

Roadmap: The SAP Ariba Supply Chain Collaboration for Buyers
Solution and Customer Adoption Update
Raj Alluri & Arun Thiyagarajan, SAP Ariba Product & Innovations

ASUG84161

Presentation Materials

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About the Speakers

Raj Alluri

VP, Ariba Network Solutions Management, SAP

- Has been with SAP since 1997 and has extensive experience in guiding customers globally across manufacturing, consumer, and retail industries with their digital supply chain transformation journeys.
- Current responsibilities include solution strategy, road map, and GTM activities for the SAP Ariba Network Solutions.

Arun Thiyagarajan

VP, Ariba Network Product Management, SAP

- Has been with SAP since 2004, started as an developer in the Automotive IBU and then moved to consulting to help global customers in supply chain implementations across Supply Chain Planning, Execution and Collaboration solutions.
- Currently, leading a global team of Ariba Network Product Management for Supply Chain and PO Automation.



Agenda for today

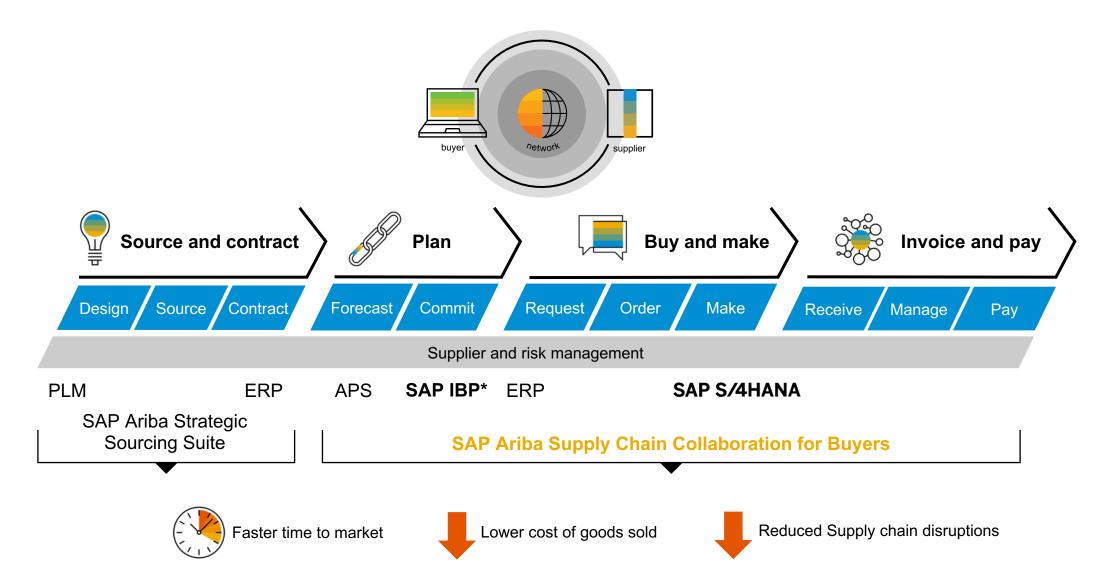
- Brief Solution Overview
- Update on Current Roadmap & highlights of upcoming Innovations
- Customer Adoption Status
- ❖ Q&A

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SAP Ariba solutions for direct spend



Brings real time visibility and efficiency for your supply chains

Your company

Any Backend

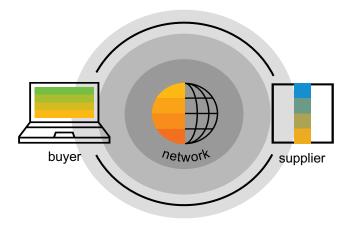












Your trading partners



Raw material suppliers



Component suppliers



Subassembly suppliers



Contract manufacturers



3PL/Distribution centers



Faster response



Build-in Intelligence

Any Channel

PORTAL



X12























Email







Business Process Coverage

		BUYER	20twork	SUPPLIER
≯	Forecast Collaboration*	Share forecast		Forecast commit
	Supplier Managed Inventory	Share demand, inventory and min/max levels	+	Provide & execute against shipment plan via scheduling agreement
	External Manufacturing Visibility		—	Provide Manufacturing and Inventory Status
	Purchase Order Collaboration *	Place, inquire and receive order	+	Confirm order and provide advanced shipment notification
	Vendor Consignment	Report consumption of consigned stock		
	Scheduling Agreement Release	Provide rolling delivery schedule w/ different firming levels	+	Execute against firmed orders (released)
	Subcontract/ Contract Manufacturing	Place order with components Provide notification of components' shipment Provide component inventory & order visibility	↔	Notify buyer of components' receipt Provide component consumption
	Quality Notifications Quality Inspections Quality Reviews	Communicate & respond to quality notification Request test results, COC, COA Collaborate and share quality documents	4	Request & respond to quality notification Submit test results, COC, COA Collaborate and share quality documents
	Self-Billing/ ERS Invoicing	Provide self-bill/ ERS invoice based on GR Provide payment notification	\Rightarrow	
•	Vendor Invoice Processing	Provide invoice processing status & payment notification	+	Provide invoice based on PO/ ASN
	Return Order Collaboration	Place return order & provide return ship notice	+	Provide credit memo

