# Orient Electric: Increasing Vendor Discovery with SAP® Ariba® Sourcing

India represents an enormous consumer market with a nonstop demand for fans, home appliances, and lighting. Orient Electric, part of the diversified Indian conglomerate CK Birla Group, is a global market leader that supplies for the needs of Indian households with a wide range of indispensable consumer electrical solutions. A household name in the Indian fan industry for over 60 years, it takes pride in its R&D capabilities and commitment to manufacturing cutting-edge electrical products that meet the needs of new age consumers.

However, Orient Electric's procurement activities in four of its business units were isolated, which limited transparency, data access, and price discovery. It introduced the SAP® Ariba® Sourcing solution and gained visibility of procurement data across business units. The software helped Orient Electric staff assess vendors working across business units and select the best ones for extended partnerships. Preorder engagement time with vendors went down dramatically, and price discovery improved as did new-vendor discovery. Orient Electric was pleased to pass its cost efficiencies on to its many enthusiastic customers.
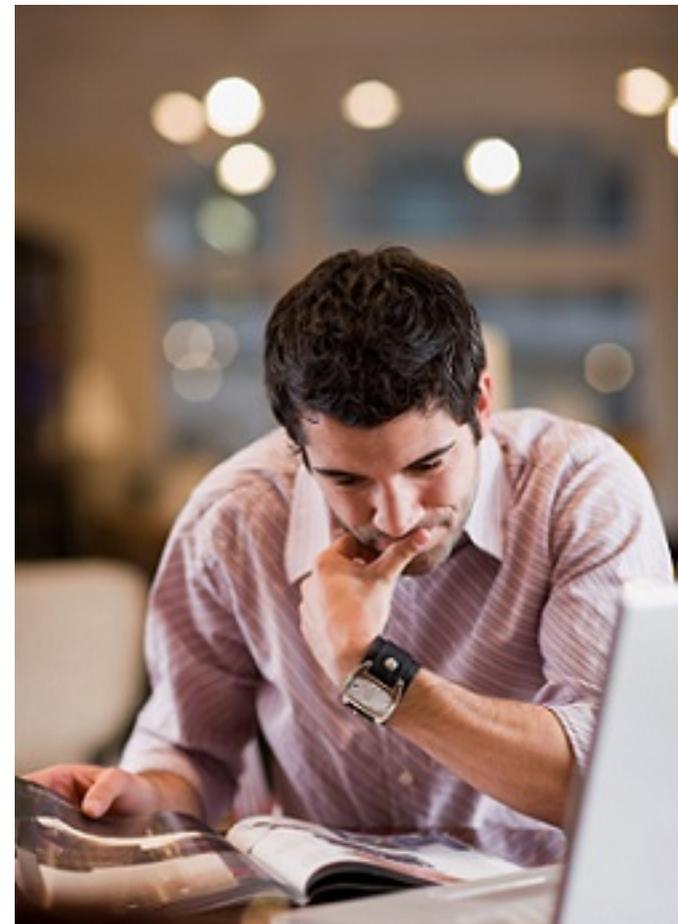
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Improving procurement with a cost-effective solution

Company
Orient Electric, part of
CK Birla Group

Location
New Delhi, India

Industry
Consumer products

Products and Services
Fans, home appliances,
lighting, and switchgear

Employees
3,200

Revenue
US$223 million

Web Site
www.orientelectric.com

Partner
Cloudway Consulting
Pvt. Ltd.
www.cloudwayconsulting
.com

Objectives
- Gain transparency
- Reduce costs
- Introduce e-governance and compliance
- Standardize procurement processes

Why SAP® Ariba® solutions
- SAP® Ariba® Sourcing solution, which provides visibility into procurement activities company-wide
- Straightforward, easy-to-use tool, including a user-friendly interface and presourced catalogs tailored to the requirements of the individual user
- Support for a simplified strategic sourcing process based on standard procurement processes
- Easy access to necessary information

Resolution
- Automated processes and incorporated support for best practices
- Enabled e-relationship with suppliers
- Increased data accuracy
- Established an essential foundation for better management through measurement and analysis

Benefits
- Eliminated unnecessary activities and accelerated the procurement cycle
- Improved supplier performance and increased the accuracy of orders
- Reduced costs due to better control on indirect spend, higher transparency, and support for e-governance

"We were able to leverage the functionalities of the SAP Ariba solutions, which gave us many innovative ideas, which we have implemented in our processes to achieve transparency, governance, and savings."

Binoy Subba, Senior Manager, Strategic Planning, Orient Electric

Reduced
Report generation time

On-demand
Access to reports

2–3 hours
Reduction in transaction time

SAP Ariba

SAP