



Your Definitive Guide to Supplier Portal Strategy

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Introduction

Portal, derived from the Medieval Latin *portale*, meaning ‘city gates,’ in IT terms provides a gateway to a collection of services or refers to a point of entry for exchange of information.

In its new modern sense, its use has grown at the same rate as the explosion of technology seen in the procure-tech sector as a whole. It has even led to the creation of new associated terms, such as portal strategy, or supplier portal strategy – with the implication therefore that a strategy concerning portals is something that we need, or should at least consider.

Consequently, it has become a hot topic in the industry – and one that HICX covered at both the Americas Procurement Congress event, held in Miami, and World Procurement Congress in London.

Speaking at these events, Costas Xyloyiannis, CEO, HICX, points out how the concepts of supplier portals and supplier portal strategy have become increasingly confusing, as the number of different tools and systems used in Procurement and Supply Chain continues to grow, adding, “Portal is a term that is used all the time and it has become something of a catch-all. If you think about these tools, they solve a lot of different problems. Of course, the supplier has to log in, which technically means we have a portal, but this is not really how a customer thinks when it comes to a supplier portal.”

There is, then, a disconnect between portals in the general sense, and a supplier portal and strategy. So, how should we really be thinking about supplier portals or supplier portal strategy, and how can we set suppliers up for success?

In this paper, we explore therefore the following:

- What is a supplier portal and how should we think of it?
- What are the benefits of a unified supplier portal?
- What are the steps towards taking a unified supplier portal approach?
- How does this help in becoming customer-of-choice?

Chapter 1: What is a supplier portal?

A supplier portal, also known as a vendor portal, is simply the digital entry point for any platform that connects suppliers to businesses.

Portal is a broad term and is frequently a feature of any software-as-a-service solution (SaaS) that organizations and suppliers use when engaging and collaborating with one another.

From a supplier's perspective, it provides them with the means to manage interactions with their customers. They might carry out tasks such as submitting invoices or track activities, for example the status of orders or payments.

Supplier portals have therefore become an essential component of supply chain management software, not only by streamlining procurement processes but also by improving communication between suppliers and organizations.

What does a supplier portal do?

As 'portal' is such an umbrella term, the answer to this question is also wide-ranging. For context, we'll consider the broad use cases, before focusing on what we really mean when it comes to a supplier portal.

It is helpful first, then, to distinguish between the different types of portal and the functions for which they are used.

For example, the term 'portal' might refer to **transactional networks**, such as Tungsten, which provides its portal to enable access to a network, primarily for the purposes of invoicing.

Portal may also be used to describe access to **collaborative platforms** such as SAP Business Network (formerly SAP Ariba).

These are examples of portals that facilitate interactions between many businesses on the one side and many suppliers on the other – in other words, they are many-to-many services.

Data portals represent another type of example, such as Ecovadis. In these instances, a supplier may either submit their own information, or information about a supplier is collected and stored in a manner that can subsequently be accessed by any subscriber.

Finally, portal might also refer to the **entry point** (or entry points) through which a supplier accesses specific tools or applications that a customer expects a supplier to use in order to exchange information with them. Here, we can include many of the solutions found in the best-of-breed procurement technology landscape, for instance.

The rise of digital services

Commenting on this landscape, Costas explains, “We don’t think these are actually ‘supplier portals’ in the way the enterprise is thinking about portals. Instead, it is more helpful to think of all these examples as individual digital services – and enterprises make use of many of these services.”

In its simplest form, one can think of a ‘digital service’ in this context as being the technology which enables an interaction between a customer and its supplier. The interaction could be transactional, such as sending and receiving POs and invoices; or it could be in support of the customer-supplier relationship, such as sharing forecast information or gathering data related to risk, compliance or sustainability topics.