Integration with SAP SAP Integrated Business Planning – Supply Side

Your trading partners Your company Forecast Commit Scenario **Unconstrained Forecast Supply Chain** Control Tower Forecast Commit/Upside Portal/ Sales & Inventory Operations Web UI **Constrained Forecast Planning** Plan Response Demand & Supply network buyer supplier SAP S/4HANA **Partner** enablement Inventory/Manufacturing Visibility Scenarios Core Procurement Quality Management Inventory & Order Status Cloud integration gateway

Companies with enterprise wide collaboration with trading partners have

4 - 12% lower DIO 2 - 5% higher On-Time Delivery

SAP Ariba Network: Analytics Strategy





Embedded

Provide analytics around key supply chain metrics natively within the network for all trading partners





Extensible

Leverage SAP Analytics Cloud to provide additional custom reporting to meet customers business





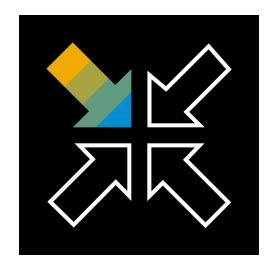
Enabled

Access the network analytics from applications like S/4 HANA and Integrated Business Planning



Ariba Network Vision





"Transform a transactional network to an intelligent business network that enables strategic relationships between trading partners"

