



SOFTWARE | STRATEGY | MANAGED SERVICES

HOW APPLIED AI IS DRIVING THE VALUE REVOLUTION

GEP Presentation for Nevi CPO Summit May 2024

PROCUREMENT | SUPPLY CHAIN | SUSTAINABILITY

Meet the facilitators



Bernard Remacle
Director Business Development



Vlad Brincoveanu
Digital & AI Lead for Europe

22nd May 2024

AGENDA



GEP

INTRO

A stylized illustration of a human head in profile, composed of blue and white geometric shapes and lines, representing artificial intelligence.

GEP

STATE OF AI

A stylized illustration of a human head in profile, composed of blue and white geometric shapes and lines, representing artificial intelligence.

GEP

AI USE CASES

A hand holding a smartphone, with various icons (cloud, mail, location, etc.) and a network of lines and arrows floating around it, representing AI use cases.

GEP

DATA CHALLENGES

A stylized illustration of a database cylinder and a network of lines and nodes, representing data challenges.

GEP

CPO AI SURVEY

A stylized illustration of a brain composed of circuitry, with a line graph and a bar chart to its right, representing the CPO AI survey.

GEP

WRAP-UP TAKE AWAYS

A stylized illustration of a circular gauge, a bar chart, and a line graph, representing the wrap-up takeaways.



INTRO





"AI Strengthens Defenses Against Cyber Threats"

"Artificial Intelligence Predicts Illness Before It Starts"
AI algorithms forecast health issues, offering a new era in preventative medicine

"AI Expertise Becomes Top Job Requirement"
Demand for AI expertise skyrockets across sectors seeking innovation.

"Self-Driving Cars Powered by AI Make Roads Safer"

"AI Tailors Your Shopping Experience"
AI-driven personalization transforms retail, enhancing customer satisfaction and loyalty.

"Artificial Intelligence Doubles Farm Yields"

"Artificial Intelligence Adapts to How Students Learn"

"Most New Financial Tools Will Be AI-Driven"
From predictive analytics to fraud detection, AI is the new backbone of fintech innovation.

FROM PARLIAMENT TO BOARDROOMS
AI HAS TAKEN CENTRE STAGE

GEN AI WILL SHATTER AND RECONSTRUCT EVERY COMPANY AND INDUSTRY

– Forrester Research



MANUFACTURING
Predictive maintenance,
quality control, supply chain
optimisation



CPG
Demand forecasting, product
customisation, supply chain
management



FOOD & BEVERAGE
Supply chain optimisation,
food safety monitoring,
consumer behavior analysis



BANKING & FINANCE
Fraud detection, algorithmic
trading, customer service
automation



RETAIL
Personalised shopping
experiences, inventory
management, customer
service chatbots



PHARMA
Drug discovery, clinical trials
analysis, personalised
medicine



AUTOMOTIVE
Autonomous vehicles,
manufacturing automation,
predictive maintenance



ENERGY & UTILITIES
Grid management, energy
consumption optimisation



OIL & GAS
Exploration data analysis,
predictive maintenance,
operational optimisation

