

Uncovering hidden opportunities and increased resilience in production spend

Voices on Procurement Analytics – Live Series

Introduce the speakers



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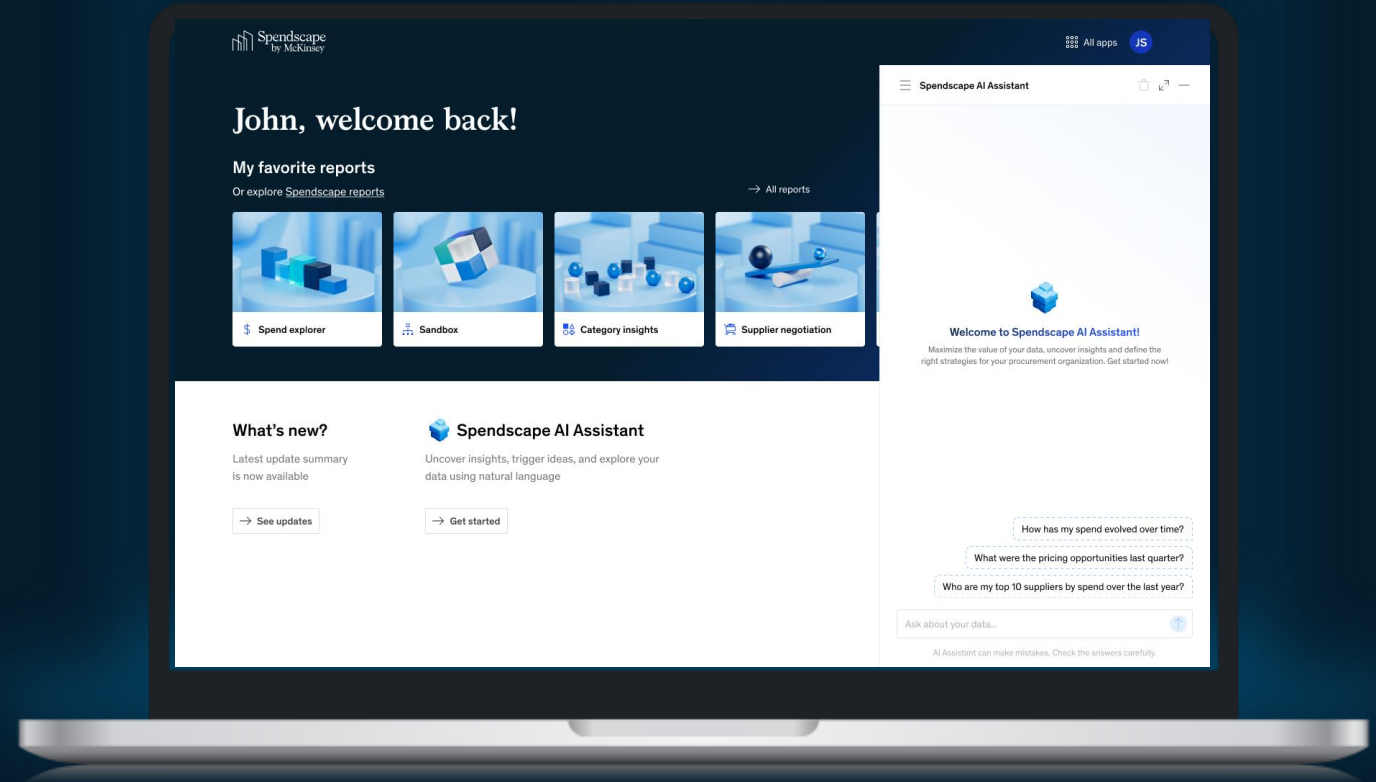
Spend Analytics
Advisor

Unlock the power of AI in procurement analytics

We combine years of software solution development experience with McKinsey's expertise in procurement and supply chain analytics to **deliver bottom- and top-line impact**.

Depending on concrete business needs, we offer a **comprehensive, modular, out-of-the-box solution** and the ability to create **tailored analytics use cases** by co-innovating with clients on forward-looking topics.

To ensure impact, we offer **software implementation, capability building, and the consulting services** required for the full adoption of Spendscape.



Figures

- +10%** Savings impact
- 10+** Sectors
- 300+** Deployments
- 5+** Geographies
- \$1T+** Spend managed

Technology & Services

- Single Source of Truth
- Data Cleansing & Categorization
- Spend & Opportunity
- Carbon & Sustainability
- Strategy & Negotiation
- Input Cost & Resilience
- Integrated Impact Management
- Managed Insights Services & Capability Building
- Spendscape Platform
- Spendscape on SAP BTP
- Spendscape AI

Mission & Vision

Best-in-class software enabling advanced analytics with reliable data backbone.

