March 13, 2016

**ARIBA**

Ariba Live Exec Keynote Bullets—r11

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| Welcome to Ariba Live 2016!   * Thank you for taking time out of your schedules to be with us. * Last year at Ariba Live, I was standing before you in my THIRD week on the job. It was exciting—and, I’ll admit, a little bit nerve-wracking.   During our time together last year, I spoke about Ariba having to be Simple. Global. And Innovative.   * We launched a new User Experience—simple. * We launched new global capabilities for Japan and Latin America and opened a data center in Russia—global. * And we announced AribaPay—innovative. * Now, a year later, I am even more excited as I reflect on what we’ve accomplished together and for the announcements we will make today, but I have to admit…it is still just as nerve-wracking.   We have a lot to cover today, so let me get right to what really matters: you.   * In the last year, I’ve had the pleasure of visiting with hundreds of customers—462 visits, to be exact. * For me, this has been incredibly energizing, and I would like to say thank you. * Thank you for your trust and partnership and for conducting your business—buying AND selling—over the Ariba platform. | Welcome.   * Last year – third week – nerve-wracking.   Last year—Simple. Global. Innovative.   * New User Experience—Simple. * Japan, Latin American global capabilities + data center in Russia—Global. * AribaPay—Innovative.   Year later—more excited to reflect on accomplishments and with announcements.   * But… just as nerve-wracking. ☺   A lot to cover—get started with what really matters: you.   * 462 customer visits. * Incredibly energizing. * Thank you for trust and partnership. * Thank you for conducting your business—buying and selling—over the Ariba platform. | **Ariba Live logo** |
| * We are deeply humbled by the two million companies from around the world that use Ariba solutions to connect, simplify and digitize their businesses.   + Sometimes it is hard to picture the size and power of what we are building together.   + So we visualized the buying and selling that happens over the network.   + What you see on the screen is a time compression of Ariba Network activity—you’re seeing transactions flowing and flowing around the world.   + This is real data. And the arrows show you the origins of transactions and where they go. The different colors you see represent different currencies. | Deeply humbled by two million companies that connect, simplify and digitize businesses.   * Hard to picture size and power. * We visualized. * You’re seeing time compression. * Transactions flowing. * Real data. * Arrows show path of transactions and colors show currencies. | **visualizer video** |
| * Isn’t it amazing what we created together?   + We just crossed over $1 trillion in commerce on the Ariba Network.   + We have 10 million users.   + More than $14 billion in payments are managed through the Ariba Network.   + And every SECOND, 4 documents and $27,000 are transacted on the Network.   + That means if I don’t go over my 20-minute time limit this morning, $32.4 million in transactions will take place before our conversation wraps up. * Clearly, this is a powerful network. It is a great representation of the digital economy. It’s global and it spans all industries. * And in my conversations with all of you, I’ve heard you talk about the value this digital economy can drive for your business.   + I’ve learned how you’re redefining the source-to-pay process inside your company, as well as beyond the four walls of your business, to conduct commerce in a new way.   + This is true for buyers AND sellers. For procurement, finance and supply chain leaders AND sales and marketing teams.   + Everyone is participating in and driving this discussion. | Isn’t it amazing what we created together?   * $1T in commerce. * 10 million users. * $14+ billion in payments. * And every SECOND, 4 documents and $27,000. * $32.4 million during keynote.   Powerful network—great representation of digital economy.  Conversations with all of you, heard the value of digital economy.   * Redefining source-to-pay—within company and outside four walls. * True for buyers and sellers. Procurement, finance, etc. * Everyone driving discussion. | **$T in commerce.**  **10 million users.**  **$14 billion in payments.**  **4 documents and $27,000 per second.**  **$32.4 million.** |
| * And through these conversations, two themes have come up over and over again: **Adoption and Transformation**.   + Adoption asks the question: how can I drive more usage and, as a result, more value? And how do I do it faster?   + Transformation asks the question: once I am connected, how can I transform and bring new capabilities to my business? * Adoption and transformation together unlock the value of the digital economy.   + So this morning and over the next two days, we want to explore both adoption and transformation with you. | Through conversations, two themes: **Adoption & Transformation.**   * Adoption: how can I drive more usage, move value and do it faster? * Transformation: One connected, how can I transform the business?   Unlock value of digital economy.  Explore this morning and over next two days. | **Adoption & Transformation** |
