



5th edition

PwC Global

# Digital Procurement Survey

CPO insights:  
performance, CSR and technology





On behalf of PwC Switzerland, we're delighted to present the results of the fifth edition of our Digital Procurement Survey. This year, the barometer of digital transformation took on an increasingly international dimension, covering around 1,000 companies in close to 60 countries across five continents. In Switzerland especially, we observed a distinct increase in responses, which enabled us to share a perspective specific to Switzerland for the first time.

Given the challenges posed by the succession of economic, geopolitical and environmental crises, procurement is more strategic than ever. It plays a key role in ensuring supply chain resilience and achieving innovation, and therefore making sure that businesses run smoothly. The digitalisation of the procurement function is a real asset in this transition.

Today, the roadmaps of procurement departments include sustainable risk management use cases that have become essential, such as data and analytics, supplier risk management and CO<sub>2</sub> emissions monitoring. This demonstrates their commitment to sustainable performance through the use of analytics.

Against this backdrop, the survey shows that the quest to improve internal and external performance is accelerating the digitalisation of the procurement function in companies across all industries. To support this transformation, procurement departments must make sure users are on board and develop new functionalities covering areas like CSR, CLM and SRM.



**Marc Rajal**

PwC Switzerland  
Director, Procurement Lead



**Dinesh Purushothaman**

PwC Switzerland  
Director, SAP Procurement Lead

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# PwC Digital Procurement Survey

## Executive summary

### Current state of digitalisation in procurement

- ▶ **Procurement departments continued to cite procurement performance, digital transformation and strategic sourcing** as the top priorities. **Corporate social responsibility (CSR) issues** tied in third place.
- ▶ In addition to the traditional objectives of process optimisation and cost reduction, **digital transformation is now also driven by a need for transparency and compliance**.
- ▶ **The use of source-to-pay solutions is now the norm**, with 94% of survey respondents reporting that they use such platforms.
- ▶ Among the key success factors for implementing a digital solution, companies look first **at business criteria** (definition of needs and processes) before considering more technical aspects.

### Future state of digital procurement

- ▶ **Procurement departments set very ambitious digitalisation objectives for 2027, with an average target of 70% digitalisation.** However, the target set out in the previous edition wasn't met, as investment was limited due to the different crises. But as resilience builds, it seems more likely that the new target will be met by 2027.
- ▶ **Small and medium-sized companies are continuing to increase investment** in the digital transformation of the procurement function (by a projected 6% between 2024 and 2027). In the meantime, large and very large companies are stabilising their spending while maintaining **substantial capacity** to invest in digital transformation in this area.
- ▶ CPOs (chief procurement officers) are focusing their roadmap on **data management, S2C process digitalisation and risk management** as well as on innovative **CSR** use cases and **contract lifecycle management**.
- ▶ In the area of CSR, managing **environmental issues** is the **top priority** for procurement departments for the next three years, in particular the reduction of scope 3 emissions.
- ▶ **One in two companies plans to** invest in **upgrading or implementing** a contract lifecycle management tool (CLM) in the next three years. The main benefits they expect to get from this investment are time savings, cost reductions and greater compliance.





# Survey sample

A global insight into the world of procurement

58 countries worldwide

1,000 procurement departments  
(up 25% vs. 2022 edition)

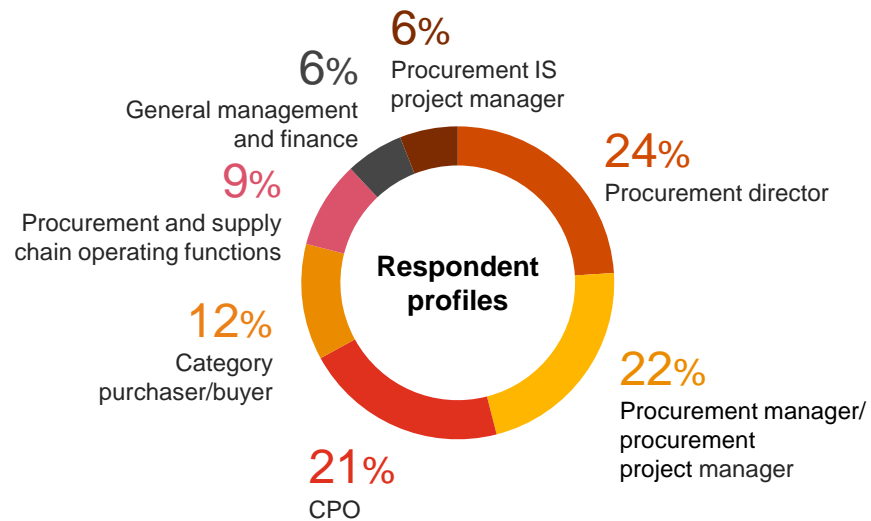
on 5 continents

## 3 main themes

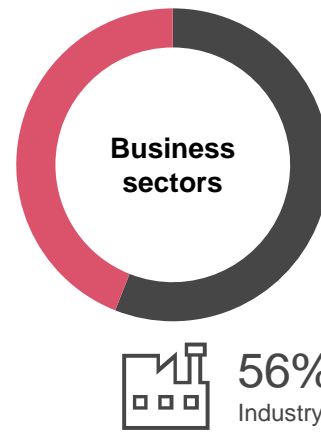
- ▶ procurement function priorities
- ▶ overview of digitalisation in the procurement function
- ▶ roadmaps and future major transformations

## 3 focus areas

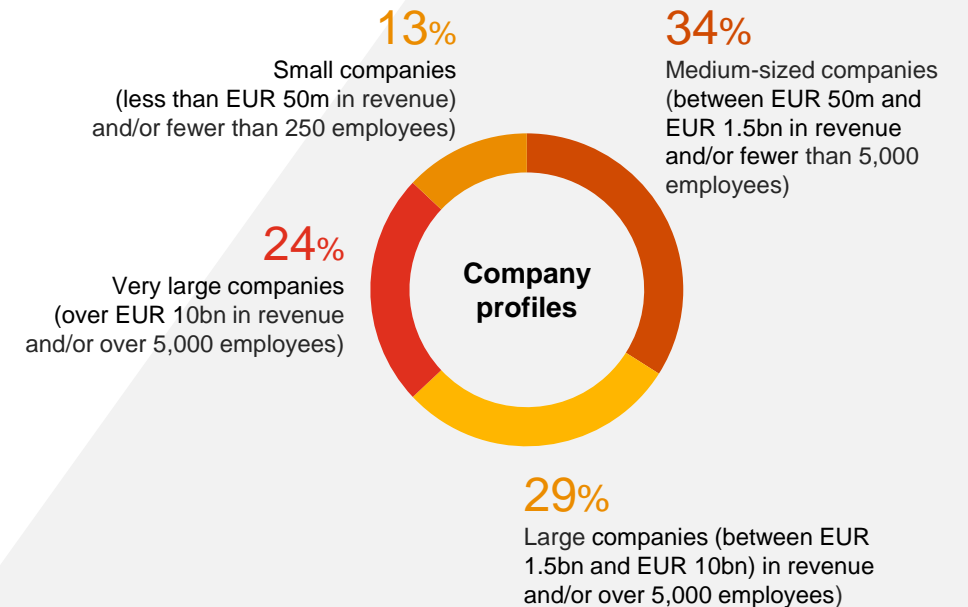
- ▶ themes: CSR, CLM, collaborative platforms
- ▶ sector-based
- ▶ regional



44%  
Services



56%  
Industry





# Procurement function priorities

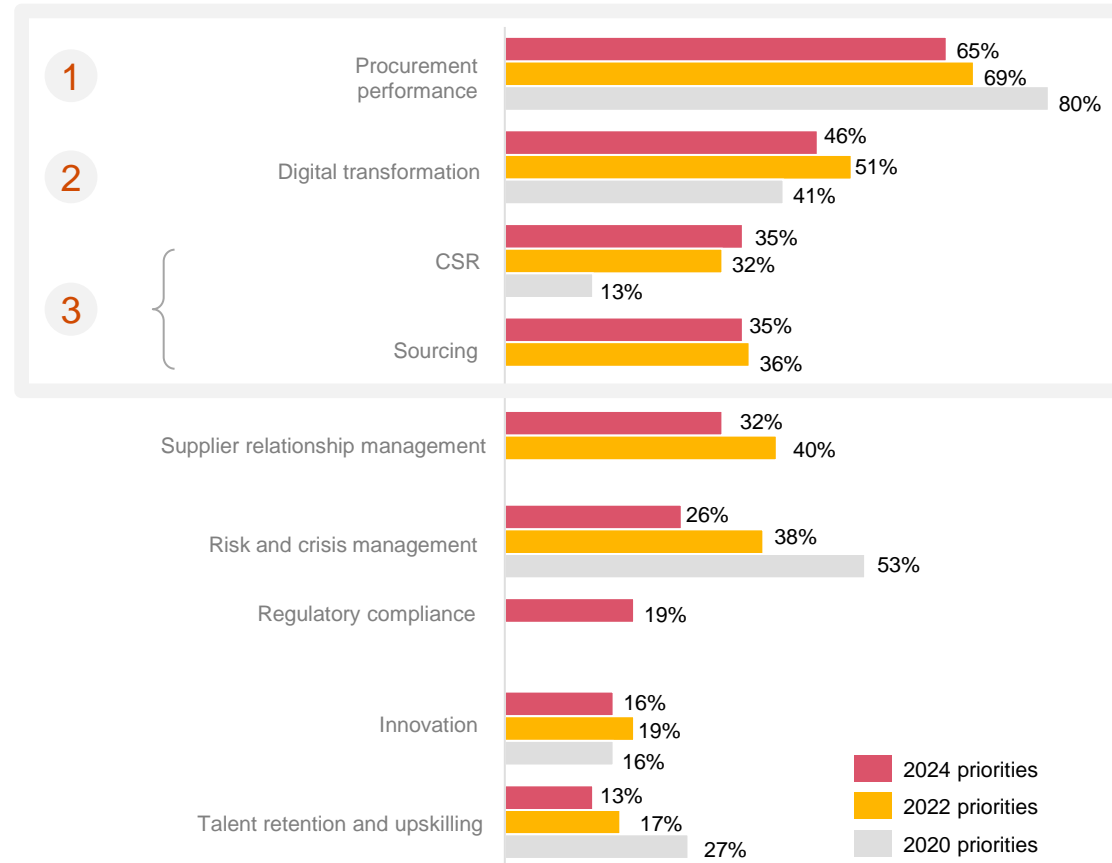






# Cost control remains the top priority for procurement departments

## Ranking of procurement departments' strategic priorities



PwC Global Digital Procurement Survey, 5<sup>th</sup> edition (1,000 respondents)/\* 2022 source data: PwC Digital Procurement survey, 4<sup>th</sup> edition (over 800 respondents).

Question: What are your procurement function's three strategic priorities for the coming year? (ranked from first to third)



Switzerland's results  
on slide 40

## 65% of procurement departments name cost control as their top priority

In a post-COVID-19 environment marked by rising inflation and the Ukraine conflict, strategic priorities have become more focused on cost control.

### Digital transformation is the second strategic priority

Digital transformation remains an important priority, despite efforts to keep a tight rein on cost, which could have resulted in less ambitious plans for investment in digital solutions. This shows that procurement departments are expecting tangible results from digital transformation, particularly in terms of reporting, regulatory monitoring and operational efficiency gains.

### CSR and sourcing in third place

CSR has climbed up the rankings compared with 2022 to become a priority for CPOs. This shows that the procurement function is considered to have a key role to play with regard to growing business and regulatory challenges (CSRD, CS3D, etc.) that impact direct and indirect suppliers. Sourcing, a key driver for procurement performance and risk management (multi-sourcing, reshoring, etc.), continues to be specified as a priority year after year.

### Procurement departments' priorities are expanding, with a new addition this year: regulatory compliance

The priority relating to regulatory compliance is now included in the ranking, and responds to new national, European and international challenges in areas like e-invoicing, GDPR and reporting.

#### CPO view



“ Digital transformation is a key driver of growth and development for organisations and businesses.

CPO of an international industrial group



# Overview

# of digitalisation in the procurement function





# Through digitalisation, procurement departments are primarily seeking to strengthen overall performance



## Efficiency gains, process transparency and procurement performance are the three main drivers of digitalisation

- Efficiency gains are the main driver as they can be easily quantified and contribute directly to ROI, but they sometimes come in below expectations.
- Transparency, traceability and fairness may be more difficult to integrate into an initial ROI, but they contribute to significant qualitative benefits.
- The reported benefits of procurement performance are lower than expected (third place as a driver but fourth place in terms of benefits).



## Regulatory compliance moved up one place in the ranking compared with the previous edition

Digital transformation fuelled by increasing regulatory requirements (e-invoicing, Sapin II Law, CSRD, etc.) is delivering the expected tangible benefits.



## User experience is emerging as a new key driver of digitalisation

User take-up is currently one of the most limiting factors when it comes to the digitalisation of the procurement function, as the success of digitalisation efforts depends more on the quality of the user experience (ergonomics, change management, etc.) than on significant differences in performance between solutions.

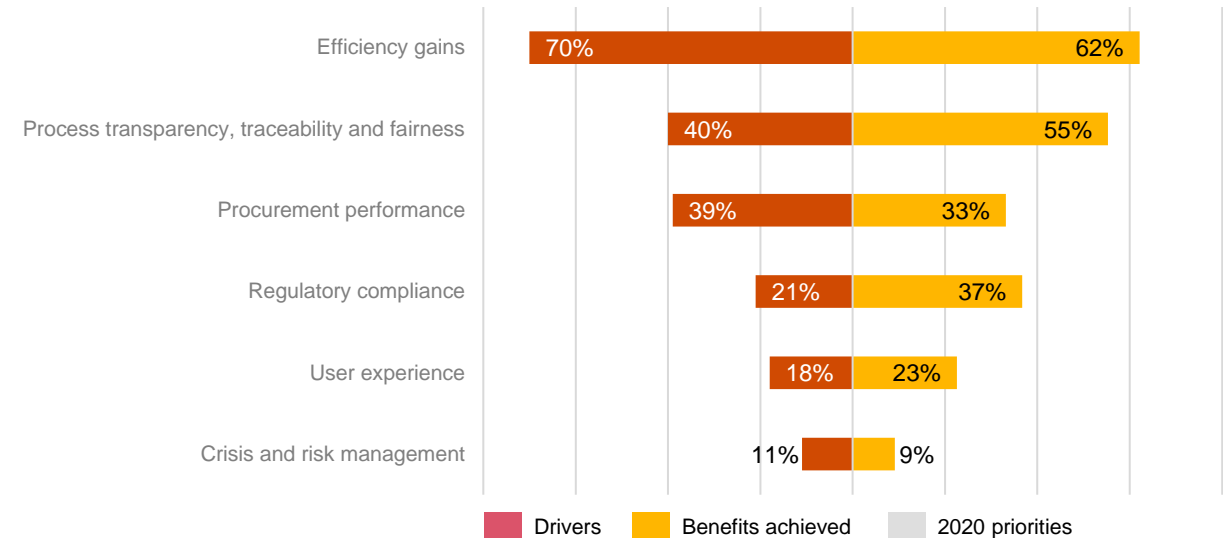
PwC Global Digital Procurement Survey, 5<sup>th</sup> edition (1,000 respondents)

Question: What benefits have you observed from implementing digital procurement solution(s) in your company? (select three answers)/What are the main reasons for pursuing digital transformation in the procurement function? (select two answers)



Switzerland's results  
on slide 41

## Main drivers and benefits of digital transformation for the procurement function



## Expert view

“ In addition to the drivers and benefits mentioned, the external reasons for digital transformation include the obsolescence of information system tools, business transformation, new challenges and the need to change ERP.

Director and procurement digital transformation expert at PwC





# S2P solutions are now a must-have



## Procurement departments are becoming increasingly digital, both in terms of the procure-to-pay (P2P) process and the source-to-contract (S2C) process

- 96% of companies now have a P2P solution. This increase was largely driven by market solutions (up 20 points).
- The same trend can be observed for S2C solutions, with 92% of procurement departments now using them.



## % of companies reported that they don't use any solutions. This percentage has been halved in two years, for all types of company

71% of these companies are small or medium-sized enterprises. They have chosen to use recognised solutions (see the increase in the percentage of companies using market P2P and S2C solutions).



## Companies cannot successfully digitalise their purchasing function without adopting S2P solutions

To get the most out of these solutions, companies need to strengthen the implementation, user adoption and interface automation phases. This will enable them to maximise project success and derive maximum added value from their digital transformation.

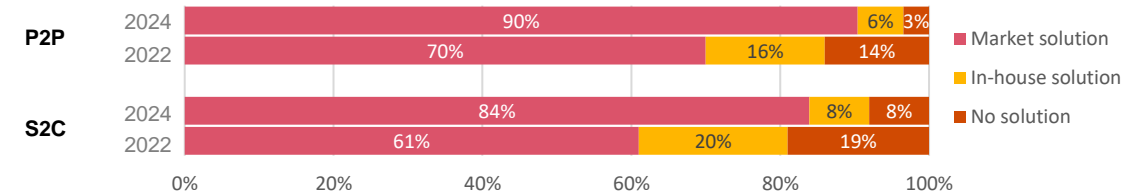
PwC Global Digital Procurement Survey, 5<sup>th</sup> edition (1,000 respondents)

Questions: What digital solution(s) does your company currently use for the source-to-contract process? Procure-to-pay process?

