

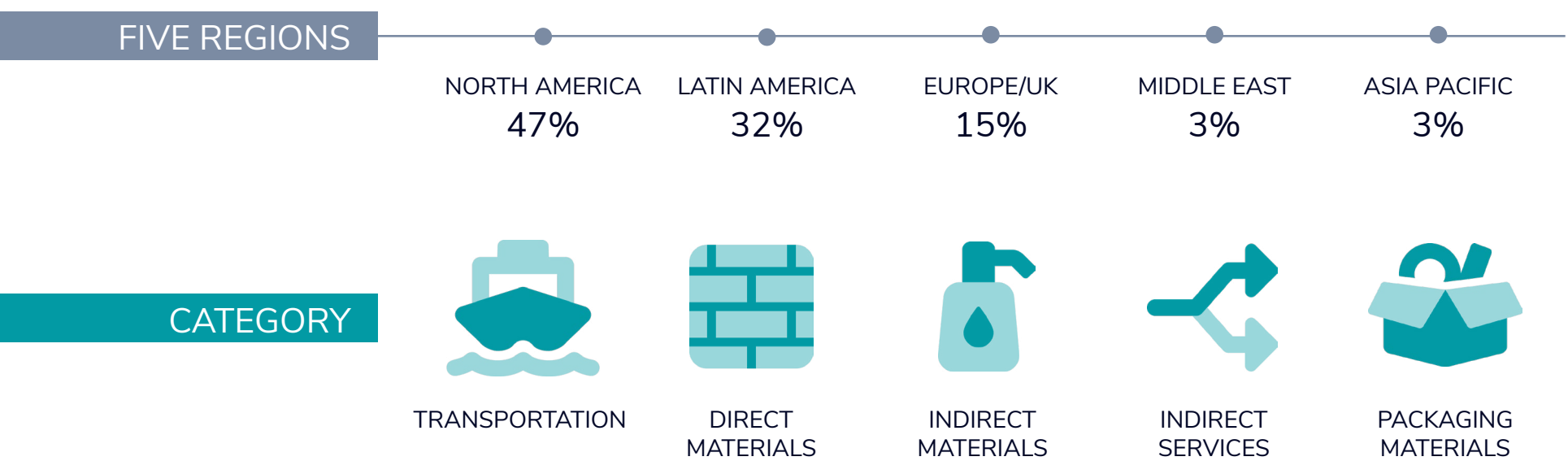


VOICES OF SOURCING REPORT

2023: The Year of Autonomous Sourcing.

The automation
revolution starts now.

> Global procurement and sourcing professionals have spoken.

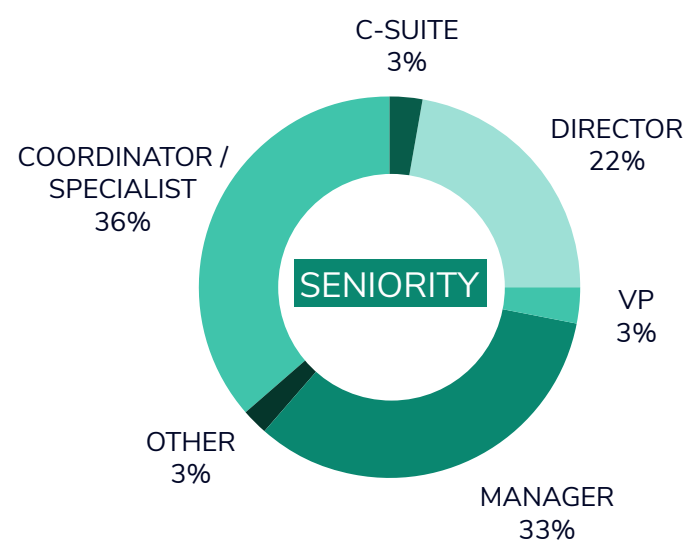
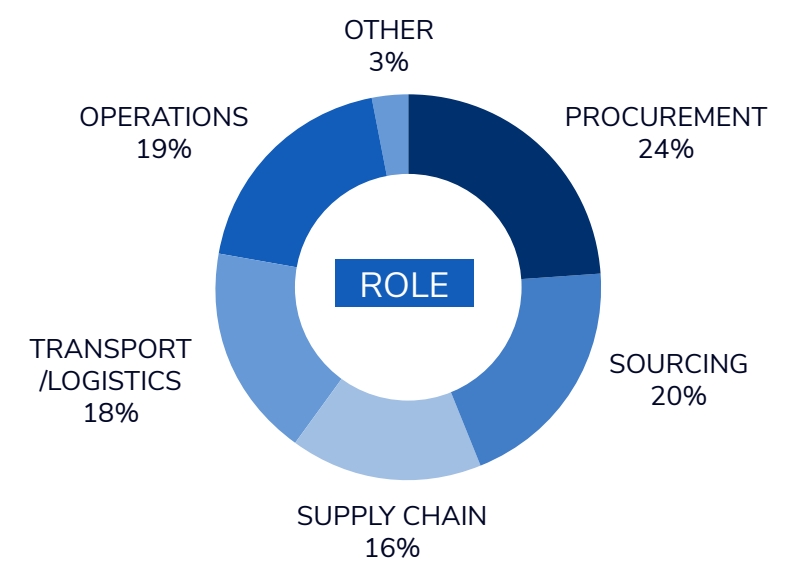


