

# Hubspan White Paper: *Buyer Integration on the Ariba Network*

Why Doing Business Your Customer's Way Is the *Only* Way

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**Executive Summary**

**Combining the Power of B2B Cloud Integration and the Ariba Network**

Commerce is all about connections. Continued success and growth in commerce is based on making those connections with your buyers stronger.

Today, you conduct business in a global marketplace, and the online business model is the only one that really makes sense in this arena. The truth is all of your customers are migrating to the online model. To stay competitive, suppliers will have to work seamlessly in this environment as well, and not only be present on critical marketplaces, like the Ariba Network, but also be able to conduct business the customer’s way, based on their business processes and rules.

Getting on-board with an eCommerce trading community like the Ariba Network is critical in today’s Web-based economy. With the Ariba Network, you can connect to all of your customers in a single environment, centralizing your commerce, strengthening your relationships and optimizing your business operations. However, once on the network you must be able to easily update your product catalogs or eStore, share information and documents, collaborate in real time, and automate critical business processes – and make it all work seamlessly. Business-to-Business (B2B) integration working with online

commerce allows both you and your buyers to do just that.

B2B integration makes it easier for your customers to work with you and to buy your products. But it is also much more. Integration means entering into a real partnership with your customers, working together to drive revenue, gain market share, accelerate growth, boost productivity, and reduce costs and risk. Ultimately, B2B integration is a competitive advantage that will impact your top and bottom line in the short term and determine the success of your business in the long term.

B2B integration in the cloud allows you to achieve strong buyer retention and revenue without requiring any new hardware or software on premise, while enabling interoperability across all ERP and back-end systems and allowing you to say “yes” to buyers when they ask you to do business their way.

This paper will explain how B2B integration with the Ariba Network works, outline the advantages, and introduce Hubspan, the leading B2B cloud integration provider for customer integration and Ariba’s leading B2B partner for the Ariba Network.

*Hubspan and Ariba are partnering to provide you with choice for connecting to the Ariba Network and integrating with your buyer community.*



## The Next-Generation Marketplace

### Joining the Global Commerce Community on the Ariba Network

The Ariba Network makes global commerce possible. As the world's largest Web-based trading community, the Ariba Network brings the world's suppliers and buyers together in an easy-to-use eCommerce environment.

The Ariba Network makes collaborative commerce a reality for your company by empowering you to conduct business with your customers in the cloud, conducting transactions and collaborating virtually, instantly, globally. By extending your current backend systems into the cloud, you can manage and optimize all of your trading relationships through a single user interface.

Almost anyone who is anyone is already on the network – 400 of the Fortune 500 and 94 of the Fortune 100 rely on the Ariba Network to support their collaborative commerce initiatives. On the network, you can discover, connect to and collaborate with more than 500,000 businesses around the world.

## Automating and Integrating Your Business Processes on the Ariba Network

### The Need for B2B Integration

Getting on the Ariba Network is the first step. The key is optimizing your presence on the network by fully automating related business processes, making it easy for the buyers to transact with you, and extending your existing processes and back-end systems to the network.

By adding integration to your network connection, you obtain efficient and seamless connectivity between you and your customers on the Ariba Network, enabling you to easily automate eCommerce business processes and build on your relationships.

For example, you may be on the network, but your team is still manually entering data for POs, invoices and online catalogs. These manual processes typically result in order errors and consume massive amounts of time and resources. By automating the PO and invoice process with your buyers and integrating those documents directly into your back-end system reduces errors and costs and expedites payment from your customers and time to market.

## The Top 5 Benefits of Buyer Integration on the Ariba Network

### 1. Make Your Customers Happy

B2B integration makes it easier for your customers to do business with you, and they get to do it their way – and that makes them happy. In addition, B2B integration improves your agility to respond to customer needs, and it delivers operational efficiencies that lead to better service, translating into greater customer satisfaction and improved customer relations.

