

[Objectives](#)

[Solution](#)

[Benefits](#)

[Quick Facts](#)

SAP Solution Brief

SAP S/4HANA | SAP S/4HANA for Agreement Profitability and Negotiation by gicom

Negotiate More Effectively and Efficiently to Get the Best Deal



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Gain insight and enhance your negotiations

Successfully negotiating transactions requires having keen foresight coupled with relevant, real-time financial information at your fingertips. With the SAP S/4HANA® solution for agreement profitability and negotiation by gicom, you can **gain greater visibility of your profitability and margins** at all times and help ensure the best deal, no matter where you are.

Your interactions with your business partners inevitably involve gathering reports and spreadsheets to understand your total spend, existing agreements, and the impact of both on your margins, as well as settling numerous agreements. This is often all done manually. Only with proper planning can you determine if you are meeting your intended margin for a category, article (group), vendor, or customer level and then negotiate the best possible outcome.

You therefore need greater transparency throughout the negotiation process on margin impact, terms, agreements, and claims. You want to be able to carry out real-time optimization, simulation, and what-if scenarios for profitability down to the lowest SKU level, before and during a discussion. You also want to be able to track negotiation rounds with target versus actual comparisons and detailed analyses. Moreover, you must efficiently prepare and execute your negotiations while being mindful of mounting regulatory requirements.

Gain insight and enhance your negotiations

Get a 360-degree view of the entire negotiation process

The agreement profitability and negotiation capability allows you to plan, control, and manage the entire negotiation lifecycle by creating a single viewpoint for all agreements. This covers the stages of preparation, negotiation, contract creation, and automated settlement, closing the process gap between these so that you get full transparency on all agreements and negotiations at all times.

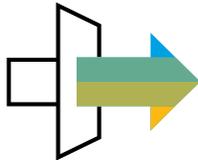
Document all agreements and review elements such as pricing conditions, volume rebates, scale levels, funds, ad allowances, service and logistic agreements, and more. You can centrally store all information related to the negotiation, including e-mails, documents, and certificates, for easy access. You can predict various negotiation scenarios and achieve the best possible deal with your vendors due to the multiple versions of the agreements and flexible, unlimited amount of condition types that are available.

Get a 360-degree view of the entire negotiation process

Use analysis and simulation to optimize negotiation outcomes

Move the negotiation along while on the move

[Continued on the next page](#)



Control the complete contract lifecycle, and **create multiple planning scenarios**.

You will be guided through the negotiation process step-by-step until the contract is agreed on, at which point you can intuitively create the contract in PDF format, based on customer-specific templates and agreement types. You can integrate the agreement into your SAP® software without having to do a technical translation between different departments. You receive direct, automated, and instant recordings and documentation of all agreements, and you can continuously monitor all terms and agreements to handle returns and logistics.



Manage the results along the entire agreement lifecycle with **full transparency on all agreements** and negotiations.

With full documentation of all monetary and non-monetary negotiation results, and with help from SAP Standard Support services, you have the option to translate all agreements into condition contracts for automated settlement.

Get a 360-degree view of the entire negotiation process

Use analysis and simulation to optimize negotiation outcomes

Move the negotiation along while on the move

Use **analysis and simulation** to optimize negotiation outcomes

With advanced negotiation workbench features, you get access to preconfigured content to support the negotiation process of all types of monetary and nonmonetary agreements. This includes contracts, rebates, allowances, brackets, funds, deals, and terms.

You can analyze previous negotiations to see how well they were performed and conduct what-if simulations to prepare for future discussions. You can plan and simulate different scenarios and changed or new conditions in real time for net-net costs and margins – from category down to the lowest level of article or SKU per store per day.

The software lets you calculate sales prices ad hoc in-store or for renegotiation with business partners, owing to the competitive sales prices available through online shops, for example.

Through the SAP HANA® platform, on which the agreement and profitability capability is based, you can do detailed comparisons of assortments and merchandise categories. You can even do article calculations, between two or more vendors, and negotiate for merchandise and private brands or labels.

Get a 360-degree view of the entire negotiation process

Use analysis and simulation to optimize negotiation outcomes

Move the negotiation along while on the move



Take advantage of the **detailed simulations, comparisons, and analyses of financial variables** to inform and influence your negotiations.

Move the negotiation along while on the move

Your meetings with business partners do not necessarily take place at your office. They can also be held at factories, trade shows, buying markets, and elsewhere. When you are on the go, you can use agreement profitability and negotiation once you have an Internet connection.

Through our user interface technology, SAPUI5, you can use the capability on any device that has an Internet browser, namely, a desktop, laptop,

tablet, or phone. You can therefore access exactly the same information on your mobile device as you could at your desktop, any time and any place.

You can readily transfer the negotiation results to the SAP S/4HANA Finance solution or SAP S/4HANA Retail solution for merchandise management, or to the financial accounting or retail components of SAP solutions (project based).

Get a 360-degree view of the entire negotiation process

Use analysis and simulation to optimize negotiation outcomes

Move the negotiation along while on the move



Be prepared to negotiate **no matter where you are.**

Plan and manage your negotiations smoothly and productively

With SAP S/4HANA for agreement profitability and negotiation, you can visualize the impact of any deal and future profitability before you create an agreement. You can get help with enhancing and protecting your profitability, while simplifying your overall purchasing and negotiation processes, through real-time simulation and analysis. The increased visibility of margins and profitability allows you to reduce the cost of goods sold through a streamlined, closed-loop process.

By centralizing all agreements, you can make relevant information readily accessible to your buying teams, whether they are in the office or off-site. You can also eliminate diverse information sources and manual agreement processing.

With full transparency before, during, and after a negotiation, you can control the status of agreements, purchase-price development, and annual negotiation and purchase revenue targets. You can also improve your flexibility to negotiate on different organizational levels and various category and article structures.

Gain a competitive advantage by identifying strategically important market development and using multichannel formats with various negotiation scenarios and conditions to react faster to market demands and changes. Finally, help ensure compliance with auditing and internal control requirements.

Plan and manage your negotiations smoothly and productively

Summary

With the SAP S/4HANA® solution for agreement profitability and negotiation by gicom, you can calculate multiple financial variables down to the lowest product level while simulating the impact of pricing conditions in real time during a negotiation. You can centralize all agreement documentation for easy access for all key stakeholders.

Objectives

- Gain greater transparency throughout the negotiation process – on margin impact, terms, agreements, and claims
- Perform real-time optimization, simulation, and what-if scenarios for margins and profitability at category, article (group), vendor, or customer levels
- Track negotiation rounds with target versus actual comparisons and detailed analyses

Solution

- Agreement documentation for centralized agreements and information storage, contract creation and integration, and an automated settlement option
- Agreement negotiation workbench for real-time simulation, multiple planning scenarios, and analysis of net-net costs and margins down to the product level
- Access on any browser-equipped device

Benefits

- Preagreement visibility of deal and future-profitability impact
- Improved profitability through reduced costs
- Simplified purchasing and negotiation processes
- Accessible information for all users, even within negotiations

Learn more

To find out more, call your SAP representative today or visit us [online](#).



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