



# Tens of billions of zlotys in savings for Polish businesses.

The report about the future of the electronic B2B market.

HOW POLISH  
COMPANIES  
BUY AND SAVE.

MakMedia.pl



Summary of the report in English.  
The full report in Polish  
is available at [www.marketplanet.pl](http://www.marketplanet.pl)

## THE MAIN CONCLUSIONS OF THE REPORT:

Calculations prepared by the experts of Marketplanet, the operator of the biggest Polish electronic market for enterprises, show that:

- Companies spend on on-line purchases ten times more than consumers do. The value of B2B e-commerce exceeds EUR 50 billion (PLN 215 bn.) as compared to EUR 5.4-6.3 billion (PLN 23-27 bn.) in the case of B2C.
- Polish companies use electronic purchasing tools far less frequently than enterprises in Europe. This situation will dynamically change as according to Marketplanet, Polish companies will become more willing to buy in electronic markets.

**OVER 50 BILLION  
EURO\* (PLN 215 BN.)**

**- THE VALUE OF B2B COMMERCE  
ON THE INTERNET ACCORDING  
TO MARKETPLANET**

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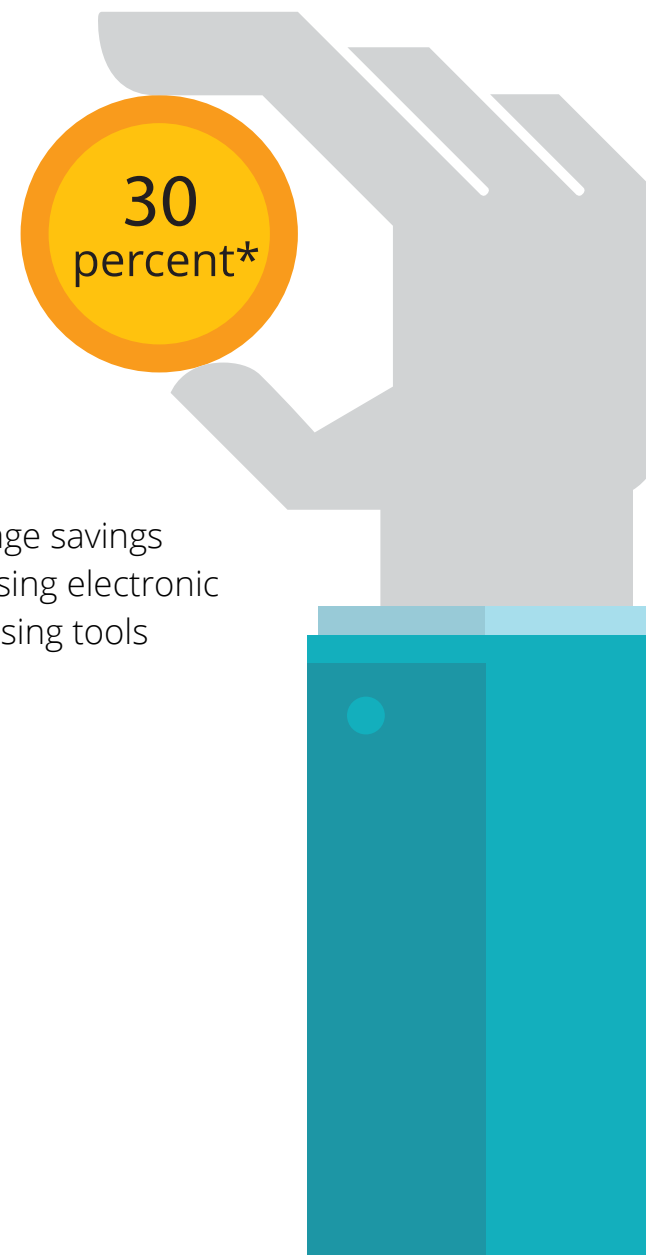
In 2014, e-commerce tools delivered by Marketplanet enabled companies to conclude transactions worth 25 billion zlotys – which gives Marketplanet the biggest share in the electronic market in Poland.

