Optimize Your Supply Chain and Maximize Revenue

Get a Trusted View of All Your Data with Supplier Information Management

Enable Agile Decision-Making and Resilient Supply Chains with Supplier Information Management

Companies in all industries rely on increasingly complex global supply chains to fulfill their business and IT objectives. As the pandemic has highlighted, supply chain management is essential to keeping a business running smoothly. Supply chain processes affect speed and efficiency in delivering a manufacturer's output, as well its quality — and more than ever, consumers want timely and uninterrupted delivery of high-quality products and services.

Yet a variety of issues can prevent organizations from optimizing their supply chains. For example, poor data quality negatively affects operations, decision-making, opportunities and ultimately the customer experience. It also limits companies' ability to measure, assess and reassess supply chain risk factors.

Ineffective inventory management makes it difficult to provide a consistently high level of service — where companies deliver just the right quantity of the right product to the right place at the right time. Manual processes slow time to market. And a lack of clarity on sourcing sustainability and traceability can impact consumer trust and loyalty. In addition, customer, supplier and proprietary data is often fragmented, spread across multiple siloed systems and applications across regions and business units.

To address these challenges, organizations must have the right tools in place to share data and collaborate with partners. They also need on-demand, near-real-time access to trusted, relevant data about everything from bills of materials and supplier challenges to shipping routes and customer demand. In short, they need supplier information management.

Supplier information management enables a company to have a comprehensive, 360-degree view into suppliers, products, materials and customer data. With these insights, a company can get a better understanding of macro demand trends, enable rapid identification of alternate suppliers, improve collaboration and automate supplier onboarding for faster time to market. They can also make sustainable practices a prerequisite when onboarding new suppliers, enhancing supply chain transparency.

What Is Supplier Information Management?

Managing supplier information with a 360-degree view is more than a methodology or technology solution. It's a discipline, a process, and cultural mindset that helps you do five important things:

1. Centrally manage trusted, governed, relevant supplier data across the entire business.

2. Create a holistic, trusted, single view of suppliers, available to all buying teams and applications.

3. Manage dynamic supplier hierarchies and stay on top of changes in your supplier landscape.

4. Fuel all supplier-facing applications, business intelligence tools, and analytics programs with trusted, governed, up-to-date supplier data.

5. Create a 360-degree view of your supplier information to provide master-data-fueled self-service applications for your suppliers and business users.

Supplier information management is about uniting, cleaning, mastering and synchronizing all your supplier data under a single, rigorous governance regime. And it's about streamlining and innovating the way your business collaborates with a 360-degree view of all supplier data.

THE VITA COCO COMPANY®

"Like any company, we want to make earlier and better decisions about what people like about our products, when they like it, how often they like it, and how much of it we should produce. We also need to constantly optimize our pricing and supply chain to grow sales and margins. All of this is informed by data, and for a consumer-packaged goods company like Vita Coco, there were a number of different walls in between the different stages of that data lifecycle that we needed to break down."

— Justin Glatz, Global Head of IT, Vita Coco

Top 4 Data Priorities for More Agile, Effective Supply Chain Management

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It is a comprehensive view built on four main pillars, all of which are critical to gaining a single supplier view you can trust.

1. Proactive Supplier Data Governance

This is a strategic initiative that demands senior management sponsorship and buy-in from major stakeholders. It involves a commitment to treating supplier data like the strategic business asset that it is.

2. Intelligent Data Quality

The data inside each supplier-facing application must be trusted, accessible and timely. If the supplier information in your applications is inaccurate and incomplete, it will pollute your master data, too.
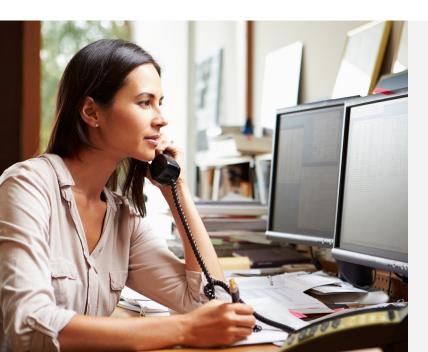
3. Intelligent Master Data Management

The key to successfully managing supplier information begins with the ability to create a single version of the truth about every supplier. Then, automatically share this unified truth with any applications that need it, using a consistent data schema that defines how the data is organized and related. This also enables you to manage different views of supplier hierarchies to meet the needs of different buying teams and departments.