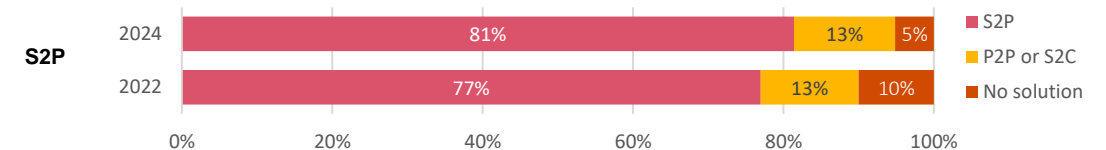


Switzerland's results  
on slide 41

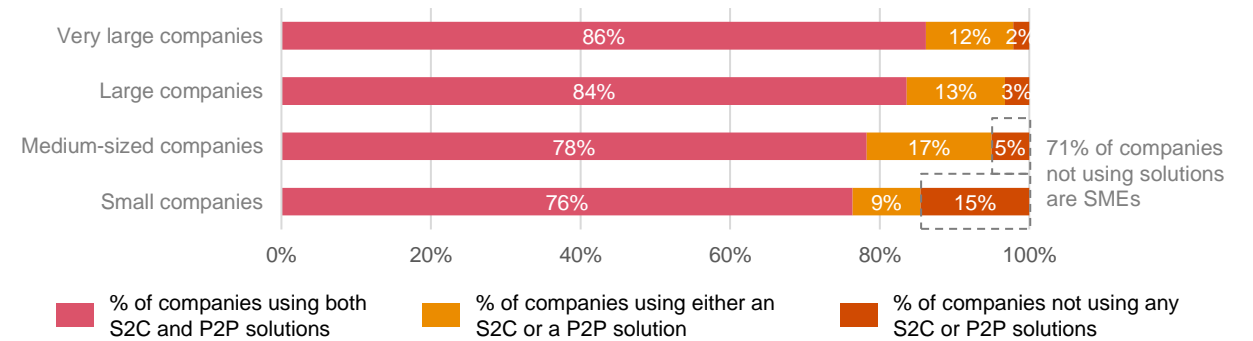
## Percentage of companies with P2P/S2C solutions



## Percentage of companies with S2P solutions



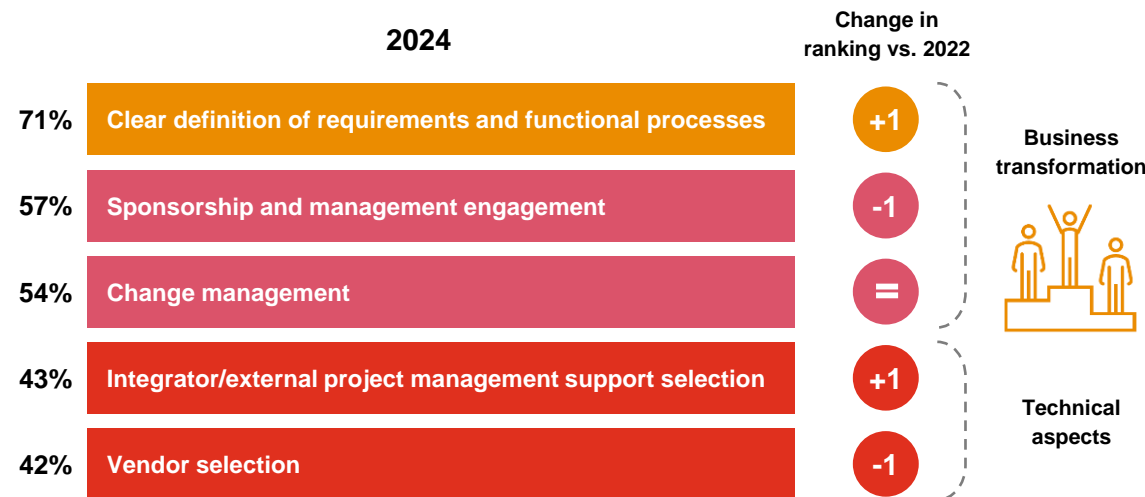
## Percentage of companies with S2C/P2P solutions by company profile





# Among key success factors for implementing a digital solution, companies are focusing on business criteria rather than on technical aspects

## Key success factors for the deployment of a digital procurement solution



### Processes and practices

- A clear definition of needs and processes is essential for harmonising and streamlining operating methods, and a key input for ensuring that the solution meets those needs.
- This factor has moved up one place since the previous edition, demonstrating the growing maturity of project teams.

### Organisational and human aspects

- The positive impact of change management is still seen as important.
- Management sponsorship slid down one place in the rankings compared to the previous edition. This can be interpreted in two different ways – positively, as a practice that's now seen as a given by procurement and IS organisations or, conversely, as a factor that isn't given sufficient importance, increasing the risk of project failure.

### Vendor and integrator selection

- Technical aspects, such as selection of the integrator or vendor, continue to be viewed as secondary success factors, as in the previous edition.
- This shows that such aspects have less of an impact than business transformation, in a context where the functional coverage of solutions and integrator skills are becoming more standardised.

PwC Global Digital Procurement Survey, 5<sup>th</sup> edition (1,000 respondents)

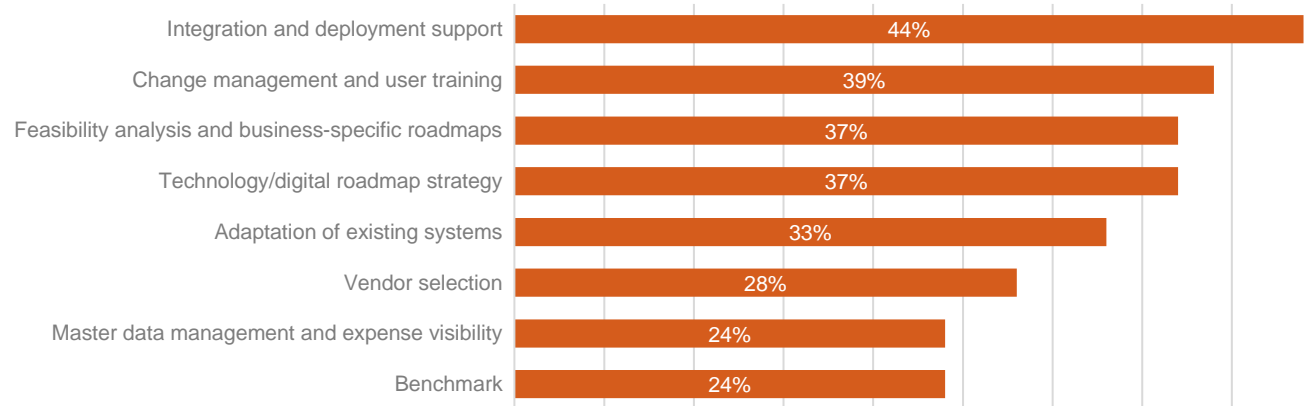
Question: In your opinion, what are the key success factors when it comes to implementing digital solutions? (select three answers)





# Companies are opting for external support throughout the lifecycle of their digital project

## Top external support needs for companies' digital transformation



### The main external support needs of companies span across all phases of a typical digitalisation project

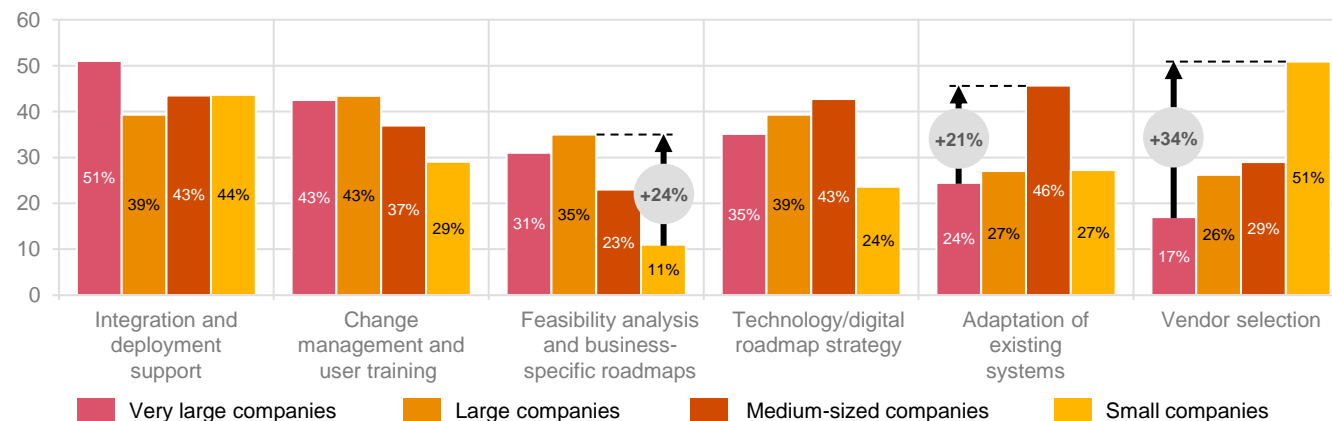
- Activities requiring technical and business expertise are most likely to be outsourced, as maintaining these skills in-house isn't an option due to low project volumes.



### There are significant differences in support requirements depending on the company size

- Large and very large companies require less external support when it comes to adapting existing systems, as they can tend to adopt standard solutions.
- Medium-sized companies have a strong need for support in **adapting their existing systems**. These companies still seem to be in an 'adapt' rather than 'adopt' mindset, which is a principle for SaaS and cloud-based solutions.
- Small companies have a greater need for external support when it comes to **digital solution selection** as they tend to focus off-the-shelf solutions.

## Breakdown of external support requirements for digital transformation by company size



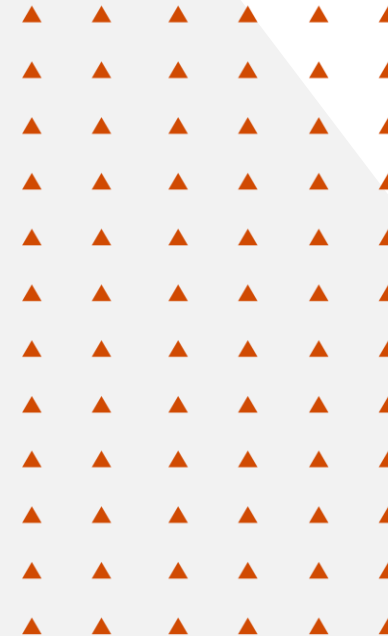
PwC Global Digital Procurement Survey, 5<sup>th</sup> edition (1,000 respondents)

Question: For what needs do you use external support as part of the digital transformation of the procurement function? (select three answers)





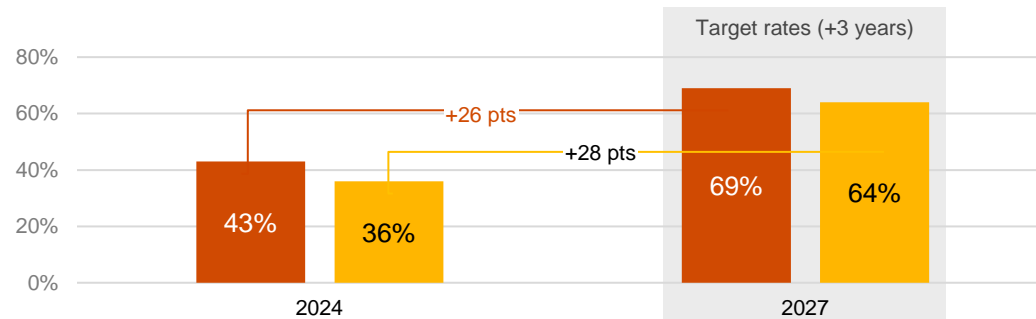
# Roadmaps and future major transformations



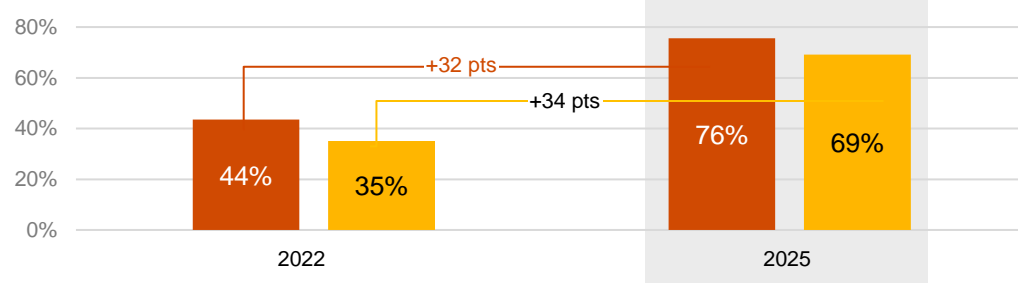


# While the rate of digitalisation of procurement departments has stabilised since the pandemic, ambitions for the coming years show little sign of slowing

## Procurement process digitalisation rate for the next three years (2024-2027)



## Recap of procurement process digitalisation rate for 2022-2025



### Transactional processes:

Supplier data management, tender management, catalogue management, P2P, operational management of supplier relations.

### Strategic processes:

Strategic sourcing, contract analysis, predictive processes, supplier development and co-innovation, reshoring, risk anticipation.

PwC Global Digital Procurement Survey, 4<sup>th</sup> edition (over 800 respondents) and 5<sup>th</sup> edition (1,000 respondents).

Questions: For each type of process (transactional, strategic):

What is the current level of digitalisation of procurement processes? What level of digitalisation are you targeting by 2027?



### Digitalisation rate of around 70% by 2027

- Procurement departments continue to set themselves an ambitious three-year digitalisation objective, albeit slightly lower than in our previous survey.



### Stagnation in the actual digitalisation rate between 2022 and 2024

- The actual rate reported in 2024 increased by 1% compared to the 2022 rate.
- There are a number of possible explanations for this, including successive crises that have slowed investment, rapidly changing needs requiring greater digitalisation, and the time lag between the investment decision and its effects on digitalisation.



### Optimistic outlook for digitalisation between now and 2027

- If, by 2027, the crises impacting investment ease, the actual digitalisation rate is likely to increase significantly.
- Other drivers, such as a change of ERP or regulatory constraints, can accelerate digitalisation.

## Expert view



To achieve a higher level of digitalisation, companies need to focus on the following areas:

- the number of deployments and the completion of digitalisation projects
- the level of automation, by improving solutions and processes
- user adoption, by optimising solutions and making them more user friendly

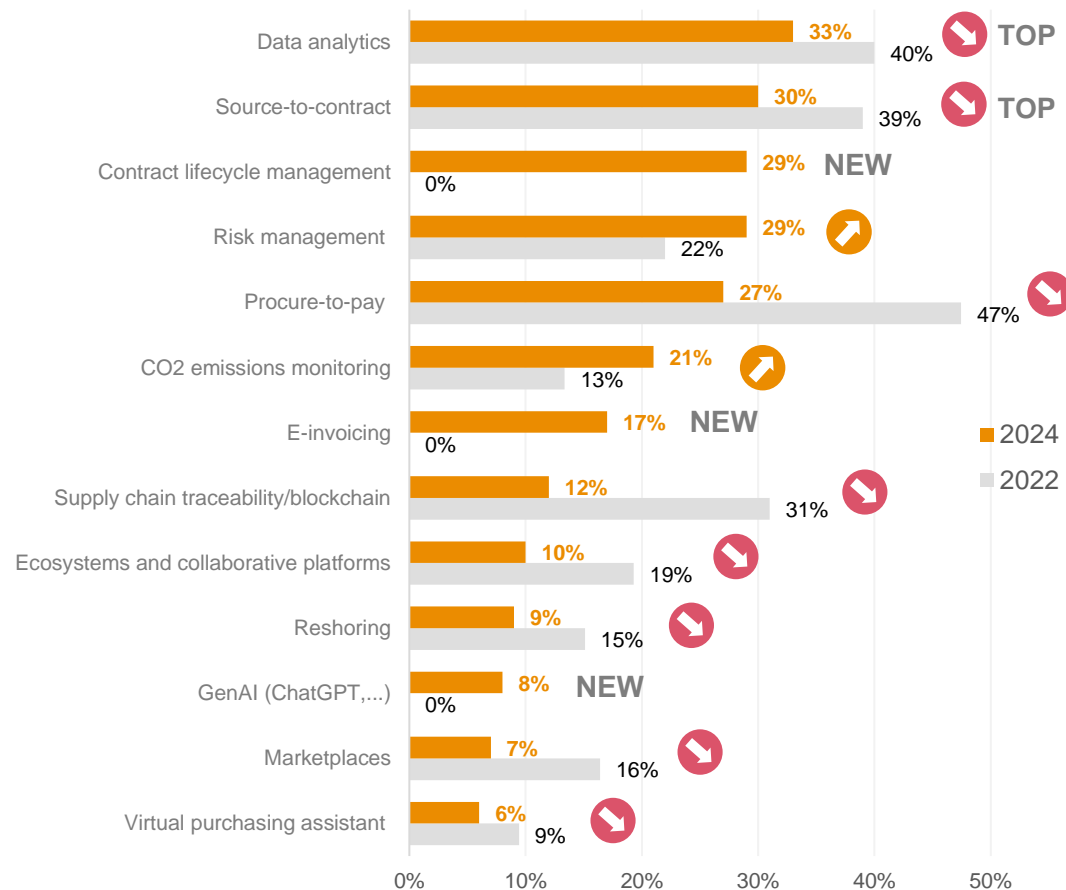
Director and procurement digital transformation expert at PwC





# Densification of companies' digital roadmaps for the next three years

## Procurement roadmap use cases: target investment areas for 2027



PwC Global Digital Procurement Survey, 5<sup>th</sup> edition (1,000 respondents)

Question: What are your digital priorities over the next three years? (select three answers)



### Data analytics and S2C in first and second place

Data analytics and S2C are the key use cases for ensuring procurement performance, in terms of both process and content.



### Several use cases in steep decline, in particular P2P and supply chain traceability

- Most companies already have P2P tools and therefore have a lower need in this area than before.
- Lower priority is given to use cases less directly linked to performance and regulatory compliance (traceability, ecosystems, marketplaces, etc.).



### Risk management and CO<sub>2</sub> emissions monitoring move up the ranking

- Companies are seeking to strengthen their management and prevention capabilities across the whole spectrum of procurement risks.
- There is no obligatory CO<sub>2</sub> emissions monitoring currently enforced in Switzerland, but the Swiss-specific DDTro monitors child labour and conflicts in mineral processing within supply chains.



### New use cases are being added to procurement function roadmaps

- Use cases linked to contract creation and management are becoming a priority, with the aim of enhancing both maturity and performance.
- Companies are having to comply with new e-invoicing regulations (2024 tax reform).
- Interest in the use of GenAI is on the rise, with companies looking at how it can be used on a day-to-day basis.

