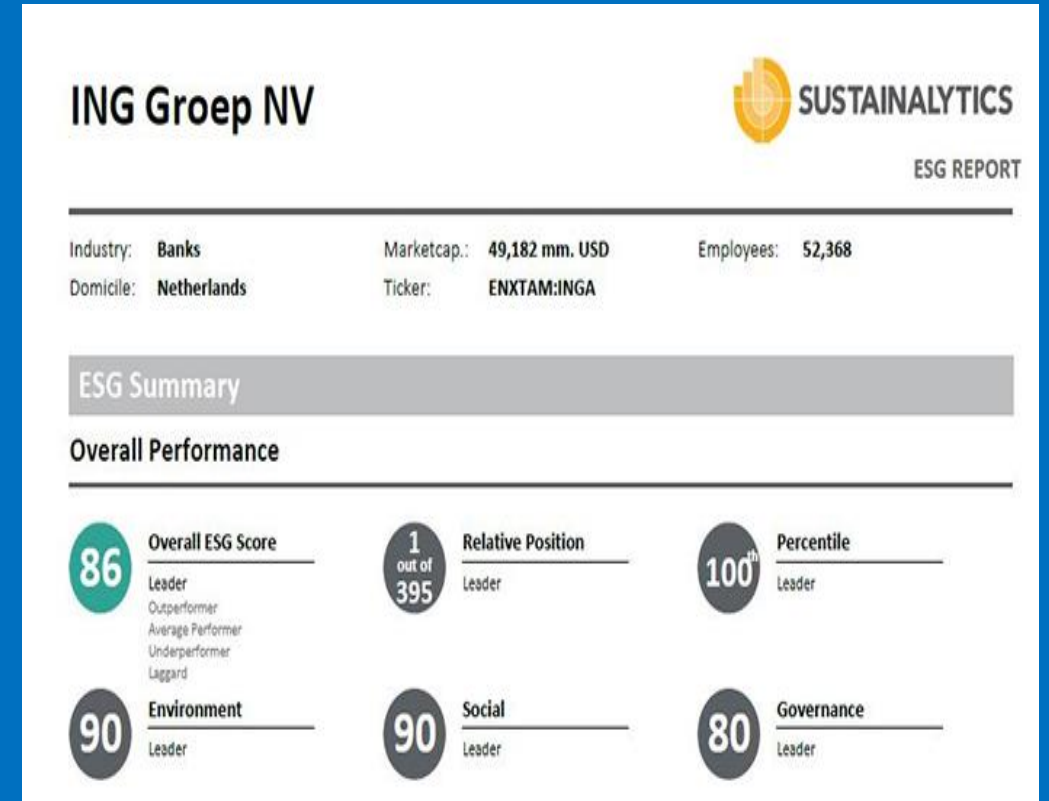
How did comparable companies score?
(RV ESG disclosure scores)

Industry Peers with top 5 highest ESG Disclosure scores included for each company

Company	ESG Disc Score	Company	ESG Disc Score	Company	ESG Disc Score	Company	ESG Disc Score	Company	ESG Disc Score
Average ESG Disc Score	28		25		22		21		24
DANONE	55	NESTLE	53	NESTLE	53	NESTLE	53	CAMPBELL SOUP CO	48
UNI-PRESIDENT ENTERPRISES CO	51	UNI-PRESIDENT ENTERPRISES CO	51	EBRO FOODS SA	52	EBRO FOODS SA	52	COCA-COLA CO/THE	39
AJINOMOTO CO INC	49	AJINOMOTO CO INC	49	KIKKOMAN CORP	44	AAK AB	50	PREMIER FOODS PLC	31
CAMPBELL SOUP CO	48	CAMPBELL SOUP CO	48	NISSIN FOODS HOLDINGS CO LTD	43	FROMAGERIES BEL	46	MONDELEZ INTERNATIONAL INC-A	25
CONAGRA FOODS INC	48	CONAGRA FOODS INC	48	GRUPO NUTRESA SA	41	KIKKOMAN CORP	44	CHIQUITA	23
ADM	19	BUNGE	37	INGREDION	21	SEABOARD	11	CALAVO GROWERS INC	13

Common industry peers are highlighted. Scores are rounded to the nearest whole number.

