

# Procure-to-Pay platforms: Maximising market coverage

A report offering strategic insight into the advantages of harnessing automation technology with P2P platforms for suppliers.



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# INTRODUCTION

The challenge of winning new contracts for suppliers of manufactured goods remains one of visibility. Procure-to-Pay platforms (P2P) are an attractive solution. Many large enterprises have adopted these platforms to better manage their procurement processes. In turn, P2P benefits suppliers, as they offer greater visibility of incoming orders through to payment.

For suppliers, however, integrating a P2P platform and its associated customers into the back office can be a challenge. This often leads to time-consuming manual processes that also run the risk of errors.

In this whitepaper, we explain how harnessing EDI as one-to-many middleware for P2P platforms simplifies the exchange of key information between suppliers and their buyers. Then we outline the successful framework for rapid onboarding of P2P platforms to achieve maximum market coverage. Finally, we explore the range of standard EDI messages that should be implemented to support ongoing efficient communication and data accuracy.

# EXECUTIVE SUMMARY:

## 3 Key Takeaways

### 01. EDI as an Effective one-to many Middleware Platform

Procure-to-Payment (P2P) platforms are an attractive proposition to buyers and suppliers alike. As the name suggests, P2P platforms automate many of the functions required for the effective procurement of materials, management of the buying process, and the supply of materials.

For the supplier, the benefits of exposure to a buying community are compelling. However, the potential of manually managing multiple live contracts in flight at once can become a logistical challenge.

Leveraging EDI as a one-to-many middleware will resolve the issues described and as importantly, deliver cost savings and operational efficiency.

### 02. Onboarding Multiple Procure-to-Pay (P2P) Platforms in less than 90 days

The opportunities P2P platforms represent in terms of simplifying operational processes and generating new revenue at a lower Cost of Acquisition (COA) are appealing. So, why is it so commonplace for onboarding projects to overrun outside deadlines, or even, never go live?

These challenges can be overcome by following an onboarding framework that configures, tests and pushes live complex projects with multiple trading connections in less than 90 days.

### 03. Leverage EDI Message Standards to Facilitate Good Buyer Relations

Central to all good business relations is effective communication. For suppliers, this is especially critical. Delays in delivery can have drastic knock-on effects, potentially even the cancellation of a contract. This is why it is important to automate as much of the communication process as possible.

EDI has a broad range of call-off-type messages. Our recommendation is to adopt standard EDI messages and include them in the message exchange via integration with P2P platforms. Adding these supplier-side messages via P2P platforms is essential for operational efficiency and, importantly, to meet buyer SLAs.



## 1. EDI as an Effective one-to-many Middleware Platform

Procure-to-Payment (P2P) platforms automate and simplify procurement processes. This includes the management of the buying process and the supply of materials. Utilising P2P platforms is a convenient and attractive solution for both suppliers and buyers.

P2P platforms provide choice for the buyer through a transparent and structured supplier bidding process, enabling the buyer to compare suppliers more effectively.

For the supplier, the benefits of exposure to a buying community are compelling. However, P2P platforms are not unlike consumer Marketplaces, with each one potentially serving a different set of buyers. This, therefore, makes it essential to have a presence on as many as possible.

