

THE SMALL AND MEDIUM BUSINESS GUIDE TO BUYING

Optimising purchasing
to save in 2021

amazon business



It's no surprise that buying for business looks different in 2021 than it has in years past. The strategic plan leaders may have dusted off each year and simply refreshed is insufficient. Organisations now face balancing the ongoing short-term response to pandemic changes with long-term strategic objectives.

How can purchasing teams meet today's sourcing demands to keep organisations moving forward?

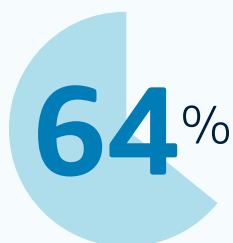
What lasting implications of the pandemic will further shape buying for your business?



Despite lingering questions across organisations and constraints on purchasing, both from heightened cost savings goals and a continued sense of general business uncertainty, we can expect **a few key objectives in 2021.**

Managing supply continuity

As organisations adapt to new, decentralised work environments, buying for business looks different. Purchasing effectively enables an organisation to continue its operations in a more meaningful way, whether it's making new product delivery considerations, equipping teams with new technology, or maintaining supply of now essential items like personal protective equipment (PPE), janitorial, and sanitation products that keep employees and customers safe and healthy. As organisations navigate through periods of business uncertainty, purchasing takes the lead in supply chain risk management. To reduce complexity, organisations may look to consolidate or reduce the number of suppliers. Purchasing from a single source that offers multiple suppliers may minimise risks while saving time.

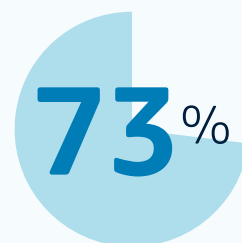


of CPOs have shifted from defence to offence, focusing on adapting their supply chains to thrive in the “next normal”.

Source: Deloitte's 2020 Chief Procurement Officer Flash Survey

Accelerating sourcing

Operational disruptions and supply shortages have buyers looking for new suppliers, but they have less time for complicated contracts and negotiations. Purchasing must drive operational efficiencies while meeting increased demand. Prioritising only cost reduction and risk management may create tension with business partners' desire for speed of supply. If faced with harsh realities of smaller teams or budgets, purchasing resources will need to be deployed more strategically. Buyers can't get lost in the minutia of sourcing low value items. Instead of discovering new suppliers through traditional means, one can more easily access millions of sellers through a single source using B2B e-commerce tools.

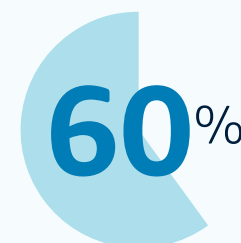


of procurement leaders say the importance of sourcing speed has increased.

Source: WBR Insights: Cognitive Procurement and the implementation of AI and ML. WBR Insights. 2020.

Optimising costs

Business leaders play a key role in enabling the cost optimisation agenda beyond managing suppliers. Cost cutting and short-term reductions can impair an organisation's agility, compromise performance, and affect strategic focus. Now is the time for purchasing teams to think beyond price concessions to broader changes that reduce spend while delivering true value to the organisation. Purchasing can demonstrate where they're saving time and reducing costs through supplier optimisation and consolidation. By simplifying buying, they can identify more ways to save both time and money.



of procurement leaders report greater cost savings goals expected this year compared to 2020.

Source: 2020 Gartner Peer Insights on Cost Optimisation

Rethink what's possible for business buying

Adapting to our changed reality presents new ways to effectively meet the moment—and position purchasing to accelerate your organisation's growth. By using digital purchasing tools and features, you can **save time and money** while empowering employees to get what they need.

The strongest, most agile purchasing leaders are **reshaping how they buy**.

Get the visibility you need to make better buying decisions, adapt to new work environments that drive productivity, and simplify purchasing for greater agility.

Your Guide to Buying

1. Be proactive in the shift to digital

2. Realise savings

3. Drive efficiencies with data

4. Demonstrate ROI and responsible purchasing

5. Empower your organisation

1. Be proactive in the shift to digital

Responsive, not reactive, strategies set up your organisation for long-term continuity of plans to achieve this forward-focused vision, teams can't wait to digitise. Deploying new technologies should remain a priority to enable the transformational change required with a new, post-pandemic way of buying. Technology can make an organisation more resilient and prepared for future challenges.



The electronic approvals process with Amazon Business has taken out a lot of the paper admin and a lot of the legwork that the finance team had to do. Teachers need to spend their time teaching and preparing resources, so if we can minimise the time spent procuring, they can focus on their core job.

— Rob Owens, Chief Operating Officer,
Stephenson Multi-Academy Trust

2. Realise savings

To keep your business running, it's critical that you get the supplies you need fast, and at competitive prices. The less time and money you spend buying supplies, the more you can spend on growing your business.

Digital purchasing tools enable organisations to simplify buying—saving time and reducing costs. Managing how your organisation purchases with purchasing guidelines and workflows can help manage buyers and track spending. Organisations can get strategic with supplier optimisation and reduce costs by easily navigating hundreds of thousands of sellers in one store. And, when your team can find everything they need, all in one place, they can get back to what's most critical for your organisation.



Consider demonstrating **buyer efficiency gains** and **time savings** from digital tools or **automated processes** to leadership.

