



E-procurement evolution drives the need for B2B transaction automation

An executive conversation with **Troy Lynch**, CEO, PunchOut2Go

In early 2020, COVID-19 sent shockwaves through ecommerce. The pandemic significantly impacted B2B and B2C organizations alike, but the unprecedented increase in online shopping was particularly challenging for B2B companies. Traditionally slow to adopt ecommerce capabilities, many had to scramble to digitally transform to meet this new, unexpected demand.

With this spike in ecommerce also came strong growth in the volume of transactions in the e-procurement channel. To discuss the evolution of ecommerce and e-procurement during the past two years and the growing need for automation around B2B transactions, Digital Commerce 360 spoke with Troy Lynch, CEO of PunchOut2Go. PunchOut2Go will soon change its name to TradeCentric, which reflects the expansion of its technology and its market during the past decade.

How has the e-procurement channel evolved, and what impact has that had on automating the broader scope of B2B transactions?

Last year, e-procurement was among the fastest-growing digital commerce sales channels, with nearly \$935 billion in sales, according to Digital Commerce 360 data. The data also showed that e-procurement accounted for a bigger portion of all B2B sales in 2021 at 7.1%—compared with 6% in 2019 and 7% in 2020. Digital Commerce 360 also projects this year sales through e-procurement channels are likely to top \$1 trillion.

These statistics are compelling. The adoption rate of ecommerce and e-procurement continuing to grow rapidly in the B2B industry is driving a greater demand to automate transactions that flow between buyers and sellers deploying these technologies. In fact, Gartner estimates that by 2025, 80% of B2B sales interactions between suppliers and buyers will occur digitally. These transactions include purchase orders, invoices, requests for quotes, order acknowledgments, advanced shipping notifications

and punchout solutions that improve a buyer's purchasing experience.

What benefits does automating these transactions offer B2B companies?

By automating and integrating these capabilities, buyers and sellers can connect to trading partners faster and more reliably, while providing a more modern experience to their customers. At the same time, they eliminate costly manual processes, drive more revenue through their online channels, can rapidly onboard new trading partners and reduce supply chain risks. And with companies and supply chains still impacted by COVID-19, businesses across the globe are automating B2B processing of business-critical commerce transactions.

What steps can B2B companies take to implement this technology and begin automating transactions?

They can partner with a platform provider, such as PunchOut2Go/TradeCentric, that integrates buyers on e-procurement to sellers that have implemented ecommerce solutions.

PunchOut2Go/TradeCentric is the only purpose-built platform today that is truly focused on integrating and automating B2B transactions that derive from e-procurement and purchase goods and services through online channels such as ecommerce and marketplaces.

With our network of more than 3,000 businesses trading on our platform, we're able to introduce buyers and sellers to one another across the many industries we serve. We can rapidly onboard new trading partners, helping to eliminate disruption or

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PunchOut2Go
Soon to be TradeCentric

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reliance on single sources of goods. And we help buyers and sellers retain efficiencies with their existing trading partners, leading to higher levels of retention and performance.

Would you share an example of a company that has successfully automated its B2B transactions?

VCA Inc., a network of animal hospitals across the U.S. and Canada, had challenges onboarding trading partners that supported different systems and protocols. VCA wanted to streamline and automate its outdated procure-to-pay process to reduce trading-partner integration cost and complexity.

VCA partnered with PunchOut2Go to implement our cloud-based platform, which acts as an integration solution between VCA's Coupa software e-procurement system and its suppliers' ecommerce and order management back-end systems. The platform can consume transactional data and supported protocols from any business system, translate that data into the structure needed, and then map it accordingly so procurement and commerce business applications can communicate effectively, and businesses can transact electronically.

After implementing PunchOut2Go's platform, VCA saw a 50% reduction in trading-partner onboarding time, a sixfold increase in the number of trading partners deployed and 40,000 fewer invoices that required manual intervention, to name just a few benefits.

Why is PunchOut2Go changing its name to TradeCentric?

As ecommerce and the e-procurement channel have evolved, PunchOut2Go has been evolving along with them. Yes, we are still a provider of punchout solutions, but we've expanded our offerings to reflect the changing needs of the market we serve. Today, we're in a unique position that's central to the trading process between buyers and sellers. Our new name, TradeCentric, which rolls out this May, reflects that position, our connection to the buyer and seller community, and our ability to help them achieve a seamless, streamlined trading experience.

Even though we are changing our name, it's important to emphasize that we're still made up of the same dedicated team, owners, solutions, services, partners and customers that we have significantly invested in over the past decade. Our mission to enable companies to connect with their trading partners remains. And our vision to enable digital transformation and automation of business-critical transactions is stronger than ever.

How does PunchOut2Go/TradeCentric stand out from its competitors?

The journey PunchOut2Go has been on, and our upcoming transition to TradeCentric, was built around three key differentiators:

- **Our technology:** While punchout was and always will be fundamental to our business, we've expanded our offerings to include automating purchase orders, accounts payable invoices, requests for quotes, order acknowledgments and advanced shipping notifications. This is directly in line with the evolving need for B2B organizations to integrate the B2B buying and selling process.
- **Our service and support:** As our business expanded during the past decade, so has our knowledge and experience. Our technical experts work closely with B2B businesses as they onboard trading partners. PunchOut2Go/TradeCentric provides a fully managed cloud-based platform combined with professional services and a dedicated customer success team. We have many years of domain expertise serving B2B organizations—helping to manage complexity as they scale, reduce supply chain risks and eliminate manual processes.
- **Our large network of buyers and sellers:** One of our top priorities is to connect businesses around the world. We now have more than 3,000 global companies trading on our B2B platform that are leveraging the benefit of trading with each other. Connecting our customers to trading partners across many industries is a value we bring to those on our platform. As our network continues to grow, buyers and sellers will continue to see growth in their sales, rapid onboarding of new trading partners, partner retention, reduction to supply chain risks and cost savings driven by automating manual processes.