Deep procurement expertise ensuring our software meets business requirements

Rising input costs, supply disruptions, and complexity are redefining manufacturing economics

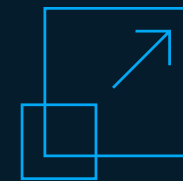


Persistent cost volatility

Commodity and input cost volatility remains **2–3x higher** than pre-COVID levels

Energy, metals, and materials continue to show **sharp price swings** driven by **geopolitical factors**

Procurement teams face **increased frequency of supplier price adjustments**



Growing spend & supply complexity

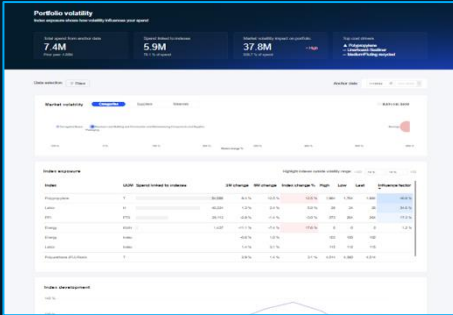
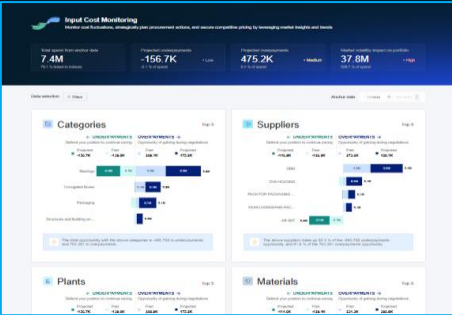
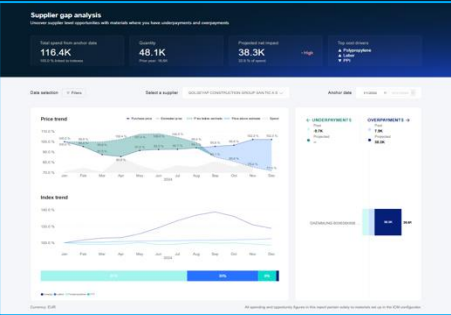
Increasing SKU and supplier complexity reduces visibility into cost drivers

Up to 30–40% of spend (tail/indirect) remains poorly managed

Growth in **low-volume, high-impact SKUs** creates blind spots in cost and risk

Most organizations lack visibility into **what they should be paying vs what they are paying**

ICM brought substantial impact to supplier negotiations and helped reveal opportunities that were previously hidden



65

supplier deep dives

~4m EUR

confirmed through negotiation

~9m EUR

Identified negotiation opportunity

Supplier 1

660k EUR (~50 SKUs) savings identified:

Despite a 30-35% drop in aluminum (raw material) prices in 2022, prices paid to Supplier 1 rose by 7% from 2022 to 2024.

Supplier 2

1.2M EUR (>200 SKUs) savings identified:

Supplier increased prices by 20%, even though market price has fallen by 20% following the energy price drop.

Supplier 3

0.5M EUR (~60 SKUs) savings identified:

Prices rose by 10% while market price dropped because of energy prices going down.