Bloomberg ESG Disclosure Scores



Sustainalytics

Online Supply Management Tools:

6. Comparing Alternative Suppliers & Products

Company Name/Logo

SUPPLIER RATING SCORE CARD

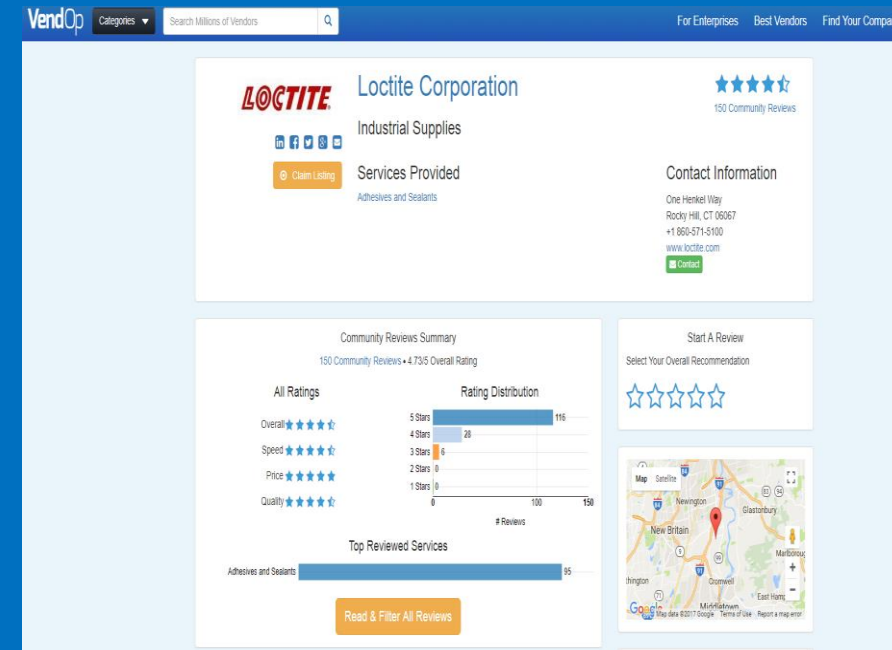
Supplier: _____ Assessment Period: _____

RATING ELEMENT / PERSPECTIVE	RATING	WEIGHT	SCORE	COMMENTS
Quality Performance <ul style="list-style-type: none">Material Acceptance (Conformance to requirements specified on Purchase Orders, Drawings, and associated Standards/Specifications)Responsiveness to Issues (Timeliness & Effectiveness of Corrective Actions) <i>(55 points max)</i>		X 7.0		
Cost and Service Performance <ul style="list-style-type: none">Price Competitiveness & Value AddedOn-Time DeliveryLead Time & Cycle TimeEase of Doing Business (i.e. Requesting Quotes, Placing Orders, Tracking Status, Flexibility, Response to Changes & other Requests)Accuracy & Timeliness of Paperwork/Data (i.e. Quotes, Packing Slips, Invoices) <i>(36 points max)</i>		X 1.0 X 3.0 X 1.0 X 1.0 X 1.0		
Supplier Capability <ul style="list-style-type: none">Production CapabilityInfrastructure (i.e. Quality, Manuf., Admin, Systems, Culture) <i>(10 points max)</i>		X 1.0 X 1.0		
Total Earned Score <i>(100 points max)</i>				

Overall Rating

QA Concurrence	Purchasing Concurrence	Production Control Concurrence				
Ratings (as a % of max points)	1=Unacceptable (0-39%)	2=Needs Improvement (40-59%)	3=Average (60-79%)	4=Above Average (80-99%)	5=Excellent (100-100%)	Rev. TBD MMDDYY

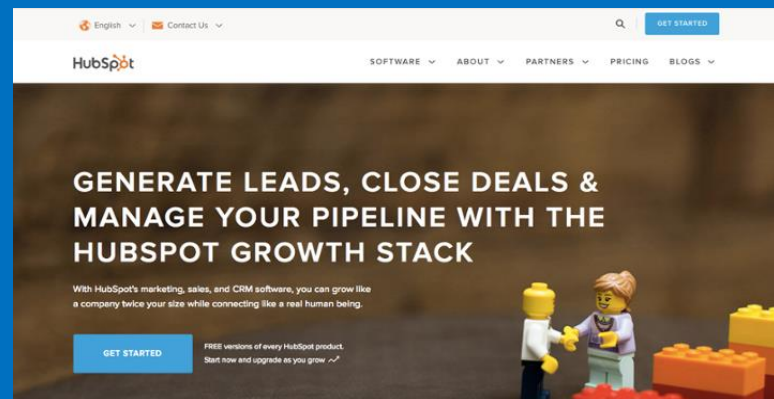
Vendor Scorecards



Review Sites



Price Comparison Sites



Supplier Websites



Total Cost of Ownership Calculators

Online Supply Management Tools:

