

SAP Ariba 📈

## **Feature at a Glance**

Enhancements to Contract for Central Procurement with SAP Ariba Contracts (4B0) to support advanced pricing conditions and scales in central contracts

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Introducing: Enhancements to Contract for Central Procurement with SAP Ariba Contracts (4B0) to support advanced pricing conditions and scales in central contracts

#### **Customer challenge**

- Customers using SAP solutions expect an integrated end to end Source to Pay process between SAP Ariba and SAP S/4 HANA Cloud.
- One of the elements of this integrated flow is the ability to manage the strategic contract management process in SAP Ariba while seamlessly operationalizing the contract in downstream systems through integration with the Central Contracts process in S/4 HANA

#### Solution area

- SAP S/4 HANA Cloud (Public / Private)
- SAP Ariba Strategic Sourcing Suite
- SAP Ariba Contracts

#### Meet that challenge with **SAP** Ariba

This feature enables buyers using the Contract for Central Procurement with SAP Ariba Contracts (4B0) integration scenario to support simple and advanced pricing conditions and scales in central contracts. Central contracts can now include advanced pricing conditions with multiple price validity periods and quantity scales. SAP S/4HANA Cloud returns a response containing a Document ID or number, which is updated in the contract workspace in SAP Ariba Contracts in the Related ID field. This document ID is the Central Contract document number which was created in SAP S/4HANA Cloud, and the line item numbers are updated against the line items in the contract workspace in SAP Ariba Contracts.

#### Implementation information

This feature is automatically on for all customers with the applicable solutions.

- This feature is activated with scope item 4BO for S/4HANA Cloud customers
- It requires customer configuration within SAP S/4HANA Cloud, SAP Ariba Contracts and SAP Ariba **Cloud Integration Gateway**

#### **Experience key benefits**

Ease of implementation

**Geographic relevance** 

- Enjoy fast time-to-value and low total-cost-ofownership with cloud-based delivery
- Integrate your SAP S/4HANA to SAP Ariba Contracts by simple activation

Low touch / Simple

Global

- Simplify and accelerate your configuration by taking advantage of built-in SAP Best Practices
- Get predictable results fast as these best practices guide you through the integration process step-by-step

#### **Prerequisites and Restrictions**

- This scope item uses SAP Ariba Cloud Integration Gateway for the integration and covers the full functional scope of the Sourcing with SAP Ariba Contracts (4BO) scope item.
- Master Data Integration with Product Service in S4 HANA Cloud should be enabled (DMS-10349, PI-22097)
- The current scope (4BO) works only in a single S/4 HANA tenant i.e., both Central Procurement and its connected ERP should be in the same S/4 HANA instance.

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#### **Feature Overview**

SAP Ariba Contracts Integration with S4HANA Cloud (4BO) enables you to connect your SAP S/4HANA digital core with SAP Ariba Contracts for managing strategic contract activities and while integrating it with operational system. This provides the central procurement organization the capability to negotiate and maintain prices in SAP Ariba and keep the operations activities going with all latest information from flowing from strategic applications to the operational system. This can be maintained for the lifetime of the contract with the third party.

This feature enables buyers using the Contract for Central Procurement with SAP Ariba Contracts (4B0) integration scenario to support simple and advanced pricing conditions and scales in central contracts. Central contracts can now include advanced pricing conditions with multiple price validity periods and quantity scales.

When a buyer creates a contract with advanced pricing conditions in SAP Ariba Central Contracts and integrate with ERP, a central contract is created in the SAP S/4HANA system through SAP Ariba Cloud Integration Gateway

All data is routed through SAP Ariba Cloud Integration Gateway (CIG).

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#### Details about the integration to support advanced pricing conditions and scales

Advanced pricing conditions for items are specified for the pricing condition types, such as Gross Price, Discount, and Surcharge. This feature supports only the condition types that uses fixed amount as the calculation type. The condition types specified for a material item always include a validity period with a start date and an end date. The different validity periods available are Monthly, Quarterly, Annually, or Custom. If a validity period for a condition type is not specified, SAP Ariba sends a default value for the pricing validity period. You can add a single condition type for a material item or add multiple condition types for the same material item with different validity periods.

You can also define pricing scales for a material item with the Gross Price, Discount, and Surcharge condition types along with the validity periods. Pricing scales can be based on quantity, value, gross weight, volume, or net weight. This feature supports only pricing scales based on the quantity of purchase of a material item.

You can further specify a Scale Type for the Gross Price, Discount, and Surcharge condition types. The scale type determines whether the scale is a From scale or a To scale.

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#### Restrictions

- SAP Ariba Sourcing and SAP Ariba Contracts do not support pricing condition types with percentage (%) as the calculation type
- The end-to-end integration of SAP Ariba Sourcing or SAP Ariba Contracts with SAP ERP or SAP S/4HANA through SAP Cloud Integration Gateway does not support deleting validity periods and scales
- SAP Ariba Contracts supports Incoterms at only the line level and not at the header level
- SAP Ariba Contracts supports Plant at only the line level and not at the header level.

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#### **Documentation**

Detailed documentation for end to end process, configuration guides for S/4 HANA Cloud, SAP Ariba and SAP Ariba Cloud Integration Gateway can be found at below locations

SAP help portal

• url: https://support.sap.com/content/dam/SAAP/Sol Pack/Library/Setup/4B0 Set-Up EN XX.pdf

# Appendix

## **SAP Best Practices Content**

SAP Best Practices Explorer – The web channel experience to search, browse, and consume SAP Best Practices

#### **Benefits for Customers & Partners**



- One place to find all packaged solutions and best
- practices (from SAP and partners) for SAP products
- Available for online and offline use

#### Key Facts on the App

 SAP Fiori 2.0-like navigation – simple and easy – built using SAPUI5 technology



- High performance, flexible search, detailed reporting capabilities
- Customer and partner validated usability
  - In-page search with color highlighting of search results
  - Search by scope item ID and scope item description possible
- Ready for partners: Qualified partners will use an easy-to-use publishing – SAP Cloud-based offering – the SAP Best Practices Package Manager

#### SAP Best Practices Explorer