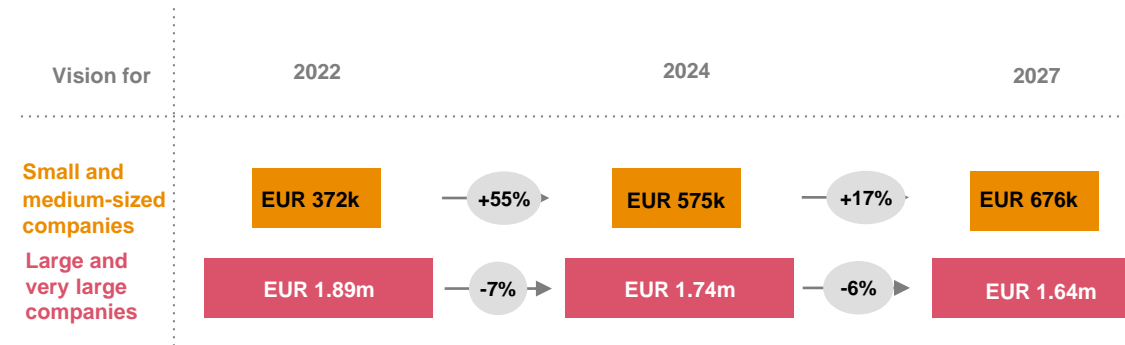




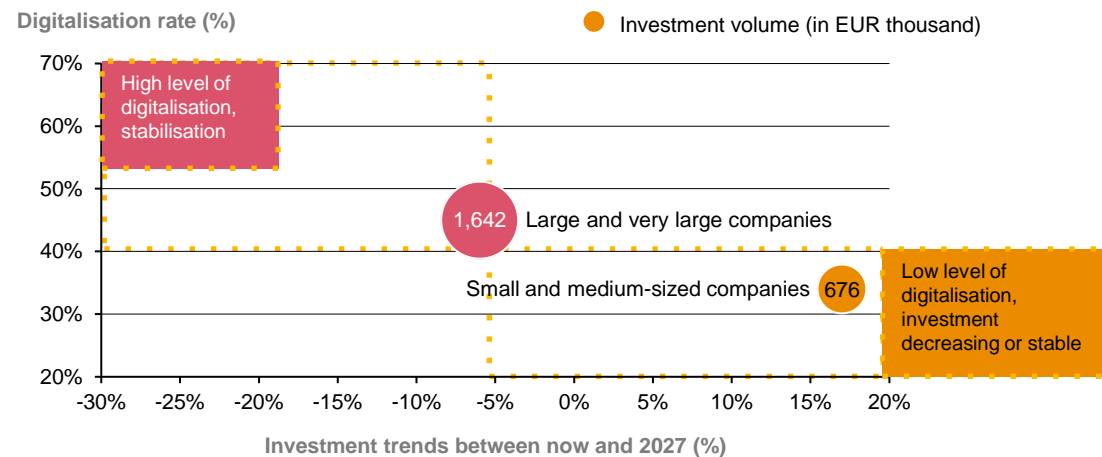


# Large firms invest slightly less, while SMEs are planning to invest significantly more

## Projected investment amounts by company size and year



## Digitalisation rate in relation to company size



The average level of investment relative to company size has remained in the same order of magnitude since our 2020 survey

- Companies are choosing to maintain a constant level of investment in order to deploy new tools and improve existing solutions.

### Specific trends depending on company size

- Investment remains at a high level, driven by continued growth in investment by small and medium-sized companies.
- Very large and large companies reduced their investment slightly, while maintaining significant capacity for digital transformation.

Companies tend to fall into two profiles: **those that are increasing their investment** and **those that are stabilising their investment**

- Companies increasing their investment** tend to be smaller companies with a **lower level of digitalisation**. Due to their smaller size, these companies can convert their investments into business value more quickly, but have to invest more per user to cover their digitalisation needs.
- Companies stabilising their investment** tend to be large companies with a **higher level of digitalisation**. It takes them much longer to **convert** their investments into business value, but they benefit from economies of scale in terms of the level of investment per user.

Questions: PwC Global Digital Procurement Survey 3<sup>rd</sup> edition (over 400 respondents), 4<sup>th</sup> edition (over 800 respondents) What will the annual level of investment dedicated to digital transformation be in two years' time? 5<sup>th</sup> edition (1,000 respondents) What will the annual level of investment dedicated to your digital procurement transformation be in three years' time?





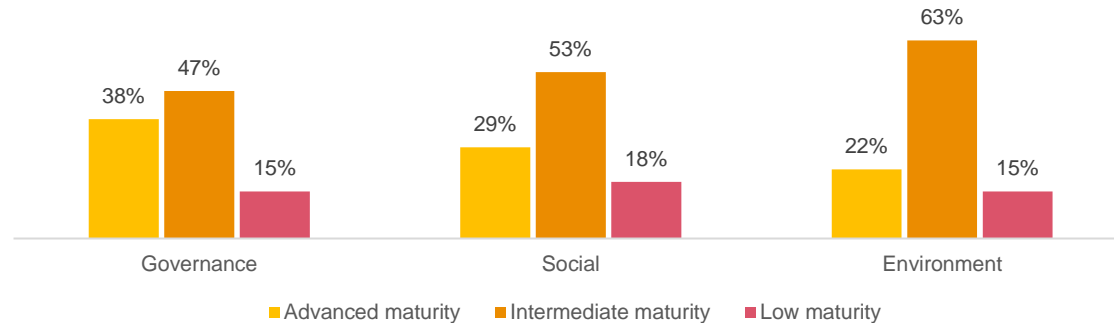
# Key theme deepdive





# ESG issues: priority needs to be given to increasing the maturity of environmental risk monitoring

## Level of maturity on ESG issues



PwC Global Digital Procurement Survey, 5<sup>th</sup> edition (1,000 respondents)

Question: How mature is your company when it comes to monitoring environmental, social and governance risks?

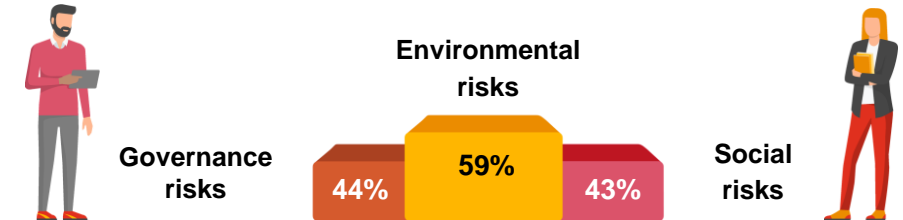
### Intermediate level of maturity for the three ESG issues, slightly higher level of maturity for governance issues

- For several years, the management of corporate governance issues has been governed by national regulations (e.g. the Sapin II Law in France), which explains why the level of maturity is higher in this area.
- For social and environmental issues, the wider variety of topics to be addressed means that achieving a high level of maturity is more difficult and complex.

### Varying level of maturity depending on company size, due to different regulatory pressures

- Very large companies have a higher level of maturity as they must comply with regulatory requirements and have the resources to do so.
- The majority of medium-sized and large companies have an intermediate level of maturity.
- Small companies must deal with ESG issues, but don't have the resources to achieve a high level of maturity and are still subject to non-binding regulations.

## ESG priorities for the next three years



PwC Global Digital Procurement Survey, 5<sup>th</sup> edition (1,000 respondents)

Question: How do you plan to prioritise CSR issues over the next three years?

### 59% of procurement departments rank environmental risk management as their top priority for the next three years, mainly in the areas of:

- GHG emissions
- biodiversity
- water consumption
- water, air and soil pollution
- use of natural resources

### Managing these risks enables procurement departments to limit exposure to the following impacts:

#### Financial

- supply costs
- compliance costs
- environmental taxes
- divestment

#### Regulatory

- fines and penalties
- compliance and risk prevention systems
- third-party risk management

#### Social

- reputational risk
- attracting and retaining talent
- political and socio-economic stability





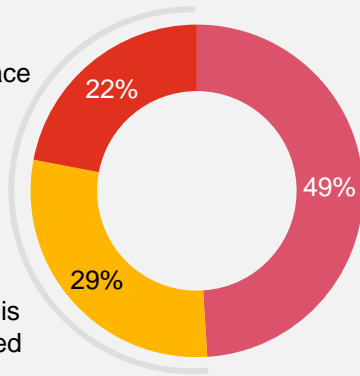
# Since the last edition, the use of carbon footprint monitoring solutions has doubled

## Implementation of a solution to measure suppliers' carbon footprint

A permanent solution is in place

51%

A solution is being tested



No solution has been implemented

PwC Global Digital Procurement Survey, 5<sup>th</sup> edition (1,000 respondents)

Question: What is your opinion on measuring the carbon footprint of suppliers within your organisation?

### PwC assets

To address this issue, PwC has developed a series of digital assets and products:

Carbon Cockpit

Tool for Environmental Assessment and Measurement

Cost and Carbon Manager

Environmental Footprint Insights



## 1 in 2 companies are testing or already use a CO<sub>2</sub> emissions monitoring tool

- Other companies don't see the value in monitoring the carbon footprint of suppliers, or haven't found a solution that meets their needs. Nevertheless, companies need to get ready for the transition to carbon neutrality.
- In 2022, **only 27%** of respondents were using or testing a CO<sub>2</sub> emissions monitoring tool.

### Sector-based view



#### Top five sectors using or testing a CO<sub>2</sub> emissions monitoring solution



87%

Chemicals and metals



77%

Aeronautics, defence and security



69%

Technology, software and telecoms



61%

Consumer goods



59%

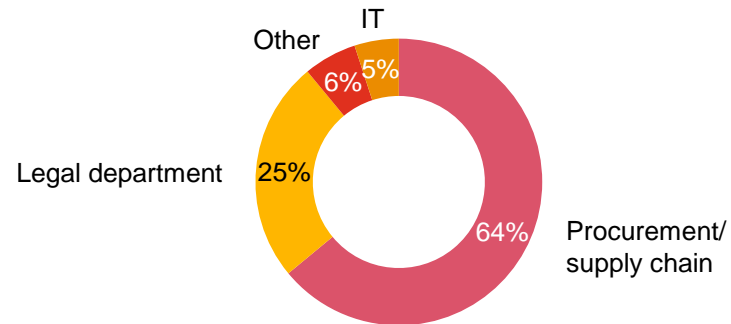
Professional services



# Contract lifecycle management tools are on the rise, with increasingly powerful features

**Two main sponsors:** Procurement/supply chain functions (64%) and legal function (25%). These percentages are representative of the respective weighting of the two functions in the contract management and creation process.

## Sponsors of contract lifecycle management tools



PwC Global Digital Procurement Survey, 5<sup>th</sup> edition (1,000 respondents)  
Question: Who are the main sponsors of contract lifecycle management in your company?

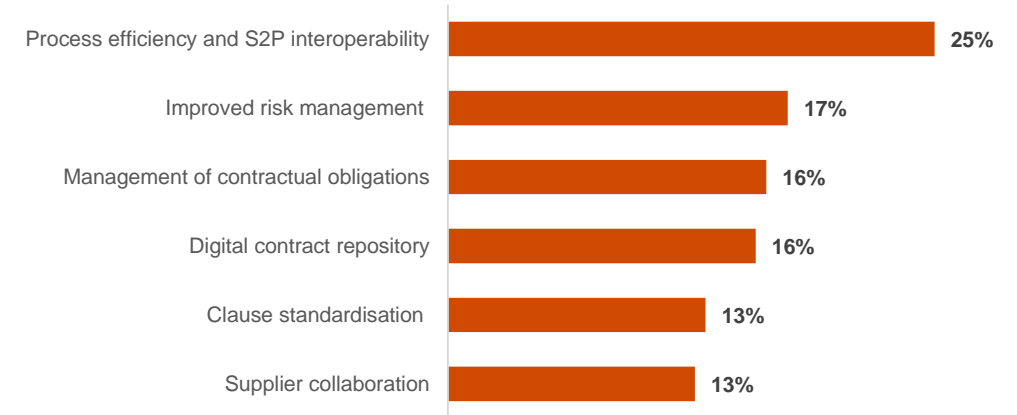
## Proportion of companies planning to invest in CLM in the next three years

**1 in 2** companies plan to invest in improving or deploying a CLM tool in the next three years

**22%** already have an advanced tool

PwC Global Digital Procurement Survey, 5<sup>th</sup> edition (1,000 respondents)  
Question: Will CLM tools be a priority for your company in terms of new and/or additional investment over the next three years?

## Ranking of the benefits of using a CLM tool



PwC Global Digital Procurement Survey, 5<sup>th</sup> edition (1,000 respondents)  
Question: Where does the use of a CLM tool have the biggest impact in your organisation? Rank from 1 to 6

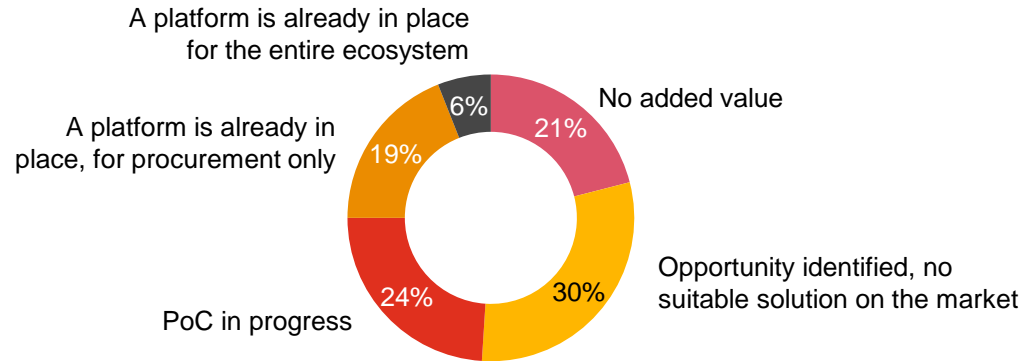
## The three main benefits of using a CLM tool:

- **Save time:** by improving processes and digitalising contracts/templates, the process for drafting and negotiating contracts, and conducting research and analysis, is much quicker.
- **Reduce costs:** thanks to carefully prepared CLM tool templates, high-quality contracts and the ability to manage contract terms more easily, the risk of contract claims and, therefore, potential additional costs, is lower.
- **Improve compliance:** a CLM tool can be used to manage contractual obligations and standardise contract clauses.



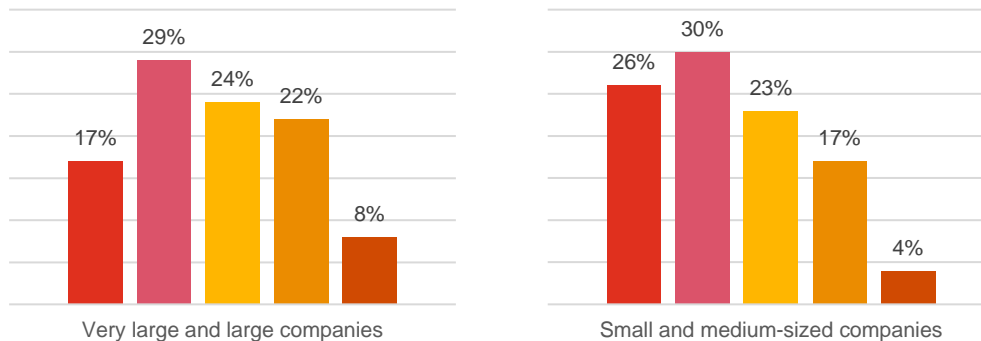
# Rapid growth in the use of collaborative supplier solutions and platforms

## Use cases for collaborative supplier platforms



PwC Global Digital Procurement Survey, 5<sup>th</sup> edition (1,000 respondents)  
Question: What are your views on the use cases for collaborative supplier tools and platforms?

## Proportion of the use of collaborative platforms by company size



## SRM solutions key to streamlining relations with tier one suppliers

- Very large and large companies often have very extensive supplier panels (over 5,000 suppliers). In such cases, SRM tools increase efficiency when it comes to managing supplier relations (transferring certain tasks to suppliers), maintaining visibility of supplier performance and managing risks (supplier dashboards).
- For these tools to be effective, securing supplier buy-in is key, both in terms of organisation and internal processes.

## New use cases for improving visibility and collaboration in the supply chain

- Collaborative platforms are designed to streamline transactional processes (sourcing, P2P process digitalisation, etc.) and to help companies meet regulatory requirements (e-invoicing, e-reporting).
- The need to ensure supply chain continuity (in response to supply chain disruption) and rapidly evolving regulations in the area of ESG (duty of care, CSRD, etc.) means that companies need to improve visibility beyond their tier one suppliers and streamline data sharing between stakeholders.

### Expert view

“The use cases for enhancing visibility, collaboration and traceability in the value chain increasingly go beyond the customer-supplier relationship, prompting companies to organise themselves into ecosystems to better distribute increasingly complex investments.”

Director and procurement digital transformation expert at PwC





# Sector

## deepdive

### Services



Banking, insurance, financial services



Technology, software, telecoms



Public sector



Distribution and retail



Transport and logistics



Professional services



Entertainment, communications, media

### Industries



Manufacturing



Energy and utilities



Healthcare and pharmaceuticals



Agri-food



Consumer goods



Aeronautics, defence and security



Building and infrastructure



Automotive



Chemicals and metals



## Manufacturing industry

### The manufacturing sector prioritises enhancing its financial performance and has ambitious plans for investing in data analytics by 2027

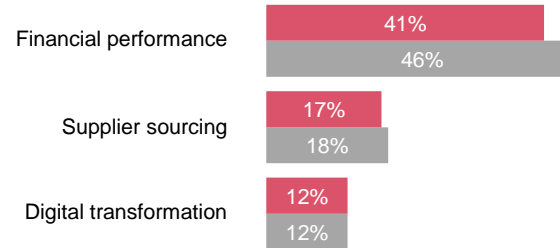
Financial performance and supplier sourcing are a priority for manufacturing companies as they are critical to profitability, competitiveness and the ability to meet customer demands. These aspects are closely linked to and influence the overall performance and long-term survival of manufacturing companies.

In addition, digital technologies enable manufacturing companies to optimise their operational processes. The digitalisation of procurement in the manufacturing industry revolutionises how companies source materials and resources. Automation, IoT (Internet of Things), artificial intelligence and Big Data analytics help to optimise the use of resources. The desire to digitise procurement is reflected in significant investments, especially among small and medium-sized companies, which intend to invest 80% more than their peers in the industry sector.

