

Samorin, 6th April 2017

CEE eProcurement Summit 2017: Procurement in an era of change

At the CEE eProcurement Summit 2017, which was held on 6th April 2017 in Samorin, Slovakia, twelve speakers and more than a hundred participants from seven different nations exchanged views on the latest issues surrounding procurement and digitalisation in the world of purchasing. Despite the variety of topics to be covered, one thing was clear: the challenges faced by purchasers and procurement experts in Romania, the Czech Republic, Slovakia, Hungary as well as Poland, Austria and Germany are largely the same.

At the start of the event, the CEO of Mercateo, Dr. Sebastian Wieser, presented the new networking platform, Mercateo Unite, to those present. The platform has been developed on the basis of a learning process over the many years in which Mercateo has been active as a marketplace: “In the old days, people thought that only prices were relevant.” Over the long term, however, this thinking resulted in a problem: Certain requirements could only be provided by specialists, which makes the price irrelevant, and the ability to communicate gains in importance: “That makes it necessary to digitalise these small-scale service providers and to make them available. For individual companies, however, it is often the case that this cannot be achieved on a cost-effective basis.” Mercateo Unite offers such companies easy access to digital services.

Prof. Dr. Péter Ákos Bod, an economist expert and the former Governor of the Central Bank of Hungary, provided the guests with an overview of the economic situation in the countries of Central and Eastern Europe. In his opinion, the challenges do not just emerge from digitalisation, but also include major migratory movements, which are forcing countries such as Hungary, Slovakia, Poland and the Czech Republic to compensate for huge falls in their populations. Companies that are based in these countries also have to develop strategies to compensate for currency fluctuations in order to remain competitive.

Digitalisation, transformation, change – the world of procurement is changing

The key topics in the area of the procurement and transformation of purchasing also include the introduction of eProcurement systems, such as the one which has recently been implemented at the energy supply firm innogy in the Czech Republic. In this respect, Milos Olejnik described how the Czech subsidiary is benefiting from its cooperation with its German parent company. At the same time, innogy also has to remain flexible enough to be able to track the requirements in its home market. This is a challenge to which Erika Hackenberger, Purchasing Manager at T-Systems Hungary, must also rise. Hackenberger has introduced a procurement system at the telecoms subsidiary T-Systems in Hungary, creating structured purchasing processes within a five-year period.

Katarzyna Cichoń from KPMG Poland reported on the potential that can arise when companies decide to support their purchasing on a digital basis and therefore allow for transformation. The

consulting firm recently completed a purchasing study that covered Polish companies. The study revealed that as a result of the digitalisation of procurement processes, more time becomes available for cooperations with suppliers, particularly with the procurement of indirect materials. “Approximately 71 percent of those surveyed said that they choose suppliers based on their innovative potential,” explained Katarzyna Cichoń.

Data as the basis for decisions is also essential in purchasing

One of the most important steps in the optimisation of purchasing is the assessment of process costs. Benjamin Storm, Partner Manager at Mercateo, explained exactly how this can work. He presented a study in which the company had asked purchasers and procurement specialists in Germany about their individual procurement processes. The results provided those attending the event with some interesting insights which can also be applied to the individual countries.

The day’s series of presentations ended with contributions from Professor Elmar Holschbach of South Westphalia University of Applied Sciences and Marlene Grauer. In his presentation, Holschbach presented different possible settlement models for the area of procurement, including pay-per-use models, in which a machine is billed according to its use and is no longer subject to a fixed purchase agreement. He also explained that he was convinced that in the future, purchasers would have to develop new skills: “It is conceivable that considerably more knowledge of statistics will be necessary in order to carry out regression analyses.”

Marlene Grauer, Project Manager at the German Federal Association of Materials Management, Purchasing and Logistics (BME e. V.), described the work of the association to the audience, and highlighted the possibilities available to companies from the region of Central and Eastern Europe for entering into cooperations with business partners in Germany.

Those attending the conference left the event feeling positive, and agreed on the absolute necessity to continue with the series of events, which is unique in Central and Eastern Europe. Initiator Andrej Ürge, Country Manager at Mercateo, added: “We entered this market four years ago and were looking for a forum of this kind, but failed to find one. We therefore decided to organise an event of this kind for ourselves.” Following its successful debut, it is very likely that another summit will also take place next year.

About Mercateo

Mercateo combines the advantages of a B2B marketplace and a networking platform. Buyers, suppliers, manufacturers and service providers connect their systems to each other through this infrastructure and process transactions digitally with each other, regardless of their current level of digitalisation. Buyers and suppliers therefore organise their business processes more efficiently as a result of standardisation and benefit at the same time from the variety on offer and direct relationships with their partners: Buyers receive a suitable tailored offer. Suppliers tap into new target groups or focus more intensively on existing customers and therefore meet customers' expectations of efficient procurement processes and service.

Besides the networking platform, which is positioned neutrally between suppliers and buyers in the B2B segment, Mercateo has also been running Europe's largest B2B marketplace since 2000. In 2016, Mercateo increased its sales to 228.0 million euros. The company operates in 14 European countries and has more than 470 employees.

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