

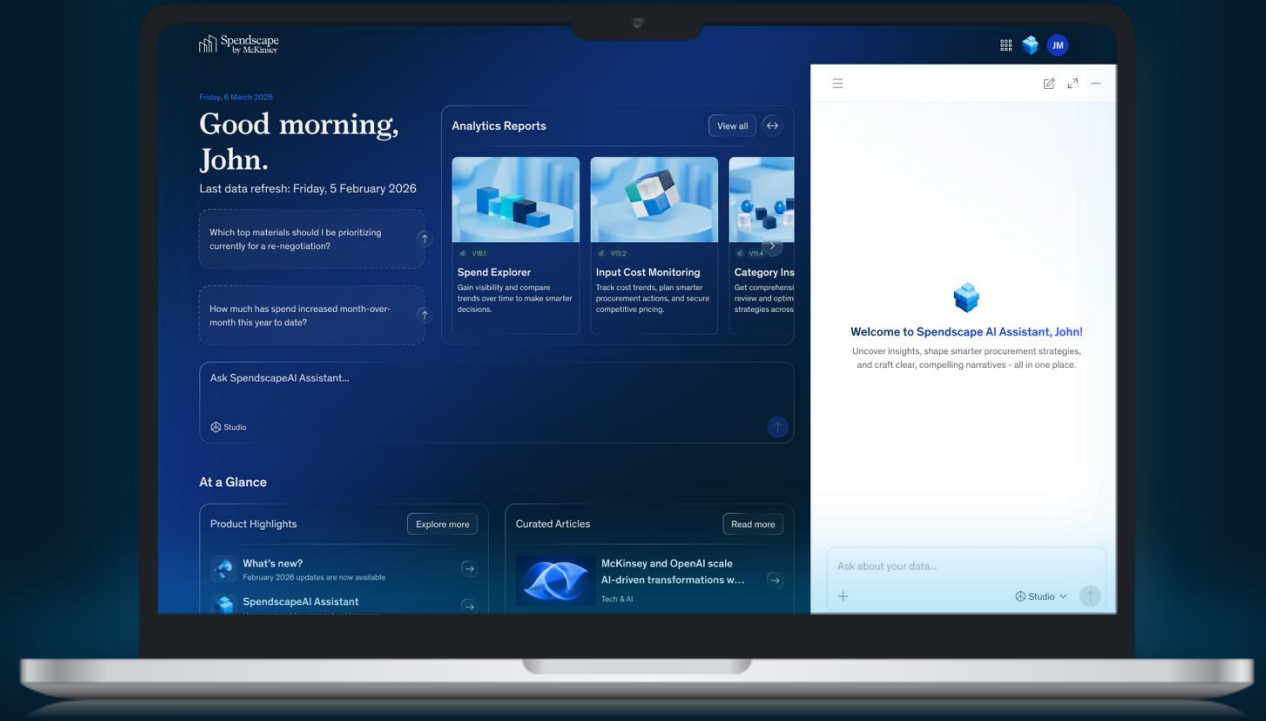
Voices on Procurement Analytics

AI in Procurement: Three decisions to re-claim your data

- Where your data resides
- How insights are delivered to users
- How to build an AI strategy that remains flexible as technology evolves

The AI-Powered Future of Procurement Intelligence

Spendscape by McKinsey is a spend analytics software that combines over 20 years of procurement software expertise with McKinsey's global procurement intelligence and advanced AI capabilities.



The Procurement Challenge:

Procurement leaders are prioritizing data quality, advanced analytics, and AI to address persistent challenges, including fragmented data across multiple sources, limited access to actionable insights, high IT dependency, high operational costs, and low adoption of existing systems.

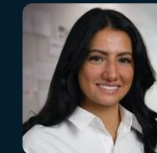
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What benefits can Spendscope bring to your business?