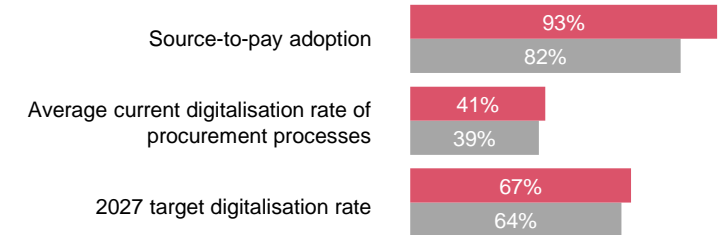
Companies recognise that the future of the manufacturing industry depends heavily on the ability to take advantage of digital transformation.

#### Current state of digital procurement

##### Top strategic priorities of procurement departments

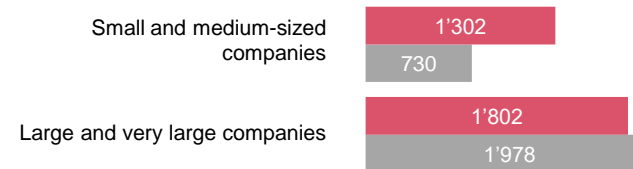


##### Digitalisation status

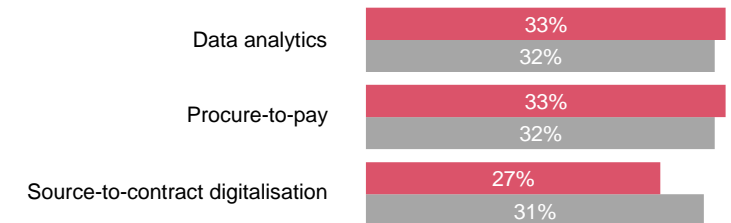


#### Future state of digital procurement

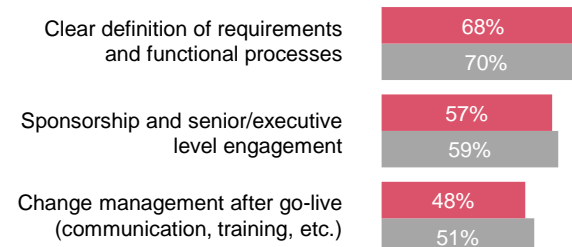
##### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



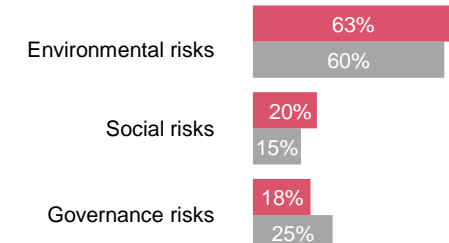
##### Use case digital roadmap by 2027



##### Key success factors for digital transformation



##### Prioritisation of ESG monitoring (as a %)



Industrial sector



Manufacturing



## Energy and utilities industry

In the energy and utilities sector, enhancing efficiency and reducing costs through digital transformation directly impacts the bottom line, as margins can be smaller due to high operational costs

Although price volatility greatly impacts the energy and utilities industry, the strategic priority regarding financial performance in procurement is low compared to other industries. What's more, financial performance remains the most important strategic priority in the industry, significantly ahead of digital transformation, particularly for small and medium-sized companies. Other strategic priorities are supplier sourcing and digital transformation, which are both slightly below the average.

For the coming three years, the energy and utilities sector has identified procure-to-pay (P2P), as the key area of focus for digital transformation initiatives within procurement departments. While the significance of P2P in the energy and utilities sector is evident, the implementation of this process faces potential delays. Resistance to change, legacy systems and a lack of awareness about the benefits of P2P can hinder adoption. Overcoming these obstacles is imperative to fully realise the potential advantages of streamlined procurement processes, improved financial management and increased operational efficiency.

In this evolving landscape, procurement's role extends beyond traditional sourcing to support the integration of renewable technologies and contribute to the overall success of the energy transition.



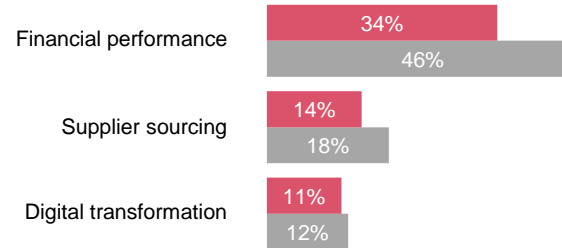
Industrial sector



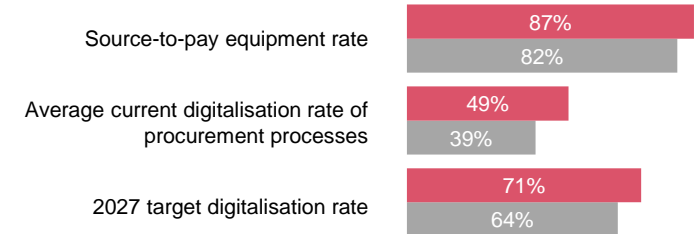
Energy and utilities

### Current state of digital procurement

#### Top strategic priorities of procurement departments

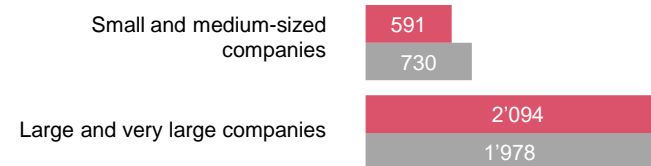


#### Digitalisation status

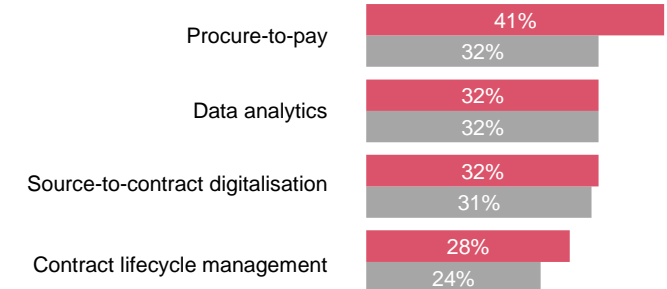


### Future state of digital procurement

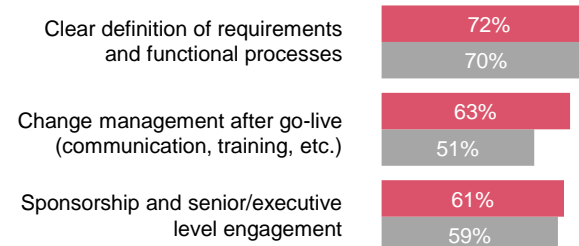
#### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



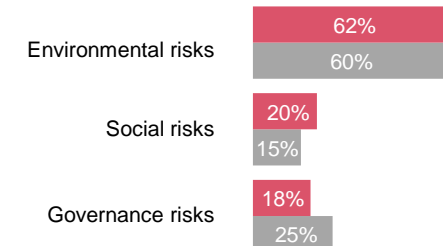
#### Use case digital roadmap by 2027



#### Key success factors for digital transformation



#### Prioritisation of ESG monitoring (as a %)





## Healthcare and pharmaceuticals industry

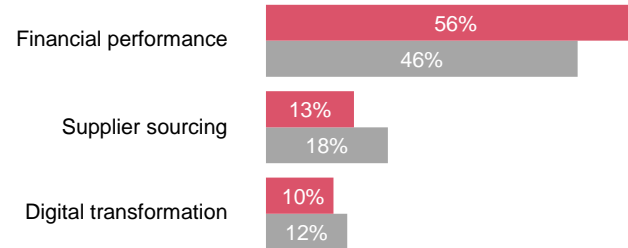
### The healthcare and pharmaceuticals industry gives significant, above-average priority to financial performance and monitoring of governance risks

The healthcare and pharmaceuticals industry gives above-average strategic priority to the financial performance of procurement departments. This is due to the critical role these departments play in managing costs, ensuring the availability of essential supplies and supporting innovation. Given the complex and regulated nature of the industry, effective procurement directly impacts the ability to invest in research, maintain regulatory compliance and navigate unforeseen challenges. A robust financial position in procurement enables these sectors to optimise resources, enhance operational efficiency and sustain investments in crucial areas, ultimately contributing to the industry's ability to deliver quality healthcare solutions.

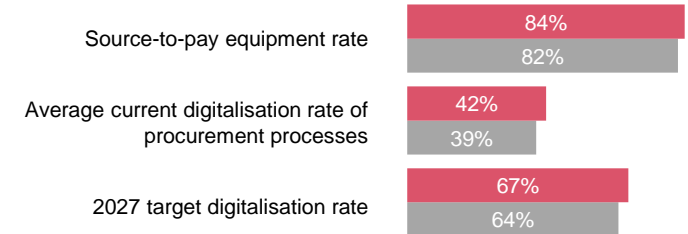
Monitoring governance risks is important in the healthcare and pharmaceuticals industry due to strict regulatory requirements and the need for high ethical standards. This oversight helps companies prevent legal sanctions, build trust with patients and consumers, and maintain the integrity of their research and products. It also helps to avoid financial and reputational damage and ensures sustainable business operations. The healthcare and pharmaceuticals industry is clearly above average in this area.

#### Current state of digital procurement

##### Top strategic priorities of procurement departments

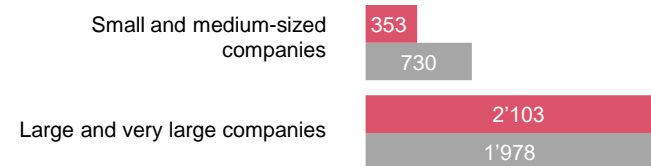


##### Digitalisation status

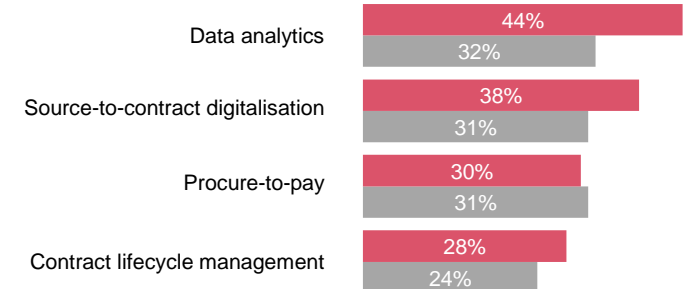


#### Future state of digital procurement

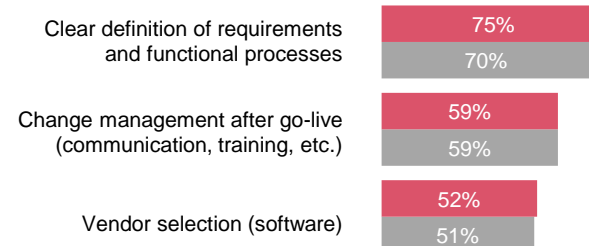
##### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



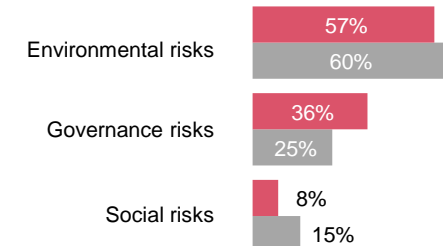
##### Use case digital roadmap by 2027



##### Key success factors for digital transformation



##### Prioritisation of ESG monitoring (as a %)



Industrial sector



Healthcare and pharmaceuticals



## Agri-food industry

### The agri-food industry prioritises pursuing source-to-contract digitalisation as a use case on the digital roadmap by 2027

The agri-food industry is strategically committed to improving financial performance, refining supplier sourcing and embracing digital transformation, mirroring trends in the broader industry sector.

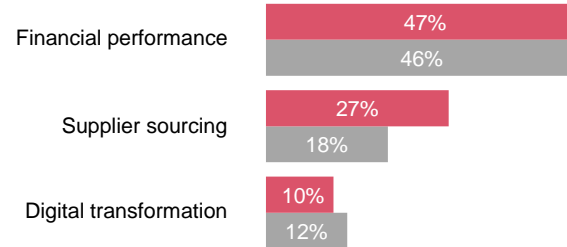
Significant capital is being directed towards advancing source-to-contract digitalisation, reflecting a commitment to optimise the entire procurement process. This investment aims to streamline and enhance efficiency, from sourcing suppliers to finalising contractual agreements.

Procure-to-pay processes are a further focus area for investment, indicating a coordinated effort to digitise and streamline the purchasing lifecycle. This strategic move not only improves transactional efficiency but also contributes to cost savings and operational effectiveness.

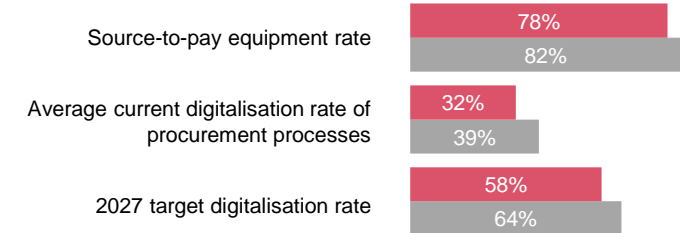
What's more, the agri-food sector is progressively acknowledging the importance of environmental risks, particularly due to its direct vulnerability to climate change and biodiversity decline. The increasing awareness underscores the need for sustainable approaches and adaptability in confronting evolving environmental complexities. As a field directly affected by climate-related changes and biodiversity issues, the heightened consciousness is propelling efforts toward environmentally conscientious agricultural and food production practices.

### Current state of digital procurement

#### Top strategic priorities of procurement departments

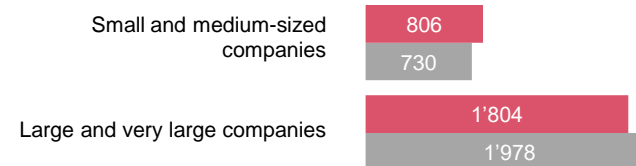


#### Digitalisation status

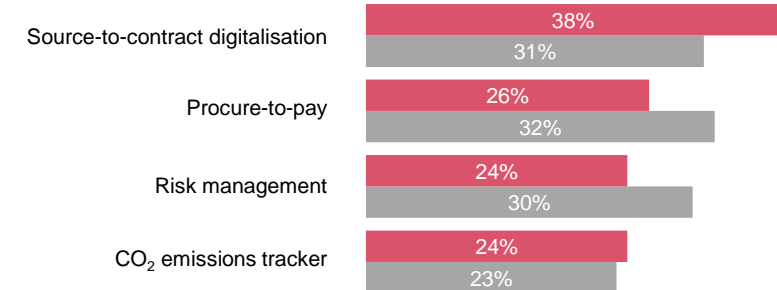


### Future state of digital procurement

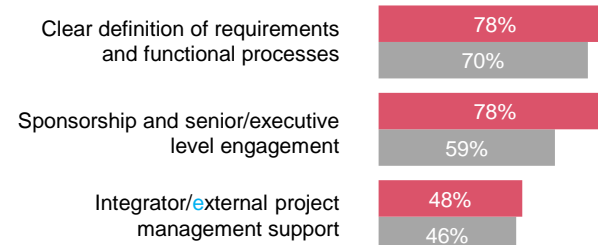
#### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



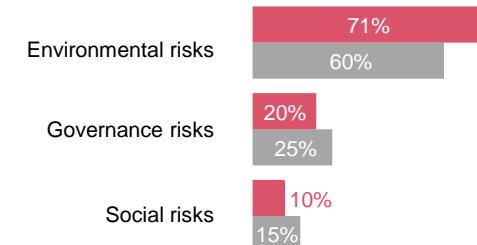
#### Use case digital roadmap by 2027



#### Key success factors for digital transformation



#### Prioritisation of ESG monitoring (as a %)



Industrial sector



Agri-food



## Consumer goods industry

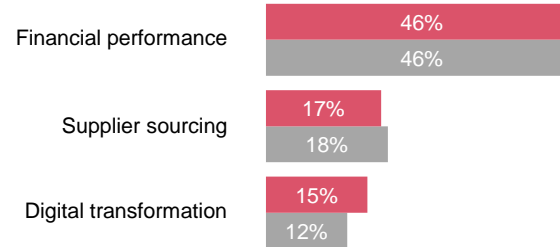
In a globalised and fast-paced economy, the digitalisation of procurement is key for companies to remain competitive and adapt to constantly changing market conditions

When it comes to the consumer goods sector, the largest companies are the ones setting the pace for significant digital progress in procurement, aiming to complete this by 2027. Fierce competition and direct interaction with consumers make this industry unique, so having strong data analytics capabilities is essential.

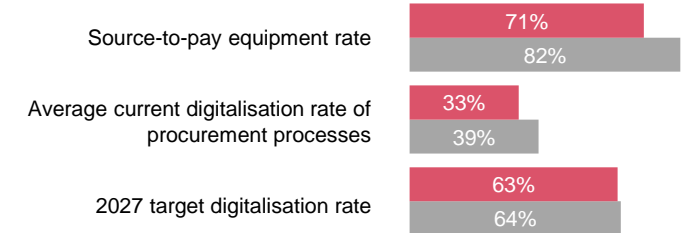
Data analytics is especially important in the consumer goods field, surpassing the typical improvements seen in other industries' purchase-to-pay processes. The use of data analytics enables seamless data continuity across sales and operations planning (S&OP), forecasts and supplier capabilities. It empowers procurement by facilitating scenario-making for supplier volumes and enhancing strategic decision-making. The insights derived from data analytics contribute to improved supplier relationships, streamlined processes and greater overall efficiency in procurement operations within the consumer goods industry.

