SAP Ariba

Feature at a Glance
Benchmarking: Payment Days Late Panel

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Target GA: February 2202

THE BEST RUN **SAP**

Feature at a Glance

Introducing: **Benchmarking: Payment Days Late Panel**

Customer challenges

- Benchmarking is a powerful tool to understand performance however it is difficult, time consuming, and costly.

- Small to mid-size companies don't have time or resources to bench mark their performance or that of their customers.

- Benchmarking is typically limited to a relatively small number of participants.

Meet that challenge with
SAP Ariba

- The on-time payment rate benchmarking rate widget includes a new payment days late panel.

- The payment days late panel allows suppliers to compare their customers' Average Payment Days Late performance against the aggregate performance of the network.

- Suppliers may compare performance by supplier region, buyer industry, and buyer performance quartile.

- Suppliers may choose last quarter, last month, last 12 months.

Experience key benefits

- Allows suppliers to use benchmarking as tool to improve performance.

- Allows suppliers to identify customer behaviors for discussion in contractual negotiations and in quarterly business reviews.

- Provides access to benchmarking data spanning many industries and regions.

- Eliminates costly data collection activities required to share data with a benchmarking service provider.

Solution area

Ariba Network
SAP Ariba Discount Management

Implementation information

This feature is **automatically on** for all customers with the applicable solutions and is ready for immediate use.

Prerequisites and Restrictions

Supplier must have a bronze level or above subscription.

Feature at a Glance

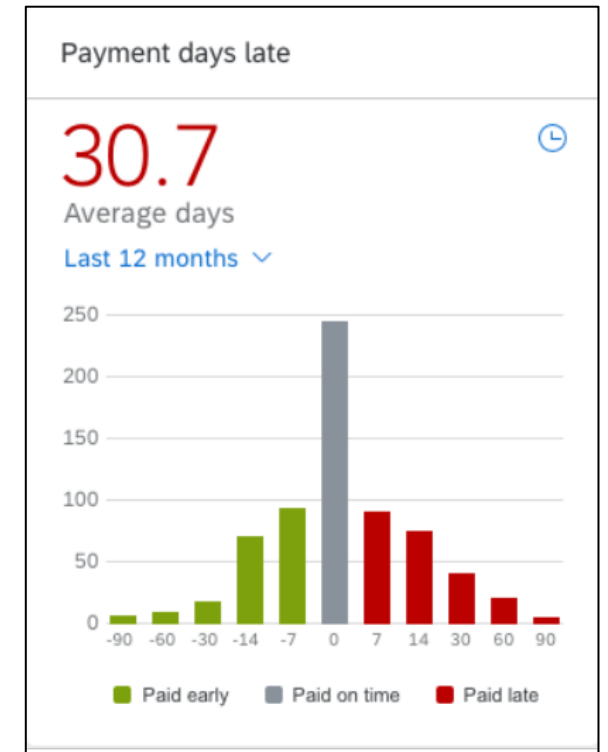Introducing: **Benchmarking: Payment Days Late Panel**

User Story: As a financing manager in my company, I need to understand more that on-time payment rate. I need to understand the degree to which our customers pay us late.

If our customers do not pay us on-time, it impacts our bottom line including:

• our operating costs in credit and collection

• our willingness to accept early payment offers

• our ability to support our business

KPI Definition: The number of invoices paid before, or on the due date listed divided by the total number of paid invoices.

A paid invoice is a scheduled payment in Ariba Network.

Payment days late

30.7
Average days
Last 12 months

Paid early   Paid on time   Paid late

Feature at a Glance

Introducing: **Benchmarking: Payment Days Late Panel**

The chooser allows you to choose buyer industry, supplier region or buyer performance quartile.

New panel: Ariba Network calculates payment days late rate by comparing the remittances and scheduled payments sent to you by your customers.

The payment days late panel works with on-time payment and paid invoice panels to build a more complete understanding of community performance.

The benchmarking widget is available to all bronze-level and above suppliers on the SAP Business Network home page.

Benchmark... On-time Payment Rate

Last 12 months ⌄

All industries ⌄

69%

31%

32%

37%

■ Accelerated   ■ Paid on time   ■ Paid late

-1.1
Average days late

5K
4K
3K
2K
1K
0
-90 -60 -30 -14 -7 0 7 14 30 60 90

■ Paid early   ■ Paid on time   ■ Paid late

$3.17 B USD

450
400
350
300
250
200
150

160
155
150
145
140
135
130
125
120
115

D   J F M A M J J A S O N
2020   2021

■ Invoice value ($M)   ■ Invoice volume (K)

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