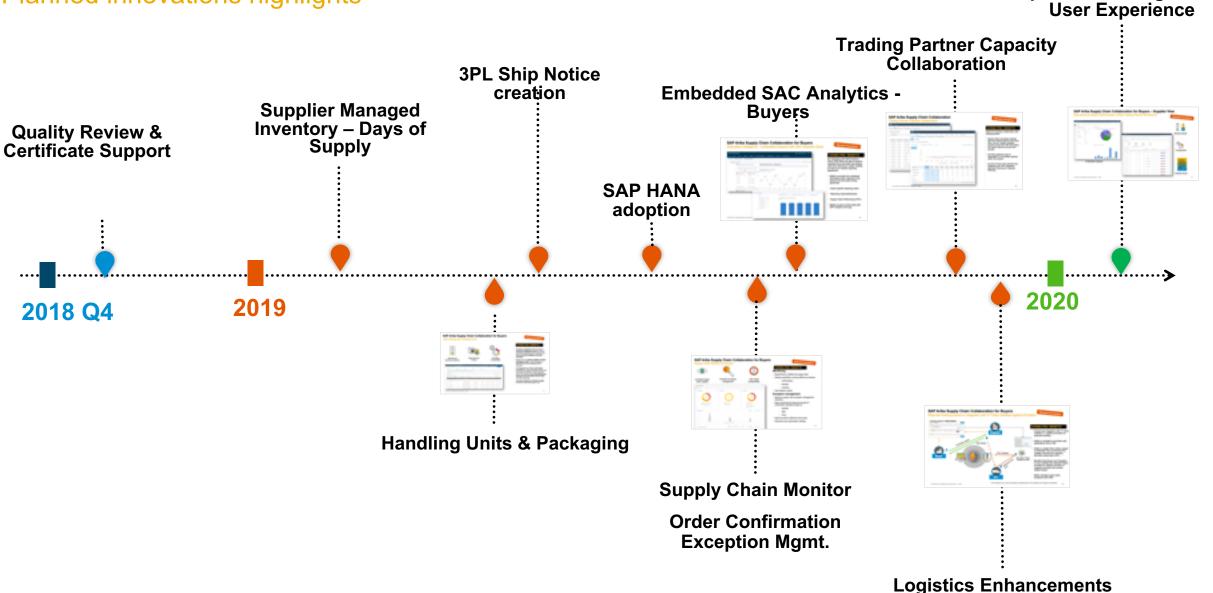


Embedded Intelligence

Extended Collaborations

Improved Scalability

Planned innovations highlights

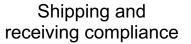


Improved Trading Partner

Auto Packing with Handling Units





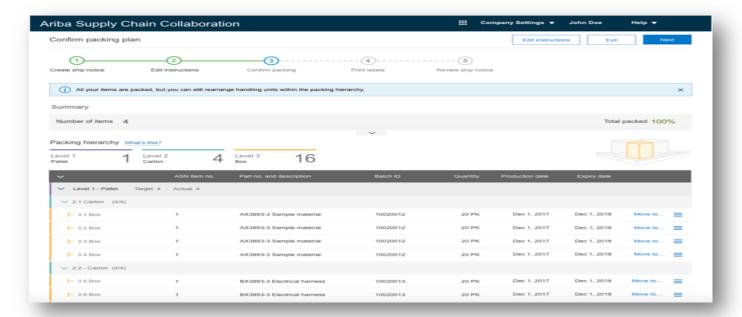




Easier Barcode Printing



Packaging configurability



CAPABILITIES / BENEFITS

- Increase compliance/ Standardization during the shipping process as well as improved productivity upon receiving and more accurate handling of arriving inventory.
- Buyers can now advise suppliers of their packaging needs or allow suppliers to determine how the packaging will be executed.
- Leverage the use of bar code labels representing a unique handling unit that can be printed and affixed to each individual level of the packing while eliminating time-intensive and error-filled manual input and label reprinting.
- Increases efficiency of Goods receipt process at receiving locations and

Supply Chain Monitor for Buyers



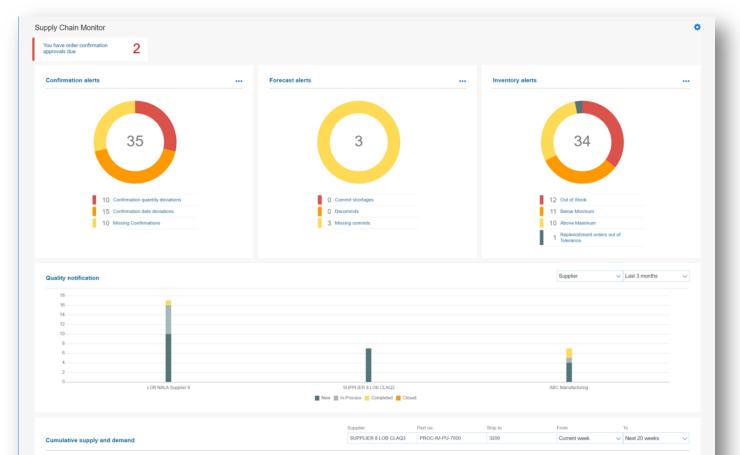




Increased supply chain visibility

Proactive exception management

User based configurability



Planned Innovations

CAPABILITIES / BENEFITS

Monitoring

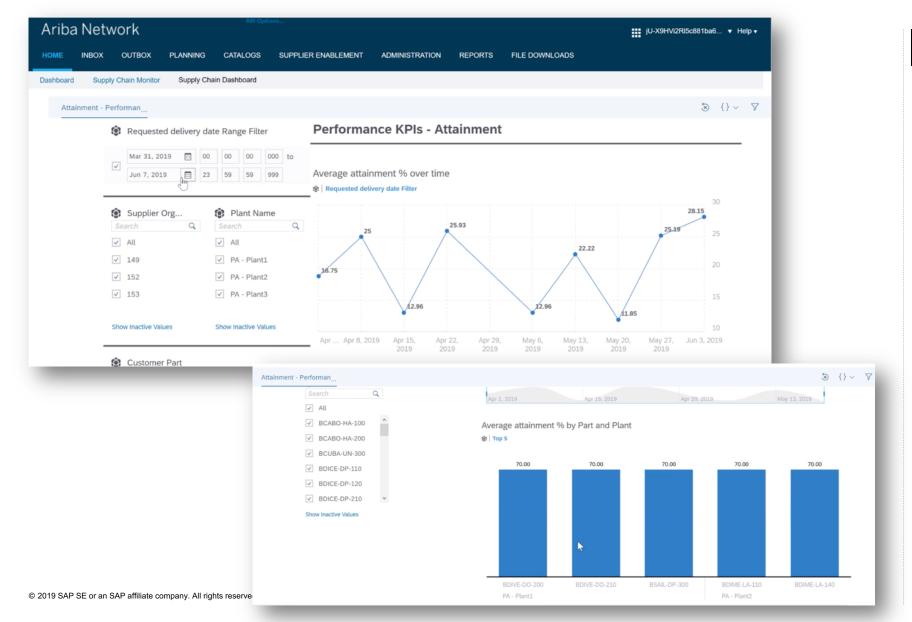
- Buyer/Planner visibility into supply chain
- Alerting capabilities covering different processes
 - confirmations
 - ✓ forecast
 - inventory
- User defined content

Exception management

- Real time supply chain exception management resolution
- Easy monitoring and approval process of confirmation deviations based on
 - quantity
 - ✓ date
 - Price
- Approval actions defined by the buyers
- Advanced user authorization settings