### Current state of digital procurement

#### Top strategic priorities of procurement departments

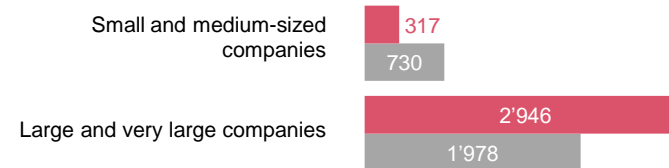


#### Digitalisation status

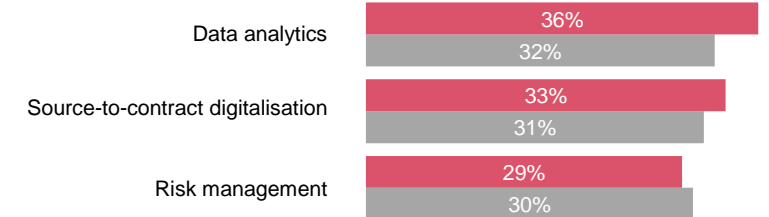


### Future state of digital procurement

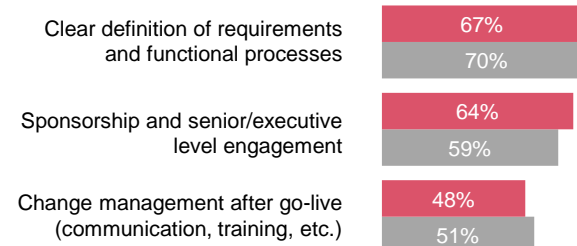
#### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



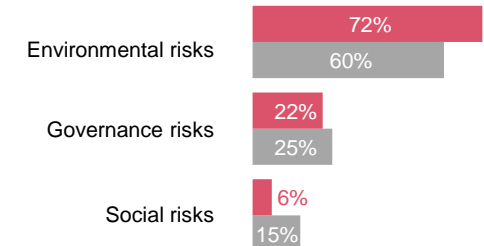
#### Use case digital roadmap by 2027



#### Key success factors for digital transformation



#### Prioritisation of ESG monitoring (as a %)







## Aeronautics, defence and security industry

Elevating financial performance is a top strategic priority for the industry, emphasising the critical role of streamlined contract processes in cost optimisation and fiscal responsibility

The aeronautics, defence and security sector is strategically sharpening its focus on critical areas such as contract lifecycle management, e-invoicing and source-to-contract digitalisation.

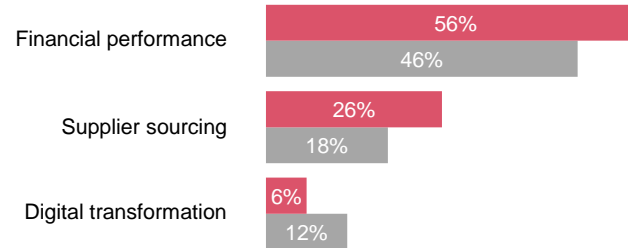
Contract lifecycle management takes precedence as a pivotal aspect of ensuring seamless and effective management of contractual processes, given the extensive supplier bases and small to medium-scale series with substantial impact, especially in ramp-up scenarios.

The focus on e-invoicing arises due to the fact that companies are having to comply with new e-invoicing regulations (2024 tax reform). What's more, it's emerged as a significant component, reflecting the industry's commitment to digitising financial transactions. This not only streamlines financial processes but also aligns with broader trends in modernising financial management practices.

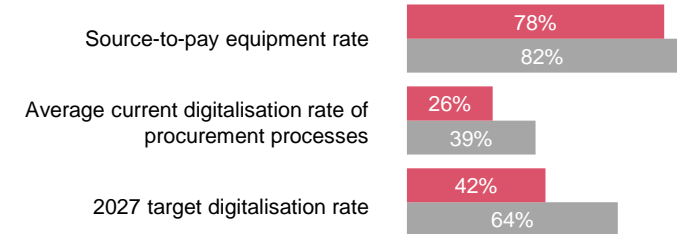
Investment forecasts for the digital transformation of procurement are notably low and under average in the aeronautics, defence and security industry. This is a possible indication of a cautious approach influenced by unique industry complexities, stringent regulations and a focus on proven methodologies over emerging digital solutions.

### Current state of digital procurement

#### Top strategic priorities of procurement departments

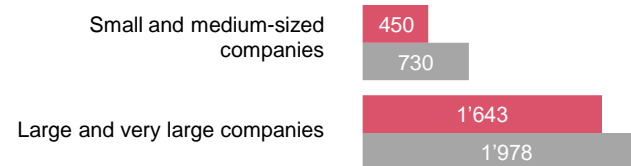


#### Digitalisation status

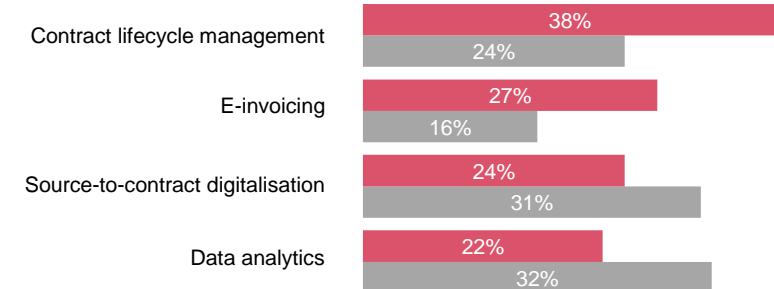


### Future state of digital procurement

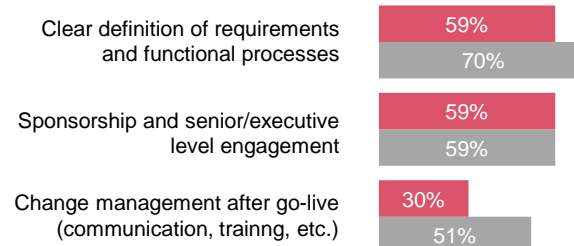
#### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



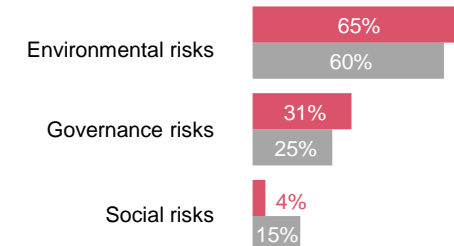
#### Use case digital roadmap by 2027



#### Key success factors for digital transformation



#### Prioritisation of ESG monitoring (as a %)





## Building and infrastructure Industry

Despite a lag in digital procurement investment in the building and infrastructure industry, advancing source-to-contract digitalisation is the primary focus for companies on their digital roadmap by 2027.

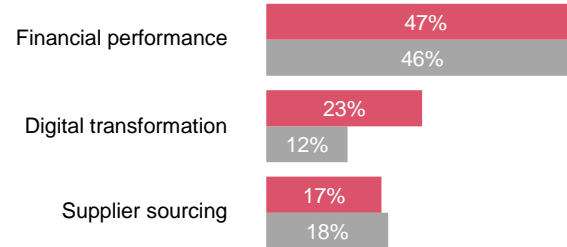
The building and infrastructure industry, compared to other industries, hasn't yet focused on the digitalisation of procurement. Even though it's ranked as the second strategic priority, the level of digitalisation is still low today.

Investment in digital procurement by companies in the building and infrastructure industry is currently lower. The sector is marked by an under-average level of digitalisation, including low rates for source-to-pay equipment and limited digitisation of procurement processes. The industry plans to invest less in the digital transformation of procurement due to factors such as high cost pressure within the industry and low profit margins. This may limit the resources that are available for technological advancements in procurement processes.

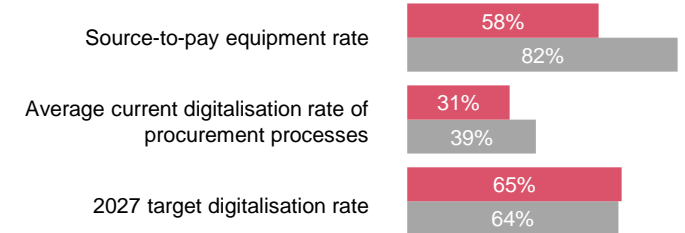
However, companies are prioritising source-to-contract digitalisation as the top use case on their digital roadmap for the next three years. This suggests a strategic shift towards enhancing the efficiency of contract-related processes, indicating an intention to catch up on digital transformation initiatives in procurement within the coming years.

### Current state of digital procurement

#### Top strategic priorities of procurement departments

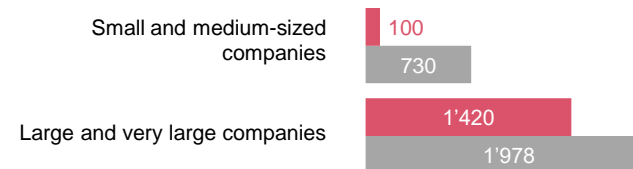


#### Digitalisation status

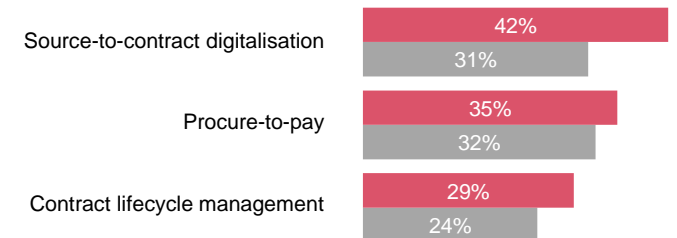


### Future state of digital procurement

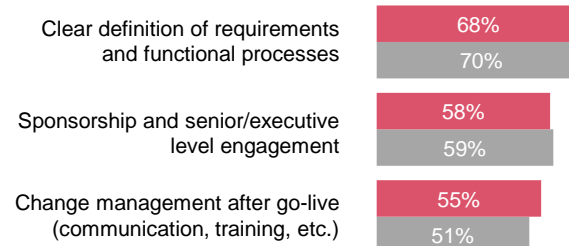
#### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



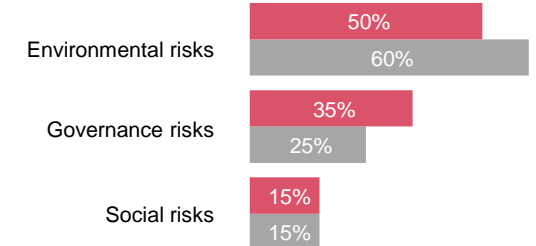
#### Use case digital roadmap by 2027



#### Key success factors for digital transformation



#### Prioritisation of ESG monitoring (as a %)



Industrial sector



Infrastructure



## Automotive industry

### Environmental risk monitoring and CO<sub>2</sub> emissions tracking are the top priorities in the automotive industry and are far above the average

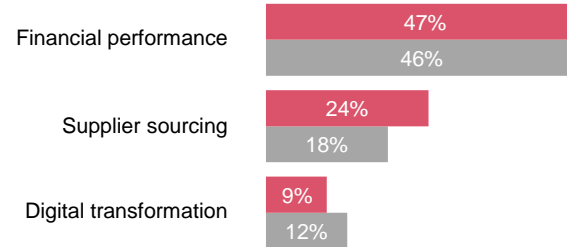
Among all the industries considered, only the automotive sector recognises CO<sub>2</sub> emissions tracking as a key application in its digital strategy by the year 2027. Additionally, for this sector, tracking carbon emissions takes precedence as the primary digital initiative over source-to-contract (S2C) and procure-to-pay (P2P) processes.

The automotive industry is subject to strict global and national emissions regulations. Therefore, many car manufacturers have committed to reducing their CO<sub>2</sub> footprints in order to achieve sustainability goals and respond to climate change.

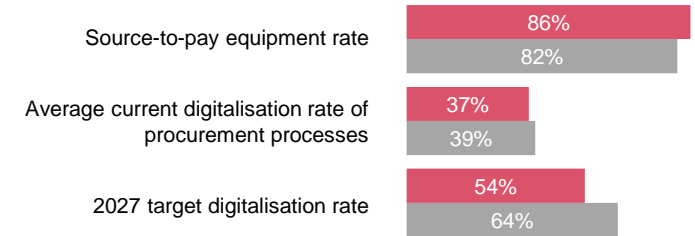
This use case is interdependent with that of risk management, and automotive is the only industry to have also ranked and prioritised this on their digital roadmap through to 2027. In the automotive industry, regulatory risks are directly associated with financial, reputational and strategic risks.

### Current state of digital procurement

#### Top strategic priorities of procurement departments

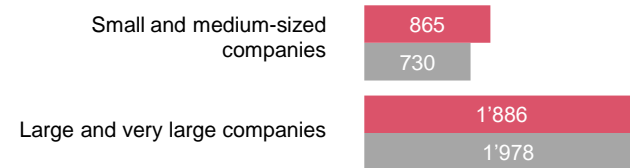


#### Digitalisation status

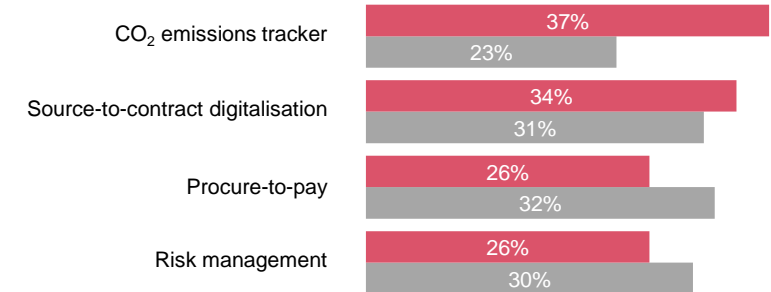


### Future state of digital procurement

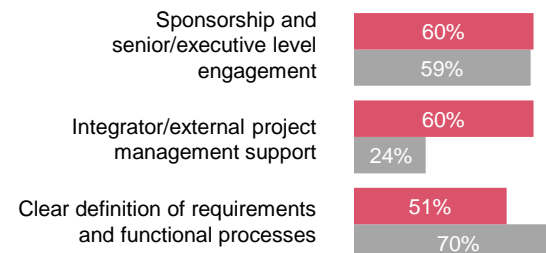
#### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



#### Use case digital roadmap by 2027



#### Key success factors for digital transformation



#### Prioritisation of ESG monitoring (as a %)





## Chemicals and metals industry

In the chemicals and metals industry, the source-to-pay equipment rate is an impressive 96%, surpassing the industry average

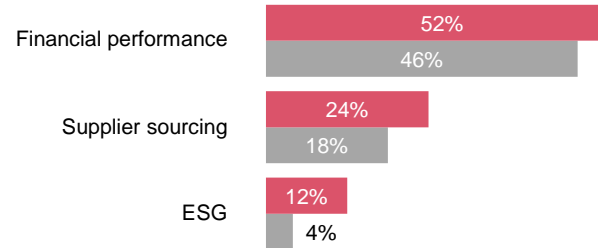
Within the chemicals and metals sector, the survey's findings reveal that the source-to-pay equipment rate stands impressively above the industry average at 96%. Despite this very high equipment rate, the digitalisation rate is quite low and the investment forecast for the digital transformation of procurement is below average.

Strategic investments are notably directed towards enhancing procure-to-pay processes, implementing source-to-contract digitalisation initiatives and deploying CO<sub>2</sub> emissions tracker tools.

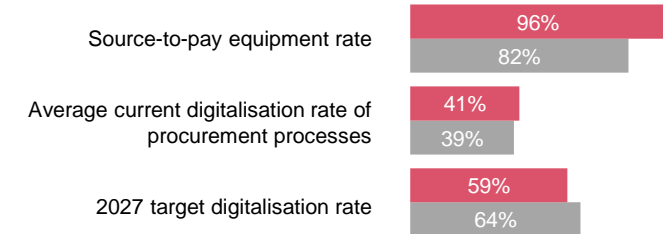
Survey participants emphasise critical success factors that are essential for a successful digital transformation journey, aligning with the results in the industry sector. A clear definition of requirements and functional processes emerges as a foundational element, paving the way for seamless and effective digital integration. Just as important is active sponsorship and engagement at the senior/executive level, underscoring the importance of leadership commitment in propelling transformative initiatives forward.

### Current state of digital procurement

#### Top strategic priorities of procurement departments

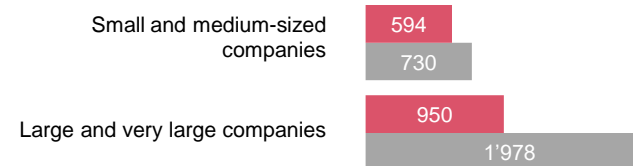


#### Digitalisation status

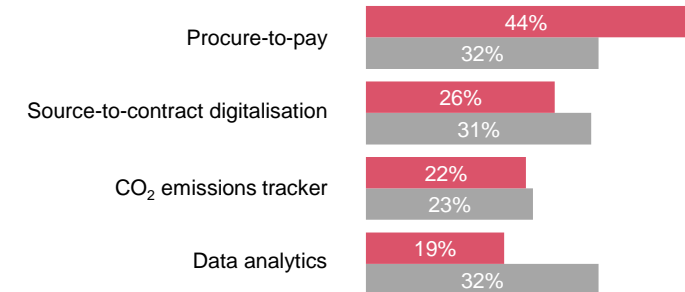


### Future state of digital procurement

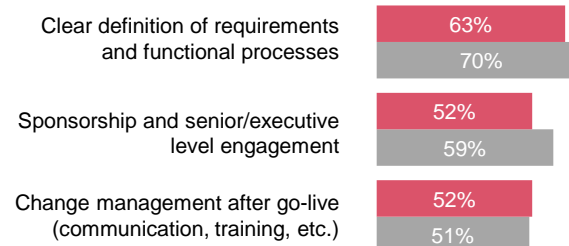
#### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



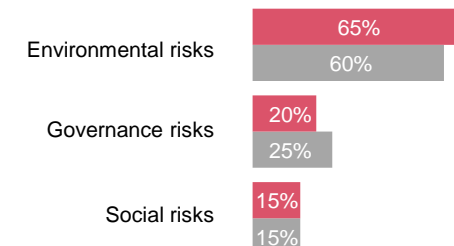
#### Use case digital roadmap by 2027



#### Key success factors for digital transformation



#### Prioritisation of ESG monitoring (as a %)



Industrial sector



Chemicals and metals



## Banking, insurance and financial services industry

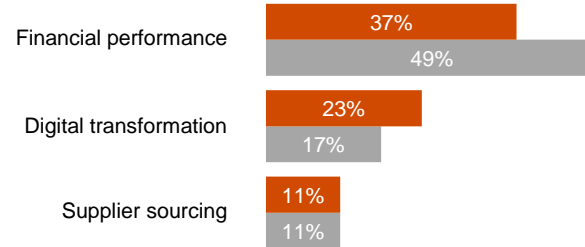
The banking, insurance and financial services (FS) industry places significant emphasis on digital transformation, and is planning to make substantial investments in data analytics and source-to-pay digitalisation by 2027

With increasing pressure on costs in banking, insurance and financial services, procurement departments are not spared. Improved financial performance is their highest strategic priority but with significantly lower weight than the other services. It implies that other factors currently outweigh the emphasis on financial metrics in shaping the procurement strategy.

