

Scanmarket: What Makes It Great (Sourcing SolutionMap Analysis)

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The e-sourcing software market refuses to succumb to consolidation, providing significant choice to procurement organizations of all stripes, sizes, industries and operating geographies. Among these vendors, one of the most experienced in building technology to support both basic and complex RFX, negotiation and auctioning processes is Scanmarket. The closely held company today counts more than 300 global customers and delivers a broad set of capabilities, including integrated spend analytics, supplier management and contract management.

For customers, Scanmarket is a reasonably priced, best kept procurement secret that does not compromise on the e-sourcing fundamentals. But how does the provider stack up in this highly competitive technology market? On the surface, Scanmarket is one of the top performers in the Q3 2018 Sourcing SolutionMap for the Nimble buying persona, as well as a recommended fit across all five Sourcing SolutionMap buying personas. To understand where Scanmarket stands out – and why this matters for sourcing and category teams – let’s dive into the more than 100 fields that comprise the Sourcing benchmark and explore what makes Scanmarket great.

Where Scanmarket is Great (Sourcing SolutionMap)

Strong Support for the 80% of Essential Sourcing Requirements

- Scanmarket’s many years of experience provides it with a leg up over newer competitors that have not yet developed deep functional capability across the broad range of requirements that Spend Matters tracks in the Sourcing SolutionMap benchmark. For example:
 - » Scanmarket’s Opportunity Analysis/Should-Cost Modelling capability exceeds the benchmark average across the core fundamental rated fields, including arbitrary categorization in spend analysis, benchmarking, tracking/scorecard integration, formula support, templates and sourcing strategy definition

“What Makes It Great” is a recurring column that shares insights from each quarterly SolutionMap report for SolutionMap Insider subscribers. Based on both our rigorous evaluation process and customer reference reviews, each brief offers quick facts on the provider, describes where it excels, provides hard data on where it beats the SolutionMap benchmark and concludes with a checklist for ideal customer scenarios in which procurement, finance and supply chain organizations should consider it.

- » The provider's supplier portal capability extends core sourcing components to suppliers, delivering above-the-benchmark performance across a range of areas, including distributed supplier RFX response management, contract negotiation management, corrective action management, supplier onboarding and self-registration
- As previously noted on Spend matters PRO:
 - » "In some sourcing platforms, project management is limited to fixed workflows, which basically integrates the different components of the sourcing platform together and enables a user to see where they are in the sourcing process and jump to the relevant step – be it RFI, RFP, RFQ, e-auction, decision optimization or contract management ... [But] in Scanmarket, users can define any workflow they want. This can even include the recording of tasks not done in the platform, the assignment to stakeholders, the tracking of statuses, the generation of escalation alerts if the tasks are not completed in the expected timeframe, and cross-project reports by status"
 - » "Project management in Scanmarket is a single repository for all projects, notes and attachments that provides an integrated dashboard view of and reporting across all projects. There is customizable workflow management that allows for the creation of multiple-project workflows that can be instantiated as needed, and the templated workflows can be customized for each task in each project across stakeholders and participants. There is also integrated communication and messaging, as well as the ability to quickly jump into the appropriate point in the e-RFX, e-auction, supplier profile or contract associated with the project"
 - » "Scanmarket's contract management capability provides a single online repository for all contracts with search and reporting. It supports templates (for quick contract data capture), version control, categorization and buyer-defined metadata with a detailed approval workflow to support negotiations. Contracts can be directly created from the results of a (cherry-picked) RFX or e-auction, dates can be specified, and appropriate notifications and reminders can be set"
 - » "Scanmarket SBM is Scanmarket's supplier information management (SIM) solution. It acts as a central single repository for all supplier information. SBM can capture all of the data one would expect from suppliers. It can capture attachments, index those attachments with metadata, allow for repository-wide (metadata) search, provide full visibility into associated supplier activities (including event history, contracts and captured performance), and maintain complete audit trails. It also integrates with the suite dashboard for dashboard-based reporting"

BACKGROUND

Founded: 1999

HQ (and support locations):

Solbjerg, Denmark; additional North American office in Atlanta, Georgia

No. of employees: 48

Total annual revenue: Not disclosed

Customers: 300+

Active users (buy side): 14,000

Active users (supply side): 60,000

Regions served: Global

Available modules: E-RFX, E-Auction, Project Management, Contract Management, Supply Base Management, Spend Analytics

Other app integration: Basware, SAP

Top-Performing RFX, Negotiation and Auction Capability

- Scanmarket’s core sourcing components (RFX, negotiation and auction) capability are what many of its customers turn to the vendor for. It is not surprising that Scanmarket beats the SolutionMap benchmark and delivers top-tier performance across a broad range of areas here:
 - » For RFX/Surveys, these include creation methodology, components, templates, template library, collaboration, real time messaging, virtual whiteboard integration, screen sharing, bill of material support, multi-SKU Mapping, bidding, evaluation (side-by-side comparison) and management (pause, edit, re-issue)
 - » For auctions, these include out-of-the-box auction formats, configuration options, saved market baskets, RFX integration, real-time control mechanisms, proxy support, messaging and real-time monitoring
- As previously noted on Spend Matters PRO:
 - » “The platform enables the creation and structuring of various RFX formats and the flexibility to support different types of supplier bidding activities within them. Scanmarket uses the terms “cherry lot” and “cherry picking” to describe two of these formats, which can allow buying organizations to structure more precisely (and flexibly) different lots and suppliers to bid more precisely on various package options such as a single lot, multiple lots or a subset of individual lots”
 - » “Scanmarket’s e-auction capability ... [supports] various auction formats including reverse, Dutch, Japanese, factored and forward auctions. Yet besides the flexibility in format structure, it also brings numerous, configurable, bidding rules to match the event to the situation, including individual starting prices, feedback options, blindfolding, proxy bidding, rank, traffic lights, staggering, blind period, reserve price indicator and partial quantity bidding”
 - » “Scanmarket provides best-in-class sourcing-driven total cost calculations and market feedback to suppliers. Its “BidMatrix” capability can also be incorporated, at an additional cost, to enable the capturing of thousands (or even hundreds of thousands) of individual data points from suppliers via Excel-driven efforts integrated with the online capability of the RFX and auction tools”