### 2. Increase Productivity

B2B integration can have a powerful impact on productivity. Integration with your customers allows automation of processes that you could never even think about automating before, eliminating routine manual tasks and streamlining your order-to-invoice process and day-to-day operations. You can accelerate transaction processing, with less cost and greater order accuracy. Meanwhile, automation liberates your team to spend time more productively on higher value tasks.

### 3. Maximize the Value of Existing Back-end Systems

Integrating your existing applications and systems across the Ariba Network actually helps extend the

life of these assets, whether you have SAP or even a home grown system. B2B integration instills new life into your existing backend systems, empowering them to communicate, exchange documents and conduct commerce across the Cloud, without changing hardware, applications, standards or workflows. It doesn't matter if your customers are using legacy tools or the latest technology, everything is totally interoperable with B2B integration.

### 4. Reduce Time-to-Revenue

With B2B integration on the Ariba Network, all the time-consuming headaches of on-boarding a new customer are gone. You are already plugged in and ready to do business immediately, and so are your customers. You can negotiate deals and conduct transactions faster, get paid sooner, and do more business in less time.

### 5. Increase Revenue and Gross Margin

B2B integration dramatically improves profitability by impacting both your top line and bottom line. Ultimately integration serves as a competitive advantage that drives revenue, and a cost saving initiative that improves your gross margin.

**Case Study: Buyer Integration for the Biotech Industry**

One of the world’s leading biotechnology suppliers serves the global life sciences community with an online catalog featuring more than 25,000 products. By leveraging B2B integration, the company has increased its competitiveness in the market, reinforced customer relationships and increased revenues while reducing costs.

**Challenge**

To meet the goal of growing revenues and delivering better value to customers, the biotech supplier had to improve the online business experience. The primary competitor in the market was developing a strong online capability, and the company needed to address the issue fast to stay competitive. This was a challenge, however, because the company’s customer base had a diverse range of procurement and technology requirements, and the company’s own order management system encompassed more than a dozen separate platforms.