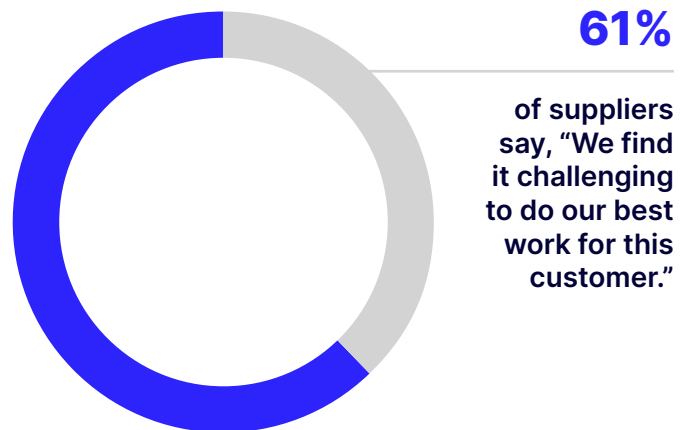
The technology to enable these interactions, i.e. the ‘digital services,’ provide a combination of one or more of the following: data transfer, information requests and submission, data lookups, or more sophisticated orchestration of workflows, such as using technology to manage a multi-stage process involving multiple parties (for example, one that involves a requestor, supplier, and approver).

Once this core concept is understood, we can see portals for what they are – **the place where a human goes to take part in one of those interactions**. And, in fact, when our customer is thinking about a supplier portal, what they are actually thinking is: ‘How can I orchestrate a single front end across all my different digital services?’” with the aim of making the human interaction aspect on the supplier side easier.

The reason for concern around the orchestration aspect is warranted. Many consultants, industry experts and enterprises themselves see it as ‘not supplier friendly’ for suppliers to have to log into all these different portals.

Suppliers also agree, as 61% in a recent HICX survey confirmed, ‘We find it challenging to do our best work for our most important customer,’ with suppliers surveyed stating that they have an average of 8 or more systems that they must log into to serve their most important customer.¹

¹ HICX, The Voice of the Supplier Survey, 2022



It is within this context of the rise of digital services that enterprises are considering their portal, or ‘portal strategy,’ which alternatively could be better formulated as the question, “How can I orchestrate an overall experience in order to make it easy and frictionless for suppliers to do business with us?”

8.4



is the average number of systems a supplier has to login to, to serve their most important customer

38%



of suppliers say they have to login to more than 10 systems

Until recently, we might have talked about using (or adapting) a solution from a single vendor in order to attempt to address the use cases being covered by these digital services. However, as Costas comments, it is also not realistic to expect one company to be able to provide all features and functionalities of all the best-of-breed technologies.

Chapter 2: What are the benefits of a unified supplier portal?

If it is necessary to accept that there will be multiple digital services co-existing in the landscape and that using one single vendor cannot cover all use cases, where does that leave the experience for suppliers?

Fortunately, there is a solution to this problem – and it doesn't mean cutting back on digital services being offered.