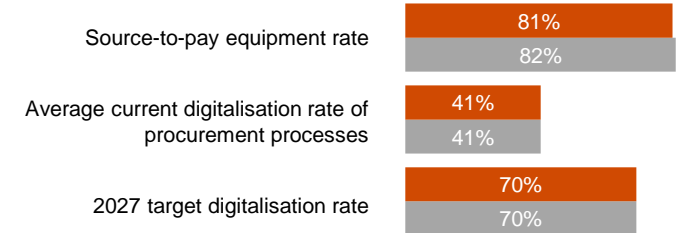
Reducing costs will require investment in digital transformation, which will primarily target data analytics solutions and source-to-contract digitalisation.

### Current state of digital procurement

#### Top strategic priorities of procurement departments

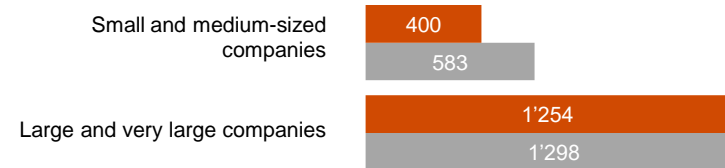


#### Digitalisation status

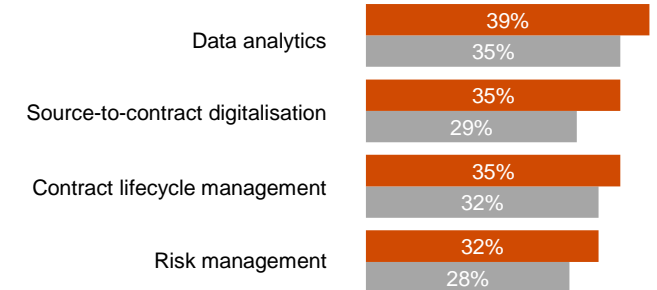


### Future state of digital procurement

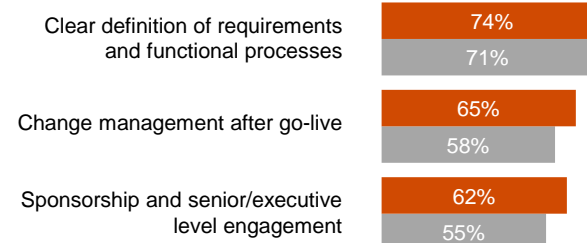
#### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



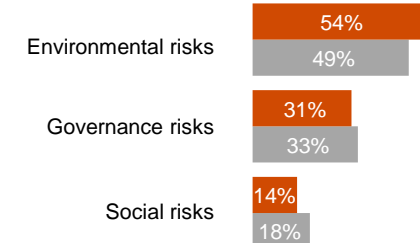
#### Use case digital roadmap by 2027



#### Key success factors for digital transformation



#### Prioritisation of ESG monitoring (as a %)



Services



Banking, insurance and financial services



## Technology, software and telecoms services

In technology, software and telecommunications, measuring financial performance is considered the highest strategic priority, surpassing the average

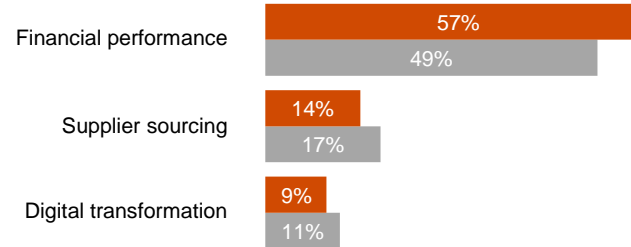
For the technology, software and telecoms services sector, financial performance, supplier sourcing and digital transformation remain the top strategic priorities. Companies operating within this service sector are striving to enhance profitability, efficiency and overall economic health.

The source-to-pay equipment adoption rate in this sector surpasses industry standards. This heightened adoption reflects the companies' dedication to modernising procurement processes and optimising the source-to-pay lifecycle.

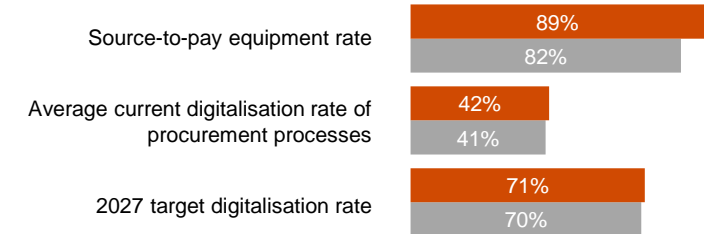
Notably, small and medium-sized companies are investing significantly beyond the industry standard in digital transformation. This trend highlights the recognition, particularly among smaller companies, of the critical role digital transformation plays in staying competitive and relevant.

### Current state of digital procurement

#### Top strategic priorities of procurement departments

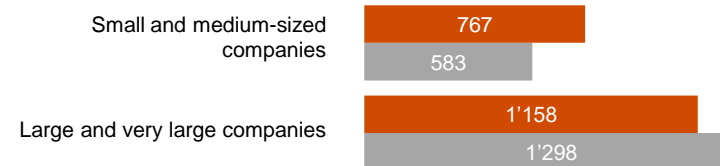


#### Digitalisation status

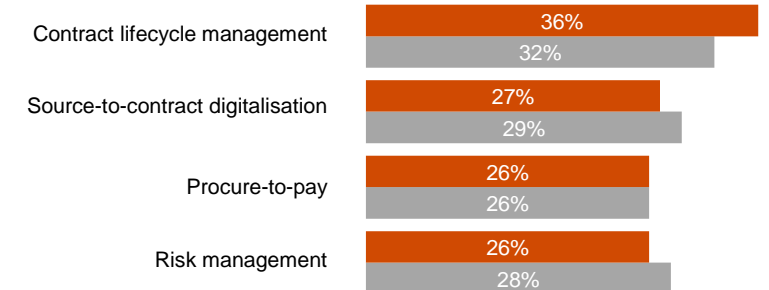


### Future state of digital procurement

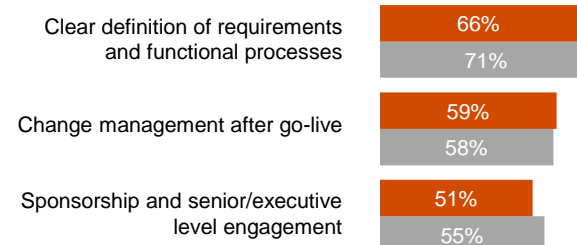
#### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



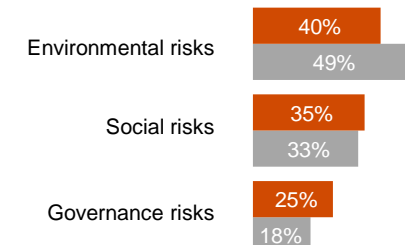
#### Use case digital roadmap by 2027



#### Key success factors for digital transformation



#### Prioritisation of ESG monitoring (as a %)



Services



Technology, software and telecoms





## Public sector services

### Digital transformation, including contract lifecycle management, is the top priority on the digital procurement roadmap

In the public sector, procurement departments are strategically prioritising key areas to drive efficiency and effectiveness.

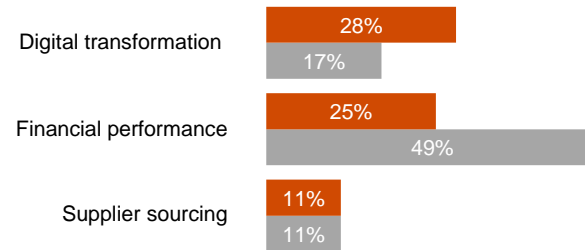
The main focus areas for these departments are digital transformation, financial performance improvement and optimising supplier sourcing. What stands out here is that, among all the surveyed industries and services, only the public sector places digital transformation ahead of financial performance as a top strategic priority, to improve the internal efficiency of procurement processes and improve the quality of services to citizens. Within the public sector, financial performance is an especially low strategic priority compared to other services. This potentially reflects a focus on diverse and broader public service objectives over stringent financial outcomes, and a greater emphasis on societal impact rather than financial metrics.

Notably, large and very large companies within the public sector are demonstrating their commitment by investing more heavily in these priorities compared to other service sectors.

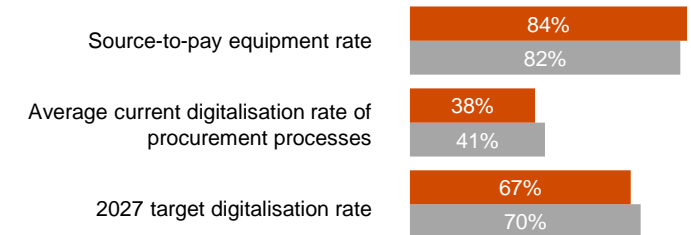
CO<sub>2</sub> emissions tracking is absent from the list of use cases in the public sector digital roadmap by 2027. Their investments are concentrated on contract lifecycle management, source-to-contract and procure-to-pay initiatives.

### Current state of digital procurement

#### Top strategic priorities of procurement departments

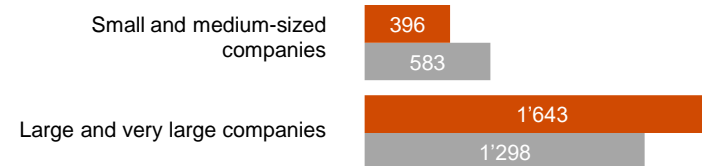


#### Digitalisation status

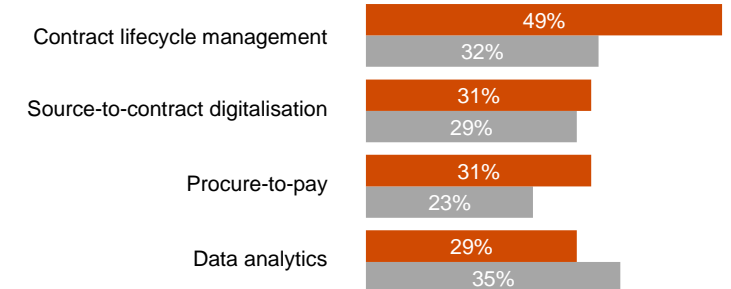


### Future state of digital procurement

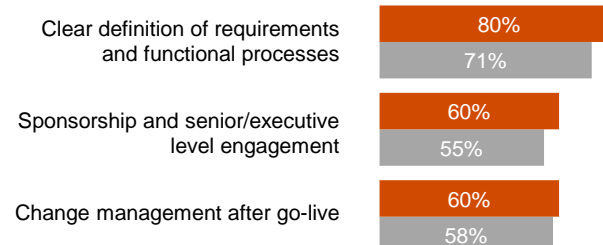
#### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



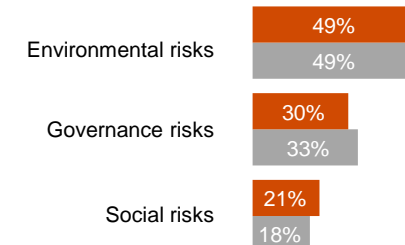
#### Use case digital roadmap by 2027



#### Key success factors for digital transformation



#### Prioritisation of ESG monitoring (as a %)



Services



Public sector



## Distribution and retail services

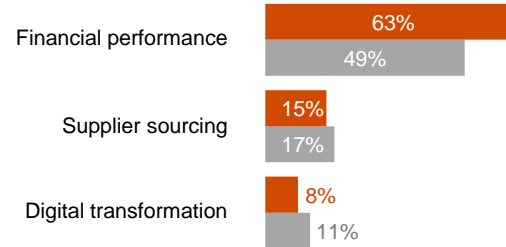
### Enhanced procurement investment in distribution and retail with a clear focus on data analytics

In the distribution and retail sector, companies are allocating investments that exceed the average for the services sector. Their primary area of focus for these investments is data analytics.

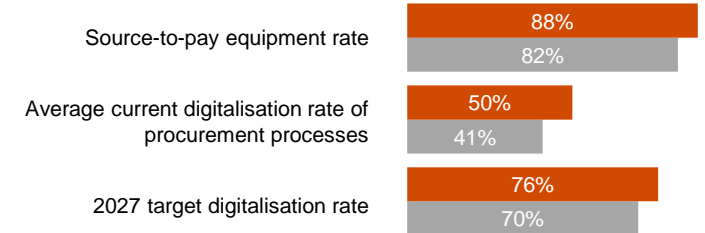
This heightened level of investment in procurement signals a profound recognition within the sector of the transformative potential offered by digital technologies and data-driven strategies. By focusing on data analytics, companies are unlocking the power to gain invaluable insights into various aspects of their procurement processes. This includes a deeper understanding of supply chain dynamics, supplier performance, usage of intelligent negotiation tools and market trends. This, in turn, empowers them to make more informed and strategic procurement decisions.

#### Current state of digital procurement

##### Top strategic priorities of procurement departments

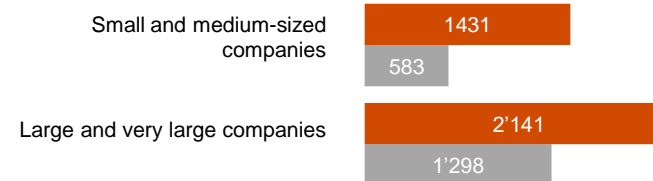


##### Digitalisation status

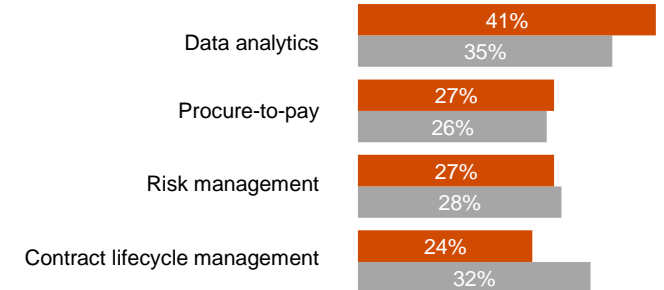


#### Future state of digital procurement

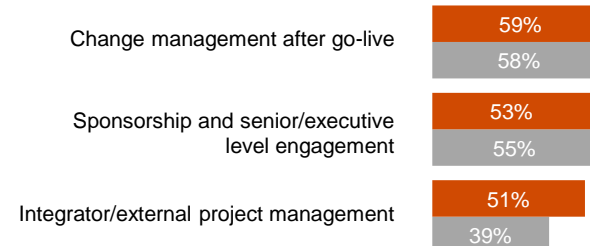
##### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



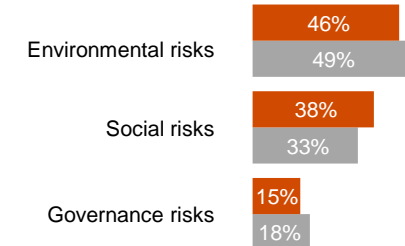
##### Use case digital roadmap by 2027



##### Key success factors for digital transformation



##### Prioritisation of ESG monitoring (as a %)



Services



Distribution and retail



## Transport and logistics services

### Companies in the transport and logistics services sector are anticipating below-average investment over the next three years

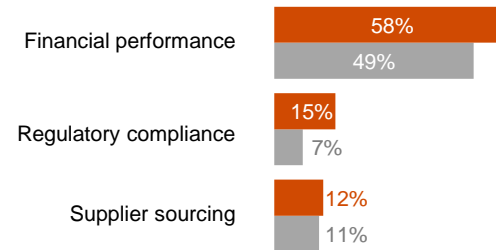
In the transport and logistics sector, overall investments are lower compared to the industry average, particularly among small and medium-sized companies.

Despite the lower overall investment in the digital transformation of procurement, the focus on data analytics is a remarkable trend. This underscores the sector's recognition of the pivotal role that data-driven solutions play in improving decision-making, operational efficiency and competitiveness. Data analytics serves as a key instrument for maintaining oversight of complex supply chains, monitoring supplier performance and gaining insights into market trends.

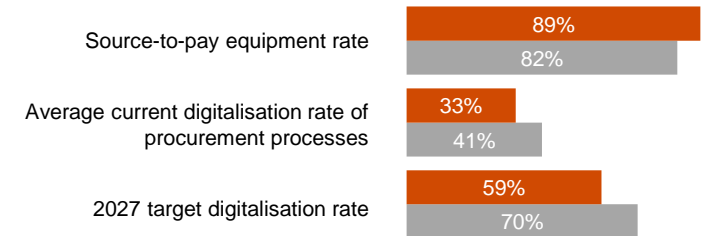
What's more, the survey findings highlight that the strategic priority of improving financial performance is of high importance in the transport and logistics sector. CO<sub>2</sub> emissions tracking or CO<sub>2</sub> as a whole isn't identified as a priority or use case. This is due to a predominant focus on operational efficiency, cost management and traditional procurement concerns in this sector. Sustainability measures take a backseat in current digitalisation priorities. In the transport and logistics services sector, the need to optimise costs, ensure efficient financial management and enhance overall financial performance remains a shared strategic objective.