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\*based on the PLN/EUR exchange rate as at December 31, 2014 announced by the NBP - PLN 4.2623

- Using electronic purchasing tools, enterprises are able to reach the savings of even 60 percent (depending on the industry). The savings result from the opportunity to find the best (cheapest) offer as well as from the automation of processes and reduction of time needed to purchase. The average savings are 30 percent.
- Electronic purchase orders and invoices enable companies to save over EUR 2.9 (PLN 12.5) on a single document. In big enterprises, the annual savings in this area may reach millions of zlotys. However, such results are obtainable only if the process is supported by IT tools. The easiest way to achieve it is to apply an external electronic commerce platform.

The highest volume of B2B transactions is concentrated around big entities. Large enterprises use purchasing systems and communicate with suppliers electronically. For small and medium-sized companies it is difficult to gain clients in this sector, but to have the opportunity to do so they may register with OnePlace – the biggest electronic B2B market in Poland operated by Marketplanet. Please note that to enter the OnePlace platform, a company has to complete the certification process that verifies its potential to deal with big entities.



\* average savings from using electronic purchasing tools



# 1

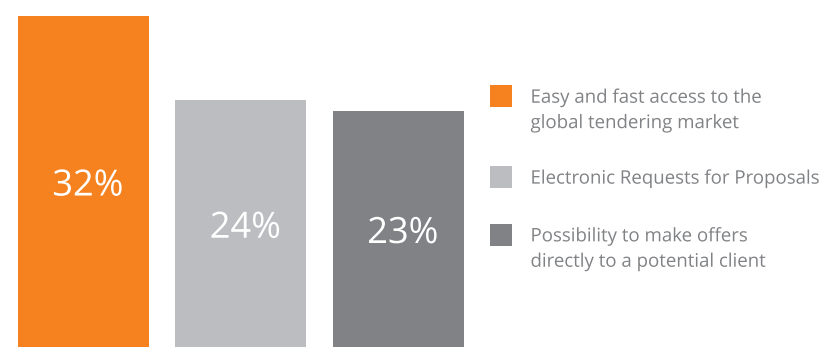
THE HIGHEST VALUE IS  
A CATEGORISED SUPPLIER  
BASE AND A SIMPLE  
SELECTION OF TOOLS

An electronic transaction market means the transfer of traditional relations between enterprises to a virtual level of the Internet. This is a place where suppliers and buyers meet to fulfil their needs – the buyer, to select the best supplier, and the supplier, to gain new contracts.

According the “Buyers and Suppliers as Value Creators in a Company” report by Marketplanet, from the buyer’s perspective, the most desirable e-market functionality is the access to a categorised supplier base – as indicated by 66% of respondents.

The Survey: “Buyers and Suppliers as Value Creators in a Company” Warsaw, 2014.

Suppliers’ expectations about the functionalities of an electronic transaction market.



There are two models of IT solutions that support corporate purchasing processes.

The first one is provided by the biggest producers of ERP systems (e.g. SAP, ORACLE, IFS, IBM). They were created as a result of a natural development of the functions available in these systems. The users have to consider high costs of implementation and maintenance – such solutions require adaptation to the requirements of external partners, which drives costs up. The second kind of IT tools are solutions developed based on the electronic B2B commerce tools (e.g. Coupa, Ariba, Nipendo).

The advantages of these solutions include simplicity and reduced costs of implementation as well as a quick access to a wide range of market participants. Additionally, It requires only one time integration instead of creating expensive interfaces with all business partners.

The IT technologies available today make it possible to connect tools between the two kinds. The key factor is to adjust the tool to the needs of a particular enterprise. Marketplanet's experts assist clients in this process.





