

Report

Unlocking Procurement Potential: How to Make AI a Success

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The WBR AI in Procurement report highlights the rapid adoption of Artificial Intelligence (AI) within the procurement function but also underscores the mixed results and challenges faced by many organizations. While 96% of surveyed companies currently use AI in their procurement function, only 30% are satisfied with their current solutions. This indicates a significant gap between the potential of AI and its actual implementation, leaving many procurement teams seeking guidance on making AI a true success.

Beroe's data set is the most differentiated, real-time, and insightful.

This guide aims to address this challenge, exploring practical real-world applications of AI in procurement, the future potential of this technology, and the steps your organization can take to ensure successful AI implementation.



The Biggest Challenge: Data Quality

What needs changing the most?

One of the key challenges in using AI for procurement, especially in areas like market intelligence, is the quality and reliability of the data that the algorithms are trained on.

There are three main types of datasets available for training AI:

1 Public Datasets

While widely available, these datasets are often less accurate and can be prone to errors and biases. As content owners pull back on the amount of data they make available publicly, this issue will become more prevalent.

2 Paid Datasets

These datasets typically offer higher quality and greater value, but navigating the vast number of available data sources can be challenging and time-consuming.

3 Beroe's Unique IP

Beroe's data set is the most differentiated, real-time, and insightful. Our data comes directly from thousands of suppliers, traders, and experts each week. This proprietary data provides a significant advantage over publicly available or paid datasets, enabling Beroe's AI to deliver superior accuracy and insights, giving you a clear edge over competitors. AI is only as good as the data it sits on. ChatGPT and similar AI tools rely on public datasets, which often lack the depth and accuracy of specialized, industry-specific data.

64%

are only somewhat comfortable with their current knowledge of how to leverage AI for procurement functions.

Explainability is another critical challenge in AI deployment. While AI can provide impressive results, understanding how it arrives at those results can be difficult. This lack of transparency can hinder trust and confidence in AI-driven decisions. Beroe's AI solutions are built with a focus on transparency and explainability, providing clear and understandable explanations for our AI-driven insights.

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Practical Real-World Uses of AI in Procurement

AI is no longer a futuristic concept, but now a practical tool with the potential to transform your procurement operations. Here are some key areas where AI can deliver tangible benefits:

Market Intelligence and Analysis

Beroe's AI-powered solutions leverage real-time data and insights to empower your procurement team with a comprehensive understanding of market trends, competitive landscapes, and sourcing opportunities. This allows you to identify cost-saving opportunities, make informed decisions, and optimize sourcing strategies. (77% of respondents in the WBR report are already using AI for market intelligence gathering and analysis.)

AI is a practical tool with the potential to transform your procurement operations.

Automated Data Entry and Processing

AI can significantly streamline your procurement processes by automating tasks like data entry and processing. Beroe's platform leverages AI to reduce manual labor and errors, freeing up valuable time for your procurement team to focus on strategic activities. (74% of respondents reported using AI for this purpose.)

Predictive Analytics

AI-powered predictive analytics can forecast demand and prices, providing your team with valuable insights into market dynamics. This data can inform inventory management, optimize stock levels, and capitalize on price advantages. (57% of respondents indicated using AI for this.)

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Supplier Risk Management

AI can proactively identify and mitigate potential supplier risks, such as financial instability, ethical breaches, or supply chain disruptions. Beroe's AI-powered solutions analyze supplier data, conduct multi-tier material mapping, and provide real-time alerts to help your organization anticipate and mitigate risks. (52% of respondents currently use AI for this purpose.)



Unlocking Further Opportunities for Procurement Functions

The future of AI in procurement is exciting, with the potential to unlock even greater value and efficiency:

Enhanced Supplier Relationship Management

AI revolutionizes supplier relationships by analyzing data to predict supplier behavior and identify opportunities for collaboration. This can lead to more effective negotiations, stronger partnerships, and reduced risk. Beroe's AI-powered solutions will continuously evolve in this area.

58%

believe AI will be key to unlocking deeper insights and better decision-making.

