

# Centralized Procurement Strategy Achieves Cost Savings



Challenges	Solutions	Results
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| <ul style="list-style-type: none"> <li>• Began a centralized sourcing program to add value to the company by securing the best cost through online sourcing techniques</li> <li>• Previous decentralized approach was a labor-intensive, time-consuming process that required departments to locate and qualify vendors, send RFPs, and check that bids met project specifications</li> <li>• Transition to a centralized program required technological and procedural changes</li> </ul> | <ul style="list-style-type: none"> <li>• Newly developed procurement team worked with departments to demonstrate how the Ariba Discovery™ service could quickly identify well-qualified suppliers across a broad set of categories, industries, and geographies—enabling the company to source products and services faster and at a lower cost</li> <li>• With centralized procurement and Ariba Discovery, RFPs are automatically sent to suppliers whose capabilities match the requirements</li> <li>• Powerful search capabilities allow the procurement team to drill down to hand-select and invite bids from specific suppliers</li> <li>• Only received responses from qualified vendors who submitted bids directly to Stage Stores within Ariba Discovery</li> <li>• Encouraged vendors it had worked with previously to become registered suppliers on Ariba Discovery, and achieved 100 percent compliance</li> </ul> | <ul style="list-style-type: none"> <li>• Through Ariba Discovery, Stage Stores can quickly identify eligible vendors who meet its criteria to create a more competitive bidding process</li> <li>• Centralized procurement and Ariba Discovery have led to a 15.5 percent savings across a wide range of products and services—from computers and lighting to printing and construction</li> <li>• Significantly faster process—bids that previously took 45+ days are now completed in three to five business days</li> <li>• After posting an RFP for lighting, they doubled the number of participants normally bidding and selected vendor resulted in a 14 percent savings per store</li> <li>• Plans to expand use of Ariba Discovery to streamline sourcing throughout company and maximize the advantages of a centralized, automated procurement process</li> </ul> |
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**Profile**  
Houston-based Stage Stores has more than 735 stores in 38 states under the Bealls, Palais Royal, Peebles, and Stage trade names. The company has established a niche in providing a broad range of brand-name merchandise with a high level of customer service to small and mid-sized towns and communities.

**Ariba Commerce Cloud Features**

- The Ariba Discovery service

**“We currently source everything we can through Ariba Discovery. Having all those vendors at your fingertips leads to more competitive bids and lower costs.”**  
Chris Uriarte, Sourcing Manager, Stage Stores