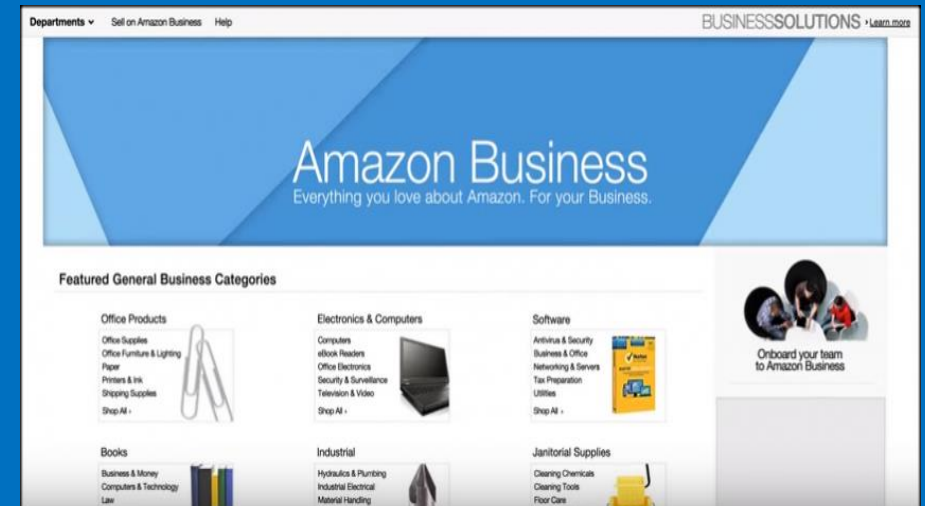
7. Transaction Management



Electronic RFPs & RFQs



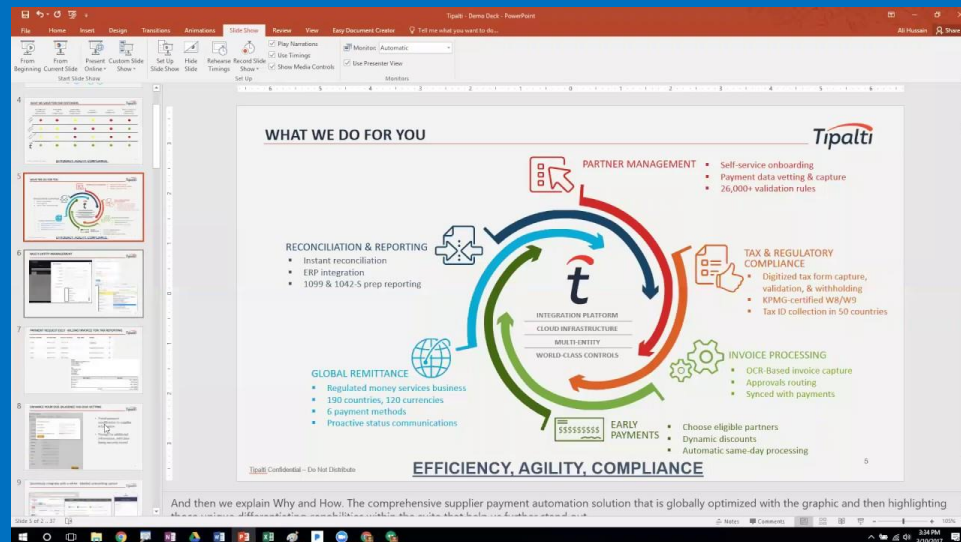
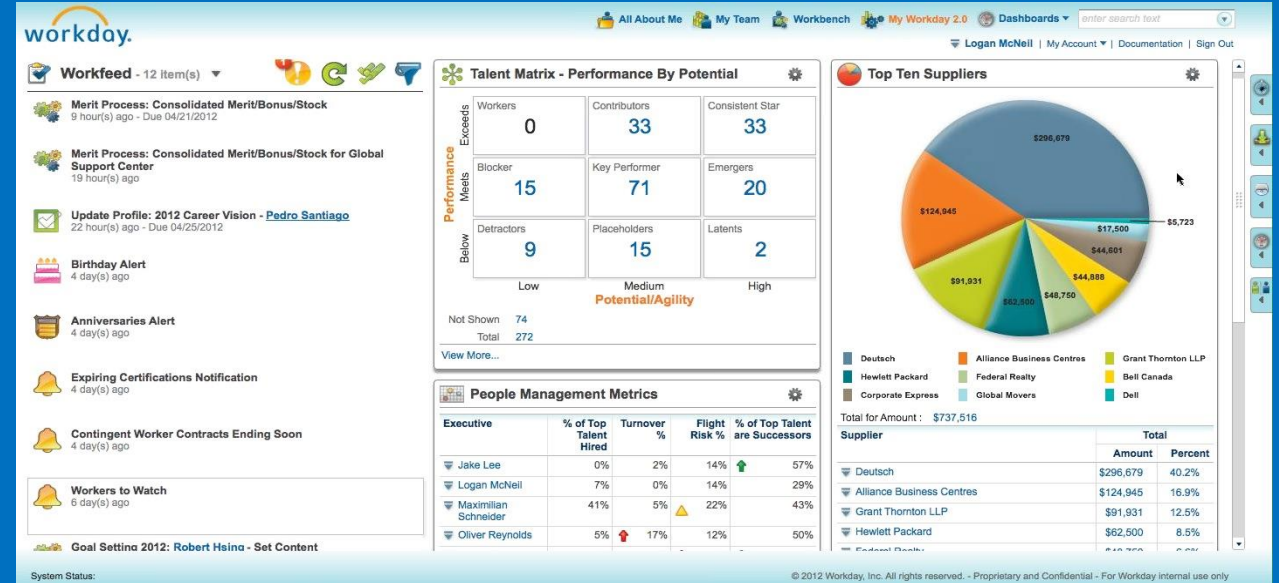
Strategic Sourcing & Procurement Systems