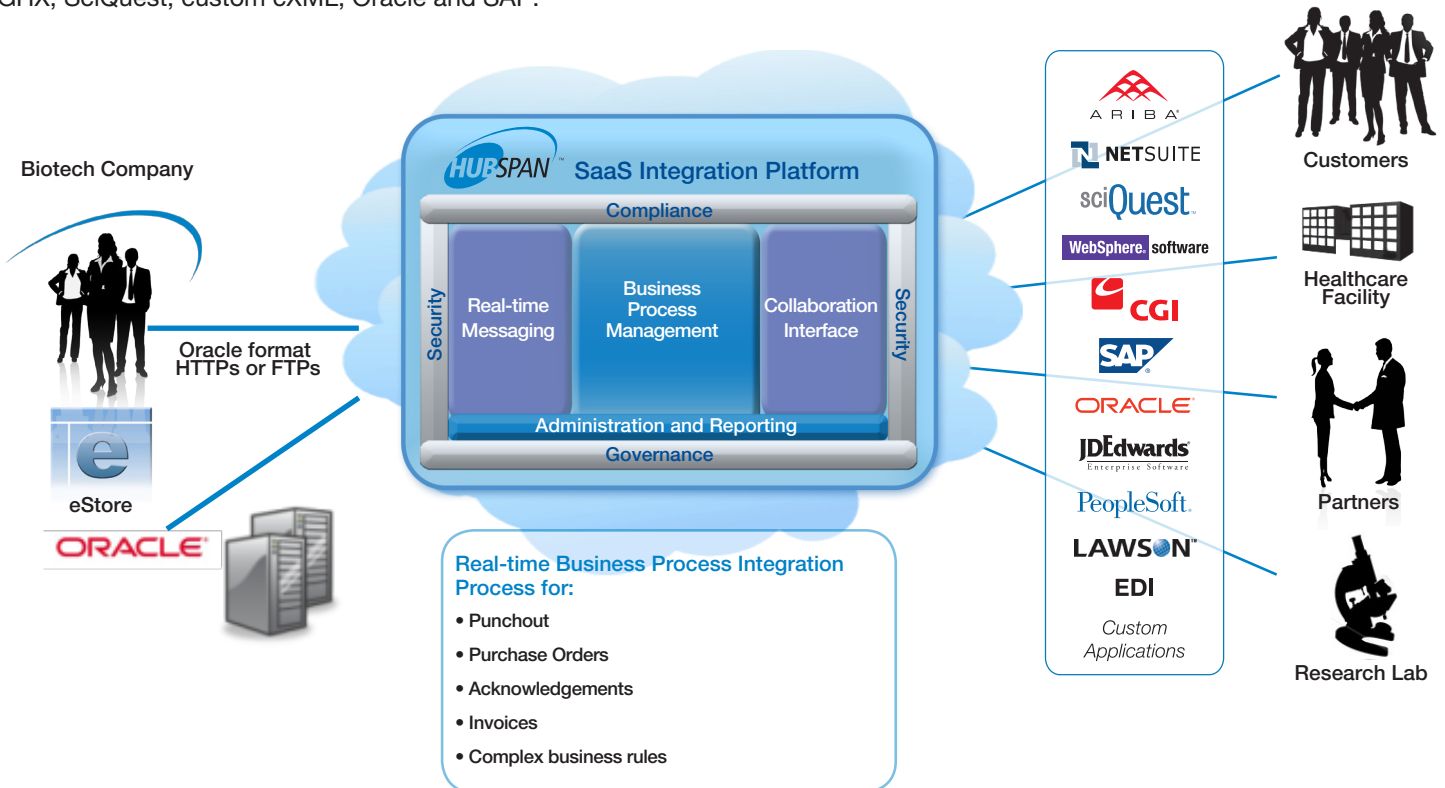
**Solution: B2B Integration**

The biotech supplier selected a cloud-based B2B integration solution delivered as a managed service that allowed the company to collaborate with any customer, and connect to any procurement or back-office system through the Ariba Network, as well as diverse platforms including GHX, SciQuest, custom cXML, Oracle and SAP.

**Results**

The biotechnology company achieved the following results with B2B integration:

- Average 30% increase on orders from integrated customers
- Increase in order size, even from smaller customers
- Expansion of scope from serving needs of individual labs to entire worldwide organizations
- Improved Web-based sales which account for almost 40% of the company’s total order volume
- Stronger customer relationships and retention
- Competitive advantage to win new business by marketing a “procurement partnership”
- Significant reduction in operating costs due to automation and integration outsourcing





## Making the Connection

### B2B Cloud Integration with Hubspan

Ariba has partnered with Hubspan, the leading Cloud B2B integration platform provider, to enable true interoperability and seamless integration on the Ariba Network. With a single connection, Hubspan extends all back-end systems and e-procurement processes to deliver interoperability across applications, protocols, formats and business rules, enabling seamless connectivity and transactions with your customers.

Hubspan's Cloud Integration Platform is a flexible and secure cloud-based solution that leverages the Software-as-a-Service (SaaS) model to reduce the cost and complexity of collaborative commerce.

Hubspan complements the Ariba Network with Integration Adapters designed to address the specific integration needs of suppliers on the network.

## Hubspan Integration Adapters for Ariba

- **Invoice Adapter for Ariba Network:** Suppliers can send invoices and receive Invoice Status messages from buyers.
- **Purchase Order Adapter for Ariba Network:** Suppliers can receive, confirm and change Purchase Orders.
- **Catalog Management Adapter for Ariba Network:** Suppliers can automatically manage the catalog upload process on the Ariba Network.
- **PunchOut Adapter for Ariba Network:** Buyers can access the supplier's eStore directly from the Ariba Network via the "punchout" process.
- **Price and Availability Adapter for Ariba Network:** Buyers can access up-to-date pricing and availability information directly from the supplier's catalogs.

