eSourcing platform offers functionality, security, and ease of use

Colruyt

Colruyt, Belgium's premier supermarket chain, has based much of its long-term success on fostering a unique working relationship with its supplier and stakeholder community. Instead of adversarial negotiations focused on lowering prices, Colruyt focuses on deep supplier collaboration to drive incremental value throughout the supply chain and delivering savings to the end customer as a result.

Given this focus, Colruyt needed to ensure that their eSourcing program reflected the values and priorities of the company. After a thorough market evaluation, Colruyt selected Unit4 Source-to-Contract by Scanmarket (S2C) as the provider for its entire eSourcing platform based on its functionality, security, and intuitive user experience.

Goals for the overall program were to:

- Standardize sourcing processes on best practices to drive efficiency; prior to S2C each sourcing manager was using a unique process, which reduced opportunities for collaboration with suppliers

- Improve knowledge transparency and retention so that when resources change roles, the category knowledge and sourcing intelligence is transferred to the new team

- Increase Colruyt's ability to find and evaluate new sources of supply

- Improve knowledge of specific market dynamics

The roll-out was structured around providing individual business operating units (BOUs) with the support and knowledge they needed to become self-sufficient as quickly as possible. Given the number of stakeholders involved, both internal and external, substantial effort was placed on education.

Industry
Retail

Location
Headquarters: Halle, Belgium

Size
Approx. 33,000 workers in three countries

Product
Unit4 Source-to-Contract by Scanmarket (S2C)

Challenges

Standardize sourcing processes on best practices to drive efficiency.

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"Colruyt has many unique requirements, and [S2C's] ability to accommodate multiple file formats and documents has been key."

Natacha Leys
eSourcing Manager, Colruyt

Results

Year One of the rollout saw significant progress toward these goals with more than 50 projects completed by just one of the business units involved. Most of the projects were RFx efforts in Goods For Resale (GFR), with a smaller number of projects executed in Goods Not For Resale (GNFR) such as IT and Transportation. Specific activity goals for the first year were not set at the program level, but BOU managers set their own expectations at a team level.

As Colruyt moves into its ramp-up stage with S2C results to date have been impressive:

- Adoption by the BOUs has been better than anticipated, with one of the units already standardizing its entire sourcing process on [S2C]

- Eight different BOUs have conducted events on S2C and plan to expand activity

- Supplier feedback has been uniformly positive, especially with regards to increased transparency and uniform information distribution (i.e. level playing field)

- The platform is user-friendly and intuitive which simplifies everyone's job

Keys to success

When asked what advice she would provide to other organizations embarking on an eSourcing program, Natacha Leys, eSourcing manager, provided the following:

- Make sure both the process and system are adaptable.

Colruyt has many unique requirements and S2C's ability to accommodate multiple file formats and documents has been key

- Focus on making the process user-friendly enough that all stakeholders will participate without hesitation

- Ensure that users are sharing their experiences and learnings with each other

- Above all, give your stakeholders all the support they need especially in the "early days"

According to Natacha, the support from S2C including online coaching and Quick Call, has been one of the keys to the program's success. She says, "[S2C] threw me a life jacket when I was in the ocean."

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