Deepening Insights and Decision-Making

AI will enable your procurement team to analyze massive datasets, identify complex patterns and trends, and generate actionable insights to inform strategic decisions. This will lead to more informed sourcing choices, cost-effective strategies, and better risk mitigation.

AI has the potential to unlock greater value and efficiency.

Process Automation and Efficiency Gains

AI will further enhance process automation, freeing up procurement professionals to focus on higher-level activities, like supplier relationship management, innovation, and strategic sourcing.



Ensuring AI Success in Your Procurement: A Roadmap for Implementation

To address the challenges identified in the WBR report and ensure successful implementation, consider these steps:

- 1 Build a Strong Business Case** Define clear objectives, identify measurable benefits, and quantify the expected return on investment (ROI) for using AI. This will help secure buy-in from stakeholders and guide the implementation process.
- 2 Prioritize High-Impact Use Cases** Focus on the areas where AI can deliver the most significant impact on your procurement processes and goals. Start with areas like market intelligence gathering, supplier risk management, and data automation.
- 3 Invest in the Right Technology** Select AI solutions that meet your specific needs and integrate seamlessly with your existing systems. Beroe's solutions are designed to provide real-time insights and seamless integration, empowering you to use AI effectively.
- 4 Develop a Comprehensive AI Integration Plan** Outline a roadmap for AI implementation that includes training, process optimization, and change management strategies. This plan should address the potential challenges of data quality, bias, and employee resistance.
- 5 Identify and Mitigate Risks** Before deploying any AI solution, thoroughly identify and assess the potential risks associated with the specific use case. Develop a plan to mitigate or manage these risks, including addressing concerns about data bias, lack of transparency, and potential unintended consequences. Beroe's solutions are designed to continuously monitor and adapt to evolving risks, ensuring a secure and reliable AI implementation.
- 6 Focus on Data Quality** The quality and reliability of the data used to train AI algorithms are crucial for generating accurate insights. Remember, AI is only as good as the data you make it sit on. ChatGPT and similar AI tools rely on public datasets, which often lack the depth and accuracy of specialized, industry-specific data.

This is where Beroe's unique dataset provides a significant advantage. Our data set is the most differentiated, real-time, and insightful because it comes directly from thousands of suppliers, traders, and experts we speak with each week. This proprietary data, unlike publicly available or paid datasets, enables Beroe's AI to deliver superior accuracy and insights, giving you a clear edge over competitors.

By understanding the importance of data quality, and choosing a partner like Beroe who invests in creating a differentiated and valuable data set, you can ensure that your AI-powered procurement solutions deliver the most accurate and impactful insights.
- 7 Embrace Continuous Learning** The field of AI is constantly evolving. Invest in training and development programs to ensure your team members have the skills and knowledge needed to leverage AI effectively.

Partner with Beroe for AI Success

Beroe offers a comprehensive suite of AI-powered solutions designed to meet the needs of today's procurement professionals. Our solutions:

Empower Data-Driven Decision-Making

Beroe provides real-time market intelligence, cost analysis, and supplier risk insights to help you make informed sourcing decisions.

Streamline and Optimize Procurement Processes

Our platform automates tasks, identifies cost-saving opportunities, and enhances process efficiency.

Enhance Supply Chain Resilience

Beroe's AI solutions enable you to proactively identify and mitigate risks, ensuring business continuity and maximizing operational efficiency.

Unlock Innovative Capabilities

Beroe's solutions are constantly evolving to unlock new possibilities for AI in procurement, including advanced analytics, generative AI capabilities, and integration with emerging technologies.

The Future of Procurement: AI as a Catalyst for Success

AI is no longer a question of “if” but rather a question of “how” and “when” in procurement. By embracing AI with a clear vision, strategic implementation, and a focus on continuous learning, your procurement organization can unlock tremendous value and achieve a level of excellence previously unimaginable. Partner with Beroe to navigate this transformative journey and unlock the full potential of AI in procurement.

Contact Beroe today to learn how we can help you achieve AI success.

[Get in touch with us](#)