87%

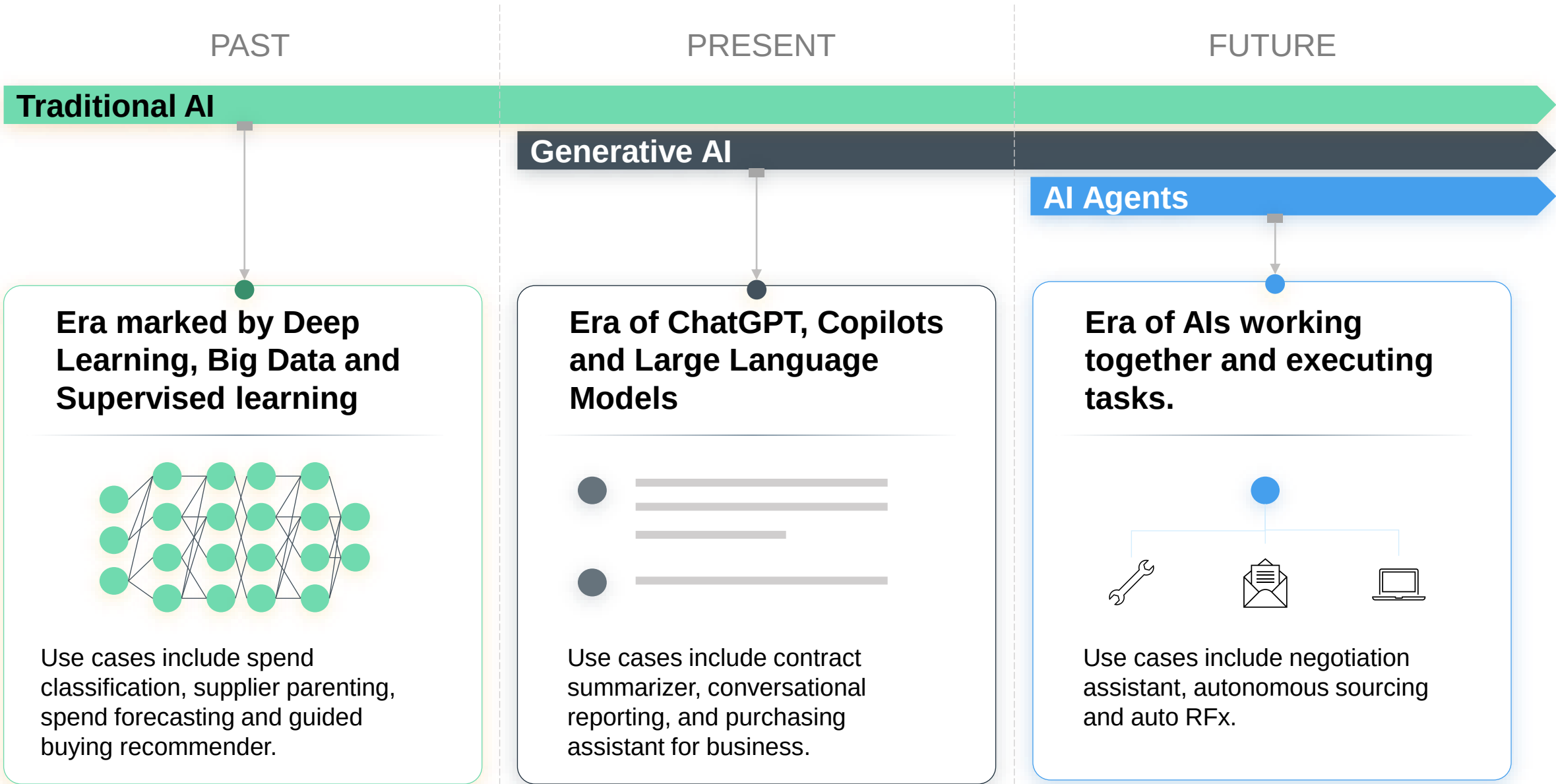
**PLAN TO IMPLEMENT GENERATIVE
AI-BASED TOOLS WITHIN THE
NEXT 2 YEARS***

**AI ADOPTION IN
PROCUREMENT
& SUPPLY CHAIN
MANAGEMENT
IS SET TO
EXPLODE**

*GEP - Foundry (IDG) Survey

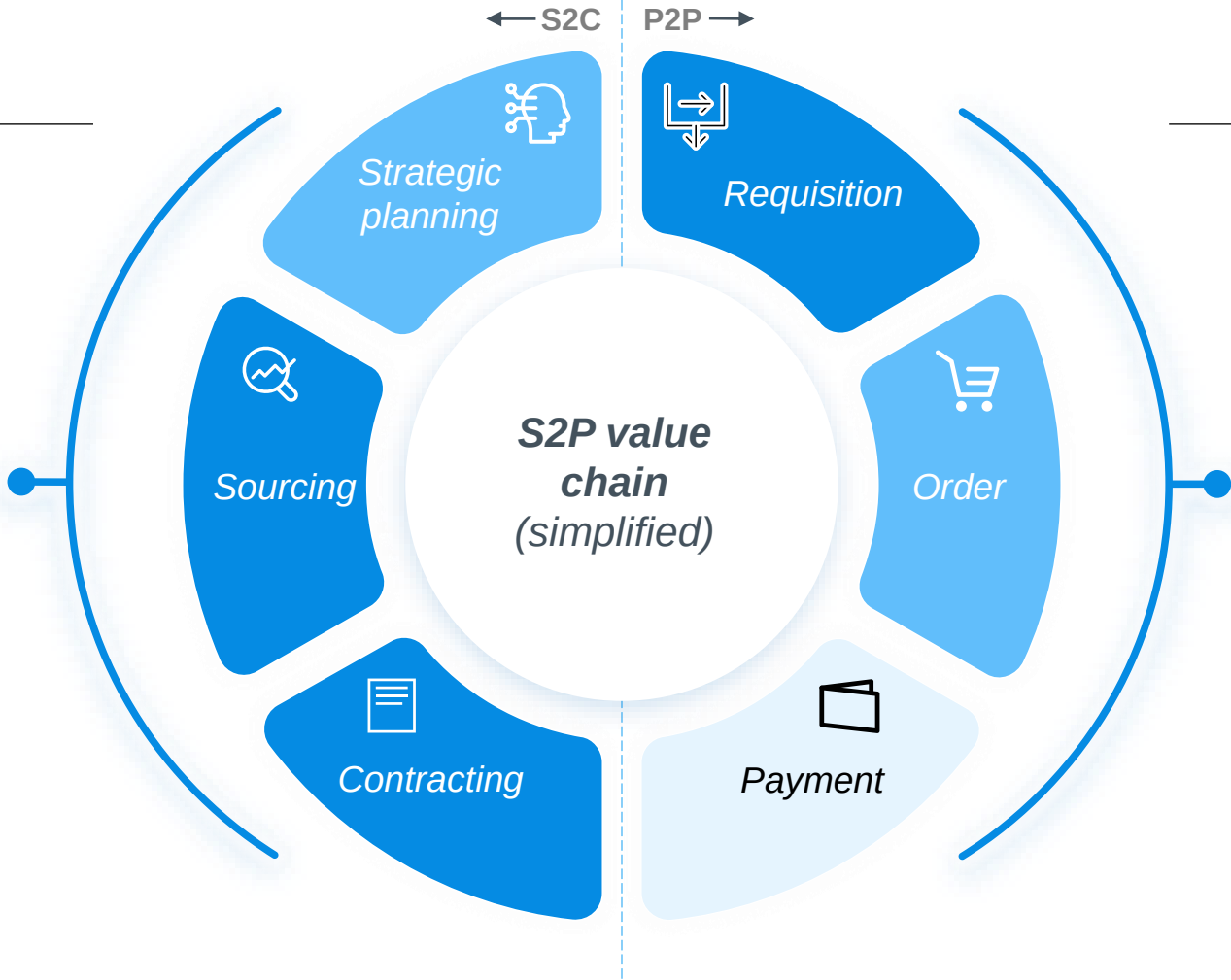
STATE OF AI





Source-to-contract

LLMs* are acting as specialized **assistants** empowering procurement to do more with less. Value is in higher **cost reduction, insights** and **productivity**.



Procure-to-pay

LLMs* are acting as **automation catalysis** to enable a new era of **user-friendly self-service**. Value is in improved **OpEx, compliance** and **user experience**.