# 2

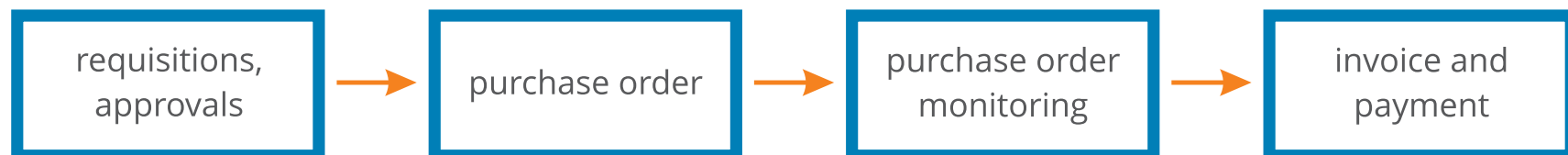
ELECTRONIC PURCHASE  
ORDER IS THE BEST  
WAY TO E-INVOICING

E-procurement is a term for operational purchases i.e. the electronic process of making purchase orders, combined with invoicing and settlement. E-procurement systems support such processes in a comprehensive manner.

In performing operational purchasing, it is helpful to use framework agreements, where parties agree as to the business terms (prices, quantities etc.) of future purchase orders. The information from framework agreements is integrated with supplier bases, and the buyer's task is only to choose the object of the purchase order and the supplier, if there are many framework agreements.

Another form of operational purchasing are electronic catalogues that enable a company to create requisitions based on defined product ranges – all the products or services are described and priced, and therefore easy to compare. The only decision that a purchasing party needs to make is the quantity of the purchased product.

A useful functionality of the electronic transaction market is the electronic workflow that supports business processes, increases their efficiency and reduces time. It allows for an effective management of access to the information resources from any location and minimises the risks related to loss of documents, while generating cost savings from elimination of multiple copies of documents and reduced processing time.