Actionable Intelligence - Embedded Analytics with SAP Analytics Cloud





CAPABILITIES / BENEFITS

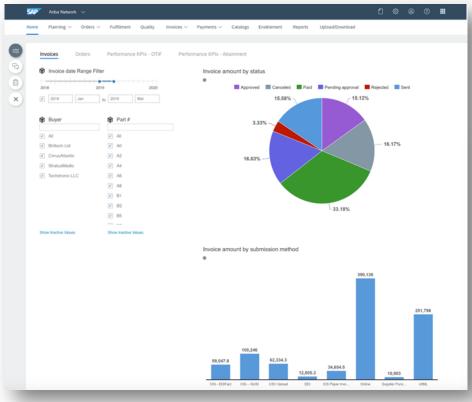
By integrating with SAP Analytics Cloud, SAP Ariba will offer a superior reporting front end within the product suite thus delivering in-depth visibility as well as an intuitive reporting experience.

- Ability to provide rich contextual information that's relevant to the persona and the action being performed
- Action specific reporting views
- Reporting views/dashboards
- Supply Chain Performance KPI's
- Mobile access to Ariba Data with SAP Analytics IOS App.

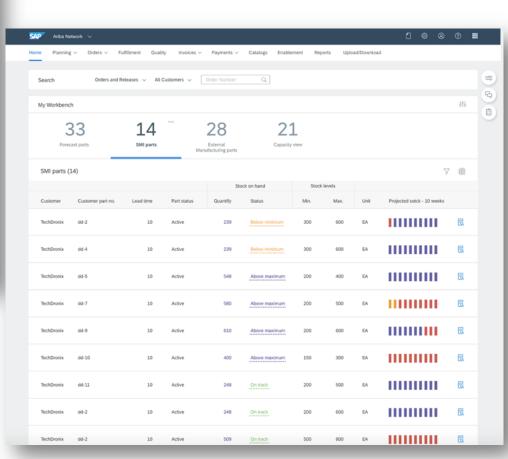
SAP Ariba Supply Chain Collaboration for Buyers – Supplier View

New persona based customizable Unified Trading Partner Workbench





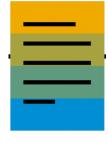
Embedded Analytics





Persona based

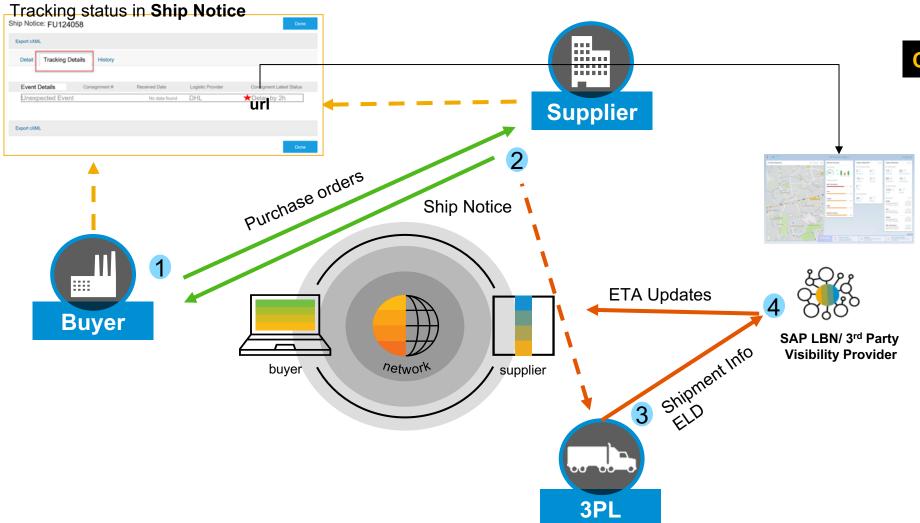




Worklist driven

Planned Innovations

Shipment tracking based on integration with 3rd Party Visibility/Logistics Providers