Legend | Impact of Generative AI

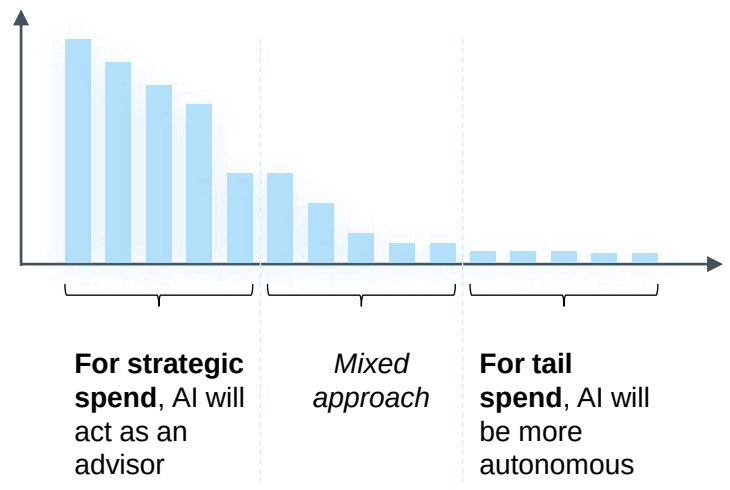
- High
- Medium
- Low

*Large Language Models

SOURCE TO CONTRACT

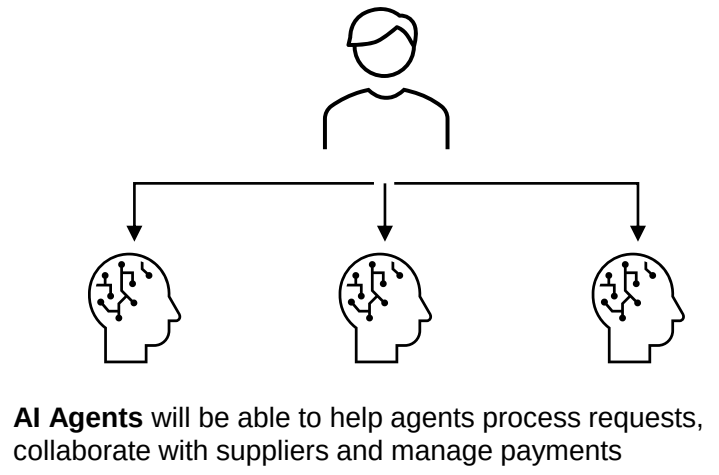
From managing spend
↓
To managing risk

Illustrative example

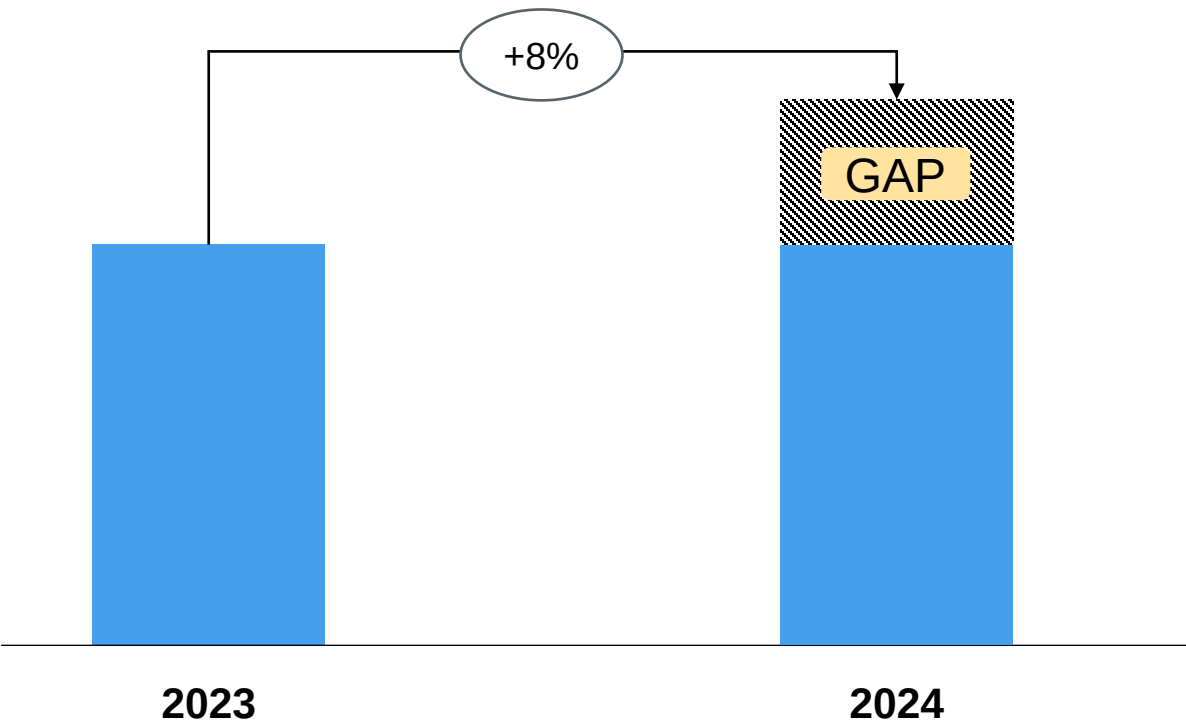


PROCURE TO PAY

From automation
↓
To orchestration



Projected change for total procurement workload in 2024 versus 2023



Source: The Hackett Group 2024 Procurement Agenda and Key Issues Study

Key considerations

Procurement workload is expected to increase while budgets and headcounts remain flat or are being reduced.

This creates the need for **doing more with less.**

There is a high expectation for Artificial Intelligence to help close the gap.