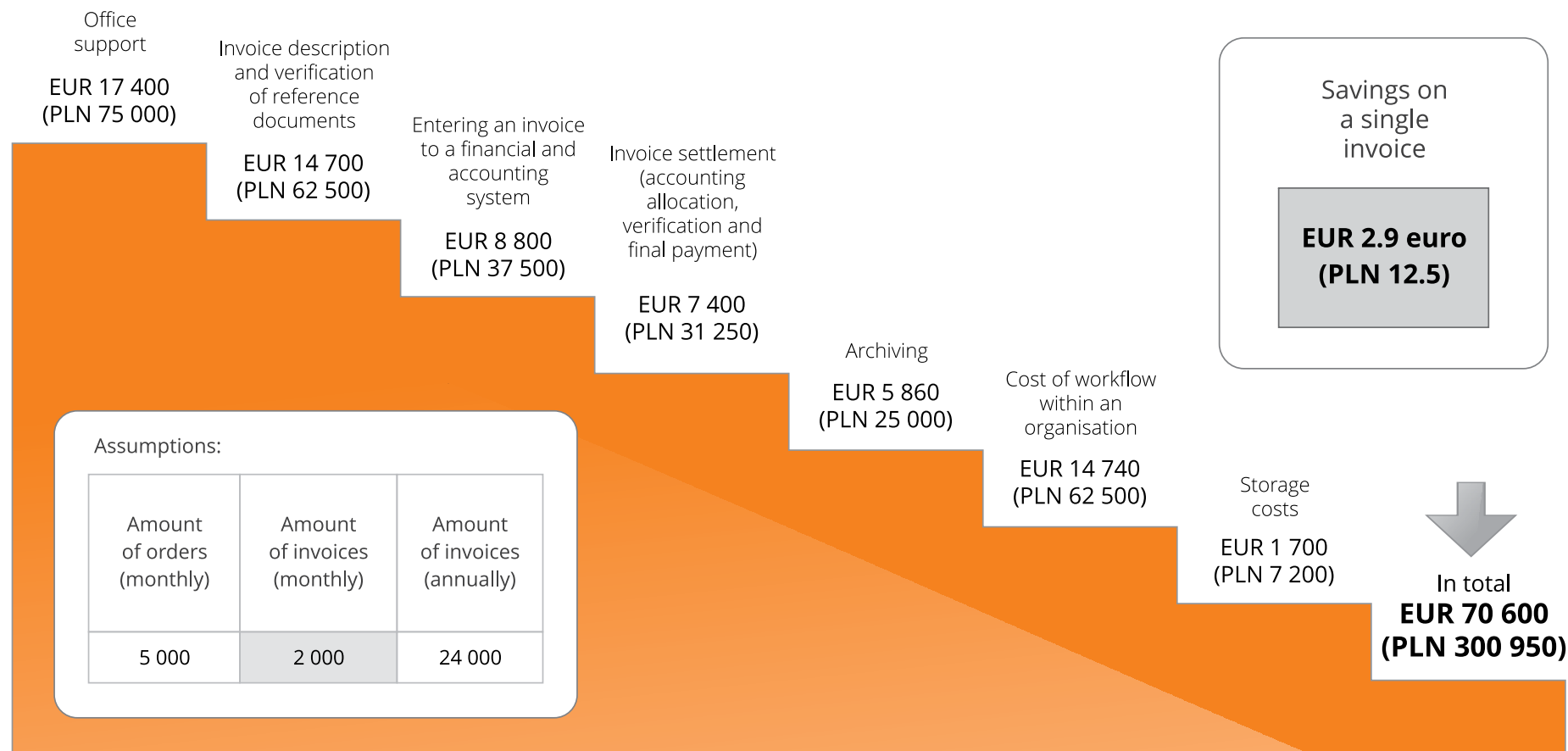




## OVER 2.9 EURO (PLN 12) OF SAVINGS ON A SINGLE DOCUMENT

The following graph illustrates Marketplanet's experts calculations of savings from e-invoices as compared to the handling of the same number of invoices in a traditional manner (paper invoices).

The estimated savings from e-invoicing (annually)





# 3

WHERE IS THE  
SOURCE OF SAVINGS?

Finding savings in purchasing is the best method to reduce company's costs. Purchase volumes are generally high in value, so their reduction by a few percent brings noticeable financial effects.

In some industries, the savings or discounts resulting from using purchasing platforms reach as much as 60 percent of the purchases' value. An average level of savings is about 30 percent.

This is possible on purchasing platforms. Potential savings may be generated by elimination of unfavourable, from the buyer's perspective, price differences.

The application of electronic purchasing tools creates the space for taking the following exemplary activities:

- reduction in the number of suppliers of particular goods or services, and directing purchase orders to one supplier;
- regular collection of information about market prices of a particular product/service;
- comparing product prices with the prices offered by our supplier and using this knowledge in negotiations (the possibility to pressure a supplier to lower the rates);
- using the Internet auctions – a great savings potential as compared to not using e-auctions;
- concluding framework agreements – standardisation of commercial conditions, including prices, for some time;
- searching for replacement materials or services;



- supplier cooperation aiming at joint cost reduction; consequently, savings from such collaboration should be achieved both by the supplier and the receiver.

One of the tools that support purchases is an electronic auction, where commercial conditions are negotiated electronically. In the last 10 years,

Marketplanet has conducted more than 100 thousand of auction transactions over its purchasing platform, participated by suppliers from almost 300 industries.