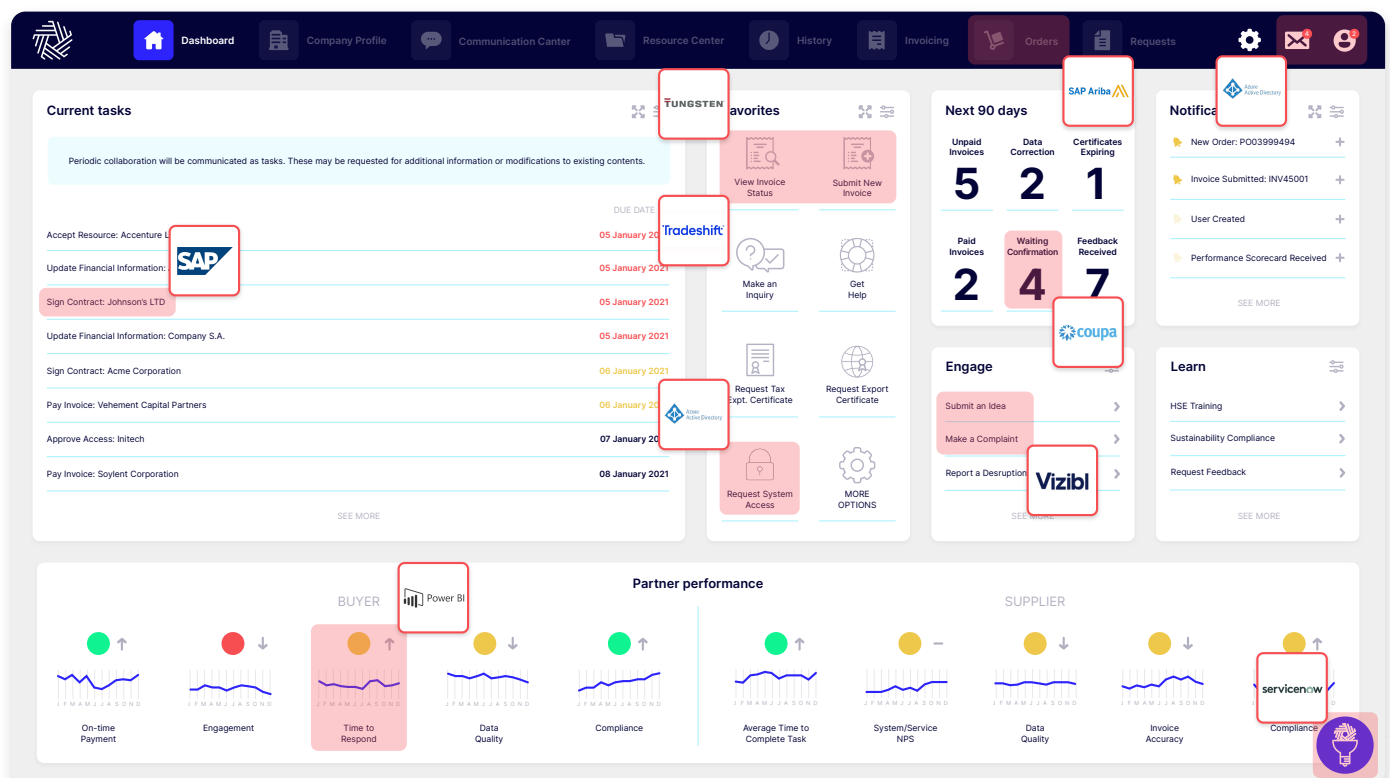
What is a unified supplier portal?

As Costas maintains, there is now a growing number of industries and companies realizing the benefits of having a centralized, 'orchestrating' supplier portal that provides a seamless supplier experience across all or any of the various digital services.

A **unified supplier portal** with single-sign on helps eradicate the challenges that suppliers

may face when dealing with multiple systems and departments within your organization.

As each supplier has unique requirements, a unified supplier portal will help you better manage these requirements, with a fully configurable supplier portal that can be customized for any specific supplier, as shown in the example illustration below.



Example of unified supplier portal dashboard. The portal is task-oriented and includes curation of information and content and guidance for the supplier, which removes friction. Links are provided that can automatically direct a user to the tool associated with the task or piece of information. Attention needs to be paid to the types of content that should be centralized and how it will be adjusted based on the user's role at the supplier, the supplier type, supplier location and other characteristics.

What are the benefits of a unified supplier portal?

Each supplier's processes and tasks can be streamlined using a unified supplier portal, allowing them, in turn, to provide a better service to their customers. This improved level of service could translate into shorter lead times for customers, or even more competitive rates for specific customers, as the supplier recognizes and acknowledges the benefits of nurturing the relationship with that organization.

Specifically, the unified portal approach creates the following advantages:

- Higher adoption of tools and services by suppliers
- More frequent engagement with suppliers
- Improved data capture and accuracy
- Better transparency
- More efficient communications

Higher adoption of tools and services by suppliers

From a supplier's perspective, having a unified portal orchestrating the experience simplifies the complex technology landscape that sits in the background. This means suppliers will more easily adopt the systems and tools that they should be using. It also means that, with the roll out of new tools, adoption can be accelerated.

As Costas explains, "Once you are established and you have that engagement, then when you are deploying new digital services, you have instant value. Imagine you have 50,000 suppliers logging in daily and you want to deploy supply chain finance, for example. Immediately, all your suppliers can start to use that."

A centralized portal can also provide access to multiple different services that various suppliers may be using in different circumstances.