Supply chain disruptions and volatility are nothing new. The impact is just hitting sourcing teams harder than ever.

Under-resourced functions and tired processes are nothing new. Team burnout is just getting more extreme.

Something must give, and 2023 looks to be the year it finally will. Sourcing professionals: get ready to embrace **the power of autonomous sourcing bots.**

The automation revolution starts now.

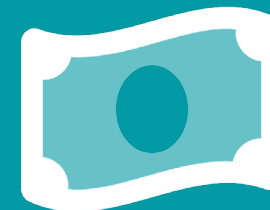
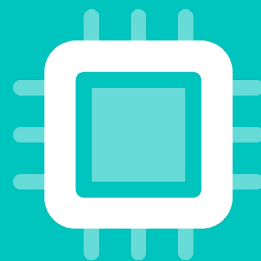


➤ The last few years have seen sourcing teams encounter unprecedented levels of unpredictability.

The impact widely felt:

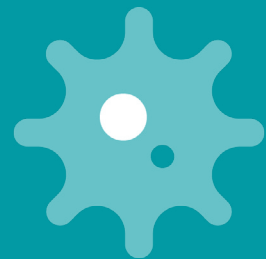
44%

of survey respondents experienced **significant operational impact** from both the semiconductor shortage, and from Russia's invasion of Ukraine.



91%

said **inflation** has impacted their supply chain costs.



65%

experienced **severe supply chain disruption** due to COVID.

58%

said supply chain operations were impacted by **inflation** and **recession**.



..... Global conflict and labor disputes will continue to disrupt the supply chain in 2023. The availability of containers will continue to fluctuate. Inflation will erode purchasing power for buyers, while the market simultaneously grapples with the threat of deflation that will see the price of many goods plummet.

The consensus is that recession is on the horizon, if not already here.

There's no hiding from constant market pressures. The good news? Procurement professionals don't intend to.

> Sourcing will take control of disruption.

Its professionals have placed dealing with market unpredictability* at the top of their agenda:



*ranked as very important

Encouragingly, there was also a 20% increase in procurement professionals who rank sourcing sustainable suppliers as of the highest importance, now up to 54% this year from 34% previously.

Welcome recognition that sourcing can do more to address its impact on climate change.

% Highest level of importance to sourcing teams



David Siedt,
Senior Analyst
Keelvar

Keelvar Expert:

“Tracking more supplier KPIs, such as on-time delivery and load acceptance percentages, then factoring them into award decisions, is just one of the ways sourcing professionals intend to deal with supply chain disruption.”