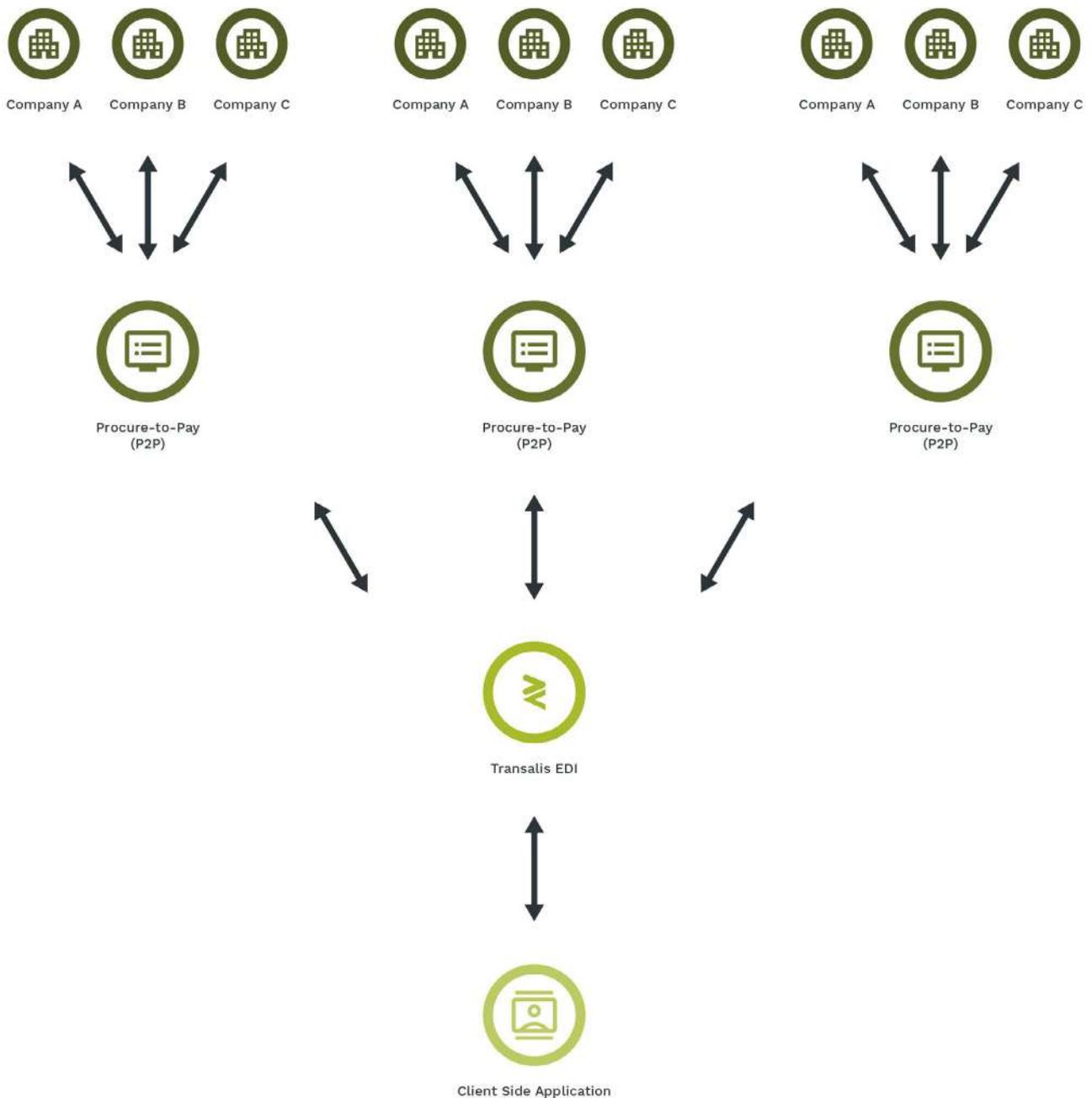
Whilst broad representation is not an issue, having multiple live contracts at once can become a logistical challenge for the following reasons:

- Manual download of orders and double keying into ERP or other systems
- Delays due to errors introduced via multiple different formatting requirements
- Manually updating order status to P2P platforms
- No automation of ongoing exchange of “call-off” requests

For those businesses already using EDI, extending the service so that it integrates your P2P platforms onto a single layer will resolve the issues described above. More importantly, it will also deliver significant cost savings and operational efficacy.

However, bear in mind that not all legacy EDI providers have the service capabilities necessary to provide the benefits described, so check you are working with the right provider before proceeding.

**Figure 1. One-to-many with EDI platform as middleware**



## One-to-Many Middleware in Practice

A client came to us after they acquired the majority division of an office supplies business. Through this acquisition, the client uncovered a time-sensitive issue regarding the P2P platforms this business division was connected to.

The existing middleware which managed the order process from their vast customer network on these P2P platforms was being withdrawn imminently. Furthermore, through the acquisition, the client had very limited in-house knowledge of P2P processing management.

