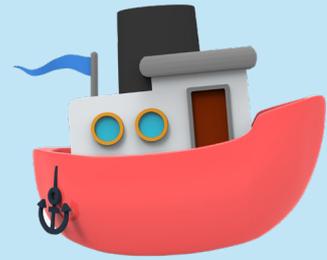


Optimizing procurement with eRFx and eAuction



DFDS



DFDS was founded in 1866 as a Danish steamship company. Over its 150-year history, its fleet grew to meet the increasing demands of global trade. In the early days of industrialization as global trade expanded, DFDS fleets connected regional farmers and merchants to worldwide markets. During the World Wars, DFDS transported families fleeing conflict to better futures and provided critical supplies of food and coal.

Today, DFDS is one of Northern Europe’s largest forwarding and logistics companies and has been awarded World’s Best Ferry Operator since 2011, as well as Europe’s Leading Ferry Operator. It has set itself on a course to manage its growth by developing its digital capabilities. DFDS’s motto is: “We move for all to grow.”

Powerful procurement solutions

DFDS chose [Unit4 Source-to-Contract by Scanmarket (S2C)] to digitally transform its procurement process. S2C is an integrated platform that offers control over spend and the ability to quickly make data-driven decisions while maintaining compliance.

With the Unit4 eRFx by Scanmarket (eRFx) application, the design, distribution, collection, and analysis of RFIs, RFPs, and RFQs are consolidated in one automated process that boosts efficiency and allows sharing of data across the organization.

Unit4 eAuction by Scanmarket (eAuction) is a procurement tool that uses web-based software to allow potential suppliers to compete online, in real-time, to give prices for goods or services.

eAuctions are used to obtain the best value on products and services across a variety of categories, helping procurement professionals negotiate with more suppliers and eliminating the need for time-consuming one-on-one discussions.

Industry

Shipping/Logistics

Location

Headquarters: Copenhagen, Denmark

Size

Approx. 9,000 employees

Product

Unit4 Source-to-Contract by Scanmarket (S2C)

Challenges

Increase adoption of eRFx by empowering team members with the knowledge to use existing tools.

Key metrics



STREAMLINED NEGOTIATION

eAuctions shorten negotiation from several weeks to around 45 minutes on average



PROCESS IMPROVEMENT

Structure and uniformity around the sourcing process

“Our focus will be on building more knowledge around eAuctions so people can understand why it’s good for them to use eAuctions and use them right.”

Breda Cok

Group Procurement Team, DFDS

Much more efficient than traditional negotiations, eAuctions deliver process transparency and reduce the final price due to increased supplier competition.

Empowering team members to use eSourcing tools

Breda Čok is part of DFDS’ Group Procurement Team and is responsible for managing its eSourcing project. When she came to DFDS, the eAuction and eRFx tools of [S2C] were already in place, but not in use. “It is not enough to sign up and pay the yearly fee, you need to manage the change internally to be able to use this tool,” she says.

Part of the strategy to increase adoption included empowering team members with the knowledge to use the tools. This was accomplished through a mix of outreach to [S2C’s] customer support team as well as surveying users of the tools to better understand any reluctance. The feedback from users and stakeholders helped inform the user adoption strategy for 2020.

Breda’s team increased adoption of the eRFx tool with the help of [S2C’s] Customer Success managers to the point of developing Super Users. These Super Users acted as evangelists to influence and train other team members to independently run sourcing events. The team was well on its way to increasing eAuction adoption when COVID hit and suddenly the team was dispersed. The influence of the Super Users became diminished.

Fast deployment through Fully Managed Events

“When it comes to eAuctions, we decided to go in the complete opposite direction of RFX and use the Fully Managed Support,” says Breda. “eAuctions have a different learning curve.”

Recognizing the limitations posed by COVID on the team, Breda leaned on [S2C’s] Fully Managed Event offer to set up and run the eAuctions in order to establish and learn best practices.

“We needed to build a platform to get people feeling a bit more comfortable with eAuctions, so that’s why we decided to have our eAuctions fully managed by [S2C]. We don’t do anything internally, not even setting up the eAuction,” Breda adds.

Key benefit: freed up resources

“I’ve learned so much from the eAuctions we did this year,” says Breda. “The big change for us would be to use eAuctions earlier in the process because it means that you use less time on the project, so you can allocate the resources to a new project and are able to close the projects much earlier.”

Result: Learning best practice firsthand

While the team has not yet been able to run all eAuctions independently and not every sourcing event provides savings, there is ROI on the knowledge gained. “It would be

easier to just tell people to start using eAuctions, but that doesn’t correlate with our values,” said Breda. Instead, participation in [S2C’s] roundtable events with other customers across industries and companies helped the team with ideas and problem-solving.

“...Our focus will be on building more knowledge around eAuctions so people can understand why it’s good for them to use eAuctions and use them right. It may take longer, but I think they will embrace the change and the tool, and that embracement will last longer,” says Breda.

Basically, the strategy for the team is a push approach camouflaged as a pull approach. With both the eRFx and eAuction tools, the focus is on mapping usage, measuring engagement, and meeting with stakeholders. Breda says, “These meetings are not to investigate why people haven’t used the tool, but to learn why and help each other understand. Then we can tackle user adoption within the project team, which enables us to change and divert our strategy accordingly.”