Sharing an example from organizations in the fast-moving-consumer-goods (FMCG) sector, Costas comments, "These organizations are saying they want to be the customer-of-choice and that they want to provide a very personalized experience. And so, they are also looking at orchestrating an experience across many different tools."

"For example, we have one FMCG customer who uses both Tradeshift and Tungsten. They actually don't want to use just one. Because for them, there is value in giving the suppliers a choice: which one do *you*, the supplier, want to go to? This is a differentiator. That's where the personalization of the process comes in."

More frequent engagement with suppliers

Meanwhile, with features such as a single sign-on or being able to provide a single 'one-stop-shop' location for suppliers to interact, ongoing engagement with suppliers will improve.

As suppliers are encouraged to log-in with the promise of being able to see payment status or invoice information all in a central location,

organizations can, at the same time, prompt them to complete other potentially cross-platform tasks, such as inputting data, providing copies of documents, or submitting surveys.

Improved data capture and accuracy

Better adoption and engagement rates feed into better overall quality of data, combined with faster response times to initiatives. Additionally, a supplier portal can provide both suppliers and organizations with a shared overview of relevant data.

On the other hand, when not using a unified supplier portal, each entity views its own version of the data on an internal application – and unfortunately, this data is often different from the other entity's.

Using a unified supplier portal ensures that this is not the case. It provides both parties with the means to work more efficiently and more accurately, thanks to data being immediately available to all, while also reducing the likelihood of human error.

Better transparency

When changes are made, often by multiple people, it is essential to have a clear record for reference and accountability. A supplier portal allows both parties to track changes – organizations can check the status of raised purchase orders, for example, and whether the supplier has fulfilled them.

Therefore, if an issue requires clarification, it can be done quickly and ensures that problems can be addressed before they impact any other areas of the procurement process.

More efficient communications

A unified supplier portal allows the organization to better manage the relationship with the supplier and streamlines communication between the two parties.

There are various notifications and reminders that need to be issued to different types of suppliers at different times. When not using a unified supplier portal, these are often sent manually via email by the appropriate stakeholder and relate to data required in individual, different systems, with no co-ordination.

When handled by a unified supplier portal, these can be prioritized and even sent automatically where appropriate, enabling both parties to focus valuable time elsewhere.

Benefits are mutual with advantages for both customers and suppliers

It is important to look at suppliers as a partner rather than a resource and work with them in collaboration to set them up for success.

Costas Xyloyiannis, CEO, HICX

For those organizations that still need to do so, transitioning to using a unified supplier portal to manage supplier relations frees up time to focus on areas of the business which may be underperforming and that require attention to increase profitability.

At the same time, suppliers will also benefit from this approach and thus see increased profitability through its relationship with the organization.

Chapter 3: What are the steps towards taking a unified supplier portal approach?

Speaking on the topic at the Americas Procurement Congress, Marc Bengio, Sr. Director Corporate Technology and Procurement Domain Lead at Johnson & Johnson, suggests a three-step journey:

**Step 1: Start with
supplier centricity**

**Step 2: Begin with
the basics – a single
sign-on experience**

**Step 3: Start orchestrating
personalized experiences
for each supplier**

Step 1: Start with supplier centricity

As Marc explains, “The pandemic showed us the importance of suppliers, where, in many cases, we depend on our suppliers.” This drives the need to create an environment of collaboration which will benefit both buyers and suppliers.

Referencing advancements in other fields, such as customer and employee marketing, Marc says that an environment must exist in which you give equal attention not only to employees and customers, but to suppliers as well. Traditionally, out of the three, there has been less emphasis on the supplier, he notes, adding, “We cannot live with one of the three missing.”

However, there is huge complexity to manage. Different functional areas, such as supplier performance management, risk management and resiliency, all require different tools.

Marc points out that there is a need to ensure the experience remains unified, while also offering personalization for each individual supplier.

He continues, “We have indirect suppliers, we have direct suppliers. Products in the pharmaceuticals sector, in medical devices. All those needs must be built in, to make that seamless collaboration happen. But also, to create that very unique personalization.”