#### Current state of digital procurement

##### Top strategic priorities of procurement departments

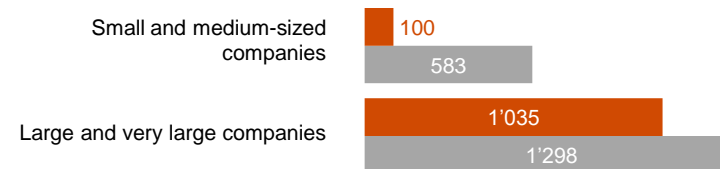


##### Digitalisation status

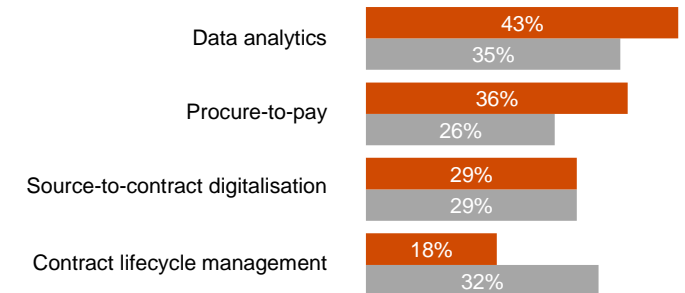


#### Future state of digital procurement

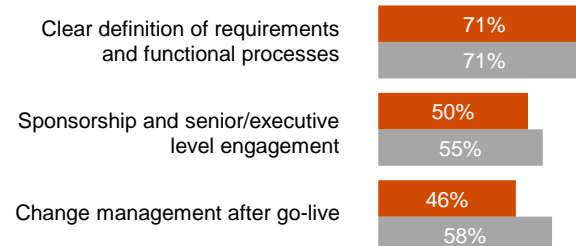
##### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



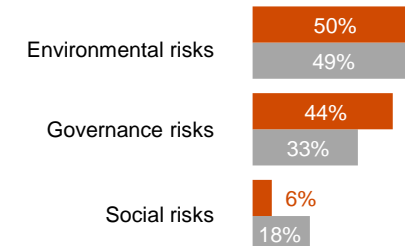
##### Use case digital roadmap by 2027



##### Key success factors for digital transformation



##### Prioritisation of ESG monitoring (as a %)



Services



Transport and logistics



## Professional services

Increased investment, particularly by large and very large professional services companies, with a focus on digital transformation and data analytics

Large and very large companies in the professional services sector are demonstrating a commitment to elevating their procurement strategies, with investments exceeding the average for service industries.

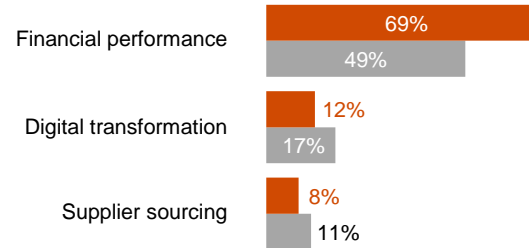
Their primary investment areas include procure-to-pay, source-to-contract digitalisation and data analytics. These investments align with their strategic priorities of enhancing financial performance, driving digital transformation and optimising supplier sourcing.

In a world marked by digital disruption and rapid changes, professional services companies recognise the need to evolve their procurement processes.

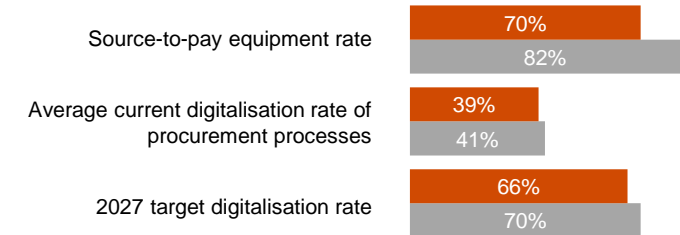
Data analytics is at the core of this investment, as it equips organisations with valuable insights into supply chain dynamics, supplier performance and market trends. This data-driven approach empowers companies to make well-informed procurement decisions, enhancing their financial performance and competitive position in the marketplace.

### Current state of digital procurement

#### Top strategic priorities of procurement departments

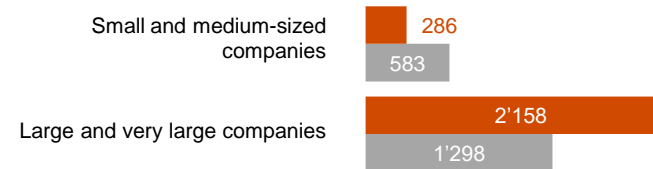


#### Digitalisation status

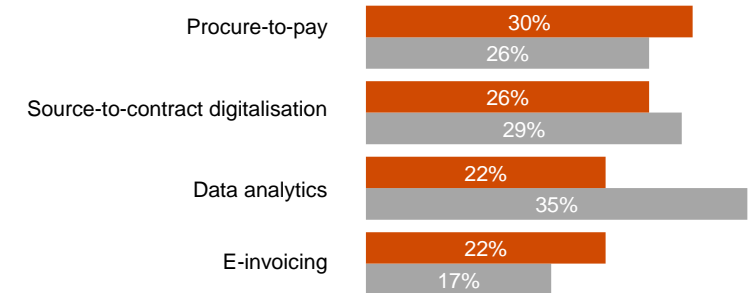


### Future state of digital procurement

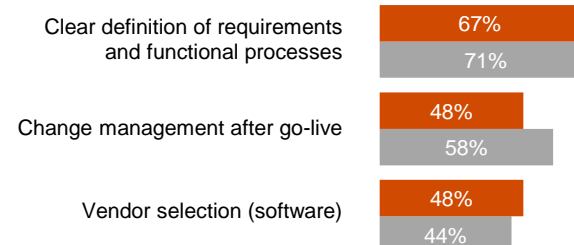
#### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



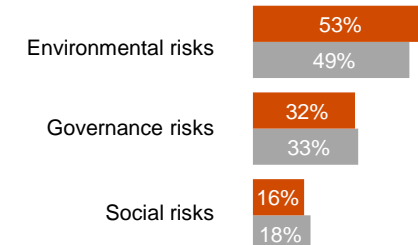
#### Use case digital roadmap by 2027



#### Key success factors for digital transformation



#### Prioritisation of ESG monitoring (as a %)



Services



Professional services



## Entertainment, communications, media services

Small and medium-sized companies invest more than twice the service sector average, while large and very large companies surprisingly invest below this average

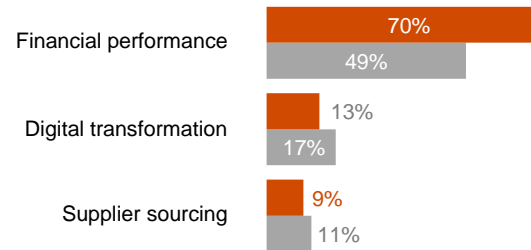
Within the entertainment, communications and media services industry, small and medium-sized companies are investing more than twice the average of the service sector. Notably, investment by large and very large companies is surprisingly below the industry average.

These substantial financial commitments are strategically channeled into key areas, with a major focus on data analytics, contract lifecycle management and risk management. Additionally, investments are allocated to the development of collaborative portals and ecosystems. By creating platforms that facilitate collaboration and synergies, companies seek to build robust networks that can adapt to evolving market dynamics and drive innovation.

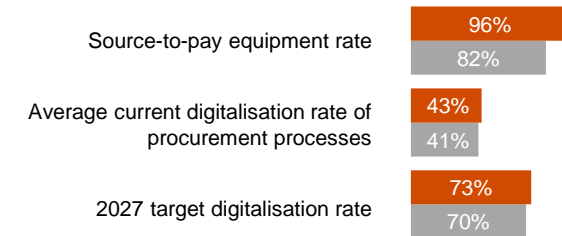
Ecosystems provide a comprehensive framework for integrating diverse digital technologies and solutions. This approach facilitates seamless connectivity between different facets of the industry, such as content creation, distribution and customer engagement. By participating in ecosystems, companies can optimise their digital procurement processes, make use of shared resources and stay agile in the rapidly evolving landscape of entertainment, communications and media services.

### Current state of digital procurement

#### Top strategic priorities of procurement departments

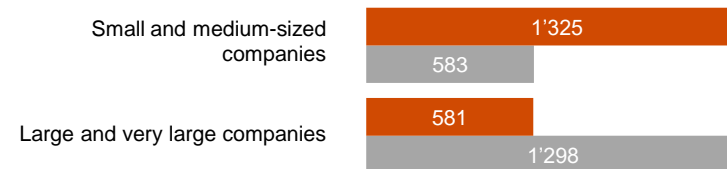


#### Digitalisation status

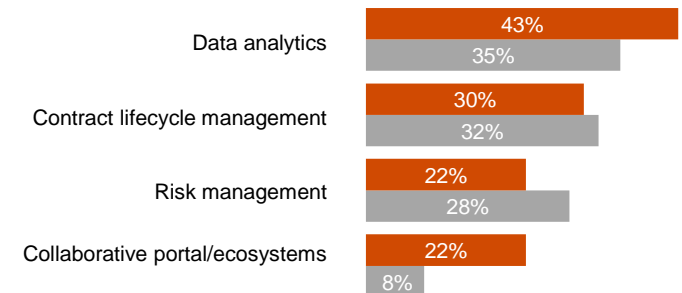


### Future state of digital procurement

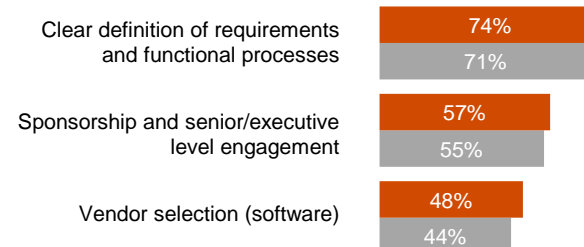
#### Investments in the digital transformation of procurement by 2027 (yearly – EUR thousand)



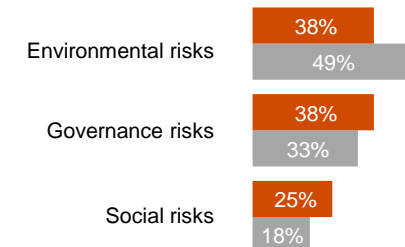
#### Use case digital roadmap by 2027



#### Key success factors for digital transformation



#### Prioritisation of ESG monitoring (as a %)



Services



Entertainment, communications and media



# Switzerland

## deepdive





# Global view of the digital transformation of procurement: all continents are already on board and will keep investing

|  | Africa   | Americas  | Asia/Oceania  | Europe   | Middle East  |
|--|--|---|---|--|--|
| Source-to-pay solution equipment rate              | 74%  | 73%   | 86%   | 83%  | 86%  |
| Current process digitalisation rate                | 37%  | 38%   | 39%   | 41%  | 33%  |
| 2027 target process digitalisation rate            | 70%  | 65%   | 60%   | 69%  | 64%  |
| SMEs' yearly investments                           | EUR 496k   | EUR 1,225k  | EUR 724k  | EUR 601k   | NA   |
| Large and very large companies' yearly investments | EUR 1,304k   | EUR 2,110k  | EUR 1,643k  | EUR 1,600k   | NA   |
| ESG rate with high maturity                        | 56%  | 27%   | 26%   | 44%  | NA   |
| CO <sub>2</sub> emissions tracker usage rate       | 50%  | 67%   | 35%   | 59%  | NA   |
| Strategic priorities                               | <ol style="list-style-type: none"> <li>1. Financial performance (57%)</li> <li>2. Digital transformation (14%)</li> <li>3. Supplier sourcing (13%)</li> </ol> <ul style="list-style-type: none"> <li>▶ All continents are strongly focused on enhancing their financial performance and driving digital transformation</li> <li>▶ While it seems that Africa currently has one of the lowest digitalisation rates (37%) compared to other continents, this isn't reflected in their ambitious digitalisation targets for 2027</li> </ul> | <ol style="list-style-type: none"> <li>1. Financial performance (29%)</li> <li>2. Digital transformation (24%)</li> <li>3. Supplier sourcing (16%)</li> </ol> <ul style="list-style-type: none"> <li>▶ All continents are strongly focused on enhancing their financial performance and driving digital transformation</li> <li>▶ Companies in the Americas have planned to invest considerably to support digital transformation</li> <li>▶ Digital transformation will be supported by significant investments</li> </ul> | <ol style="list-style-type: none"> <li>1. Financial performance (39%)</li> <li>2. Supplier sourcing (23%)</li> <li>3. Digital transformation (15%)</li> </ol> <ul style="list-style-type: none"> <li>▶ All continents are strongly focused on enhancing their financial performance and driving digital transformation</li> <li>▶ Asia/Oceania is leading along with the Middle East in the procurement transformation race, with the highest source-to-pay equipment rate</li> </ul> | <ol style="list-style-type: none"> <li>1. Financial performance (51%)</li> <li>2. Digital transformation (12%)</li> <li>3. Supplier sourcing (12%)</li> </ol> <ul style="list-style-type: none"> <li>▶ All continents are strongly focused on enhancing their financial performance and driving digital transformation</li> <li>▶ Europe is leading the procurement transformation race, with the highest process digitalisation rate</li> </ul> | <ol style="list-style-type: none"> <li>1. Financial performance (43%)</li> <li>2. Digital transformation (29%)</li> <li>3. Risk and crisis management (14%)</li> </ol> <ul style="list-style-type: none"> <li>▶ All continents are strongly focused on enhancing their financial performance and driving digital transformation</li> <li>▶ The Middle East seems to have the lowest digitalisation rate, which makes data management a challenge</li> <li>▶ The Middle East is concerned about risk and crisis management and places it as its third strategic priority</li> </ul> |





# Financial performance and stability are clear priorities for senior executives and procurement leaders in Switzerland.



46 respondents

Industry  
61%



Services  
39%



Small and medium-sized companies  
35%

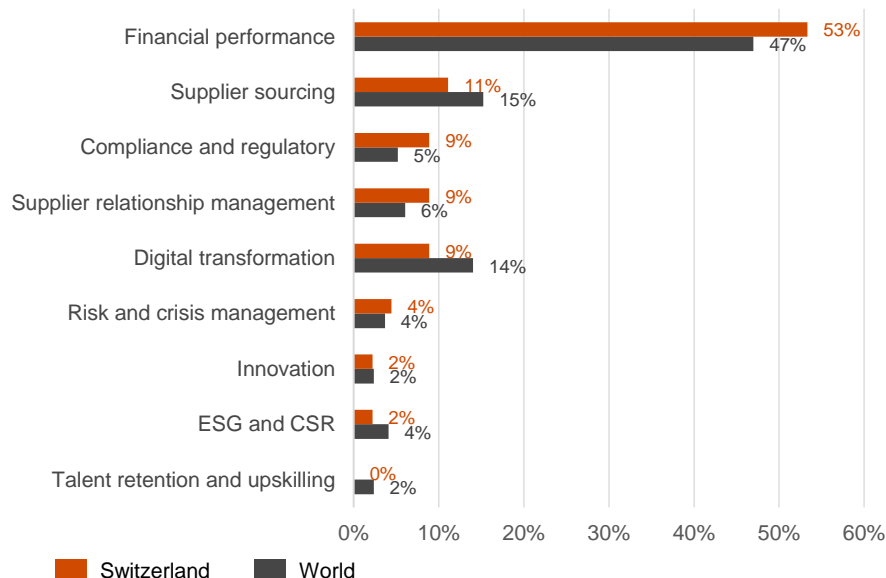
Large companies  
65%

## Rate of procurement function digitalisation

|  |             | Switzerland | World |
|--|-------------|-------------|-------|
| Percentage of companies with S2P solutions |             | 78%         | 82%   |
| Strategic process digitalisation rate      | Current     | 36%         | 36%   |
|  | 2027 target | 66%         | 64%   |
| Transactional process digitalisation rate  | Current     | 48%         | 44%   |
|  | 2027 target | N/A*        | 70%   |

\* Insufficient survey responses to provide appropriate data

## Top strategic priorities for procurement



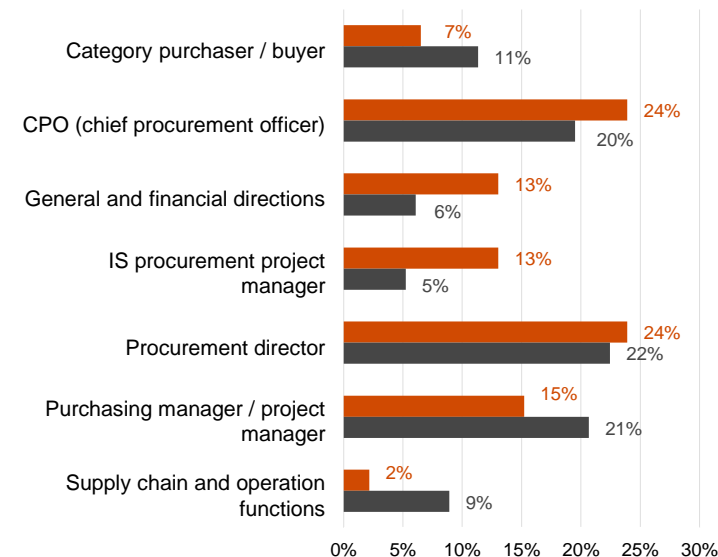
## The majority of Swiss respondents are larger industry firms with a greater need for stable and compliant procurement functions:

- Compared to the global average, Swiss responses represent more executive positions in their organisations providing more strategic views of procurement.
- This perspective is also reflected in the strategic priorities for the procurement function.

## Swiss firms are placing greater importance on financial performance and stability compared to other countries:

- Financial performance ranks as the top priority for more than half of procurement departments, ahead of the global average.
- Sourcing is the second highest priority, while digital transformation and supplier relationship management come in joint third place in Switzerland.
- This trend highlights a focus on performance management during times of turbulent geo-political developments and high inflation.