A Customer Favorite

- Scanmarket’s customer reference data suggest it is comfortably in the top tier of all vendors in the sourcing market. It exceeds the functional benchmark for 90% of scored fields in the survey benchmark, including recommend this provider, level of value perceived as a technology/solution provider, meet the expectations, pricing/affordability, quick deployment, ability to maximize savings, ability to maximize spend under management, ROI, TCO, business Value, end user experience/ease of use, best fit for cross-functional needs (legal, supply chain), category depth/support, innovation and ability to handle our company’s specific needs
- Scanmarket users cite the “great ease of use “and “elegant transparent design that balances efficiency and complexity” with capability that “delivers all the core sourcing components needed.” One organization singles out the “great integration between Excel and product for more complex sourcing events requiring cross-functional collaboration,” while another notes the solution delivers a “fine-grained flexibility and granularity [which serves as] a time-saver as well as a means to ensure that time-strapped sourcing managers and buyers take advantage of formats/structures that are most applicable to a particular sourcing spend or effort”
- In addition, customers note Scanmarket’s customer responsiveness, suggesting that “no significant problem arose in past six years” and “regular incidents (caused by my users) are resolved within minutes.” In general, “resolution often exceeds the support requested” and while the solution is “intuitive and user friendly ... even if you are very unexperienced there is a great ‘help desk’ solution” with “great support”

Top-Tier Performance

Based on the Q3 2018 Sourcing SolutionMap benchmark featuring 17 providers, Scanmarket scores above the benchmark (or in the top tier) in the following areas:

Opportunity Analysis/Should-Cost Modelling	Supplier Portal	Spend Analysis (All Areas)	RFX/Surveys
<ul style="list-style-type: none"> Arbitrary Categorization in Spend Analysis Benchmarking Tracking/Scorecard Integration Formula Support Templates Sourcing Strategy Definition 	<ul style="list-style-type: none"> Distributed Supplier RFX Response Management Contract Negotiation Management Corrective Action Management Supplier Onboarding Self-Registration 	<ul style="list-style-type: none"> ETL Support ERP Integration P2P/S2P Integration Third-Party Feeds Cleansing Automatic Data Correction Based on Known Fields Simple Rules for Automatic Correction Based on Common Errors Advanced Rules for Correction Based on Industry Data Categorization Built in Schemas (UNSPSC, Best in Class, etc.) AI Out-of-the-Box Reports and Analytics Standard Spend Reports Customization Capability Report Builder Average 	<ul style="list-style-type: none"> Creation Methodology Components Templates Template Library Collaboration Real-Time Messaging Virtual Whiteboard Integration Screen Sharing Bill of Material Support Multi-SKU Mapping Bidding Evaluation: Side-by-Side Comparison Management: Pause, Edit, Re-Issue
Auction	Optimization	Contract Management	Execution, Risk and Corrective Management
<ul style="list-style-type: none"> Out-of-the-Box Auction Formats Configuration Options Saved Market Baskets RFX Integration Real-Time Control Mechanisms Proxy Support Messaging Real-Time Monitoring 	<ul style="list-style-type: none"> Capacity What-If Capability Scenario Comparison 	<ul style="list-style-type: none"> Negotiation Management Auditable, Unalterable, Messaging Attachments Version Control 	<ul style="list-style-type: none"> Performance Management Finance Integration Third-Party Data Integration Milestone Tracking
Technology/Configurability	Services	Customer Survey	
<ul style="list-style-type: none"> Mobile Support Open Standards Integrations: P2P Integrations: Other Sourcing Process Configurability Team Management Project Integration Globalization Multi-Lingual Business User Configuration Manager Configuration Stakeholder Configuration Vendor/Consultant Configuration 	<ul style="list-style-type: none"> Data Management Services Category-Specific Consulting Spend/Opportunity Analysis Sourcing Events (managed RFX/ Auction/Optimization) Risk Identification and Management Managed Services Consulting/Change Management 	<ul style="list-style-type: none"> Recommend this provider Level of Value Perceived as a Technology/Solution Provider Meet the Expectations Pricing/Affordability Quick Deployment Ability to Maximize Savings Ability to Maximize Spend Under Management ROI TCO Business Value Supplier Network End User Experience/Ease of Use 	<ul style="list-style-type: none"> Unique Capabilities Process expertise Compliance Expertise Best Fit for Cross-Functional Needs (legal, supply chain, etc.) Category Depth/Support Industry Expertise Modular Capability/Feature/ Functionality Broader Suite Capability Innovation Ability to Handle our Company's Specific Needs Supplier Enablement

Best-Fit Customer Scenarios

Scanmarket is a recommended fit the Nimble, Deep, Turnkey, Configurator and CIO-Friendly Sourcing SolutionMap buying personas. Best-fit shortlist scenarios are when:

- A procurement organization is prioritizing sourcing as a strategic technology selection
- Strong RFX/RFI/RFP and auction capabilities are desired in a solution
- A balance of breadth and depth across core Sourcing requirements is desired
- Adjacent support for project management, spend analytics, contract management and supplier management is desired (as an extension of sourcing)
- Global capabilities and support are a key requirement
- High-levels of customer satisfaction and peer ratings are desired

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