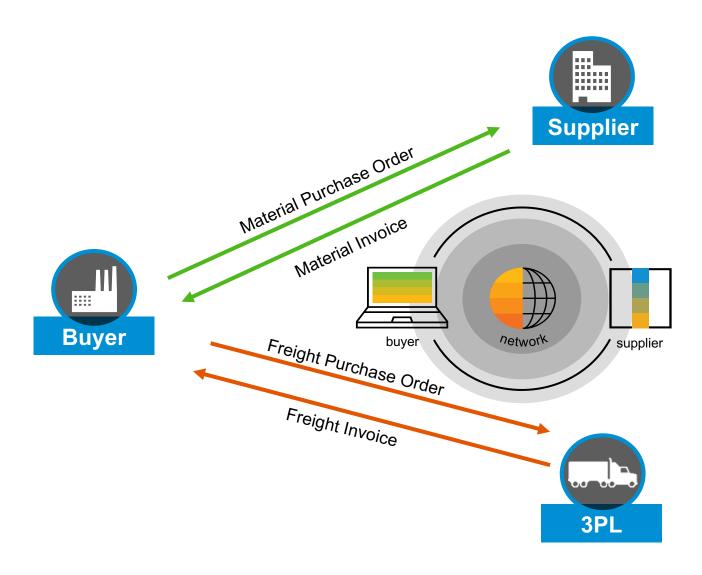
CAPABILITIES / BENEFITS

- Closed loop integration with 3rd Party Visibility or Logistics providers for shipment tracking
- Ability to navigate to providers web applications via an URL
- Ability to update Ship notices based on Estimate Time of Arrival (ETA) updates received from tracking providers using Open API's.
- Benefits both Buyers and Suppliers to have visibility into shipment status provided by visibility providers or Logistics providers and access related impact.
- Better manage supply chain exceptions and risks

^{*} This is example flow only, actual communications could differ based on who the Shipper is who manages the transportation

Planned Innovations

Freight PO & Invoice collaboration with logistics providers

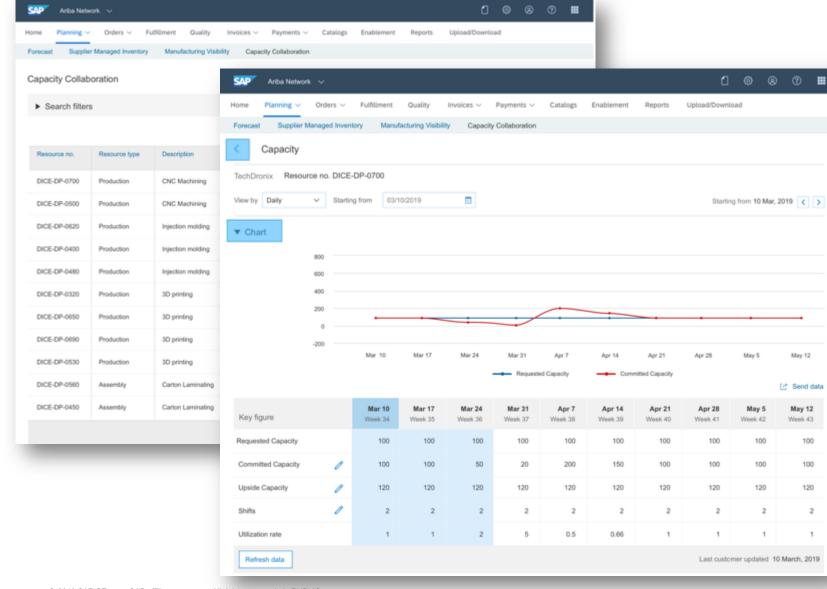


CAPABILITIES / BENEFITS

- Ability for Buyers to share predetermined freight conditions in ERP Purchase Orders as Freight Purchase orders with known logistics providers
- Logistics providers can create Freight Invoices based on Freight Purchase orders received and send them to buyers
- Benefits buyers to have an integrated close loop collaboration with both material suppliers and logistics providers on Ariba Network

SAP Ariba Supply Chain Collaboration

Trading Partner Capacity Collaboration





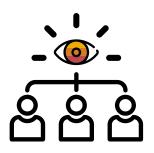
CAPABILITIES / BENEFITS

Resource Capacity collaboration with trading partners

- Buyers share requested capacity with their trading partners and have them commit, upside available capacity along with shift information for a given resource across time periods
- Provides graphical view of Requested vs Committed capacity within the solution
- As part of end to end scenario this integrates with SAP Integrated Business Planning for Capacity Planning

Planned innovation highlights summary





New Business Process Innovations

- Logistics enhancements
 - Shipment tracking based on integration with 3rd party visibility/logistics providers
 - Freight PO & Invoice collaboration with logistics providers
- Resource capacity collaboration with trading partners



Embedded Intelligence

- Alerts for Order Confirmation, Forecast and Inventory
- Exception Management for Order Confirmation deviations
- Advanced Embedded Analytics using SAP Analytics Cloud
- Supply Chain Performance KPI's



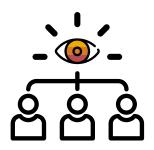
Better User Experience

Persona based customizable unified user experience

 New unified landing page along with re-designed simplified transaction workbench

Future Direction





New Business Process Innovations

- Comprehensive Incident/Issue Management
- Enhanced Multi-tier Collaborations
- MRP Cockpit & DDMRP Integration
 - MRP Exception collaboration with Integrated order priority and exception mgmt.
 - DDMRP integration scenarios with S4HANA and SAP IBP
- Distributor Collaboration
 - Sell-side order execution and planning collaboration B2B support



