SAP Business Network

Supply Chain | SAP Business Network

From Uncertainty to Advantage:
Reinforcing Your Supply Chain

How SAP Business Network can help you adapt quickly, control costs, and become more efficient.

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In times of economic uncertainty, **supply chain resilience is critical**. So why don't more organizations use modern means of supply chain collaboration to turn challenges into opportunities? IDC has found that levels of maturity in supply chain collaboration vary widely and concluded that participation in a business network can deliver strategic benefits.

Why does supply chain collaboration matter?

In these uncertain times, supply chain resilience, visibility, and agility are crucial. So, how can organizations prepare themselves for constant change, and what role should technology play?

A recent IDC study, Accelerating Supply Chain Collaboration Maturity with a Business Network,[1] has identified improving supply chain collaboration as a key strategy towards better supply chain resilience. But many companies still have a way to go. The study found that the main challenges to better collaboration are:
- **Inadequate integration** between buyer and supplier systems
- **Continued reliance** on legacy communication methods
- **Lack of visibility** affecting responsiveness and leading to delays

" 86% of responding organizations use legacy methods to transmit and receive documents with suppliers, "

says IDC.[1]

These findings are also confirmed in a recent study by the **APQC**[2] which found that the lack of internal and external collaboration was a top barrier to process improvement for 55% of respondents.

Immediate strategic progress is possible
Fortunately, proven methods for more mature approaches to supply chain collaboration are available: namely, business networks, which have the potential to deliver numerous benefits. Curiously, despite their worldwide availability and proven success, they are still underutilized by many businesses.

Business networks are platforms that facilitate information exchange and automated transactions among supply chain partners. They help to give:
- **Supply chain management** teams the visibility, resilience, agility, and efficiency they require
- **Operations departments** the supply assurance they need to meet customer experience and compliance obligations
- **Procurement and supply chain organizations** the better supplier relationships and shorter cycle times they want—as well as the cost savings that are their constant priority

1. IDC InfoBrief, sponsored by SAP, Accelerating Supply Chain Collaboration Maturity with a Business Network, IDC # US53179225, April 2025.
2. 2025 Supply Chain Priorities and Challenges: White Paper, APQC, February 2025.

What are maturity models and how can organizations use them?

Maturity models are conceptual frameworks for measuring an organization's sophistication in a particular competency. They have been developed by academics, trade associations, and consultancies for many areas of business activity, such as project management, software development, and cybersecurity.

These models offer a structured way for organizations to assess their current state, identify areas for improvement, and develop strategies for achieving higher levels of maturity.

There are several models of supply chain maturity in general, such as those developed by UNICEF[1] and the Association for Supply Chain Management.[2] But now IDC has presented a model which is particularly focused on supply chain collaboration maturity.

How did IDC develop its supply chain collaboration maturity model?
In 2025, IDC conducted a study,[3] sponsored by SAP, of 1,022 enterprise and mid-market organizations, some of which were involved in supply chain business networks while others

were not. The sample covered 15 countries and 13 industries. Half the organizations had revenue over US\$1 billion, while almost all the rest had revenue over US\$750 million. Respondents included 38% sole decision makers and 62% group decision makers for supply chain business networks. Seven percent of respondents were C-level, 21% vice president, 62% director, and 10% manager level.

As IDC engaged with end-user companies across multiple industries, it witnessed different levels of visibility, efficiency, and collaboration performance.

The analysis looked at several capabilities, including how companies transmit and receive critical supply chain documents and how integrated systems collaborate with external suppliers. It also took account of overall supply visibility beyond immediate tier 1 and the approach to addressing scope 3 emissions assessment with trading partners.

IDC grouped these capabilities into four assessment levels and correlated business outcomes across a broad range of metrics: revenue growth, cost efficiency, people productivity, customer satisfaction, speed of innovation, sustainability, and overall business resiliency.

1. Supply Chain Maturity Model, UNICEF.
2. ASCM Global Health Maturity Model Version 9.0, Association for Supply Chain Management.
3. IDC InfoBrief, sponsored by SAP, Accelerating Supply Chain Collaboration Maturity with a Business Network, IDC # US53179225, April 2025.

IDC's model of supply chain collaboration maturity

This is how IDC assessed the maturity of the 1,022 respondents to the 2025 study.[1]

Stage 1: 15% of companies

This is the lowest level of maturity, and it only takes one company with low maturity to affect the entire supply chain. This stage is characterized by:

- Manual document exchange
- Poorly integrated collaboration tools
- Poor visibility into supply, especially beyond tier 1
- No clear plans to capture scope 3 emissions

Stage 2: 36% of companies

First initiatives to achieve more maturity are under way, but these tend to be isolated and don't significantly move the needle yet. Companies in this group have:

- A mix of manual and automated document sharing
- Some integration of collaboration tools
- Poor visibility into supply, especially beyond tier 1
- No clear plans to capture scope 3 emissions

Stage 3: 34% of companies

Companies in this stage have progressed their maturity, but opportunities to improve remain, especially in visibility. Their characteristics include:

- A mix of manual and automated document sharing
- Mostly full integration of collaboration tools
- Improved visibility into supply, especially beyond tier 1
- Ability to collect limited scope 3 emissions data

Stage 4: 15% of companies

Companies in the highest category are the most resilient, efficient, and compliant. They drive supply chain collaboration through modern technology and business processes. Companies in this group have:

- High levels of automated document exchange
- Fully integrated systems for collaboration
- Extensive visibility into supply, including beyond tier 1
- Clear plans to capture scope 3 emissions data

1. IDC InfoBrief, sponsored by SAP, Accelerating Supply Chain Collaboration Maturity with a Business Network, IDC # US53179225, April 2025.