Electronic Buying, Ordering, & Payment

Online Supply Management Tools:

8. Managing Ongoing Supplier Relationships & Performance



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VENDOR MANAGEMENT SOFTWARE THAT PUTS YOU IN CONTROL

VendorINSIGHT® is award-winning, vendor risk management software for banks, credit unions, financial services companies and other companies who demand the best vendor risk assessment tools, features and automation for their vendor management process.

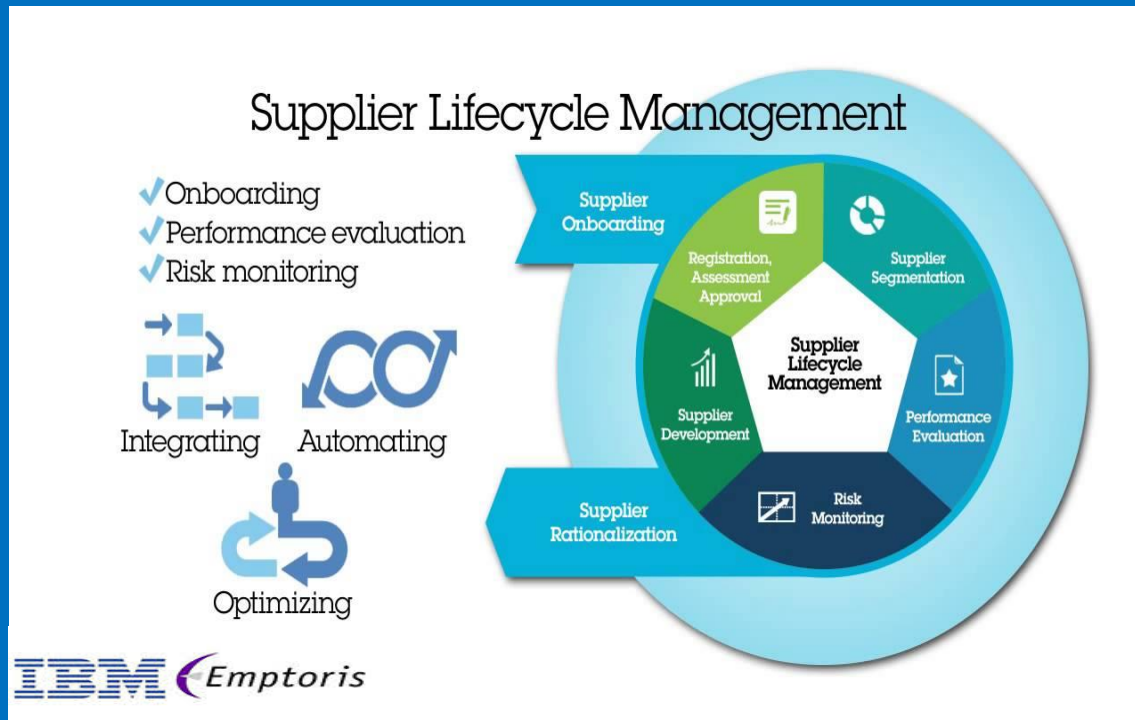
Easy-to-use software and vendor risk management tools help automate your vendor management process and strengthen your vendor management program.