Embedded Intelligence

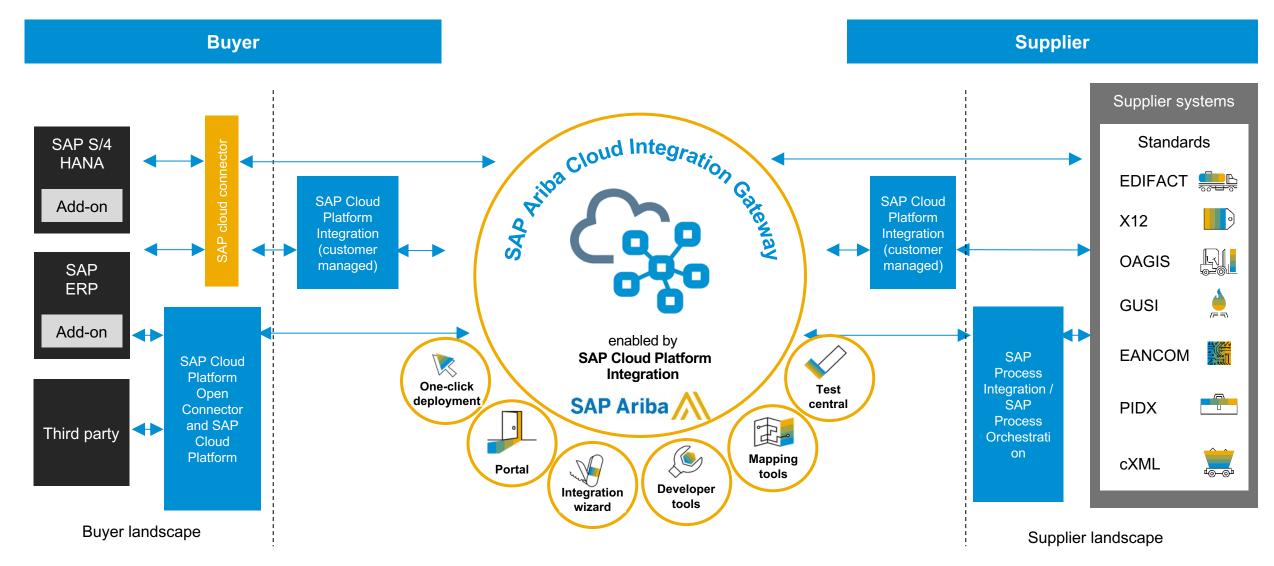
- AI/ML based proactive transaction monitoring and alerts
- Predictive demand and supply views
- Integrated Supplier Performance & Risk monitoring



Better User Experience

- Digital assistant guided scenarios
- Simpler automated process capabilities based on RPA and ML

Cloud integration strategy for SAP Ariba – a unique innovative approach



SAP Ariba Cloud Integration Gateway SAP Standard integrations – 206

126 = SAP ERP and S/4 HANA On-Premise

80 = Other Formats – Network Sell side

Sourcing

Applications Ariba Procureme

Network

Ariba

Master

Sourcing and Contracts Purchasing organization

Purchasing groups Company code Payment Terms Plants Incoterms

Material Master Material Master/Plant Material Groups

Product Sourcing Purchase Info Record Manufacturer Part Number

Supplier Management

SLP outbound (pass-through) SLP inbound (pass-through)

Sourcing - Retail Article Master

Characteristics Profile (Class) Merchandise Category Display Set Article/Site

Generic Article Variant

Transaction

Sourcing RFQ to Quote request Sourcing Award to PO

Sourcing Award to Outline Agreement

Contract Workspace to Outline Agreement

Master

Account categories Assets Asset Class Company codes Cost centers Cost center languages ERP commodity codes General ledger Internal orders Plant

Buving and Invoicing Payment terms

Purchase groups Tax codes WBS elements User data User group mapping Remittance locations Supplier data Supplier location Contracts

Company code internal order mapping Company code WBS element mapping Purchasing organization supplier combo Account category field status Plant to purchasing organization Currency conversion rates Fund management objects Purchasing organizations

General ledger languages

Fund FM derive Earmarked Fund Functional Area **Funds Center** Commitment Item **Budget Period** FM Area Grant

Transaction

Buving and Invoicing Material PO

Service PO Change PO Cancel PO Close PO Goods Receipt

Service Entry Sheet Invoices (Ok-to-Pav) Non-PO Invoice (One Time)

Expense report PO status Change PO status

Asset Shell Receipt status Invoice status Remittances Catalog

Advance Payment requests Advance Payments

ProcessPurchaseOrder (PO)