3. Drive efficiencies with data

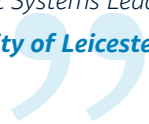
Make smarter buying decisions with sourcing insights through detailed data and analytics, across categories and a broad network of suppliers. B2B eCommerce minimises inefficiencies. Workflows reduce transactional responsibilities, enabling a focus on the overall business - not manual processes. And moving non-contract spend to a single, online store allows you to see the complete picture for supplier analysis, cost analysis, and product selection.

Organisations without insight into their spending can't recognise opportunities to reduce costs. Better understand your employees' buying behavior using advanced analytics and dashboards. You can see who's buying what and for how much. Monitoring buying behavior and discovering patterns can help you make better decisions and establish policies to guide employee spending. With real-time data, leaders can make smarter budgeting and purchasing decisions with tools and custom reports to analyse spend data.



Being able to see clearly what has been ordered in real time with the system, instead of spending time chasing records at the end of the month allows us to use our time more wisely, making sure the university procurement function is running as smoothly as possible.

— Anthony Midgley, Category Manager & Procurement Systems Lead,
University of Leicester



4. Demonstrate ROI and responsible purchasing

With increased cost cutting scrutiny comes opportunity to demonstrate where purchasing drives efficiencies and cost savings. Armed with data and visibility into spend, leaders can identify areas for optimisation and showcase savings.

Further, demonstrate the value purchasing brings in meeting socially responsible organisational objectives such as sustainable product selection. Define specific requirements for strategic sourcing and sustainability goals, and make it easy for buyers to find qualified suppliers and products.

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PORTUS DIGITAL

We launched on Amazon to help more businesses make sustainable IT decisions. We're pleased by the response we've managed to generate so far – it's exceeded our expectations.

— Rob Judd, Director of Sales, **Portus Digital**

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5. Empower your organisation

Purchasing and finance departments typically prioritise savings and policy compliance—cost considerations—over convenience or ease of ordering and delivery, or value considerations. Yet we know that the best organisations are customer obsessed. By empowering employees to buy as quickly and easily as possible, they can get back to serving their customers. Empowered, enabled employees are more productive and deliver better customer experiences for the organisation.

Consider how your teams were purchasing in 2020. Are they enabled with the convenience they now expect, particularly in changing work environments? Are they empowered to purchase what they need? Internal stakeholders demand a purchasing environment like what they have with Amazon at home, but built for work. Employee expectations for simplification and speed don't have to mean a tradeoff for the visibility and control procurement leaders need to meet the financial demands and expectations of their organisation.



I have many different people linked to my Amazon Business account, from so many different aspects of the business. Having the Amazon Business account with more users allows me more time because I used to order for everyone within the company on one account. So now having different accounts, people actually have more responsibility on what they're ordering.

— Louisa Collins, IT & Purchasing, **iiaa**



Move your organisation forward with Amazon Business

With this guide to buying in mind, you, and your organisation, can be prepared for the year ahead. Purchasing teams played a key role in reducing costs and navigating new supply chain realities of the last year. Now, it can lead the organisation in accelerating growth and meeting new strategic challenges.

Our customers are digitally transforming and need new ways to create value in the form of cost savings.

We're ready to help you drive real results with innovative solutions.

We serve more than 5 million businesses worldwide including:

+50% of the FTSE 100 companies

80% of the top pharmaceutical companies in UK

All of the 15 largest UK universities and over 85% of the biggest cities



Solutions that fit your organisation

With purchasing features and tools from Amazon Business, you're equipped to do more.

Simplify buying

With Amazon Business, you get the familiar purchasing experience of Amazon, with features that make it easy to buy for work, so you have more time to focus on what matters most.

Reduce costs

Get more for your money with Amazon Business. Whether you're a growing startup or established, we'll help you improve your bottom line.

Manage purchasing

Flexible controls let you manage purchasing in ways that are unique to your organisation, letting you deliver more value than ever before.

Streamline procurement processes

Rethink the purchasing processes that hold your organisation back. Amazon Business can help you drive procurement at the pace of progress.

Driving your organisation forward with Amazon Business

With the value, convenience, and features of Amazon Business, purchasing leaders are reducing costs, saving time, and meeting consumer demand while delivering an elevated user experience.

Managing supply continuity

Wide selection

Access hundreds of millions of products across business-relevant categories from sellers worldwide in a one-stop shopping experience.

Buying policies

Set buying preferences, restrictions, and custom messages on specified categories, products, or suppliers with Guided Buying and Business Prime.

Convenient delivery options

Choose how you want orders delivered. Create efficiencies with convenient delivery options.

Accelerating sourcing

Account management

Add multiple users, manage permissions, and create buying groups for added efficiency and visibility.

Reorder lists

Add, organise, sort, and prioritise products that you frequently purchase with Reorder Lists. Quickly reorder products from these lists, or share lists with others.

Automated workflows

Consolidate purchases and invoices into a digital system to reduce paperwork and the time you spend tracking workflows.

Optimising costs

Savings & discounts

Compare offers from competing sellers, access business-only prices and quantity discounts, and get free delivery options.

Reporting & dashboards

Track your progress toward spending goals, compare spend across categories, and discover new ways to reduce costs.

Payment options

Manage cash flow in ways that flex with your needs with tools like shared payment methods or Pay by Invoice upon approval.



Get started today

Contact us to uncover valuable insights on your organisation's buying behavior and discover where to cut costs, increase efficiency, and drive growth.



Visit us at business.amazon.co.uk to learn more.