Ruth Bromley, Procurement Enablement Director, Heineken, who joined HICX to talk about the topic at the World Procurement Congress, agrees, adding, “You need to bring the digital landscape to life, and to tell the digital landscape journey through the eyes of the supplier. We needed to answer the question, what would the suppliers interactions be as they were working with us.”

Step 2: Begin with the basics - a single sign-on experience

Marc explains that one of the highest priorities to come from listening to the suppliers' perspective was suppliers highlighting the issue of having to sign on to different sites.

"One of the first things we started thinking, therefore, was, 'let's just bring them into a single sign-on, single experience,'" he says.

This conclusion also emerged in HICX's *The Voice of the Supplier Survey*, in which 38% of suppliers reported having to log into ten or more systems in order to serve their most important customer.

The responses revealed how challenging and difficult it is for suppliers to manage the plethora of accounts associated with the various systems, while also creating multiple points of entry for data. Additionally, it is hard for suppliers to take ownership of their data due to the lack of visibility across systems, the duplication of data and all resulting inconsistencies that stem from that.

Step 3: Orchestrating personalized experiences for each supplier

Turning to orchestration, Marc continues, "The next layer is what we call 'jobs to be done'. And as far as 'jobs to be done' are concerned, the complexity here is that these tasks could sit in Planning, they could be in Sourcing, in R&D, or in Quality."

"What we needed to do, therefore, is to make the experience as seamless as possible for suppliers to be able to jump from one thing to another, by creating an experience that is totally personalized. So, in total, we have over 40 jobs to be done, but you could have one supplier that has 10 jobs to be done, and for another it could be all of them," he explains.

Commenting on the various interactions that need to take place, Ruth explains, "This is what we call the 'one-stop-shop.' So, where's the place our suppliers need to be able to go to be able to do everything that we want them to do with us as a business?"

Marc continues, "People sometimes think the portal is just a door to somewhere. But no. It's an orchestration. It's a two-way communication, a two-way collaboration. You collect data, you provide data, you collaborate."

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Conclusion: Become the customer-of-choice

Become the customer-of-choice

As Dr Epstein has previously explained, many organizations “lack a cohesive, integrated, and up-to-date place for useful information,” and, as a result, suppliers find it difficult to locate not only the information itself but also the services or tools that are relevant to them.

A supplier portal, therefore, should play the role of curating and orchestrating the underlying, relevant services and information for suppliers, and should aim to make interactions as frictionless as possible.

This creates an environment of seamless collaboration, as well as the ability to offer more personalization options to all suppliers, which further builds trust.

Once set up, the adoption of new technologies by suppliers will also be much faster, which contributes to improved return on investment across all tools and services.

These factors combine to put an organization in a very strong position to become customer-of-choice and to profit from the associated benefits of that status, such as maintaining competitiveness and being able to create new forms of value other than cost savings.

The Suppliers' Perspective

To succeed, start by fully understanding the perspective of different types of suppliers that interact with your business. Identify what their biggest pain points are, such as the need for a single sign-on experience, and then expand further over time with the aim of orchestrating all processes from within the supplier portal.

Use all the features of relevant technology solutions to assist you. HICX's supplier portal software, for example, is a unified, intelligent supplier portal that can connect all your supplier-facing systems to provide suppliers with one portal that can be configured to their needs, including workflows and priorities.

It means that supplier tasks from all systems can be consolidated into a single, logical view for suppliers and allows them to efficiently accomplish what's needed. It is all managed from one place and suppliers thus benefit from having a single-entry point to all systems, whether that's for receiving orders, sending invoices or taking part in sourcing, innovation or discovery events, or indeed any other initiative or activity.

HICX helps Global 5000 companies to organize and manage their supplier data.

The HICX Supplier Experience Management platform enables businesses with thousands of suppliers to efficiently on-board and manage the end-to-end lifecycle of all suppliers, and to find, re-use and maintain supplier data and information across any spreadsheet, app or system. High quality supplier data is essential to digital transformation and the key to becoming customer of choice for all suppliers. Some of the world's largest companies, in a wide range of industries, trust HICX for the management of their supplier data; these include BAE Systems, Mondelez, Baker Hughes and EDF Energy.

