

# ignio Cognitive Procurement

[www.digitate.com](http://www.digitate.com)

A Virtual Procurement Analyst for Enterprises.

## WHAT IS IT?

ignio Cognitive Procurement is an **AI-based Procurement Analytics** solution that screens purchase and claims transactions to identify opportunities to

- *Increase Savings*
- *Reduce Processing Costs*
- *Improve Compliance*

It acts as a virtual procurement assistant that analyses, monitors and flags transactions requiring human attention, and helps make informed decisions.

## WHAT DOES IT DO?

It analyses historical transactions to learn your procurement behavior and monitors current transactions to detect anomalies like price variances, fallouts, or potential fraud. The outcome is a judicious blend of speed and efficiency in the procurement process that encourages intervention only on a need basis.

An example of ignio Cognitive Procurement in action:

- **Challenge** - An airline was struggling to optimize its spend on Travel & Expenses. A large part of this spend was decentralized through corporate cards and allowances. The challenge was to discover opportunities for saving and detect instances of leakage due to erratic or non-compliant spend behavior.
- **Solution** - Ignio Cognitive Procurement identified opportunities to negotiate better rates with hotels based on observed price variances and revealed interesting employee preferences for hotel bookings. It also identified employees who fit a pattern of filing 'high volume - low value', 'high volume - high value' or duplicate claims.
- **Benefits** – Ignio Cognitive Procurement detected leakages worth \$ 14M USD up from \$ 3.8M USD in the previous fiscal. It also increased the efficacy of non-compliant claims detection to 22% up from 8% in the previous fiscal.

You could leverage ignio Cognitive Procurement for several other use cases:

- Identifying spend that can be brought under management
- Identifying bias in awarding purchase orders to vendors
- Identifying conditions that drive delays in delivery of items
- Identifying conditions that drive unfavorable payment terms
- Guiding vendor selection and price negotiation
- Predicting invoice processing fallout

## WHO IS IT FOR?

ignio Cognitive Procurement is for professionals like

- Chief Financial Officers (CFOs)
- Chief Procurement Officers (CPOs)
- Category Managers
- Procurement Analysts
- Global Business Services (GBS) owners

## HOW DOES IT BENEFIT YOU?

ignio Cognitive Procurement delivers value along three dimensions:

1. Optimizes spend
  - It can help you achieve a 30-40% increase in annual savings from unmanaged spend
2. Reduces Cost of Operations
  - It can reduce transaction processing costs by 3 times by eliminating fallouts requiring costly manual interventions
3. Improves Compliance
  - It can enable your organization to achieve more than 90% compliance on specific policies related to unmanaged spend

## HOW DOES IT WORK?

ignio Cognitive Procurement works like an independent monitoring solution sitting on top of any transaction processing system like an ERP. It consumes raw transaction data in a predefined .csv format as input and generates cognitive insights as output through a set of screens.

The process of consuming data and generating insights involves three simple steps:

1. Prepare data
  - a. Identify the Right Data Set
  - b. Extract the elements required for analysis
  - c. Prepare the data in a format that is ingestible into the software
2. Perform Analysis
  - a. Upload the prepared data file
  - b. Configure the required settings
  - c. Run an analysis
3. Validate insights
  - a. View the generated insights
  - b. Review the same using human experience
  - c. Decide on the right course of action.

## HOW IS IT AVAILABLE?

It is available in a Software-as-a-Service (SaaS) Package and as a Service Package.

1. As a SaaS Package
  - You get your own dedicated SaaS instance
  - In a location of your choice, which you can access from anywhere, anytime
  - No additional hardware, installation or integration requirements.
2. As a Service Package
  - You get a SaaS Package
  - You get a service which could include:
    - Preparing the input data
    - Performing the analysis
    - Packaging the generated insights in a custom format

## WHY IGNIO COGNITIVE PROCUREMENT?

ignio Cognitive Procurement differs from other products in four ways:

1. It *expands the remit* of analytics beyond eProcurement to any kind of purchase or expense
2. It *provides granular and live intelligence* at a transaction level
3. It is *convenient to use* without any mandatory requirement for integrations
4. It *encourages a Do-It-Yourself (DIY) mindset* to explore new problems and solutions