Supplier 4

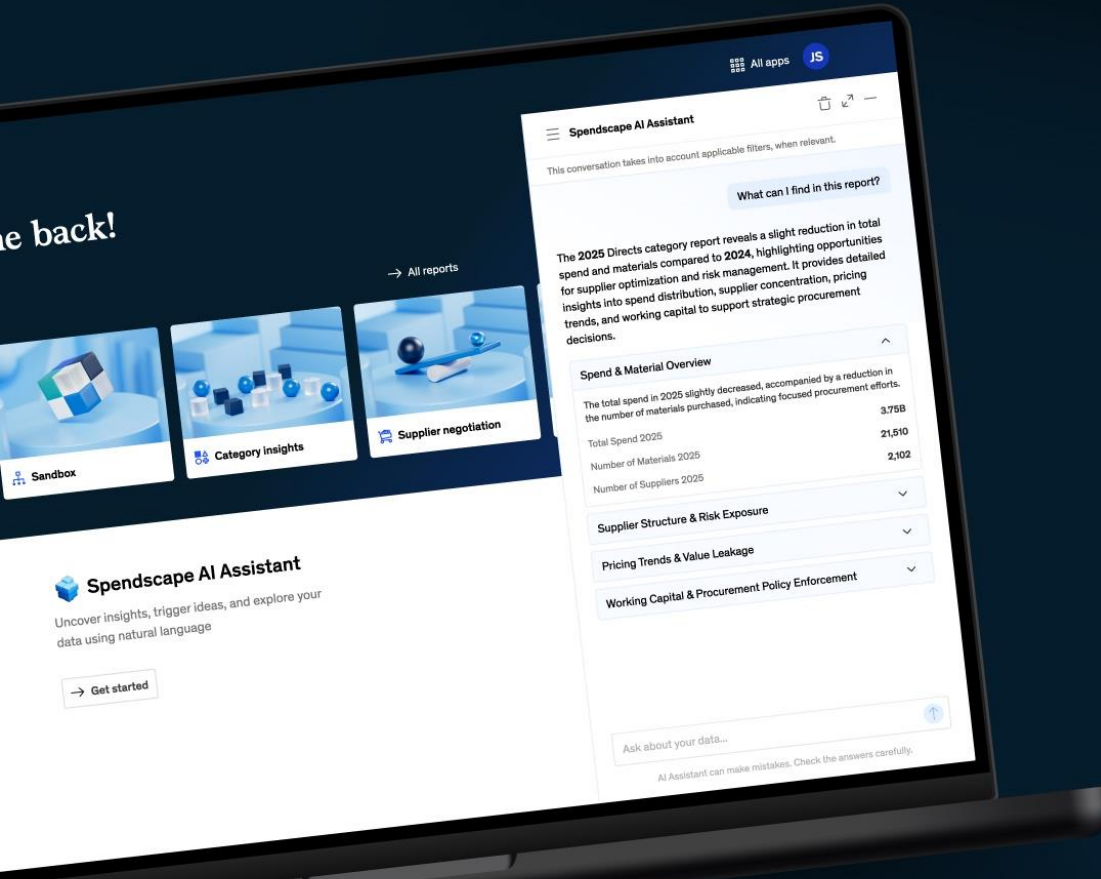
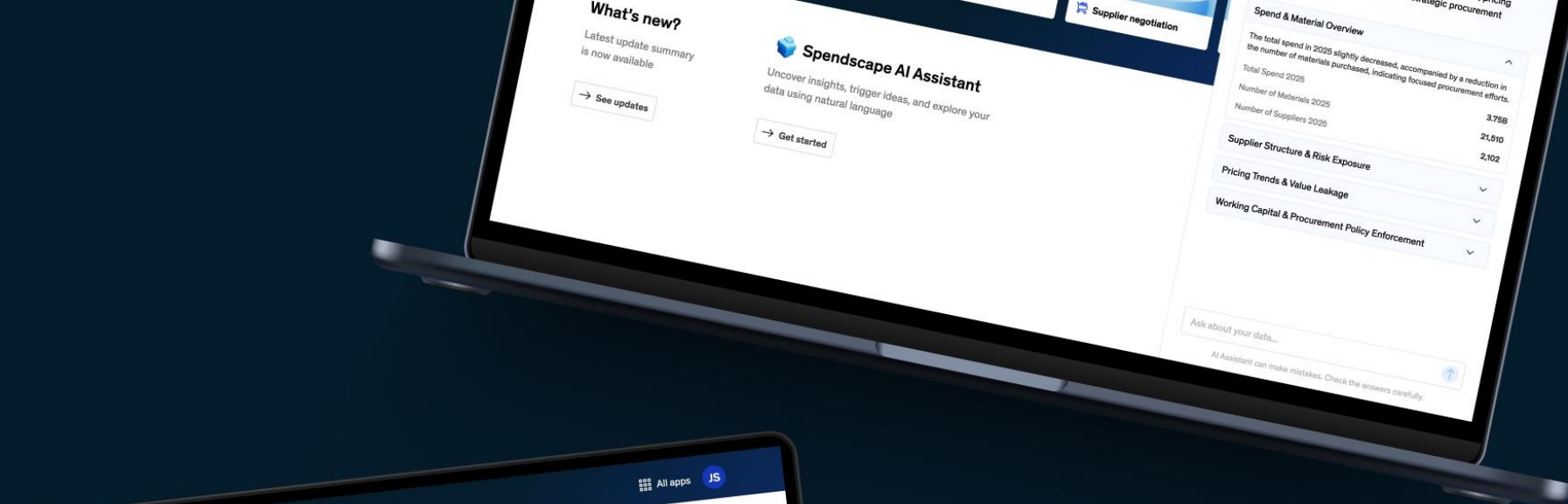
80k EUR (~120 SKUs) savings identified:

Prices from Supplier 5 have been rising by 8% since 2022, while market prices and raw material costs have been going down by almost 50% due to raw material and energy cost drop.

Supplier 5

2M EUR (~70 SKUs) savings identified:

Prices rose by 10% between 2022 – 2024 whereas market price went down by ~20% due to raw material price drop



Spendscape
by McKinsey

Spendscape demo

Q&A

Contact us



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