The benefits of a more mature approach to supply chain collaboration

IDC found that maturity levels in supply chain collaboration vary widely among different organizations and across industries. They concluded that participation in a business network has the potential to deliver the performance improvements that supply chain stakeholders in all industries are seeking.

According to this study, supply chain collaboration maturity correlates highly with improved revenue performance, operational efficiency, and customer satisfaction.

As companies adopt automation, enhance integration, and improve collaboration and visibility, they see corresponding improvements in overall business performance.

According to the study,[1] the difference between what it calls stage 1 and stage 4 performance can mean:

- Revenue performance of almost **40 percentage points higher**
- Operational efficiency of almost **41 percentage points higher**
- Customer satisfaction of almost **23 percentage points higher**

> " Companies at the more advanced stages of maturity see notable improvements in efficiency, service delivery, regulatory compliance, and issue resolution times, "
>
> says IDC.[1]

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1. IDC InfoBrief, sponsored by SAP, Accelerating Supply Chain Collaboration Maturity with a Business Network, IDC # US53179225, April 2025.

Participation in a business network helps organizations mature

Organizations that participate in at least one business network are able to respond better to disruption due to greater visibility, easier access to trading partners, and improved supplier collaboration.

The study found that network participation helped by:

1. Improving collaboration and visibility beyond tier 1
2. Providing more accurate and timely information and enhancing the organization's ability to respond to disruptions at scale
3. Extending digital process and document sharing with external trading partners
4. Improving assurance of supply and efficiency of processes
5. Automating and integrating systems to improve data accuracy and timeliness

> **" 56% of operations leaders identified supply chain transparency as one of their top priorities, and 53% cited flexibility, "**
>
> says Kearney.[1]

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1. Beyond Survival: The New Operational Playbook Separating Leaders from Laggards in 2025, Kearney, March 2025.

Introducing SAP Business Network

What is SAP Business Network?

SAP Business Network is the world's largest B2B trading partner platform and supports more than US$6 trillion in annual transactions.

It modernizes how procurement and supply chain processes are connected across companies to build stronger supply chains and deliver on the customer promise.

SAP Business Network closes the break points between buyers and suppliers by enabling transaction exchange, information sharing, and trading partner discovery, leveraging AI and configurable business rules.

This helps companies gain greater visibility into their supply chain, increase operational efficiency, and improve compliance.

How does SAP Business Network improve supply chain collaboration maturity?

SAP Business Network enables buyer organizations to increase the speed of document delivery and issue more purchase orders electronically—shortening procurement lead times. It also reduces the time it takes them to approve invoices and process more invoices automatically.[1]

SAP Business Network helps selling organizations increase their revenue by improving their demand forecasting and cutting down the time taken to send invoices and shipping notices. It also delivers efficiency improvements in order processing and sales administration teams.[2]

1. The Business Value of SAP Business Network—for Buyer Organizations, IDC Business Value White Paper, sponsored by SAP, IDC #US52679524, March 2025.
2. The Business Value of SAP Business Network—for Selling Organizations, IDC Business Value White Paper, sponsored by SAP, IDC #US53181425, April 2025.

Customer experience of using SAP Business Network

Churchill Downs

Known as the home of the Kentucky Derby, Churchill Downs had expanded into casinos, hotels, and entertainment venues, resulting in the fragmentation of its spend management and procurement systems. This made it hard for the group to get a clear picture of spend.

By integrating SAP Cloud ERP offerings with SAP Ariba solutions and SAP Business Network, it was able to consolidate procurement processes and spend data and achieve a 40% reduction in supply base, leading to a more resilient supply chain.

Molex

When global electronics leader Molex outgrew a legacy supplier portal, it moved to the SAP Business Network Supply Chain Collaboration solution. Now the company mitigates supply risks through intelligent collaboration, smooth digital connections between buyers and suppliers, and transparency into suppliers' ability to commit to production plans.

It successfully onboarded over 900 suppliers onto SAP Business Network, transacted over US$1 billion over the network in the first 18 months, and now confirms 90% of orders electronically, improving the company's security of supply.

Celsa

When steel producer Celsa UK looked to improve cost efficiency and visibility across its logistics network, it realized that effective collaboration with its carriers would be key to success. To help it achieve this, the company implemented the SAP Business Network Freight Collaboration solution.

Celsa achieved 1% to 2% savings on transport costs and 83% on-time deliveries due to 95% of its road carriers collaborating through the network.

What should you do next?

When buyers and suppliers collaborate over a business network, both can benefit. So, what should you do next to improve your level of supply chain collaboration maturity? **SAP recommends you consider the following.**

Assess your organization's maturity

1. Read the **IDC InfoBrief**[1] and review their entire maturity model.
2. Assess your own maturity against the IDC model.
3. Understand your barriers to higher maturity and what best-in-class supply chain maturity would mean to your organization.
4. Investigate the potential value of SAP Business Network for your company using **our quick and simple online self-assessment calculator**.

Get the full IDC InfoBrief

To understand the detail, see the breakdown across key industries, and more accurately assess yourself against the maturity model, you need to **read the full IDC study**.[1]

Explore SAP Business Network

Understand how **SAP Business Network Supply Chain Collaboration** could help you improve trading partner collaboration, drive supply chain resilience, and give you better visibility of supply and emissions data.

Chat with an SAP expert

Our supply chain and procurement specialists are always happy to discuss your situation and any way we could help. **Contact us here**.

SAP Bring out your best.

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1. IDC InfoBrief, sponsored by SAP, Accelerating Supply Chain Collaboration Maturity with a Business Network, IDC # US53179225, April 2025.