

Proactively Manage All Spend to Steer Your Business Towards Profitability

Coupa Direct Spend Solutions



Lack of Visibility and Control Impacts the Bottom Line

Managing direct spend is a significant challenge for many manufacturing, distribution, and retail companies, especially as rising costs and supply chain disruptions continue to pressure margins. Direct spend refers to the procurement of goods, materials, and services that are directly incorporated into a company's final product or production process, such as raw materials and labor. For organizations that sell physical goods, direct spend can be 3 to 4 times greater than indirect spend, making it essential for procurement, finance, and supply chain teams to maintain close oversight.

However, outdated sourcing processes and multiple fragmented systems create visibility gaps that lead to errors and delayed payments. Mismatched purchase orders and invoices are a major driver of these issues, preventing timely reconciliation and causing revenue loss for both buyers and suppliers. To address this, stakeholders must take a proactive approach to collaborating with suppliers and running supply chain operations to protect margins.

According to [IDC](#), the top gaps within companies that must be addressed within the next 2-3 years is the lack of **supply chain visibility and lack of supplier collaboration**.

Join a unique community network of buyers and suppliers that manage and optimize across all spend, both direct and indirect.

Drive Results with a Unified Design-to-Pay Platform

Coupa offers a unified platform that gives procurement, supply chain, and finance teams visibility and control over business spending. Whether managing direct or indirect spend, companies can adopt a consistent approach to decision-making on spend and transactions. By connecting buyers and suppliers through an intelligent and adaptive network, Coupa enables more responsive, data-driven collaboration that improves supply continuity, boosts operational efficiency, and helps companies stay aligned with ESG goals. The platform supports the full direct spend process—from supply chain design and sourcing to supplier risk management, contracting, procurement, invoicing, and payments—all seamlessly integrated in one system.

Coupa Direct Spend Capabilities

Coupa's community network allows for collaboration between all trading partners across all industries. Powered by a \$8 trillion dataset from 10 million global suppliers and buyers, it delivers AI-driven insights for direct spend management—enabling companies to focus on driving value in three key focus areas:

1) Enable the Adaptive Supply Chain

Don't just survive, but thrive during uncertainty.

Supply Chain Design & Planning

Leverage a digital twin to monitor the physical supply chain in near-real time. Use advanced algorithms for network, transportation, and inventory optimization and run what-if scenarios enhance decision-making across cost, service, and sustainability.

Supply Chain Collaboration

Enhance communication with suppliers to confirm purchase orders, request changes, and adjust delivery schedules in real-time. Improve order fulfillment and ensure supply continuity with better visibility and collaboration.

2) Build Strategic Supplier Relations

Attract and retain quality suppliers

Third Party Risk Management

Assess and manage supplier risks (anti-bribery, anti-corruption, sustainability, etc.) across your ecosystem. Quickly identify threats and strengthen compliance to build supplier resiliency.

Contract Lifecycle Management

Streamline the entire contract process from creation to obligation management. Intelligently parse documents and Integrate contracts with sourcing and procurement workflows to ensure compliance and maximize value.

Sourcing Optimization

Leverage combinatorial bid optimization to continuously identify the best supplier portfolio, negotiate more favorable contracts, and drive savings in transportation and expediting, all while aligning sourcing strategies with overarching business objectives.

3) Ensure Business Profitability

Secure long-term financial success

Invoicing, Payments & Treasury

Automate two- or three-way matching of invoices and purchase orders to reduce errors and accelerate payments. Ensure tax compliance with country-specific VAT, GST, or SST regulations. Manage cash flow and working capital to ensure liquidity for further funding.

Coupa appeals most to enterprises, ranging from retailers to capital goods manufacturers, that must dynamically replan their supply networks to maintain an agile posture in the face of volatile patterns of demand and supply.

The Forrester Wave™: Collaborative Supply Networks, Q4 2024.



By exporting our ERPs into Coupa, our direct buyers could maintain their daily buying process of running MRP and decide which direct products they wanted to replenish using the ERP functionality. Their decisions then integrated directly into Coupa.

Travis Hodge

Former Director of Procurement, Novolex

2-5x

Resiliency improvement due to proactive scenario-based decision making

50%

Reduction in cycle time leading to faster time to market

10-30%

Reduced expediting for inbound and outbound shipments

>90%

Improved first match invoice accuracy for direct and complex spend