AI USE CASES



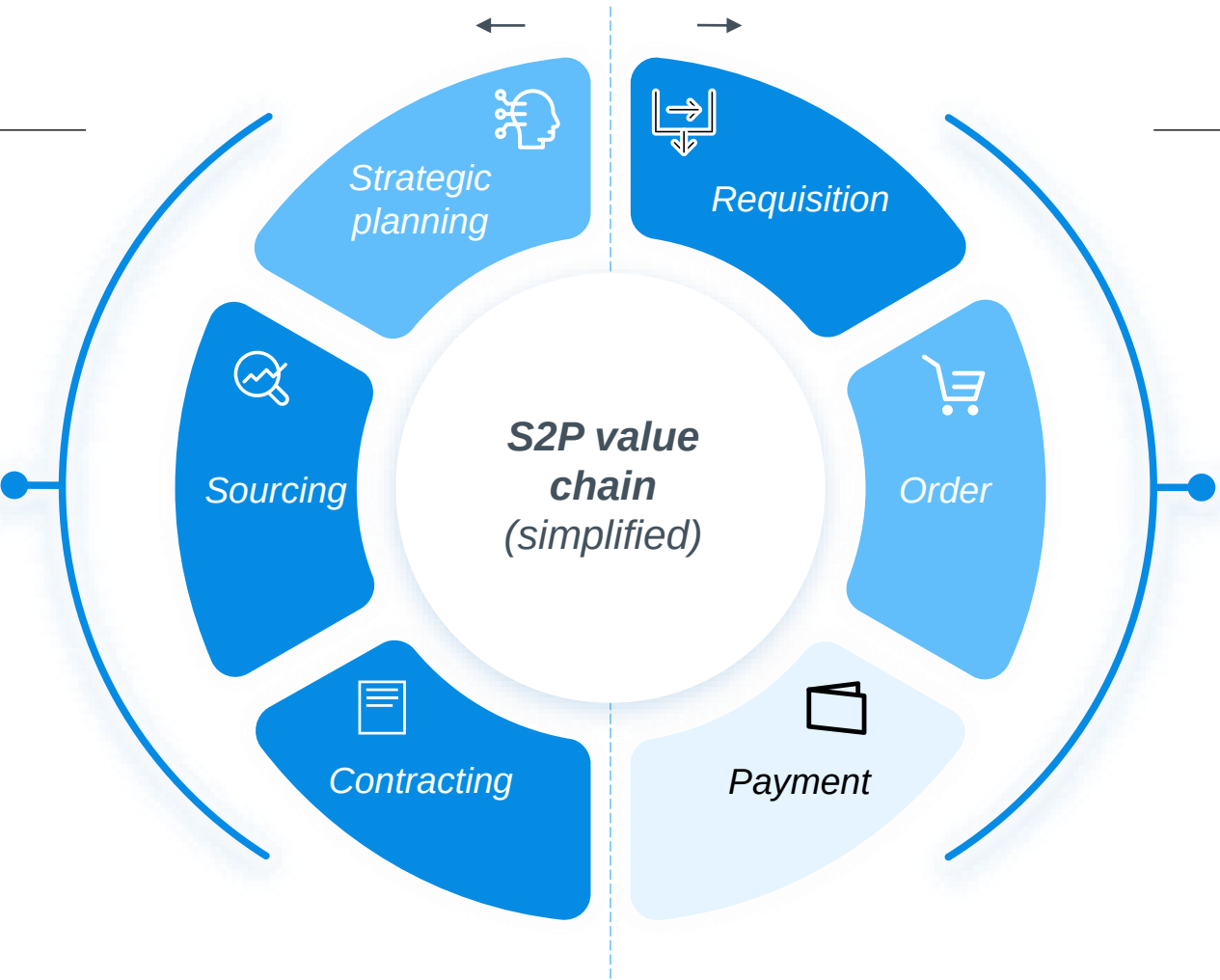
Source-to-contract



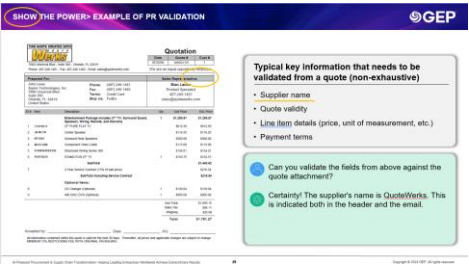
AI ENABLED RFX AUTHORIZING



AI POWERED CONTRACT AUTHORIZING & REVIEW



Procure-to-pay



AI QUOTE-PR VALIDATION

Legend | Impact of Generative AI

High

Medium

Low





THIS QUOTE CREATED WITH

7680 Universal Blvd - Suite 360 - Orlando, FL 32819
Phone: 407-248-1481 - Fax: 407-248-1482 - Email: sales@quotewerks.com

Quotation

Date	Quote #	Cust #
07/25/08	AAQ1121	1

We are an equal opportunity employer

Prepared For:

John Lewe
Aspire Technologies, Inc.
7680 Universal Blvd.
Suite 360
Orlando, FL 32819
United States

Phone: (407) 248-1481
Fax: (407) 248-1482
Terms: Credit Card
Ship via: FedEx

Sales Representative:

Bian Laufer
Product Specialist
407-248-1481
sales@quotewerks.com

ID #	Item	Description	Qty	Unit Price	Ext. Price
		Entertainment Package includes 27" TV, Surround Sound, Speakers, Wiring, Remote, and Warranty	1	\$1,289.87	\$1,289.87
1	CT27SX11	27" PURE FLAT TV		\$612.50	\$612.50
2	JB-NCTR	Center Speaker		\$116.25	\$116.25
3	KP-RS3	Surround Rear Speakers		\$360.00	\$360.00
4	MV3CV8M	Component Video Cable		\$115.00	\$115.00
5	H-SW SERIES300	Structured Wiring Series 300		\$154.01	\$154.01
6	PVSTD270	STAND FOR 27" TV	1	\$153.75	\$153.75
		SubTotal			\$1,443.62
7		3-Year Service Contract (15% of sale price)			\$216.54
		SubTotal Including Service Contract			\$216.54
		Optional Items:			
8		CD Changer (Optional)	1	\$139.04	\$139.04
9		400 DISC DVD (Optional)	1	\$995.00	\$995.00
		Sub Total			\$1,660.16
		Sales Tax			\$96.11
		Shipping			\$35.00
		Total			\$1,791.27

Accepted by: _____ Date: _____ PO: _____

All information contained within this quote is valid for the next 30 days. Thereafter, all prices and applicable charges are subject to change.
MINIMUM 15% RESTOCKING FEE WITH ORIGINAL PACKAGING.

Typical information that needs to be validated from a quote (non-exhaustive)

- Supplier name
- Quote validity
- Payment terms



What is the validity of this quote?



The header quote date is 25th of July 2008. However, text below indicates a 30 day validity window, making the quote valid until 25th of August 2008.