Spendscope is designed for procurement and finance leaders seeking to turn spend transparency into strategic advantage. Spendscope helps chief procurement officers, procurement excellence teams, CFOs, and sustainability leaders to navigate complex, multi-system environments and embeds AI-driven intelligence into enterprise decision-making.



Cost savings

Implementing Spendscope Analytics platform can lead to both spend and tech cost savings



Improved supplier relationships

Insights into supplier performance and spending allow for better negotiations, consolidation opportunities, and stronger ties, leading to cost savings and better ROI



Enhanced decision-making

Near-time spend data enables informed decisions, identification of trends, and optimization of resource allocation for improved outcomes



Improved compliance

Helps organizations ensure adherence to internal policies and regulatory requirements, reducing the risk of non-compliance penalties



Increased efficiency

Streamlines workflows, reduces errors, accelerates cycle times, and boosts productivity by minimizing administrative tasks

AI investment is accelerating, and data is the bottleneck

Market Signal

4x

MORE INVESTMENTS

"Organizations with successful AI initiatives invest up to 4× more in data and analytics foundations."

Gartner Research

Investments are rising

Budgets for AI and analytics infrastructure are increasing across industries. The question is no longer **whether** to invest, but **where** to place the bet.

Data is the bottleneck

Most AI initiatives stall not at the model layer, but at the data layer. Fragmented sources, inconsistent quality, and ungoverned pipelines are what prevent AI from delivering value.

Control is the priority

Organizations are moving to reclaim ownership of their data, its location, its lineage, its governance. Sovereignty is no longer optional; it is the foundation for AI that can be trusted.

Does this look familiar?

A typical procurement data landscape, assembled over years of bolt-on decisions

AI & CHATBOTS

Copilot pilot

ChatGPT

Spend bot v1

Vendor chatbot (nobody has the login)

POC abandoned

VISUALIZATION & INTERFACES

Power BI

Tableau

Qlik

Vendor portal (3 users active)

Email reports (someone asked in 2021)

SharePoint

INTEGRATION & DATA STORAGE

Azure Data Factory

Informatica

Snowflake

Databricks

Vendor DW (duplicate of Snowflake?)

Python scripts (one person wrote these)

Shared drives (last audited Q1 2023)

SOURCE SYSTEMS

SAP ECC

S/4HANA

Oracle EBS

Coupa

Ariba

Jaggaer

CSV dumps

PDF invoices

Excel

FOR PROCUREMENT

Supplier negotiation prep requires data from 6+ systems, none connected, none governed together.

Contracts

Spend history

Supplier risk

Emissions & ESG

Market benchmarks

Tender results

Category intelligence

Having tools is not the same as having decision support.

FOR IT / DIGITAL

Every bolt-on tool is a liability: cost you can't justify, risk you can't see, and a digital strategy nobody can execute against.

No data lineage

Zero observability

Ungoverned pipelines

Shadow IT

Duplicated cost

Misaligned with digital strategy

AI blocked at the data layer

Owning the architecture means owning the problem, and the risk.

Your analytics architecture is either compounding value or quietly destroying it

Regulatory exposure you cannot quantify. Tools nobody opens. AI investments that become write-offs in 12 months. These are not hypothetical, they are the cost of architecture decisions made without a framework.

It comes down to three decisions:

Where does my data live?

Compliance certainty vs. regulatory exposure

What UI do my teams use?

Adoption vs. expensive shelfware

What AI am I betting on?

Strategic alignment vs. stranded investments

Why now:

- ERP migrations creating a window to get the data model right
- AI governance requirements tightening
- The gap between architecture leaders and laggards is compounding

For each decision, one architectural principle resolves the tension



The Framework

Data: deploy WITHIN, not beside

Intelligence activates inside your data environment. Your data never leaves your control.

Your AI runs on your actual data, not a sanitized extract

UI: deliver INTO, not instead of

Procurement intelligence surfaces natively in Power BI, Tableau, Copilot, Claude, or custom interfaces. No new login. No adoption risk. .