The savings potential of using electronic auctions – examples

Product range	Average savings (%)
Construction	66
Printing	52
Raw materials	51
Artistic agencies	48
Construction services	47
Gaskets and valves	47
Cleaning services	46
Publishing houses	44
Adhesive tapes	41
Printing	41
Illuminated advertisements	40
Water and sewage companies	37
Financial and insurance services	37
Decorative fabrics, curtains, hangings	35
Identification	33
Sanitary ware	33
Garden maintenance and design	32
Printing works	32
Construction of sport facilities	32
Services related to real properties	31
Plastics	31
Road maintenance	30
Emergency and extinguishing equipment	30
BTL advertising agencies	30
Printing materials, accessories	29
Computers - peripheral devices	29
Fume exhaust systems	29
Transportation - services	28

Source: Marketplanet based on 100 thousand electronic auctions



# 4

CERTIFICATION MEANS  
MORE CREDIBILITY

Reliability of electronic commercial transactions is of great importance for companies. Enterprises are looking for reliable business partners, because they cannot afford to waste time and money on cooperation with undependable contractors who do not guarantee an optimal delivery of services or goods that comply with specifications.

Therefore, Marketplanet uses its certification questionnaire and analysts' knowledge to collect data about enterprises and provide assessment of suppliers. An enterprise that has successfully completed the verification process becomes a "certified" supplier and may raise its reputation of a credible company.

The additional advantages of the supplier's certification are audits (conducted with the party's consent).






## According to Marketplanet's experts, the future of e-commerce in the B2B segment will bring:

- The increase in number of B2B transactions operated through electronic tools. The Eurostat statistics confirm that in the last ten years, the average indicator for EU states has increased from 9 to 15 percent. Poland is below the European average – in our opinion, Polish enterprises will follow Western-European companies.
- E-commerce platforms will increasingly integrate with internal corporate systems (ERP, SRM, CRM, OMS, SCOM), which will further reduce the way from a purchase order, through an invoice, to acceptance and payment.
- Enterprises will give more and more attention to the end-to-end management. In purchasing, it is related to the efficiency of the entire process, from requisition to payment (so called, Purchase to Pay).
- Departments responsible for purchases will shift from the role of a cost optimiser to the position of a business partner (for both the buyer and the supplier). An especially important factor, from the e-commerce perspective, is the broker function that entails a necessity to support the process of building suppliers-buyers relations.
- To address clients' expectations, e-commerce B2B applications will become more similar to the corresponding B2C environments. B2B platforms will be more intuitive in operation and will offer the possibility to manage the user account, personalise prices, and automate purchasing recommendations, etc.
- There will be more "cloud solutions" available.
- The supplier certification will gain in importance as it enables a company to quickly assess the reliability of business partners on e-commerce platforms.
- The paper workflow will be further reduced to accelerate purchasing processes, payments and eliminate operational errors. In particular, the solutions relating to purchase orders and electronic



invoices are becoming more accessible and it is easier to implement them.

-  B2B platforms will be used not only for a simple purchase orders exchange but will also support the processes of shared planning, stock management, the APT (Available to promise) function support or product configuration.
-  Marketplanet can also notice the development of purchasing systems and platforms into Business Intelligence tools, to support enterprises in analyses and reporting as well as in drawing conclusions from Big Data – as the data contained in e-transactions is definitely covered by this term.
-  Banking services, other than standard merchant credits or accelerated payments, become more expanded. Within the framework of cooperation between the market operator and banks, the use of such products as factoring, reverse factoring, e-deposits, electronic banking warranties or dedicated payments with purchasing cards is increasingly popular.

#### ..... ABOUT MARKETPLANET

For over 13 years, Marketplanet has provided enterprises with IT solutions that optimise purchasing processes, and has co-operated with thousands of suppliers. It also provides services that enhance sales processes. Marketplanet solutions enable enterprises to reduce costs and increase sales.

Marketplanet clients include KGHM Polska Miedź, Orange Polska, AmRest, Santander, PGE Polska Grupa Energetyczna, Tauron, Black Red White, and the Warsaw City Hall. Marketplanet is also the operator of Marketplanet OnePlace – an innovative B2B market – a platform for communication between buyers and sellers.

For more information, please visit: [www.marketplanet.pl](http://www.marketplanet.pl)  
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