DATA CHALLENGES

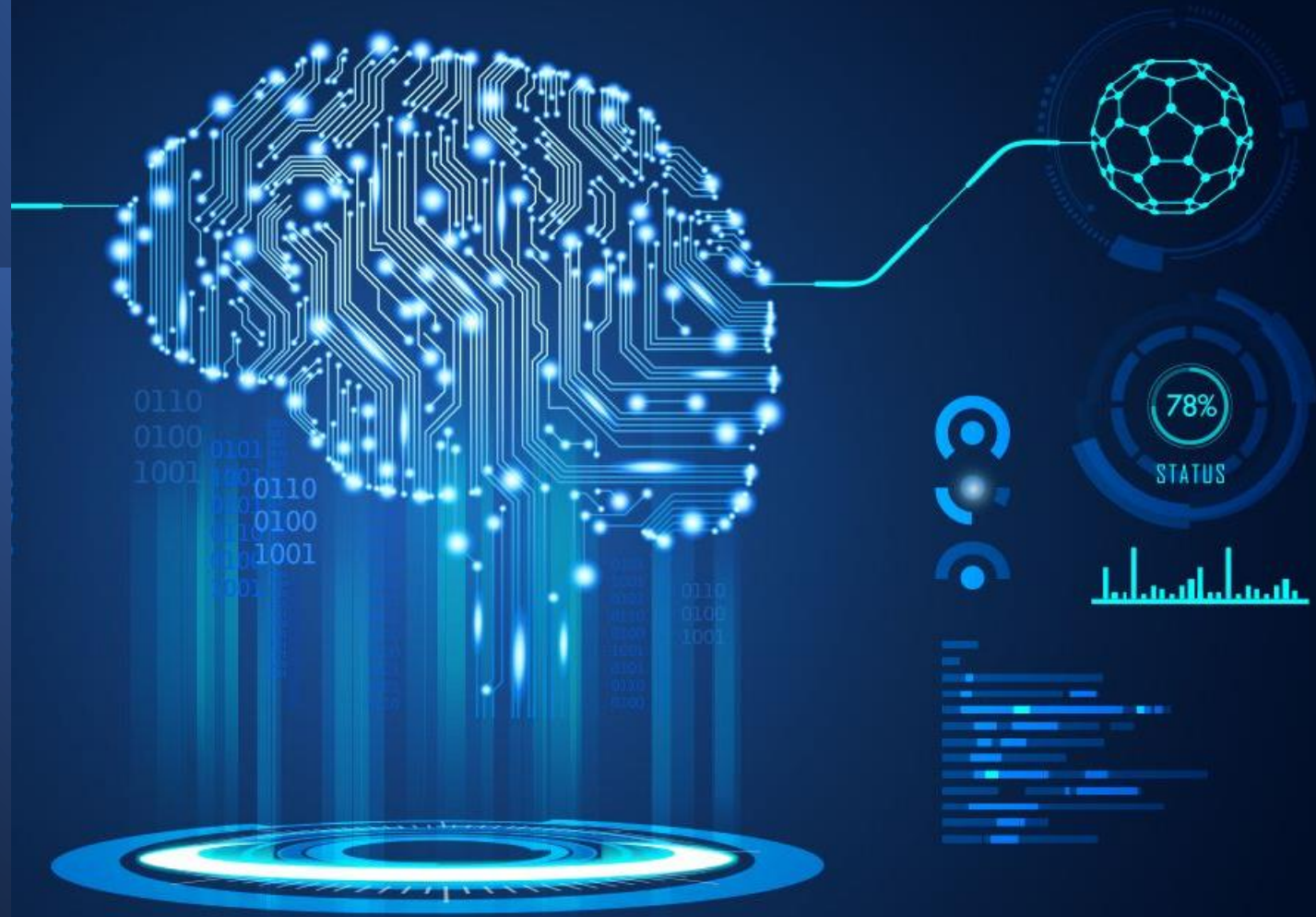


**Can we even talk about AI when there
is poor or no data available?**

YES!

Data maturity scenario	Sub-scenario	Key AI insight	Examples
 No data is available	1 Data exists, but not structured	STRUCTURE	Contract Q&A / metadata extractor
	2 Data does not exist	SOURCE	Supplier discovery based on web page data
 Data available but poor quality	3 Data exists, but is not correct	CLEAN	Spend classification
	4 Data exists, but is not complete	ENRICH	Catalogue specification enrichment
 Good data available	5 Data exists, and is of good quality	MANAGE	Negotiation Assistant

CPO AI SURVEY



GEP CPO Survey topic breakdown



CURRENT
STATE
ASSESSMENT



EXPECTED
OUTCOMES



AI
ENABLERS



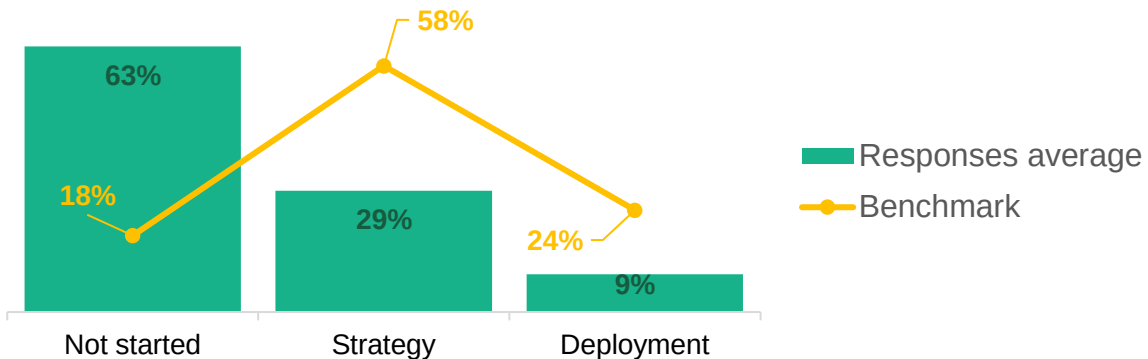
DEPLOYMENT
STRATEGY

CPO survey results | Current state assessment of Generative AI in procurement



Survey results

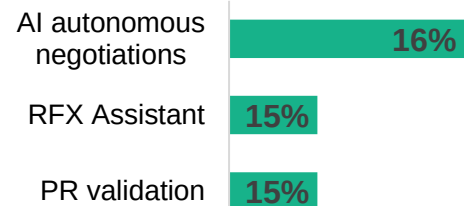
Generative AI maturity by overall status versus benchmarks



Top 3 use cases implemented (status is experimenting or deployed)



Bottom 3 use cases (status is not started or strategy creation)



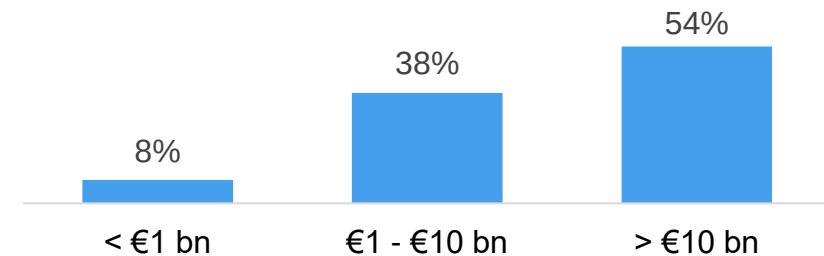
Other use cases mentioned:

- Invoice inquiry and recognition
- Risk management
- Spend analytics & classifier

Insights

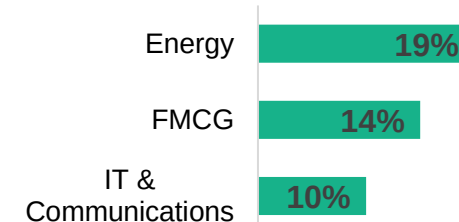
Does big company = high maturity?