| **1) ADOPTION IS THE KEY TO INNOVATION.**   * Let’s start with adoption first. * The advent of digital has had a massive impact on everyone in this room—from how we all live our daily lives to how we do our jobs. * One obvious impact is the need for simplicity.   + Just think, when was the last time you looked for a user guide? Remember the world of manuals? Those were the days.   + Today, we all simply expect to be able to figure out how a system, an app or any tool works. Our tolerance for complexity is gone.   + Not surprisingly, when we rolled out our new User Experience last year, more than 90% of customers stayed on it. Why? Because it made things simpler. * Together, we have to figure out a way to deliver more sophistication and remove complexity from the entire buying and selling process.   + We have to cut friction out of the process.   + We have to break down the barriers to access. * This is a critical issue for all of us, because all of us – as a community - are successful when buyers and suppliers are *on* the Ariba Network and *using* the Ariba Cloud applications.   + Adoption is the only way all of you can hit the objectives and needs of your business cases and accelerate the time to value of your investment in Ariba. * And this is why user experience is a top of mind issue for all of us.   + Now, we all love and appreciate good design, but user experience is about much more than creating an elegant look.   + User experience is important, because it drives adoption, and adoption drives value.   + That means innovation is only valuable if it has been designed for adoption. * Ariba is committed to **design for adoption**. So when we think about user experience, we think about more than just cutting clicks out of a process.   + It’s about more than just taking the screens and making them work in a mobile environment. It’s about so much more than aesthetic.   + It’s about rethinking the very way we facilitate the connections between buyers and suppliers and every touch point along the way.   + It’s about combining simplicity and intelligence—bringing both of them to life to create new, dynamic, easier experiences for everyone who uses the Ariba network. | Start with adoption.  Massive impact of digital.  One obvious impact = simplicity.   * User guide? Manuals? * Expect everything to just work. * No tolerance for complexity. * 90% of customers stayed on new UI.   Together, deliver more sophistication and remove complexity from source-to-pay.   * Cut friction. * Break down barriers to access.   Critical for all—successful only when buyers and suppliers are ***on*** and ***using*** Ariba Network/apps.   * Only way to hit objectives and business cases. * Key to accelerating time-to-value.   That’s why user experience is top-of-mind.   * Love good design, but more than elegant look. * User experience drives adoption, and adoption drives value. * Innovation only valuable if **designed for adoption.**   Ariba committed to **design for adoption**.  More than just cutting clicks out of process.   * More than taking screens and making work in mobile. * Rethinking way facilitate connections between buyers and suppliers and every touch point. * Combining simplicity and intelligence into new, dynamic, easier experiences. | **Adoption** |
| Announcement*:*   * + Today is a significant moment for all of us, because we are launching a new solution that unites these ideas of smart and simple procurement: we call it Guided Buying.     - Guided Buying builds on our total user experience journey from last year.     - It adds a whole new dimension of intelligence to procurement solutions that doesn’t exist anywhere else today.     - It literally guides a buyer to preferred vendors or through the preferred process, and it includes all your company’s policies.     - In a few minutes, we will show you Guided Buying live on stage. I can’t wait for you to see and feel it. | Launching solution unites smart and simple—Guided Buying.   * Builds on total user experience. * Adds new dimension that doesn’t exist anywhere else today. * Actually guides buyer + includes all policies. * Show you in a few minutes. | **Guided Buying Screenshot** |
| Supplier Onboarding Experience   * While I am incredibly excited about Guided Buying, SAP Ariba is more than a procurement solution. Ours is a two-sided model. It is a community of buyers *and* sellers.   + So to break down the barriers for all users, we need to look at both sides.   + We want all of our buyers’ suppliers to join this community. And that’s why supplier onboarding is so critical. * Our procurement customers naturally want to make the sign-up process as easy as possible for all of their supplier partners. * They also want to give their suppliers options—because each supplier has varying levels of technology sophistication, tolerance for change or ability to invest. A one-size-fits-all onboarding approach simply doesn’t work.   + And, to be honest, that’s what we’ve had in the past. Our onboarding process for suppliers has been pretty rigid, requiring every business of every size to go through the same time and effort and technology investment.   + This complexity limited some suppliers’ interest in joining the network, because the process simply didn’t fit them. | Ariba about more than procurement—two-sided model.   * Look at both sides to break down the barriers. * Want all buyers’ suppliers to join. * Supplier onboarding critical.   Procurement customers want sign-up to be easy as possible.  Give supplier options—each supplier so different (technology, change, investment).  Not one size fits all.   * Kind of what we’ve had. * Pretty rigid process and pricing. * Limited suppliers’ interest. | **Adoption** |