The objective was to ensure that the client was able to maintain Business As Usual (BAU) for all of their customers, whilst automating as much of the order communication as possible. For this purpose, the solution implemented by Transalis leveraged the flexibility and scalability of APIs to manage these processes.

In summary, trading documentation (e.g. orders, invoices, Advance Shipment Notices) was automatically routed from the customer and P2P platform, then translated and reformatted for integration into the client's ERP system. This approach ensured minimal manual intervention, greater data accuracy and process efficiency for all 300 customers across 15 P2P platforms.

Transalis have APIs for all the major P2P platforms, for a full listing visit our integrations page.

**If you are planning to enable EDI, our [eDI Connect+](#) product bundle includes one P2P integration as standard (extra platform connections available for additional cost).**

## 2. Onboarding Multiple Procure-to-Pay (P2P) Platforms in less than 90 days

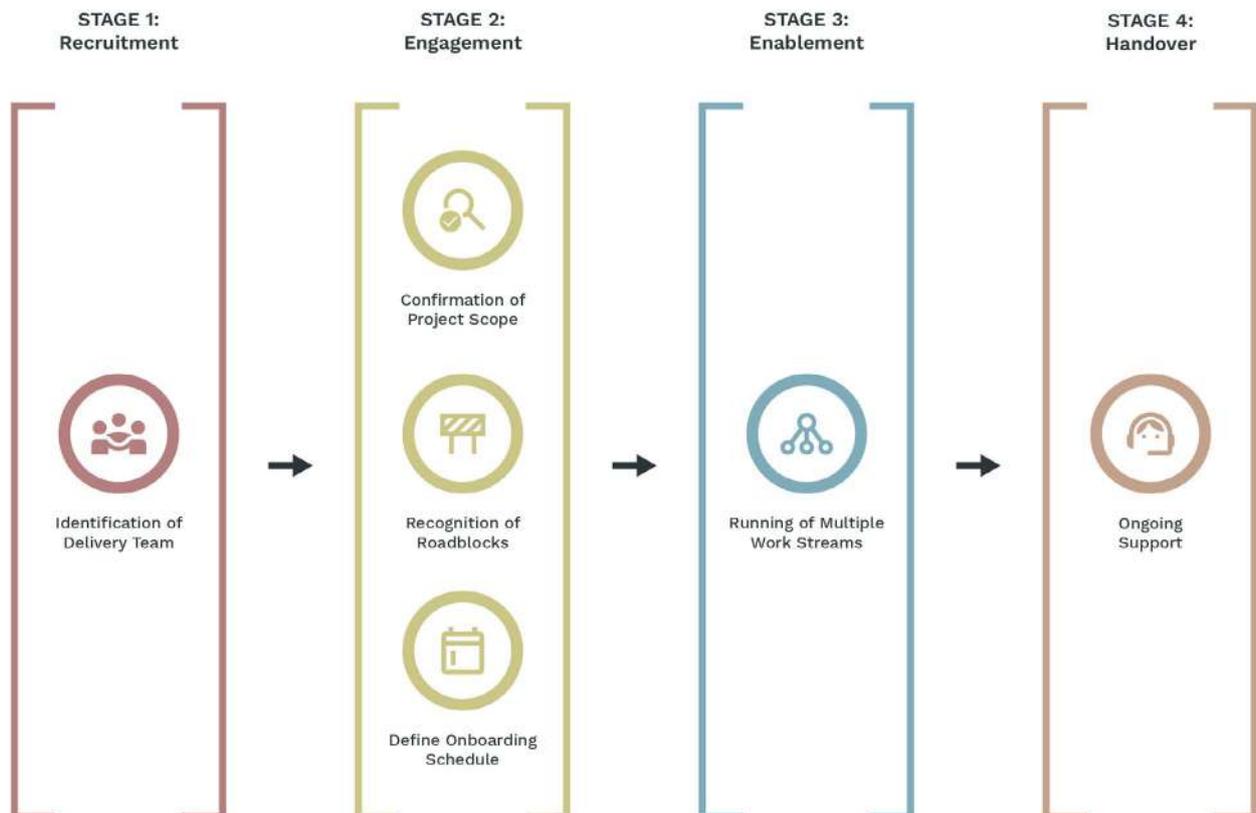
Maximising coverage with P2P platforms will increase reach into buyer communities as well as potentially reduce the Cost of Acquisition (COA). Therefore, there is a compelling reason to ensure broad coverage across all relevant P2P platforms operating in your business verticals.