High maturity breakdown by yearly company revenue, status for use cases is experimenting or deployed

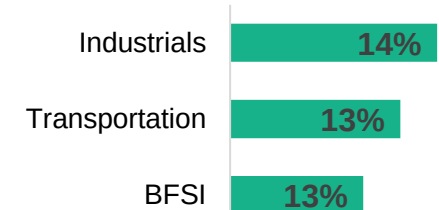


Industry adoption breakdown

Top 3 in Deployment



Top 3 in Not Started

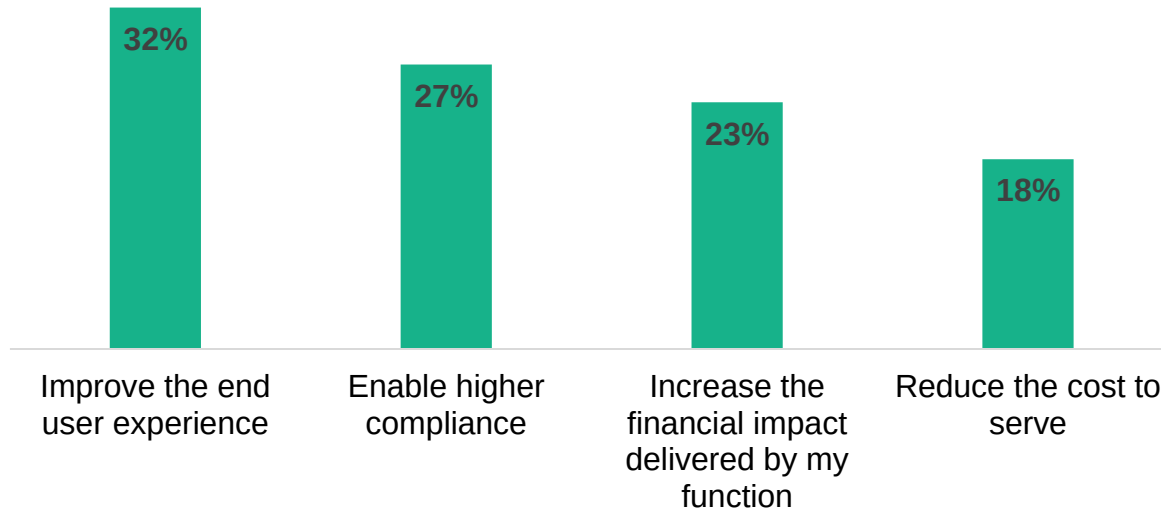


CPO survey results | Generative AI expected outcomes



Survey results

Top Expected Benefits from Procurement AI Use Cases



Insights

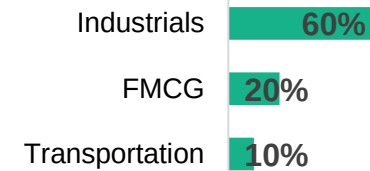
2%

Expected AI Impact to decrease Procurement Cost-to-serve over next 5 years

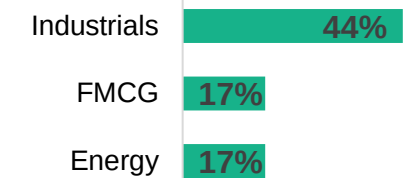
4%

Expected AI Impact to increase Year-over-Year Savings

Top 3 Industries Agreeing that AI Reduces Cost-to-Serve



Top 3 Industries Agreeing that AI improves user experience



For discussion

1

Discuss results with your group for 10 minutes in breakouts.

Guiding questions for breakout:

- What financial impact is expected?
- How confident are you AI will deliver?

