

Spend360 Evaluation - Executive Research - Spend Analysis Part III

Brief about the Spend360

Spend360 has over £70 billion of spend under analysis.

The company has over 20 years of procurement best practice experience, large-scale data quality integration and interrogation, and artificial intelligence knowledge to provide dynamic, actionable information anywhere in the world, synchronised in multiple languages and currencies. Spend360 'provides a spend analysis capability to organisations of many sizes, ranging from small, local operations to global enterprises, across many sectors'.

Top differentiators, competence & capability

- Spend360 claims to have the ability to connect, interrogate and produce data of any size within two weeks, inclusive of quality assurance.
- The spend solution uses Artificial Intelligence to analyse data to provide a complete spend picture to budgeting and sales. The machine-learning technology was developed in conjunction with a Ministry of Defence research lab.
- The system can compute upwards of 3.4 trillion different combinations.
- For security reasons spend data never leaves the UK and has excellent interrogation and connectivity with other in-house systems.

Spend360 user feedback

Adelie Foods has £180 million of spend under management. The company claims that Spend360 has been pivotal in allowing it to get to grips with data in the various ERPs. Adelie Foods looked for a partner within the same time zone that understood its needs and would be able to provide quick data refreshes with flexibility and an easy-to-view graphical user interface. Mark Dawson, a senior executive at Adelie foods, stated that the nomination of Spend360 was without doubt the best decision as it was able to address each of the aforementioned selection criteria. Adelie achieved return on investment within the first 12 weeks through the identification of a previously unspecified category residing within each of the eight business units. Furthermore, Adelie achieved higher spend under control from 50% to upwards of 90%, which it has been able to categorise at the granular level.

Technology road map

2011-2012 roadmap includes: Semantic Web Artificial Intelligence – giving more spend data enrichment using available web data automatically as well as substitution for items that have a generic option (ie Pharmaceuticals) (Q1 2012). iPad native application (Q4 2011), Extensions to Reporting model (Q3 2011)

PIU Insight

Spend 360 is a relatively new spend analysis provider using next-generation machine-learning technology to help organisations to get to grips with their spend challenges. The machine-learning technology used to classify data generates high levels of classification accuracy, which benefits its clients. For example, if a supplier exists within the classification database that supplies the same product to two clients - with each client wanting this supplier to be categorised differently - the tool can be configured to allow for different classifications, using 'turn on or turn off categorisation' labels. This shared environment of data classification improves accuracy levels.

Adelie foods claimed that Spend360 had achieved return on investment far quicker than envisaged. The support service and refresh rates provided by the vendor was also excellent, according to Adelie Foods.

However, consideration should be given to the way in which Spend360 is hosted - it can sometimes be hardware resource starved at the client end, which Adelie recognised early and corrected. The success of Spend360 has allowed buyers to have granular access to category levels and drive better category strategy.