AcknowledgePurchaseOrder

NotifyInventoryConsumption

ProcessReceiveDelivery

NotifyPlanningSchedule

NotifyProductionOrder

NotifyInventoryBalance

Cancel Advance Payment Requisition

Change Requisition **Budget Check** SES Response

OAGIS v9.2

NotifvShipment

ConfirmBOD

PiDX v1.61

Buv side

Commerce Automation

Order Enquiry request

Order Confirmation

Inbound Ship Notice

Outbound Payment Remittance

Inbound Remittance Advice

Remittance Cancellation

Carbon Copy (CC) SES

Service Entry Status update

Invoice (incl. Credit Memo)

Carbon copy (CC) invoice

Outbound ASN

Inbound Receipt

Invoice status

Quote request

Quote message

Payment batch file

Outbound Receipt

Service Entry Sheet

Cancel PO

Standard Material PO Inbound Payment proposal Outbound Payment proposal Service PO Change PO

Supply Chain Collaboration

Subcontract PO Multi-Tier Subcontract PO Consignment PO Component consumption Transfer movement (Product Activity) Order Confirmation Approval

Forecast and SMI

Discounting

Scheduling Agreement Forecast Demand (Product Activity) Inventory Levels (Product Activity) Product Replenishment Replenishment Order for SMI

Quality Management

Quality Notification Quality Inspection Request Quality Inspection Result **Quality Inspection Decision Quality Certificate**

Sell side

204 214 824 (In & Out) 830 (Forecast) 830 (Commit) 842 (In & Out) 846 (In & Out) 850 855 856 860 861 862 864

866 (MO/PO)

997 (In & Out)

X12 v4010

810

820

GS1 EANCOM 97

ORDERS ORDCHG DESADV INVOIC REMADV

GS1 GUSI MultiShipmentOrder DespatchAdvice ReplenishmentProposal ReplenishmentRequest ProductForecast GoodsRequirement ReceiptAdvice ComsumptionReport InventoryActivityorInventory Status

EDIFACT D01B

ORDERS ORDCHG DESADV INVOIC

EDIFACT D96A ORDERS

IFTSTA

ORDERS

ORDRSP

ORDCHG

INVOIC

DESADV

REMADV

ORDCHG ORDRSP INVOIC **DESADV** CONTRL **RECADV INVRPT** REMADV DELFOR DELJIT **APERAK** IFTMIN

GS1 EANCOM 2002

OrderRequest OrderChange OrderResponse Invoice InvoiceResponse Receipt ReceiptAcknowledgement Exception InvoiceResponseSESR AdvancedShipNotice

available at http://www.sap.com/roadmaps > Ariba

SAP Ariba solutions for direct spend Supply chain collaboration

Recent innovations

Planning collaboration

- Formula editor for custom key figures
- SMI based on days of supply

Order collaboration

- Ship notice update capability
- Unit price tolerance for order confirmations
- Consignment consumption report

Quality collaboration

Continuous improvements

Intelligent Enterprise/platform from SAP

Technical monitoring report for buyers

Planned Q2/2019¹

Order collaboration

- Handling units and packaging support
- 3PL ship notice creation capability
- Improved handling of batches during consumption
- Order confirmation upload/download
- Integration of EDI 824 for ship notice Accept and Decline.

Quality Collaboration

- Quality notification mass upload
- Quality review by email response
- Quality notification enhancements

Intelligent Enterprise/platform from SAP

Supplier inventory and SMI API

Planned Q3/2019¹

Planning collaboration

- External inventory visibility for buyers
- Upload of replenishment order

Order collaboration

- Order re-confirmation support via Upload
- Advanced search filter capability
- Order confirmation exception mgmt. on date, quantity & price for buyers
- Scheduling agreement and schedule Line confirmation support
- Advance configuration for buyers to manage handling units and packaging enhancements
- Re-shipment support based on GR returns and reversals
- Document management system integration to order items
- · Ship notice Upload via Excel
- Improved serial number handling for subcontracting process

Intelligent Enterprise/platform from SAP

- Supply Chain Monitor
- SAP Analytics Cloud–based embedded analytics for buyers
- Performance and scalability improvements with platform adoption of SAP HANA**

Future direction¹

Planning collaboration

- Online Excel SMI/forecast
- Multitier inventory visibility
- Capacity collaboration

SAP S/4HANA integration scenarios

MRP cockpit integration & demand-driven MRP scenarios

Order collaboration

- Multitier buy/sell process support
- Shipment tracking interoperability with Track & Trace providers
- Kanban supply/demand board support

Intelligent Enterprise/platform from SAP

- · Improved user experience for suppliers
- Enhanced analytics and exception mgmt. for Suppliers
- Predictive orders visibility for suppliers
- Supplier adherence predictions using ML for buyers
- UI customizations & extensibility
- Quality Review API

Distributor collaboration

 Sell-side order execution and planning collaboration B2B support

^{1.} This is the current state of planning and may be changed by SAP at any time without notice.