| *Announcement:*   * + These onboarding and pricing issues are the inspiration for two announcements we’re making this week.   + First, we’re launching light enablement—a new feature that gives suppliers another way to connect to the Ariba Network.     - This email-based feature allows suppliers to connect with their customers through Ariba without any new technology. No portal. No change management. No barriers.     - It’s perfect for one-off purchases or for suppliers that want to try Ariba before joining our network.   + Second, we are simplifying our annual membership pricing and our pricing packages.     - Be sure to attend the Enablement breakout session to learn more about both of these topics. | Two announcements.  First: Light enablement   * Give suppliers another way to connect. * Email-based—no new technology. No portal. No change management. No barriers. * For one-off purchases or suppliers who want to test-drive.   Second: simplifying annual membership pricing & pricing packages.   * Attend the Enablement breakout session. | **Transformation**  **Light Enablement**  **Simplified Pricing** |
| Adoption Wrap Up   * As you can see, we are absolutely committed to removing any barriers to adoption. Guided Buying, Light Enablement and our pricing changes are three major steps in this journey.   + Today, we have two million companies on the Ariba Network. That makes us the largest business network in the world, and we’re just getting started.   + We won’t stop until the two sides of our network won’t *need* or *want* to go anywhere else to build partnerships, manage their supply chains or grow their businesses.   + In fact, by 2020, we will more than double the number of companies on the network to five million. Five million companies for you to do business with. That’s a big number, but we can do it together. | Completely committed to removing barriers to adoption.   * 2 million companies today. * Largest business network in world. * Won’t stop until buyers/suppliers won’t *need* or *want* to go anywhere else. * 5 million by 2020. * We can do it together. | **Adoption** |
| **2) IT’S TIME FOR TRANSFORMATION BEYOND THE TRANSACTION.**   * Now what happens when you have five million companies connected on one network? You can start to dream. You can start to imagine what’s possible.   + Together, we can imagine how we can *use* this increasingly stronger, more powerful network to accomplish *new* things. To deliver even *more* innovation and start to deliver true *transformation*.   + Automating the exchange of a PO and an invoice is only the start, and we are far from done.   + Now is the time to think beyond automation and beyond the transaction.   + Now is time to address the top-of-mind issues in your companies: Financial supply chain. Supply chain risk. And the Internet of things.   + Because these issue are top-of-mind for you, they’re top-of-mind for us.   + Let’s dive a little deeper. * Recently, I spoke to a leader in the services sector, and he was sharing how his focus has shifted. * He already tackled efficiency, and now his concerns are the risks that may be hidden in his supply chain.   + He wants to transform his focus to include more than just his top-tier suppliers but all of his suppliers. And he wants clear visibility into his second and third tier suppliers.   + You have seen the headlines: new Modern Slavery legislation in the US and UK requiring companies to prove that they understand what’s happening in their supply chains.   + Clearly, this customer needs to manage financial and regulatory risks in his supply chain. And he wants to protect his brand and support an important cause.   + So he’s looking to the Ariba Network—where he connects to and does business with his suppliers—to help him. * I was also chatting with a procurement leader in the technology sector recently who has shifted how he views his team’s responsibilities:   + He described to me how he’s looking to transform his procurement department to be responsible for the continuity of service his company and its products provide.   + He’s not interested in just an efficient ordering system when a piece of technology breaks down—he wants to build a system that predicts when a device may need a new part and automatically triggers the ordering of a replacement part.   + So he’s looking to the Ariba Network—where he connects to and does business with his suppliers—to help him. * These leaders are challenging themselves and, frankly all of us.   + So together, we need to stop looking at the Ariba Network as a closed system designed to manage a narrowly defined business process.   + And start looking at it as a place where we all can go to innovate, collaborate and get more work done. * I love this type of thinking, because it shows how the Ariba Network allows all of our customers to thrive in the digital economy and transform their businesses digitally. The idea of the network inspires all of us to start thinking bigger and start answering questions like:   + How do we transform from managing suppliers to managing risk in the supply chain?   + How do we transform from saving the business money, to changing how we do business? | What happens when 5 million companies on one network?   * Dream. Imagine. * Accomplish new things. More innovation. * Deliver **transformation**. * Automating PO and invoice is start. * Think beyond automation and transaction. * Address top-of-mind issues—financial supply chain, supply chain risk, internet of things. * Top of mind for you, so top of mind for us.   Leader in services sector shared shift in focus.   * From efficiency to risks hidden in supply chain. * Visibility into all suppliers. * Modern slavery legislation. * Manage financial, regulatory risks. * Protect brand and support important cause. * Looking to Ariba Network to help.   Leader in tech sector shared shift view of team’s responsibility.   * Continuity of service. * Beyond efficient ordering system for parts. * Predict when new parts are needed and trigger process. * Looking to Ariba Network to help.   Leaders challenging all of us.   * Together, stop looking at the Ariba Network as a closed/narrowly define. * Start looking where we all can go to innovate, collaborate and get more work done.   Love this thinking—shows how all customers can thrive in digital economy and transform businesses digitally.  All start thinking bigger.   * How do we transform from managing suppliers to managing risk in the supply chain? * How do we transform from saving the business money, to changing how we do business? | **Transformation** |
| *Announcement:*   * + And that takes us to another announcement I’d like to share with you: We are opening the Ariba Platform, making it a true Platform-as-a-Service for commerce services.   + With our new Open Partner Ecosystem, we’re enabling anyone to quickly and easily deliver innovative services for themselves, for those they collaborate with or for anyone on the Ariba Network.     - You can build your own solution extensions or you can leverage pre-built extensions made available by Ariba partners.     - You can access self-service applications to create custom forms and extend your applications quickly and easily.     - You can use the platform of your choice to launch apps or extensions OR develop natively on the Ariba platform.     - And partners can rapidly innovate and develop market-specific apps and extensions using APIs. * And not only are we announcing this strategic direction, but we are also happy to have Discover, Siemens Financial Services, First Data, NTT and Deloitte among our first innovation partners.   + We also are extending Spot Buy with an open API for our large sellers and content partners.   + We’re working on contract authoring with the world’s leading cloud based office productivity suite. Stay tuned for more on that tomorrow.   + We are also working with some of the most innovative startups in Silicon Valley to provide mobile-based collaborations, as you’ll see in the breakout sessions.   + With partnerships like these, we’re moving into a next generation of innovation—where our customers and other partners can now address specific industry and market challenges or develop new solutions to new regulatory requirements. | Next announcement.  Opening Ariba Platform to true Platform-as-a-Service.  New Open Partner Ecosystem, anyone deliver innovative services for themselves, partners and anyone on the network.   * Build own solution extensions or leverage pre-built extensions. * Access self-service applications to create custom forms and extend your apps quickly and easily. * Use platform of your choice to launch OR develop natively. * And rapidly innovate and develop market-specific apps and extensions using APIs.   Have Discover, Siemens Financial Services, First Data, NTT and Deloitte among first partners.   * Extending Spot Buy with an open API. * Contract authoring with world’s leading cloud based office productivity suite. Stay tuned for more on that tomorrow. * Working with most innovative startups in Silicon Valley to provide mobile-based collaborations, as you’ll see in the breakout sessions.   Moving into next generation of innovation.   * Customers and partners can address industry and market challenges and develop new solutions to new regulatory requirements. | **Platform-as-a-Service** |
| *Demo:*   * + Let’s see this in action, and determine if we can help that financial sector leader who wants procurement to ensure business continuity. Let me show you how this can work at an example from a mining company…   + As you can see here, this mining company has different assets deployed. And through SAP, we are tracking the assets. This yellow indicator tells me we have a problem. [tap on yellow]   -I see that the asset is a truck so let’s see what’s going on. [tap on real time]  - It’s showing us a few different things on the monitor. [discreetly press button on IoT device]  - Let’s see the updates – it appears to be a temperature problem. So we need to determine resolution [tap on predictor]  - This shows me the date and let’s see the proposed resolution. [tap on resolution]  - OK we need to replace 2 parts but they are not in stock.  - Let’s use SAP Ariba to source the parts – and this is all seamlessly integrated for me.  - It creates the requisition. [tap confirm]  - And now the status says the parts are ordered.   * + Notice how this includes unscheduled and scheduled maintenance, so the service technician can address both while onsite.   + Also, it combines real time plus historical data, so it can be predictive. | Let’s see this in action.  Help financial sector leader focused on business continuity.  Mining company as different assets. Tracking assets through SAP.   * This yellow indicator tells me we have a problem. [tap on yellow] * I see that the asset is a truck so let’s see what’s going on. [tap on real time] * It’s showing us a few different things on the monitor. [discreetly press button on IoT device] * Let’s see the updates – it appears to be a temperature problem. So we need to determine resolution [tap on predictor] * This shows me the date and let’s see the proposed resolution. [tap on resolution] * OK we need to replace 2 parts but they are not in stock. * Let’s use SAP Ariba to source the parts – and this is all seamlessly integrated for me. * It creates the requisition. [tap confirm] * And now the status says the parts are ordered. * Includes unscheduled and scheduled maintenance, so tech can address both. * Also, combines real-time + historical data, so it can be predictive. | **IoT demo** |
| Wrap Up & Transition to Rob E.   * As I wrap up this morning, let’s remember our two themes: adoption and transformation. * Throughout the day today, you’re going to hear how we’re **designing for adoption**.   + Focusing on making each step of the process simpler.   + Rethinking the entire experience.   + Rethinking how we interact with data and with each other.   + There’s a lot of great information, and I think you’ll really enjoy it. * But before we get to some of those examples, we’re going to spend a few *more* minutes talking about **transformation**—specifically the digital transformation we’re all experiencing today. * Over the last couple of months, you’ve likely noticed our branding has changed. We are now SAP Ariba. Ariba has been a part of SAP for a while, but we are now fully within the SAP family.   + I want to be clear that this transition to SAP Ariba DOES NOT mean that you have to be an SAP ERP customer to be an Ariba customer. As we’ve already discussed, Ariba will continue to be an open network that connects to all systems and all platforms.   + What being a part of SAP DOES mean, however, is that we are poised to take advantage of—and help our customers take advantage of—the tremendous shifts going on in our category and in the world today. The digital transformation we’ve been talking about. * And this morning, I’m excited have Rob Enslin with us.   + Rob is a personal friend, Executive Board Member and the President of Global Customer Operations at SAP.   + And he’s going to join me on stage for a conversation about SAP’s vision for digital transformation—and how SAP is helping businesses all around thrive in the digital economy.   + So please join me in welcoming Rob Enslin. | Wrap up, remember **adoption** and **transformation.**  Hear about **designing for adoption** today.   * Making each step of the process simpler. * Rethinking the experience + interaction with data and each other. * Great information, and I think you’ll really enjoy it.   Before we get to examples, few *more* minutes on **transformation**—digital transformation.  Branding change to SAP Ariba.   * DOES NOT mean that you have to be an SAP ERP customer. * DOES mean we all take advantage of digital transformation.   Excited have Rob Enslin with us.   * Personal friend, Executive Board Member and the President of Global Customer Operations at SAP. * Conversation about SAP’s vision for digital transformation—and how SAP is helping businesses all around thrive in the digital economy. * Welcome Rob Enslin. | **SAP Ariba Logo** |

<Rob Interview>

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| **CLOSING/WRAP UP AFTER ROB E’s SECTION**   * Thanks, Rob. At SAP Ariba, we’re extremely fortunate to be able to leverage the innovation and investment SAP is making to equip businesses of all sizes to thrive in the digital economy. * Looking ahead, I’m incredibly excited about the journey we’ll take together over the next 12 months, and I can’t wait to start working with all of you.     *OPTION 1*   * Let’s have fun learning and dreaming together in the next few days. And then let’s take this momentum back to the world and lead our organizations into the digital economy.   *OPTION 2*   * I’d like to close with a short story that sums up the opportunity before all of us. * I met a CPO in Asia recently. She had just launched her Ariba project inside her company, and she was wearing a shirt that said “procurement is awesome.” * I told her that I loved her enthusiasm and the slogan. She corrected me, and said that it read “hashtag procurement is awesome.” * She told me we are all digital now and procurement is awesome is no longer sufficient—it has to be digital. * I agree, so I’ll leave you with this: hashtag procurement is awesome. * Thank you! | Thanks, Rob.   * Fortunate to leverage SAP innovation and investment in equipping businesses to thrive in digital economy. * Looking ahead—incredibly excited about journey together over the next 12 months. * I can’t wait to start working with all of you.   *OPTION 1*   * Have fun learning and dreaming. * Take momentum back to the world and lead organizations into the digital economy.   *OPTION 2*  CPO #procurement is awesome story. | **Ariba Live logo** |