## The Hubspan Advantage

### Proven Cloud Integration Platform

Hubspan offers a robust cloud integration platform demonstrating proven success. Hubspan users have achieved significant improvements to their top and bottom lines, such as 100% customer retention, 25% increase in revenue, 99% order accuracy, and tens of thousands of dollars in savings on infrastructure and management overhead.

### Fast Implementation

Hubspan offers rapid implementation, enabling complete integration on the Ariba Network in just a few weeks. Hubspan experts can even manage customer on-boarding to streamline and accelerate the process.

### Seamless Connectivity & Interoperability

Hubspan delivers seamless real-time integration and any-to-any interoperability with customers, supporting all applications, formats, protocols and business rules. Hubspan enables integration and interoperability across all major ERP, supply chain and CRM systems, including SAP, Oracle, PeopleSoft, JD Edwards, Siebel, NetSuite, and more.

### Easy Scalability

Hubspan is designed for easy scalability to handle business growth, changing market conditions, and the rapid evolution of technologies. Hubspan users can quickly and confidently increase or decrease connections, transactions or number of companies in the integration community without concern for transaction limits, bandwidth or additional resources.

### Effortless Management

All Integration Adapters for Ariba include managed services from Hubspan's expert team of service and support professionals, including implementation services, project management and ongoing world-class tech support.

### Single Platform for Collaboration

Suppliers can leverage Hubspan as a single integration platform. One connection to the Hubspan cloud enables you to integrate with all of your buyers, both on the Ariba Network and off.

### Low Cost

Due to Hubspan's service delivery model and cloud infrastructure, users pay an economical monthly subscription fee, with no transaction costs. No additional investments in software, hardware or resources are needed to get up and running.

### Reliable and Secure

Built from the ground up to support collaboration across the Internet with a net-native architecture, the Hubspan platform ensures the highest level of performance, security and reliability.

## Conclusion

### Collaborative Cloud Commerce is Your Future

Collaborative commerce and B2B cloud integration are not just the latest hype – they are here and obtainable. The Ariba Network represents the next-generation marketplace, and all suppliers must be capable of conducting business in this new world. Traditional EDI-style integration has evolved to a new world of cloud-based B2B integration that works across all standards and makes interoperability easily obtainable.

At first, changing your business processes to include B2B integration may seem like a challenge, but in reality, B2B integration extends your existing business processes and adds more value to the process and your customers. The value of doing B2B integration in the cloud is this natural augmentation of your infrastructure, with no rip and replace.

Also, the network by itself does not fully solve the interoperability issue, as your buyers utilize diverse backend systems, processes, protocols, and document and data formats, which you still have to integrate with your systems and processes. Connecting to one customer at a time, one application at a time, and one standard at a time is a complex, labor-intensive and expensive endeavor that cannot realistically deliver a ROI.

The only way to make these connections in an efficient and cost-effective manner, while fully realizing the benefits of collaborative commerce and truly becoming part of the global commerce community, is via B2B cloud integration. Point-to-point connections are the past. B2B integration is the future.

This is your opportunity to exponentially grow sales while streamlining processes and operations to a level of cost-effectiveness that could never have been achieved in the traditional business environment.

Hubspan complements the Ariba Network plus gives you one connection to all of your buyers, across networks, marketplaces and direct connections, to drive improved customer retention and revenue.



### About Hubspan, Inc.

Hubspan is the leading provider of cloud-scale B2B integration solutions. As a strategic Ariba partner and an Ariba Supplier Solution Provider (ASSP), Hubspan helps sellers and buyers automate manual processes and extend all back-end systems to the Ariba Network for easy, cost-effective and secure integration. There are five Hubspan integration packages available with the Ariba Network: Purchase Order, Invoice, Punchout, Catalog Management and Price & Availability Integration. For more information, email [ariba@hubspan.com](mailto:ariba@hubspan.com) or visit [www.hubspan.com/ariba](http://www.hubspan.com/ariba).