TECHNICOLOR
CASE STUDY

Technicolor opts for Coupa to support the digital transformation of its procurement

TECHNICOLOR IS A BOOMING DIGITAL PLAYER

Founded in 1915, Technicolor's mission is to develop, design and market both immersive and enhanced digital solutions that spark the imagination. With over 17,000 employees in 20 countries, the company ensures that its firm remains, inventive, creative and at the very cutting edge, while continuously innovating to come up with novel solutions in order to monetize content.

Technicolor's operations break down into three divisions: Technology (covering R&D and licenses), Entertainment Services (developing technologies and services for the media & entertainment industry) and Connected Homes (delivering a range of solutions to pay-TV and network operators).

"Coupa offers a unique cloud platform covering all procurement channels that were lacking until now; this will optimize procurement processes throughout the organization."

—Cedric Le Saveant, VP Sourcing Process and Digital Transformation at Technicolor

Industry: Digital

2016 revenues: €4.9 billion

Presence: global (over 20 countries)

Headcount: 17,000

Solution: Procure-to-Order

Why Coupa:
Desire to migrate to a digital and flexible eProcurement system

Major Challenges:
- Highly competitive market
- Difficult ERP system to use and develop further
- Various back-ends

Coupa Solution:
- Easy-to-implement and user-friendly system
- Novel features
- A mobile app to speed up procurement

In recent years, Technicolor has soared to new heights largely off the back of a host of new acquisitions, and with this in mind it's become increasingly complicated to integrate the various assimilated procurement and IT systems together seamlessly.

MIGRATING TO A MORE FLEXIBLE, DIGITAL EPROCUREMENT BUYING SYSTEM HAS NOW BECOME A MAJOR CHALLENGE.

Realizing that its current 15-year-old SRM (Supplier Relationship Management) would no longer be able to keep pace with its successful acquisition-driven growth, Technicolor required a more innovative, user-friendly and scalable solution to manage its procurement processes. Rather than operating digitally in line with its business needs, the incumbent system was akin to an extension of Technicolor's Purchasing ERP and had trouble handling the company's new acquisitions efficiently and effectively. With this at the fore-front of its mind, Technicolor rapidly opted for a new cloud solution that would provide greater flexibility by allowing the seamless additions of both new locations and new procurement channels.

PROGRESSIVE, EFFICIENT MIGRATION

Following successful pilot projects at two locations, in France and the US, Technicolor launched Coupa's complete cloud platform for expense management in the summer of 2015. This resulted in two new challenges - how to seamlessly migrate the old system across all new sites while gradually adding all newly acquired locations to the new system. Nearly 70 locations performed the migration in four waves over a 15 month period, with some locations beating initial forecasts - a few even migrated to Coupa before joining the group's IT infrastructure. Coupa has been a driving force in bringing the new acquisitions on board and has given Technicolor immediate access to group purchasing procedures and supplier contracts.

USER-CENTRIC SOLUTION

It was essential that Coupa's solution be easy-to-implement and user-friendly for its 2,500-plus users. Technicolor was determined to roll out a user-centric solution, requiring no training and offering completely intuitive navigation and operation, for both purchasing procedures and approval. The easy-to-use Coupa platform soon became quickly established with most Technicolor buyers following a noticeable smooth difference in procedures, proving itself to be a valuable timesaver.

INNOVATION IS KEY

Coupa was also selected due to its intrinsic nature and passion for innovation. The new solution comes with a cutting-edge product roadmap regularly offering users additional features. This enables Technicolor to benefit from state-of-the-art features and avoids the need for further IT investment to be made every three or four years.

MOBILITY IS KEY

Mobility is an integral part of Technicolor's digital switchover. Coupa's Android and iOS compatible mobile application means that any employee can access the procurement platform from anywhere when travelling. These users can monitor purchase order statuses wherever they are, and approvers can quickly validate orders "on-the-go", consequently simplifying and speeding up the procurement process.

BETTER SPEND VISIBILITY

Technicolor can rely on Coupa to take on-board as many procurement channels as needed whilst bolstering its Tail Spend strategy by ensuring that even the smallest purchases are completely covered. In total, the system administers nearly 10,000 suppliers encompassing the entire Group's indirect purchases.
Coupa makes it simple to add third-party catalogues into punch-outs and to create internal catalogues for product lists specific to certain operations. Alongside this, Technicolor has also joined the Amazon Business platform, which is its main Tail Spend partner, and other vertical procurement platforms, e.g. for freelancers, are also being added. The entire Coupa process reduces any difficulty by providing a standard procurement processes across the entire organization.

Switching from a licensed server operation to a cloud model has also enabled Technicolor to halve its maintenance costs. In addition, Technicolor has increased its spending volume by 30% by using purchase orders rather than direct billing, much of this is down to the solution's increased user coverage, particularly when buying-in services.

MOVING TOWARDS A TEAMWORK-GEARED SYSTEM

Cross-fertilization and teamwork both underpin Technicolor's digital transformation. The purchasing department seeks to give users greater autonomy by including indirect Coupa features to enhance purchasing, such as a search engine for price, product information, analytics, sharing features and so on. New artificial intelligence features are also currently under review, specifically around the benefits associated with a Virtual Procurement Agent.

"Coupa is now a key part of our Digital Sourcing strategy to enhance our Procure to Pay process. Coupa is the ideal partner, in everything from taking on new locations to implementing catalogues and this lets us cover all purchasing channels while giving us greater visibility and control over our purchases. It also gives us control over our locations, while being able to globalize and structure our Tail Spend."

—Eric Adam, Purchasing Director at Technicolor

ABOUT COUPA

Coupa Software (NASDAQ:COUP) is the cloud platform for business spend. We deliver "Value as a Service" by helping our customers maximize their spend under management, achieve significant cost savings, and drive profitability. Coupa provides a unified, cloud-based spend management platform that connects hundreds of organizations representing the Americas, EMEA, and APAC with millions of suppliers globally. The Coupa platform provides greater visibility into and control over how companies spend money. Customers – small, medium, and large – have used the Coupa platform to bring billions of dollars in cumulative spend under management. Learn more at www.coupa.com.

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