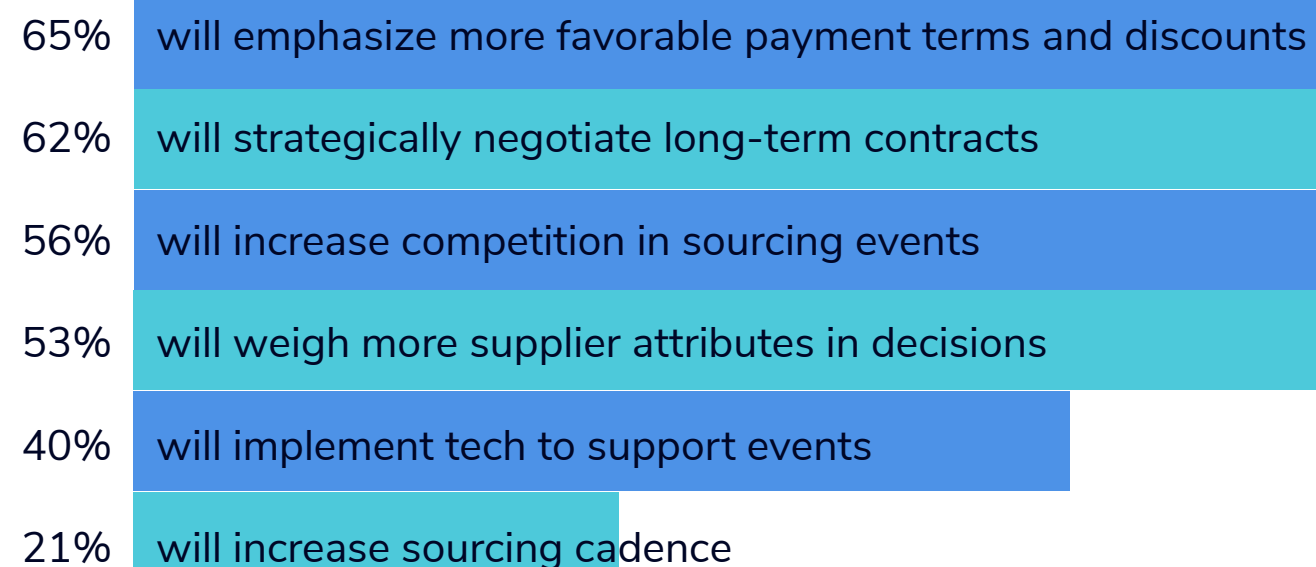
..... [Watch:](#) How Microsoft Shifted Their Sourcing Strategy in a Volatile Market

> Sourcing will make more competitive deals.

Supplier costs are soaring, and sourcing is shouldering the weight.

Almost half of all respondents have experienced supplier cost increases of **10%** or more, with a further third experiencing increases of at least **5%**.

While **25%** of respondents can't see costs coming down in the foreseeable future, the majority of sourcing leaders are actively putting pressure on their suppliers to cut costs.



Procurement professionals will also look to mitigate risk by improving supplier diversity (**52%**, up from last year's **25%**) and nearshoring suppliers (**49%**).

Keelvar Expert:

"Demand and supply curves change rapidly, and pricing is moving fast. As a result, I'm seeing sourcing teams leverage e-auctions to allow quick and easy negotiations on recurring items."



Dylan Alperin
Head of Professional Services
Keelvar



➤ Procurement's people will demand better.

In times of such turbulence, pressure to do more increases. But resources to do it, decrease.

To be exact, **86%** of respondents saw an increase in their workload last year, while **52%** reported they had less resources to act on it.

72% have a flat, or declining, workforce

The imbalance of workload versus resource is negatively impacting sourcing teams throughout the world.

55% of respondents reported higher levels of burnout and stress.

Fuelling the workload is onboarding suppliers they wouldn't have previously (**39%**).

Fuelling the burnout is frustration with long, complex sourcing processes (**36%**).

Did you know?

79% of employees quit jobs due to a lack of appreciation, OC Tanner

With less hands at the pump, malpractice and rogue spend creeps in.

24% are cutting corners to ensure supply

22% purchase outside of approved supplier lists

No surprise then that tactical spend has been earmarked for digitization.