Assuming your EDI provider can provide EDI as a one-to-many middleware layer, then further operation cost savings will come through process automation.

The challenge is how to onboard all the P2P platforms you wish to connect with, at speed.

Figure 2. outlines the operational framework...

**Figure 2. Rapid Onboarding Strategy for P2P platforms**



## Key Stages to a successful roll-out at pace require the following steps

### Stage 1. Recruitment:

The critical element of Stage 1. is to identify the delivery team (this extends to all parties), the EDI vendor, the supplier, and representatives from the P2P platforms. Each member of the team has to have a defined role and importantly, there needs to be executive sponsorship.

### Stage 3. Enablement

Once Stage 2. has been signed off by all parties, the onboarding process can start. The main objective here should be to run multiple work streams simultaneously. This approach mitigates the risk of delays, therefore allowing rapid configuration and testing, through to pushing connections live.

### Stage 2. Engagement

This outlines the proposed plan to all parties and is the ideal forum to;

- Confirm the scope of the project
- Highlight potential roadblocks that need to be addressed
- Set the timeline allocated to each P2P platform and staged development sprints

This is also a good point to run a POC and establish strengths and weaknesses within the onboarding plan.

### Stage 4. Handover

Operational hands the project over to technical support and CX for ongoing management and service.

## Rapid P2P Platform Onboarding in Practice

**Referring to the case study outlined in Chapter 1, the client had a vast network of customers (over 300) across 15 P2P platforms.**

This posed a significant challenge for Transalis to ensure that all of these clients were live on the new 'EDI as middleware' solution before the incumbent solution was withdrawn from service. As mentioned, this was a very time-sensitive project, with a 4-month hard deadline. If this was not actioned in time, customers would not have been able to order critical office consumables, which would subsequently have long-term negative consequences for our client's brand reputation.

To guarantee the client would meet the required 'go-live' date, Transalis deployed their rapid onboarding strategy, which proved pivotal to the project's success. This involved working on a modular basis, which meant identifying key commonalities between the different P2P platforms and replicating the technological configuration across them. This way, the technical team could focus on the technological exceptions.

In summary, this strategic approach to onboarding meant that connections for all 300 customers across the 15 P2P platforms were delivered within 9 weeks.

As a result, the client has also been able to expand their client base and scale this area of the business, by adding an extra 100 customers within 4 weeks.

Indicating a key vote of confidence, Transalis has been selected as the client's 'provider of choice' to facilitate all future business acquisitions. This entrusts Transalis with the management of consolidating core business systems between different divisions and brands with minimal disruption.

With opportunities for greater supply-chain efficiency and business growth, the benefits of rapidly connecting to P2P platforms is obvious. Transalis fully understands the importance of resourcing these projects correctly. That is why both [eDI Connect and eDI Connect+ bundles](#) include onboarding support as standard.

**Talk to our team about the benefits of onboarding at speed and the benefits it brings in terms of rapid ROI: call on 0845 123 3746 (UK) or +44 1978 369 343 (International), or email at [sales@transalis](mailto:sales@transalis).**



### 3. Leverage EDI Message Standards to Facilitate Good Buyer Relations

Effective communication is central to all good business relations. For suppliers this is especially critical. For example, delivery delays can have knock-on effects, potentially even leading to the cancellation of a contract. This can be avoided, however, by automating as much of the communication process as possible.

EDI has a broad range of call-off type messages and VDA (Verband Der Deutschen Automobilindustrie) is well established within the automotive industry. Our recommendation is to adopt standard EDI messages and include them in the message exchange via the integration with P2P platforms.

As already established, the ability to route messages to customers via P2P platforms is essential for operational efficiency as well as meeting buyer SLAs.