VendorINSIGHT Overview

Results of 2015 VendorINSIGHT® Customer Survey

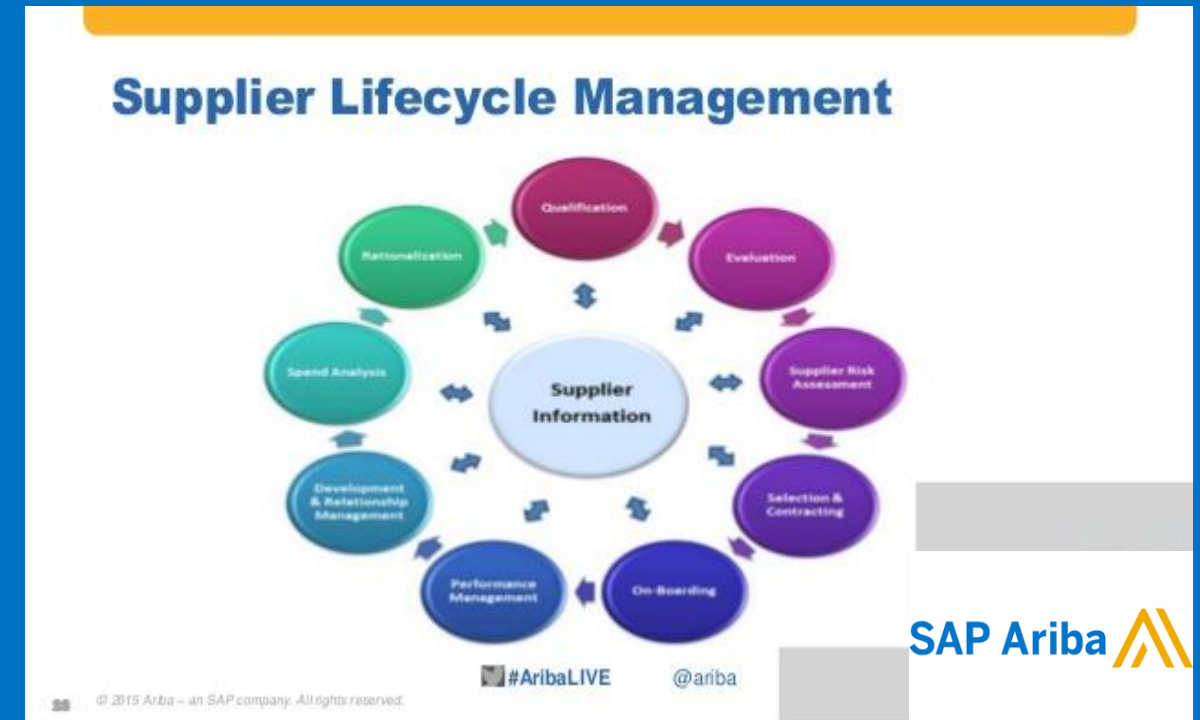
Vendor Management Systems

Online Supply Management Tools: The Future? – Fully Integrated Supply & Procurement Suites



Procure-to-Pay Suites

Supply-to-Pay Suites



Configure-to-Pay Suites

Configure-to-Manage Suites

Online Supply Management Tools: Which Analyses Are Most Likely to Reveal Order Qualifiers & Order Winners?

WHAT ARE THE MOST IMPORTANT B2B ORDER QUALIFIERS AND ORDER WINNERS?



An ORDER QUALIFIER leads a B2B customer to consider a supplier's product or service.



Based on a survey of 342 purchasing managers, the leading ORDER QUALIFIERS are:



The supplier's financial (83% of respondents) and legal (75%) RISK profile.



The product or service FIT with customer requirements (72%).



Positive reviews on the customer firm's internal VENDOR SCORECARD (68%).



ORDER WINNERS



An ORDER WINNER prompts a B2B customer to buy a supplier's product or service.



According to the 342 respondents, the factors most likely to produce ORDER WINNERS are:

RELIABILITY of the supplier's product quality (79%), service (74%), and delivery (70%)

The competitiveness of the supplier's PRICES (76%).

The supplier's product QUALITY (74%).

The product's TOTAL COST OF OWNERSHIP (66%).

What's Next?



With our colleagues:

Lujie Chen of the China Europe International Business School

Damien McLoughlin of University College Dublin, &

D.V.R Seshadri of the Indian School of Business

Teasers!



1. Chinese managers use a wider variety of digital tools more frequently.
2. Ireland ranks second in terms of variety and frequency of tool usage.
3. USA managers use a narrow and selective group of tools less frequently.
4. Vendor scorecards, online trade association sites, and online groups & review sites are “hot” and “on the rise” in all four countries.
5. Millennials are more likely to use text messaging, social media, online groups & review sites, and vendor management systems.

Want to Learn More about Our Findings?



*Visit our research website at:
www.engagementb2b.com*