4. Data Integration

What this all boils down to is data integration. You must be able to move the data from your dozens or hundreds of source systems into a master data management system before you can synchronize the mastered supplier data with target applications and data warehouses.

Apply all four elements to the highly specific domain of supplier information and you've got 360-degree supplier information management. Apply a solution that isn't configured for even one of these and you'll have a half-baked infrastructure that's bound to let you down. The good news? It doesn't matter where you start. Or how fragmented your supplier information is today. You can get there from wherever you are. Now.

ELKJØP

"Informatica's solutions make it very simple to automate and validate product data from suppliers and get products to market much faster with better quality data. This in turn enhances the customer experience across various channels, including online, catalogs, brochures and in stores."

— Thomas Thykjaer, Master Data Architect, Elkjøp

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The Five Best Practices of 360-degree Supplier Information Management

We've helped hundreds of major organizations across industries take control of their supplier, vendor or service provider information.

And we've seen just about every pitfall or dead end. Follow these best practices and your own supplier information management program is a lot more likely to stay on track:

1. Make it strategic – There's a time and place for grassroots, under-the-radar initiatives that take the business by storm. This isn't one of them. Get senior management buy-in and stakeholder support. Make the business case and get the time, money, and resources you'll need to succeed.

2. Leave your data where it is – Effective supplier information management lets you leave your data where it naturally lives: in the apps and data stores your business users depend on. You just need to identify these places, so you can access the data and share trusted, governed, and relevant supplier data.

3. Apply data quality at the application level – As a best practice, data quality techniques should be applied to your data at the source, before combining it with other data. Applying standards and practices at the application level ensures you're working with the most accurate and complete data, which makes mastering data much, much easier. Plus, you'll deliver far better results down the road.

4. Use specialized master data management and data integration platforms – It takes specialized technology that's optimized for collecting, reconciling, managing, and linking diverse data sets (as well as resolving duplicates and managing hierarchies) to achieve 360-degree supplier information management. Your program must relate to the supplier domain as well as other equally important data types.

Caution: attempting this with homemade integration tools or point-to-point integrations may lead to more pitfalls eventually, as other companies have learned. Investing in stable resources at the outset is a time (and resource) saver overall.

5. Share trusted data with key supplier apps on an ongoing basis – It's not enough having trusted, timely, accessible supplier data if you can't deploy it to the point of use: the applications, analytics teams and systems that can turn it into insight (and money). This is especially important for your enterprise data warehouse, where analytics spend happens.

These best practices may seem basic or obvious, but applying them can result in significant gains to global supplier data programs.

In a recent survey, 75% of chief procurement officers said enhanced supplier information sharing is their top supply risk mitigation strategy.[1]

[1] "Deloitte Global 2021 Chief Procurement Officer Survey," April 23, 2021, https://www2.deloitte.com/us/en/insights/topics/operations/chief-procurement-officer-cpo-survey.html

There's Money on the Table: Pocket It

Supplier data presents far too big an opportunity to ignore. It also presents a major threat. Master your supply chain now and increase the likelihood of a solid competitive advantage in the marketplace. One thing is clear: the current state of supplier data fragmentation is unsustainable — and can only lead to greater challenges as business becomes more complex.

Start your 360-degree supplier information management initiative immediately, and you can put a stop to all the significant penalties your business is paying right now. That adds up to tens of millions in savings, added right to the bottom line. Every single year.

Do this. And you'll be generously rewarded.

Next Steps

Discover how Informatica solutions can transform your supply chain with intelligent data management.

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