**Below is just a small sample of the most commonly used EDIFACT-type supplier messages within the P2P message suite:**

| <b>CODE</b> | <b>NAME</b>              |
|-------------|--------------------------|
| DESADV      | Despatch Advice          |
| INVOIC      | Invoice                  |
| ORDERS      | Order                    |
| ORDRSP      | Order Response           |
| PRICAT      | Price Catalog            |
| RECADV      | Receiving Advice Message |

**Additional P2P message types include:**

| <b>CODE</b> | <b>NAME</b>                                 |
|-------------|---|
| APERAK      | Application Error and Acknowledgement       |
| AVLREQ      | Availability Request – Interactive Message  |
| AVLRSP      | Availability Response – Interactive Message |
| COMDIS      | Commercial Dispute                          |
| CONEST      | Establishment Of Contract                   |
| CONITT      | Invitation To Tender                        |
| CONQVA      | Quantity Valuation                          |
| CONRPW      | Response Of Pending Works                   |
| CONTEN      | Tender                                      |
| CONTRL      | Control                                     |
| CREMUL      | Multiple Credit                             |
| DELFOR      | Delivery Schedule                           |
| DELJIT      | Delivery Just In Time                       |
| IFTMIN      | Instruction To Transport                    |
| INSDDES     | Instruction To Despatch                     |
| INVRPT      | Inventory Report                            |
| ORDCHG      | Order Change                                |
| PAYMUL      | Multiple Payment                            |
| RETANN      | Return Announcement                         |
| REMAADV     | Remittance Advice                           |
| SLSRPT      | Sales Report                                |

**In the context of the despatch processes, suppliers also need to consider the communications related to import and export. These are also relevant here as they can also be incorporated into the EDI message set;**

| <b>CODE</b> | <b>NAME</b>                   |
|-------------|-------------------------------|
| CUSDEC      | Customs Cargo Report          |
| 490         | Bill of Exchange              |
| 705         | Bill of Lading                |
| 520         | Insurance Certificate         |
| 713         | Mate's Receipt                |
| 491         | Promissory Note               |
| 640         | Delivery Order                |
| 631         | Forwarder's Warehouse Receipt |

## Facilitating Good Buyer Relations in Practice

In addition to implementing many of the EDI messages above for P2P platform integrations for our client, they also came to us with an additional challenge.

The client had been experiencing an ongoing issue with supplier management. This was due to a dropship operation that they were running with partner brands to process orders for larger office supplies (i.e. furniture) that were not being held in their own warehouses. This operation relied heavily on manual processing, with the transmission and receipt of PDF documents via email. This was not an efficient nor scalable way to manage these orders and many of their 3rd party suppliers wanted EDI connections in order to continue business.

Transalis also solved this issue for the client by implementing a solution that automatically communicated these order details to the dropship suppliers. This was achieved by harnessing EDI connections to route the information from the client's system directly to their trading partner's.

**For further information regarding the message types your business should be using, please contact our team via call on 0845 123 3746 (UK) or +44 1978 369 343 (International), or email at [sales@transalis](mailto:sales@transalis).**

# Conclusion

Supply-side delivery has become less predictable due to a weakening global economy and increasing costs that can't be passed directly to the buyer. Now is the time for businesses to maximise their exposure to potential buyers and more importantly win new business at a lower cost of acquisition.

Procure-to-Pay (P2P) sites offer potential access to new markets. Making this a successful strategy, however, requires broad reach across as many P2P platforms as possible.

To avoid complexity and additional costs, businesses need to leverage existing EDI capability to do the heavy lifting and remove error-prone and time-consuming manual processes. Businesses embarking on a project like this must ensure the onboarding plan is robust and takes into consideration the full scope of messages needed.

**For further information, insights, or advice on how our clients are building robust scalable and cost-effective business processes, you can access our in-depth client case studies in our [Knowledge Hub](#).**



# Optimise your P2P connections with our automation & integration solutions

We can automate the communications for your business with all of the main P2P platforms. Our helpful team will assess your requirement and recommend a tailored solution for your business need.

[Explore P2P Integrations](#)



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