

Digital solution for indirect purchasing

CLARIANT Automation and digitalisation of procurement processes



In 2017, CLARIANT began collaborating with the Mercateo Group, implementing new digital solutions to manage indirect spend at one of their sites in Germany. Soon after, they began implementing these solutions internationally, in Switzerland, Italy, France, Poland and Spain.

We spoke to Víctor Gracia and Sara Rius, managers in CLARIANT's strategic purchasing department in Spain, to find out how the implementation has gone since the project began at the Spanish headquarters three years ago.

Why did you decide to implement a B2B marketplace to manage your indirect purchases?

One of our main objectives in the CLARIANT purchasing department is to automate and digitalise processes. That's why we have been integrating different digital tools into our strategy for several years now. Initially, we used static catalogues to manage all the non-critical, routine, indirect spend orders. Later, we started using PunchOut catalogues before finally opting for a marketplace option.

What criteria helped you decide which marketplace was the best choice for your purchasing needs?

After analysing several options, we opted for the Mercateo marketplace because of the company's presence in Europe. This ensured we would be able to implement the solution internationally, in all European countries where CLARIANT is present. Another important factor was the selection of items available. We were looking for a marketplace with both generic and speciality products, and Mercateo offered a wide range of industrial categories. Finally, we value the supplier approval process. It was essential to have a partner who would ensure our compliance policies were followed.



Víctor Gracia
Procurement Manager
CLARIANT



Sara Rius
Procurement Manager
CLARIANT

CLARIANT

CLARIANT is a world-leading speciality chemicals company. With more than 17,000 employees and 118 manufacturing plants worldwide, the Swiss multinational contributes to value creation through innovative and sustainable solutions for customers in a large number of industries.

- **Legal form:**
Public limited company
- **Founded in:** 1995
- **Sector:** Speciality chemicals
- **Headquarters:**
Muttenz, Switzerland
- **CEO:** Conrad Keijzer
- **Number of employees:**
17,000
- **Annual turnover:**
4.399 billion CHF (2019)
- **Website:**
www.clariant.com

What problems did you face before you digitalised the management of indirect spend?

Before we started working with Mercateo, we had to integrate multiple, different suppliers into our system which made it difficult to manage invoices and analyse data. We also received a large number of free-text orders that prevented us from maintaining control and identifying the organisation's indirect requirements.

Which specific Mercateo solutions and services do you use?

We use the marketplace and the Exclusive Catalogue solution. The marketplace enables us to cover indirect spend and Exclusive Catalogues allow us to place orders with suppliers who we have framework contracts with. This way, we're able to unify all our online purchases on one platform which we can access through a personalised CLARIANT page.

How has Mercateo transformed your daily work?

Implementing Mercateo has given us competitive advantages, enabling us to:

- ✓ Guarantee supplies from pre-approved suppliers.
- ✓ Optimise the entire Purchase-to-Pay process for indirect spend.
- ✓ Access automated processes.
- ✓ Reduce the number of free-text orders.
- ✓ Reduce the number of inventories.
- ✓ Access standardised payment terms in accordance with company policy.
- ✓ Integrate our own framework contract catalogues and marketplace items on a single platform.
- ✓ Use digital tools to optimise our search results based on best price or delivery time.
- ✓ Generate detailed data describing items and purchasing categories.



How have employees accepted the change?

In general, we've seen a good level of acceptance, but we believe that it's necessary to take into account all parties involved in the project in order to implement such a solution. The IT department's resources and maturity, as well as the user experience, could be a critical part of the project because, ultimately, it's the people who use the tool who will determine the project's success.

Do you think this type of technology can help overcome the challenges of so-called VUCA environments?

We believe that digitalisation and Artificial Intelligence innovations can facilitate decision-making. This could be very positive in situations where organisations need to act in a quick and agile manner. In purchasing, it would be a big step forward if, over time, we could predict needs based on historical analysis and eliminate urgency through the automated management of these orders.

How has the collaboration with Mercateo been since the beginning of the project?

At the start of the project, we were assigned an account manager who gave us fully personalised assistance with the implementation, and who continues to advise us on any queries we may have. Furthermore, thanks to our good collaboration, we've participated together in events, analysing the present and future of the sector and the application of new technologies to purchasing.