available at http://www.sap.com/roadmaps > Ariba

SAP Ariba solutions

Cloud Integration Gateway

Recent innovations

SAP Ariba Cloud Integration Gateway (portal and platform)

- B2B Partner Configuration
- Custom Routing

Network automation and SAP Ariba Supply Chain Collaboration for Buyers

- ERP-initiated invoices for services
- ASN quality certificate
- · Replenishment orders for SMI
- Doc Status Update for multiple AN accounts
- Payment terms on SAR
- Consumption batch Back Flush
- Component information in ASN

Supplier integration that allow collaboration with buyers using Network Automation and SAP Ariba Supply Chain Collaboration for Buyers

- · Mapping visualizer
- RNIF-Adapter-Enhancements
- · Platform EDI Inbound Ack
- EANCOM enhancements

Planned Q2/2019¹

SAP Ariba Cloud Integration Gateway (portal and platform)

- CIG hosting in China data center
- Mapping tool

Network automation and SAP Ariba Supply Chain Collaboration for Buyers

- Handling units for inbound ASNs
- Final Service Sheet Indicator
- Cancel SES
- Support for various language codes in AN transactions

Supplier integration that allow collaboration with buyers using Network Automation and SAP Ariba Supply Chain Collaboration for Buyers

Mapping visualizer

SAP Ariba Cloud Integration Gateway (portal and platform)

- Test central v5.0
- SAP Solution Manager integration

Planned Q3/2019¹

Master data through native interface

Network automation and SAP Ariba Supply Chain Collaboration for Buyers

- Price Variance and Serial Number
- Incoterm location mapping
- Subcontracting returns and refurbishments
- ASN return for subcomponent for backflush
- Support for FI Invoices
- · Multi line SAR and enhancements
- Integration with SAP S/4HANA Cloud (1908)
- SAP S/4HANA 1909 certification

Future

SAP Ariba Cloud Integration Gateway (portal and platform)

 Support for SAP Solution Manager/Focused Run integration enhancement for SAP S/4HANA Cloud

Network automation and SAP Ariba Supply Chain Collaboration for Buyers

- SAP S/4HANA lean services
- SAP Asset Intelligence Network
- Integration of Proof of service with SAP Field Service Management

Supplier integration that allow collaboration with buyers using Network Automation and SAP Ariba Supply Chain Collaboration for Buyers

- SAP ERP integration with sales and distribution, Phase 1
- SAP S/4HANA integration with sales and distribution, Phase 1

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available at http://www.sap.com/roadmaps > Ariba

SAP Ariba Foundation services

APIs - Network

Recent innovations

 Supply Chain transaction monitoring API"s – support monitoring of documents by buyers

Planned Q2/2019¹

 Supplier Inventory Status API – support for visibility of Inventory status at Supplier locations for buyers.

Planned Q3/2019¹

- Ship Notice API support for visibility and maintenance of Ship Notice
- Invoice API allows extraction of Invoices by suppliers and 3rd Party partners

Future direction¹

- Purchase Order Status API provides status of the Purchase Order including the Status of Confirmation, Shipment and Receipt, also provides additional details relating to ASN document numbers associated with the Purchase Order for tracking purposes.
- Invoice API Invoice creation by 3rd party banks or suppliers
- Operational Reporting API enables you to retrieve header, line item, and other details for transactions purchase orders and scheduling agreements receipts.
- Forecast API allows manufacturers and suppliers to extract timeseries based Forecast and other MRP Planning data published to the Network.
- Quality Review API support for extracting Quality Review related information from AN

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Status Update as of March 2019



Global Customers



Transacting Customers across > 50K relationships in 5 major Industries (Plus ~42 active implementations)



Innovations in 2018



- · Leading HT Company
- Integrated ~45 of their strategic trading partners (via b2b, portal)
- SAP ERP, SAP IBP



- Leading medical technology firm
- Integrated ~ 74 of their strategic trading partners (via b2b, portal)
- · SAP S4HANA, SAP IBP



- Leading CPG Company
- Integrated ~1503 their global trading partners (via b2b, portal)
- SAP ERP



- Leading Industrial Mfr Company
- Integrated ~4126 of their global trading partners (via portal)
- SAP & Oracle ERPs





BRISTLECONE





Key Takeaways



Collaborate efficiently across supply chain planning, execution and invoice/payment processes and communication channels through a **single open network solution**



Manage **exceptions** for ongoing changes in supply and demand with real-time visibility



Rapidly connect and transact with trading partners with **embedded on-boarding services**



Instantly identify errors through configurable business rules with automated validation and reconciliation

Q&A

For questions after this session, contact us at raj.alluri@sap.xom and arun.thiyagarajan@sap.com

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