## Role of respondents

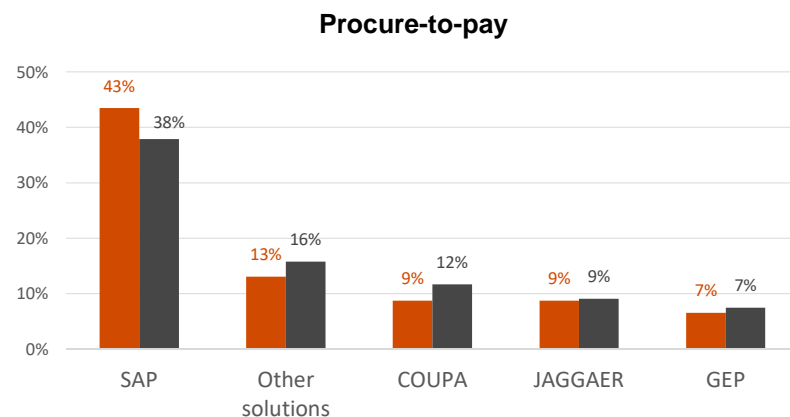
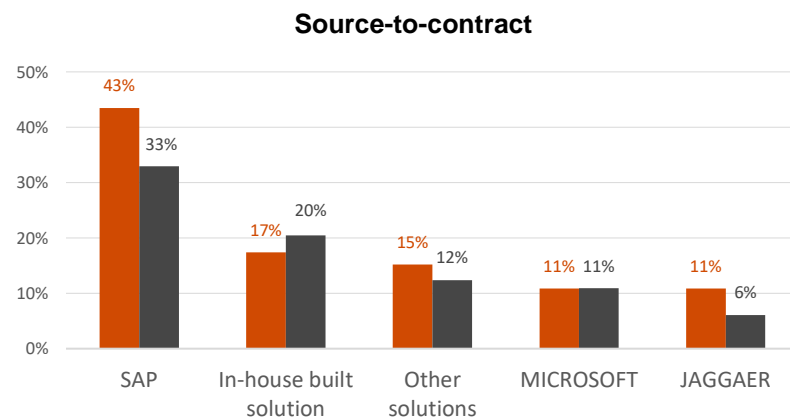




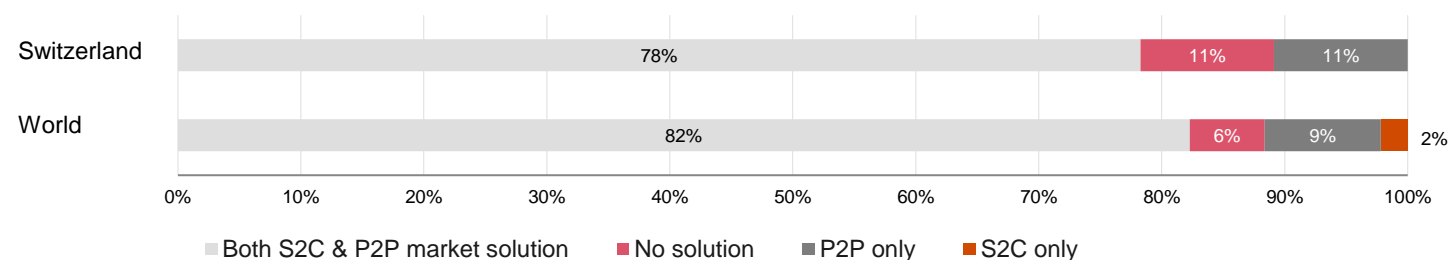


Swiss organisations opt for implementing both S2C and P2P solutions from established market leaders, with measurable improvements in the areas of efficiency and transparency.

### Source-to-pay vendors



### Source-to-pay solution adoption



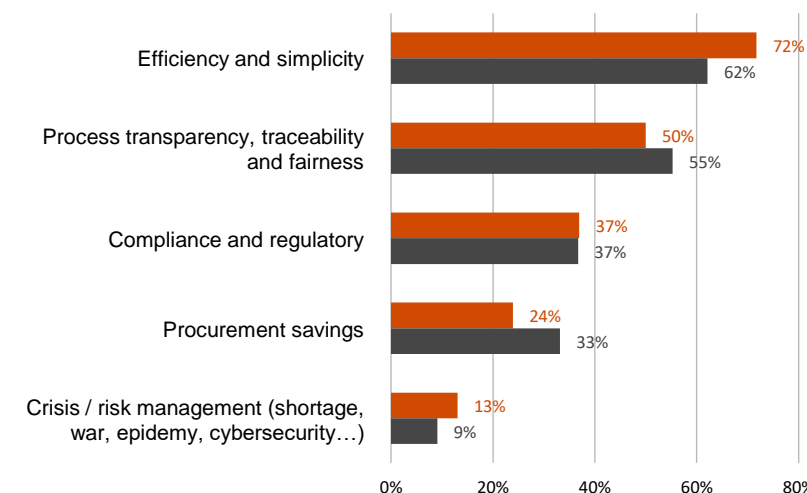
**Adoption of S2P solutions across Swiss firms follows global trends, while stand-alone P2P implementations are more prevalent regionally:**

- SAP is a clear market favourite in Switzerland for both S2C and P2P solutions.\*
- Alternative solutions, such as Ivalua, and in-house built solutions are a significant part of the market, particularly for S2C where fewer transactions occur.

**Process efficiency and transparency are key enhancements enabled by digitalisation:**

- Roughly three-quarters of respondents indicate that efficiency and simplicity are key improvement areas.
- Half of procurement professionals rank process transparency, traceability and fairness second, followed by compliance and regulatory enhancements.
- This trend reflects Swiss companies' focus on performance improvement and economic stabilisation.

### Process improvements through digitalisation



\* This survey doesn't distinguish between SAP solutions that offer differing levels of functionality, e.g. SAP Ariba vs. Core Materials Management



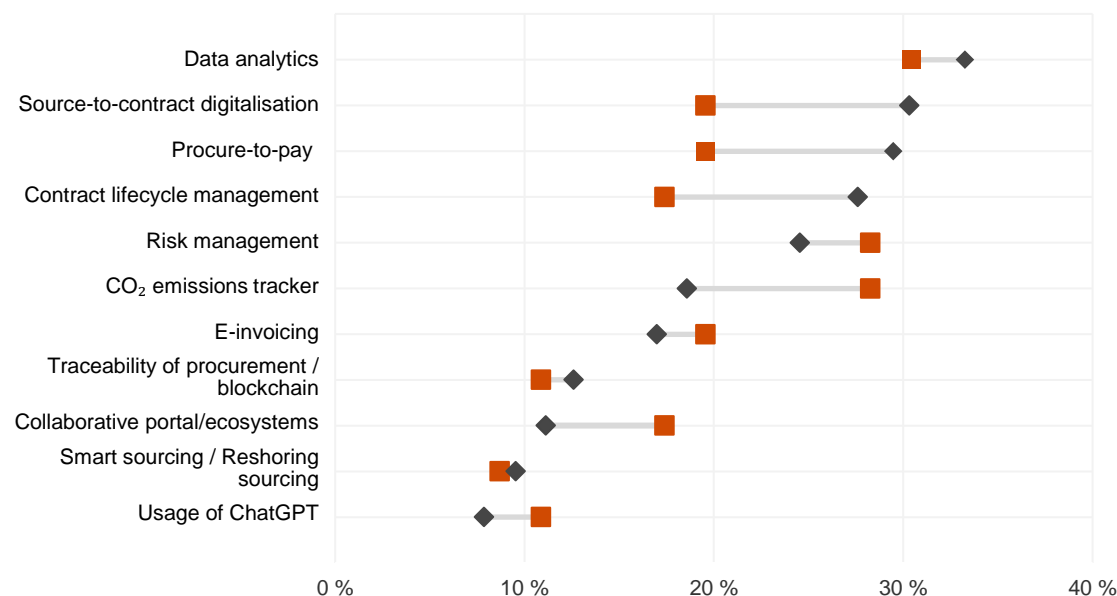
# Data analytics, risk management and emissions tracking are top priorities in the organisations' 2027 roadmaps, while disparities can be observed in the level of investment.

Requirements definition and senior executive sponsorship are considered essential success factors.

## 1 Investment in the digital transformation of the procurement function by 2027 (per year)

|                                  | Switzerland |      | World      |
|----------------------------------|-------------|------|------------|
| Large and very large companies   | EUR 2,072k  | +26% | EUR 1,640k |
| Small and medium-sized companies | EUR 464k    | -31% | EUR 676k   |

## 2 Rate of inclusion of digital use cases in procurement department roadmaps for 2027



Switzerland World

## 1 Larger Swiss firms plan to invest significantly in their digital transformation by 2027 compared to the global average:

- This investment drive may partially be aimed at digital investment backlog for firms that currently neither operate digital procurement solutions nor possess the required digital capabilities.
- Smaller Swiss firms plan to invest less than global peers, which may be due to global economic uncertainties and will contribute to an overall re-prioritisation of their digitalisation efforts.

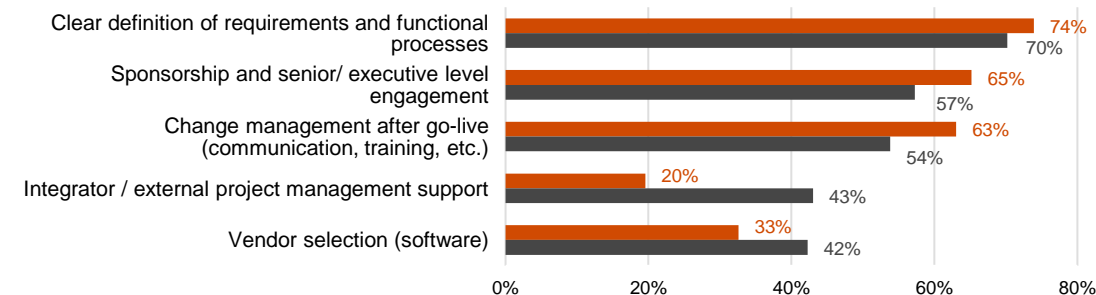
## 2 In contrast to global trends, Swiss procurement departments display a stronger appetite for CO<sub>2</sub> emissions tracking and risk management within their department's roadmaps:

- Data analytics is ranked most crucial for Swiss firms, which is in line with global trends, while global use cases such as S2C, P2P and CLM are ranked lower compared to risk management and emissions tracking in Switzerland.
- This difference may be due to larger Swiss organisations already undertaking digital transformations.

## 3 Swiss organisations clearly attach greater importance to requirements definition, executive sponsorship and post go-live support than the global average:

- This focus may be based on the drive to further stabilise and strengthen financial and managerial performance within Swiss firms, in alignment with the survey's findings.
- Prioritising clear requirements definition and ongoing support coupled with senior leadership buy-in will allow Swiss organisations to operate in a stable and sustainable fashion.

## 3 Key success factors for digital transformation





# Key observations from Swiss firms between 2022 and 2024.

+29  
respondents

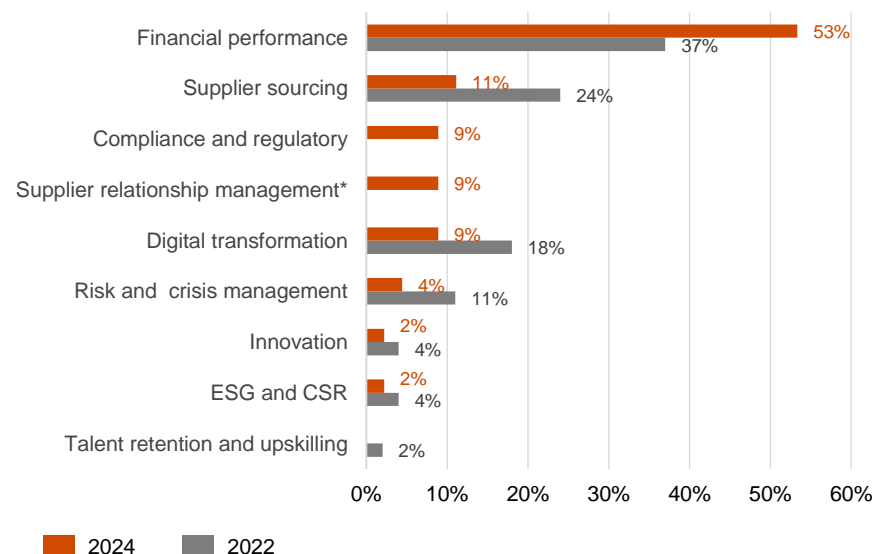
2022  
17

2024  
46

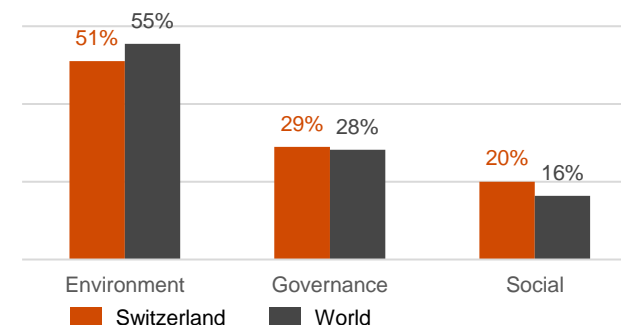
## Planned investment in the digital transformation of the procurement functions over the next five years

|                                  | 2024       |      | 2022       |
|----------------------------------|------------|------|------------|
| Large and very large companies   | EUR 2,072k | -3%  | EUR 2,136k |
| Small and medium-sized companies | EUR 464k   | -69% | EUR 1,488k |

## Top strategic priorities for procurement departments



## 2024 ESG priorities



\* Data tracking new to 2024 Digital Procurement Survey

## Over one-quarter of Swiss firms implemented some form of CO<sub>2</sub> tracking over the past two years:

- There's significant regulatory pressure in the EU and Switzerland to track emissions throughout the supply chain, leading to greater investment the technology.

## Small and medium-sized firms are more conservative when it comes to investing in digital transformations, due to high inflationary pressure:

- Inflationary pressure is forcing Swiss firms to direct greater focus towards financial performance compared to previous years.

## In 2024, the need for implementation support decreased and is in line with the rest of the world:

- As firms become more technically proficient and are developing in-house capabilities, their need for implementation support has decreased.

## CO<sub>2</sub> tracking perception

I have a CO<sub>2</sub> emissions tracker that uses supplier primary emissions data and reflects supplier commitments/actions

| 2024 | 2022 |
|------|------|
| 14%  | 0%   |

I regularly use a CO<sub>2</sub> emissions tracker based on spend within my supply chain

| 2024 | 2022 |
|------|------|
| 17%  | 0%   |

I identified an opportunity, but no relevant service is available on the market

| 2024 | 2022 |
|------|------|
| 29%  | 29%  |

I've been running POCs and/or experiments in a CO<sub>2</sub> emissions tracker

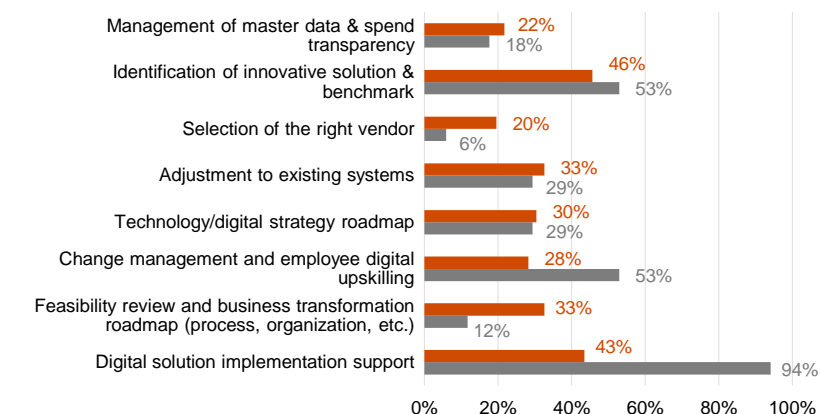
| 2024 | 2022 |
|------|------|
| 40%  | 41%  |

I can't appreciate the potential added value of this use case for my Procurement department

| 2024 | 2022 |
|------|------|
| N/A* | 29%  |

\* The 2024 Digital Procurement Survey didn't include the fifth option for respondents to select.

## Need for external support in digital transformations





# Glossary: acronyms and technical terms

This survey contains acronyms and technical terms. Please refer to this glossary for clarification:

|                        |   |                        |   |
|------------------------|---|------------------------|---|
| AI                     | Artificial intelligence.  | ERP system             | Enterprise resource planning, integrated management software.   |
| Automation             | Implementing a technology, software or programme to reduce human interference.  | ESG                    | Environmental, social and governance topics are used to assess a company's collective conscience in order to establish social and environmental factors.  |
| CEO                    | Chief executive officer.  | GHG                    | Greenhouse gases, such as carbon dioxide (CO <sub>2</sub> ) and methane, contribute to global warming by trapping heat in the atmosphere.   |
| CLM                    | Contract lifecycle management is a comprehensive management process that encompasses all stages of a contract, from its initial creation and negotiation through to its execution, monitoring and completion. | IS                     | Information systems refer to all the technical, human and organisational resources used to collect, store, process and distribute information within an organisation.   |
| CO <sub>2</sub>        | Carbon dioxide (CO <sub>2</sub> ) is a gas with a molecular structure composed of two oxygen atoms and one carbon atom.   | Medium-sized companies | Medium-sized companies fall between small and large companies in terms of sales, workforce and assets.  |
| COVID-19               | Coronavirus disease, an infectious disease caused by the SARS-CoV-2 virus.  | P2P                    | Procure-to-pay. Also referred to as 'transactional processes' for the purposes of the survey.   |
| CPO                    | Chief procurement officer.  | PoC                    | Proof of concept, a demonstration to verify that certain concepts or tools have the potential to be applied in real-life situations and on a large scale. In a nutshell, a PoC represents the evidence demonstrating that a project or product is feasible and worthy enough to justify the expense required to support and develop it. |
| CSR                    | Corporate social responsibility.  | ROI                    | Return on investment.   |
| Data analytics         | The science of analysing raw data to make conclusions about information.  | S2C                    | Source-to-contract. Also referred to as 'strategic processes' for the purposes of the survey.   |
| Digitalisation         | Converting business processes to use digital technologies, instead of analogue or offline systems such as paper or whiteboards.   | S2P                    | Source-to-pay.  |
| Digital transformation | Use of emerging technologies to digitise or automate operating processes.   | S2P solutions          | Complete or semi-complete suite of procurement tools covering all source-to-pay processes.  |
|                        |   | SRM                    | Supplier relationship management refers to the strategic management of supplier relations, aimed at optimising collaboration, performance and mutual value creation.  |

# Thank you

## Your Swiss contacts

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Marc Rajal  
Director – Procurement Transformation Lead  
[marc.rajal@pwc.ch](mailto:marc.rajal@pwc.ch)



Dinesh Purushothaman  
Director – Digital Procurement Lead  
[dinesh.kumar.purushothaman@pwc.ch](mailto:dinesh.kumar.purushothaman@pwc.ch)

## Swiss Contributors

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Robert Orban  
Digital Procurement  
[robert.orban@pwc.ch](mailto:robert.orban@pwc.ch)



Andre Margo  
Digital Procurement  
[andre.scott.margo@pwc.ch](mailto:andre.scott.margo@pwc.ch)



Lukas Herzog  
Procurement Transformation  
[Lukas.Herzog@pwc.ch](mailto:Lukas.Herzog@pwc.ch)

## Survey authors

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Matthieu  
Lemasson

Frédéric  
Chapelle

Aurélien  
Corbin

Stéphane  
Loubère

Philippe  
Gaurois

Charlotte  
Le Sergent



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