2

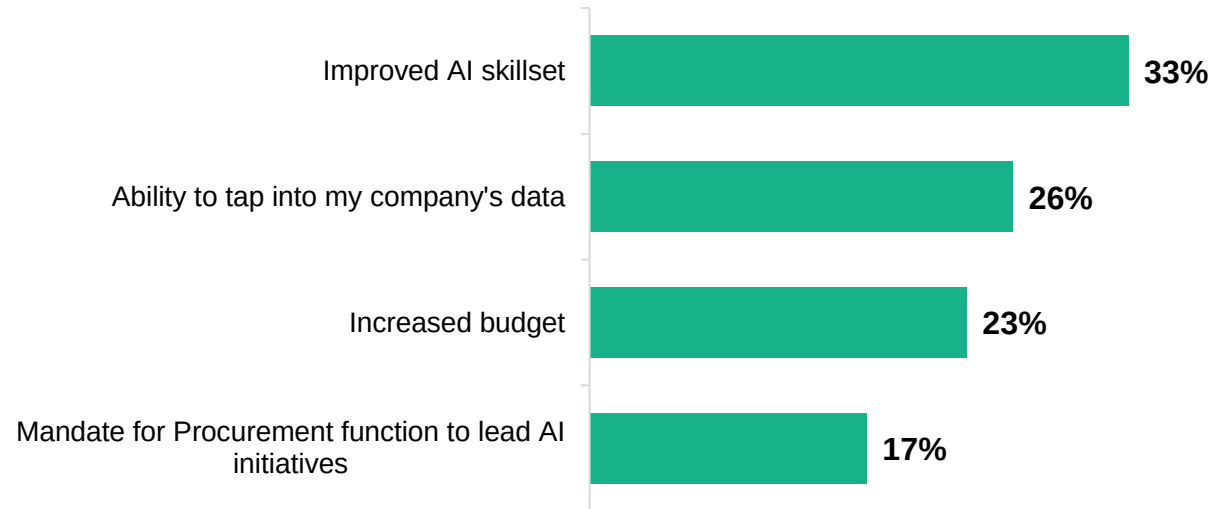
Share and debate insights with other groups for 5 minutes

CPO Survey Results | AI Enablers



Survey results

AI enablers priorities by CPO ranking



Insights

AI enablers # 1 priority by industry

BFSI	Increased budget
Energy	Ability to tap into my company's data
FMCG	Improved AI skillset
Industrials	Improved AI skillset
IT & Comm	Improved AI skillset
Transportation	Ability to tap into my company's data

For discussion

1

Discuss results with your group for 10 minutes in breakouts.

Guiding questions for breakout:

- Is procurement in the driver seat?
- How do you get the right mandate?

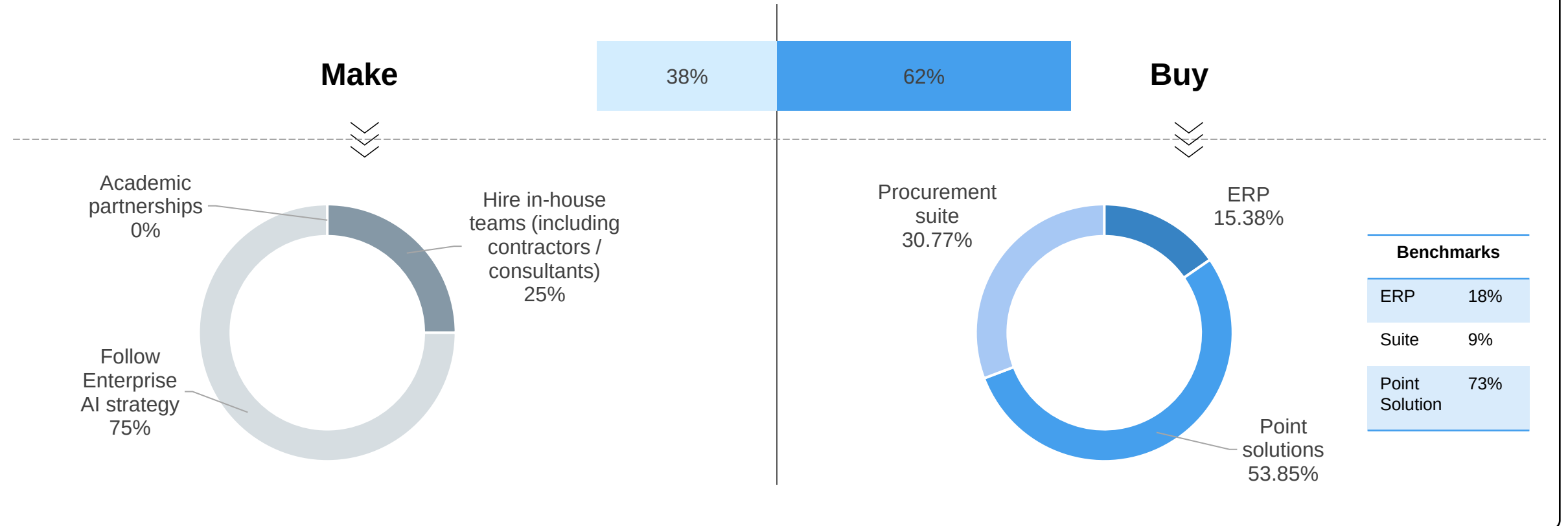
2

Share and debate insights with other groups for 5 minutes

CPO Survey Results | Deployment Strategy



Strategy for implementing generative AI, May 2024, % breakdown



For discussion

1

Discuss results with your group for 10 minutes in breakouts.

Guiding questions for debate:

- What is a good AI collaboration look like?
- What is the in-house AI dream team?

2

Share and debate insights with other groups for 5 minutes



WRAP-UP TAKE AWAYS



Get in touch!



Bernard Remacle
Director Business Development



Vlad Brincoveanu
Digital & AI Lead for Europe

22nd May 2024



THANK YOU !



GEP® delivers AI-powered procurement and supply chain solutions that help global enterprises become more agile and resilient, operate more efficiently and effectively, gain competitive advantage, boost profitability and increase shareholder value.

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