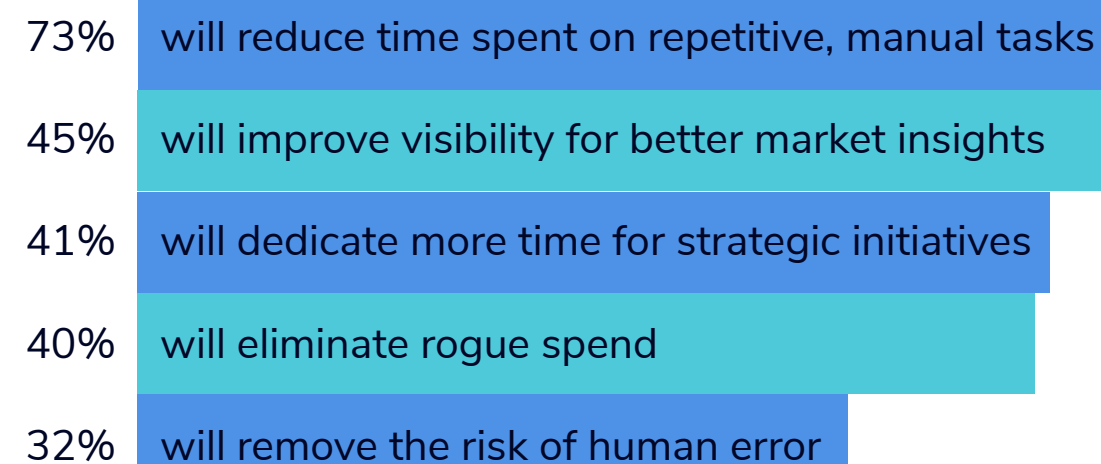
Top Digital Priorities for Sourcing Professionals:

tactical spend - **52%**
category planning - **46%**
strategic sourcing
spend analytics - **39%**
supplier relationships
savings tracking - **37%**



> Sourcing professionals will embrace automation.

To navigate unpredictable conditions, bring more competition to deals, keep sourcing teams happy and address rogue tactical spend, they are revamping processes:



..... And digitizing with autonomous sourcing technology:

89% say automation will reduce time spent on manual tasks

86% think it will result in extra time for more strategic initiatives.

63% are banking on automation to enable smarter decisions that take more factors into account.

An investment worth protecting

While **36%** are cutting budget for capital expenses, only **12%** are cutting budget for tech and innovation.



> The revolution is already here. Introducing Keelvar Total Sourcing.

We help global procurement teams drive better outcomes – regardless of industry, category, complexity or type of spend.

With Keelvar, you can unlock more value from strategic events as well as manage more of the tactical and tail without increasing resource.

You can replace excel and email with a smarter, more competitive way of working.

Helping achieve cost avoidance in technology



\$60m
saved by switching from air charters to commercial flights

Reducing rogue spend in food & drink



6,000
automated events for unanticipated shipments

Speeding up cycle times in technology



85%
time saved building, running and evaluating RFQs

Save more cost, increase efficiency, and improve buyer and supplier engagement.

Empowering entire organizations to source *like* experts.

Our unique combination of autonomous sourcing and sourcing optimization enables every individual in your organization to drive better outcomes. Not just those in procurement.

Automated workflows for lower value business buying. Plugged into the same powerful optimization engine sourcing experts use for strategic events.

More bidders and non-cost items. Increased competition and savings **for every type of spend.**

..... That's why the industry loves Keelvar Total Sourcing:

Sourcing Professionals:

"I can honestly say it's been groundbreaking for us in the Coca-Cola System. We now have a structured digital solution to manage all our "Off Tender" requests, removing 100s of emails from our inboxes on a weekly basis."

Alan Smith, Procurement Director, Global Logistics (CEPG), The Coca-Cola Company

Suppliers:

"Over the years, I have used many bidding tools from different vendors, but Keelvar is the one I have liked most of all."

Dragan Vidicki, Director of Transport & Logistics, Agrorit



KEELVAR >

Only Keelvar combines autonomous sourcing with sourcing optimization. Welcome to 'Total Sourcing'.

Why not speak to the Keelvar team and see the bots in action?

[REQUEST A DEMO](#)