Your teams get insights without a new login or a change management program

AI: decouple the UI, never lock in

Keep a single AI-interface but swap and improve the underlying agent infrastructure and domain models.

Your investment does not become obsolete when the AI landscape shifts in 12 months

The Resolution

Best-in-class intelligence. No compromise on architecture. No rip-and-replace.

One architectural principle unifies all three decisions: appreciate your existing investments — never compete with them. Your data stays where your data team put it. Your interfaces stay where your teams work. Your AI bet stays reversible.

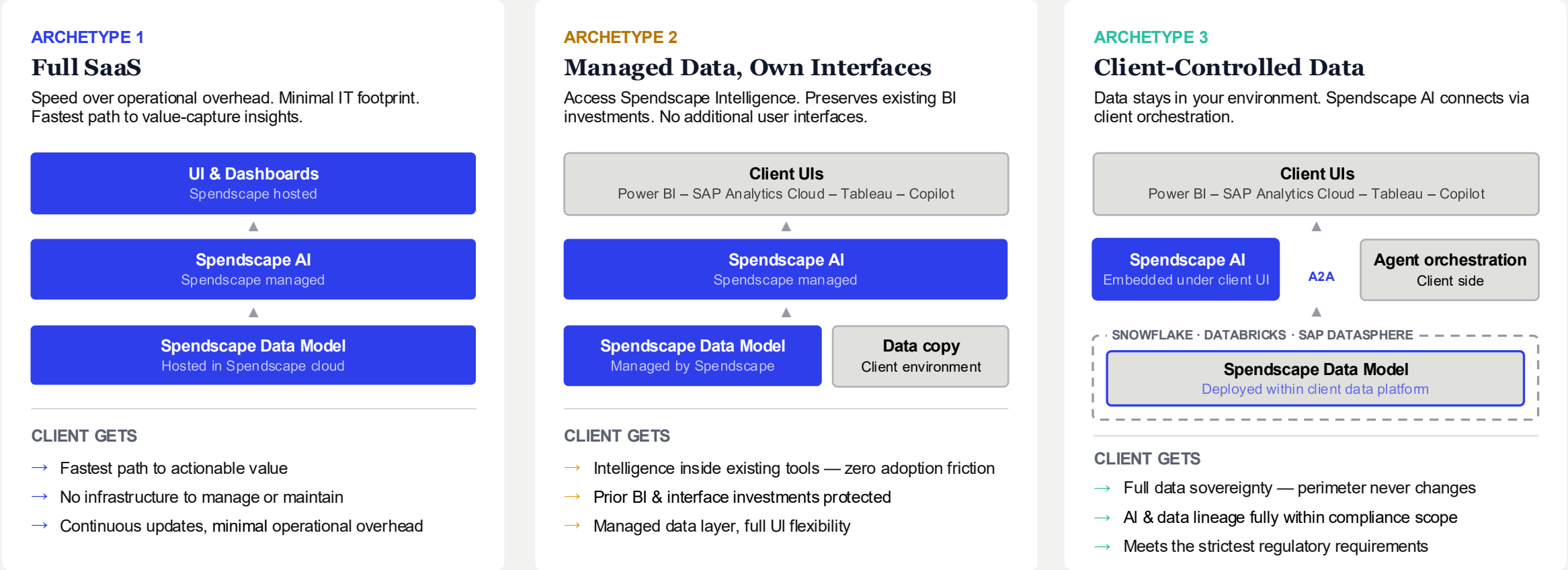
The intelligence for supplier harmonization, spend categorization, cost breakdowns, forecasting, and savings management is delivered on top of your existing landscape without displacing a single thing you have already invested in.

How Spendscope embeds procurement intelligence without disrupting your enterprise data strategy



Client Archetypes

LEGEND: Spendscope-owned & operated Client-owned & operated Spendscope-owned, client-hosted Client data platform boundary





Spend management is only as effective as the data and intelligence behind it. A robust AI foundation tailored to an organization's specific business knowledge is key source of competitive differentiation.



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