



# Fairmarkit Spend Analysis (Example)

Prepared by Fairmarkit

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# Executive Summary

Analyzing Fairmarkit's spend from January 1, 2018 to December 31, 2018



\$551.2M

In total spend



79,011

Requisitions



\$6,976

Mean requisition value



3,265

Active suppliers



52,989

Purchase orders



\$10,402

Mean PO value

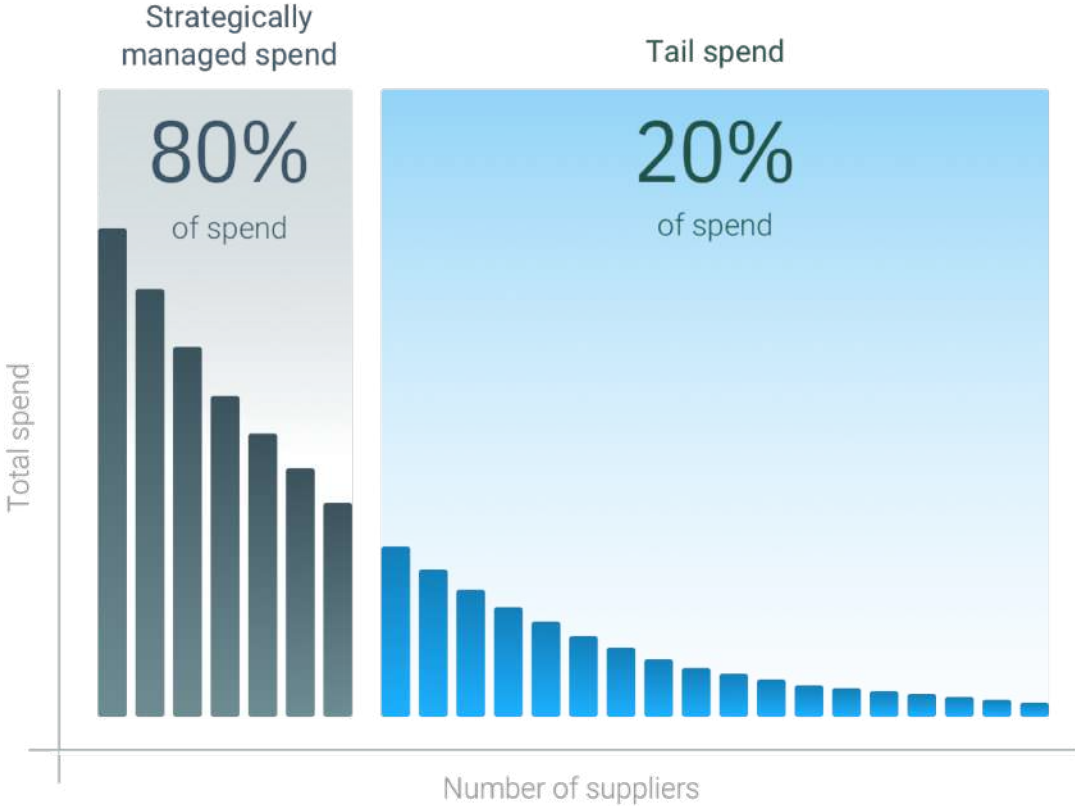
# Supplier Breakdown

Total spend  
**\$451.3M**

# of suppliers  
**504**

# of POs  
**1,473**

Average PO  
**\$306,177**



Total spend  
**\$123.1M**

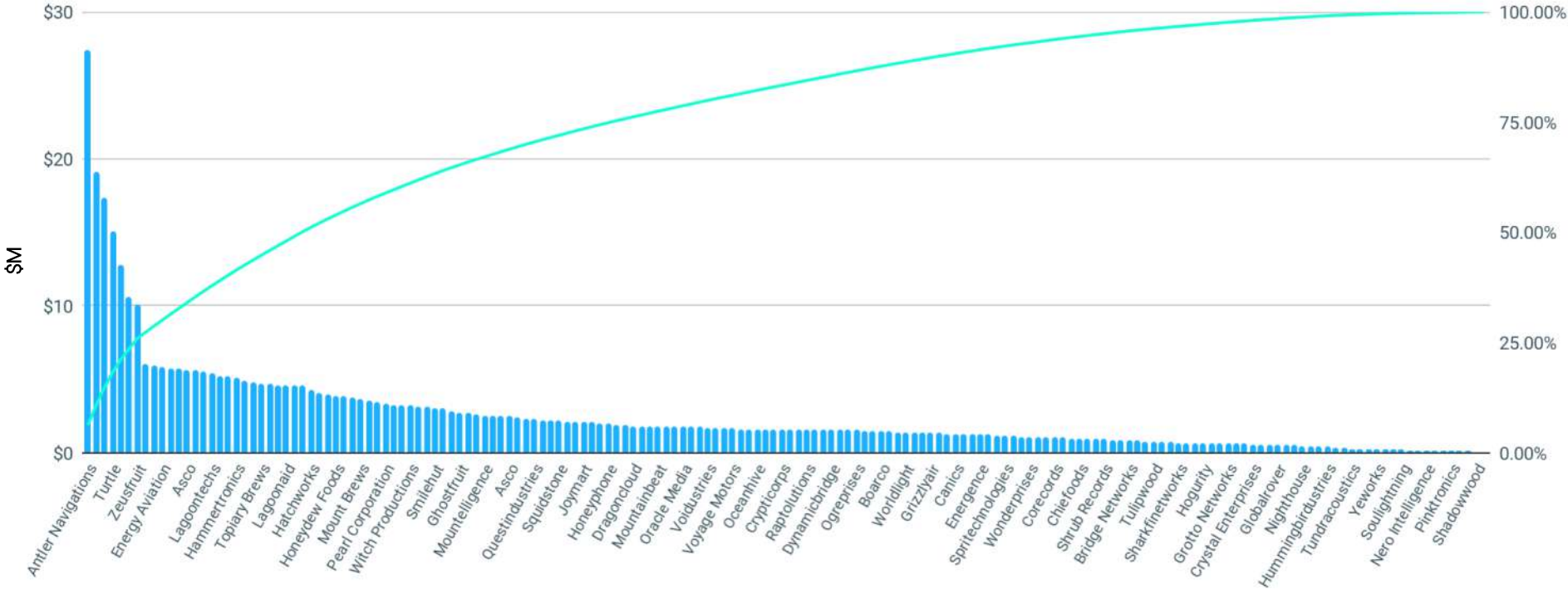
# of suppliers  
**2,401**

# of POs  
**32,373**

Average PO  
**\$3,799**

# Total spend by supplier

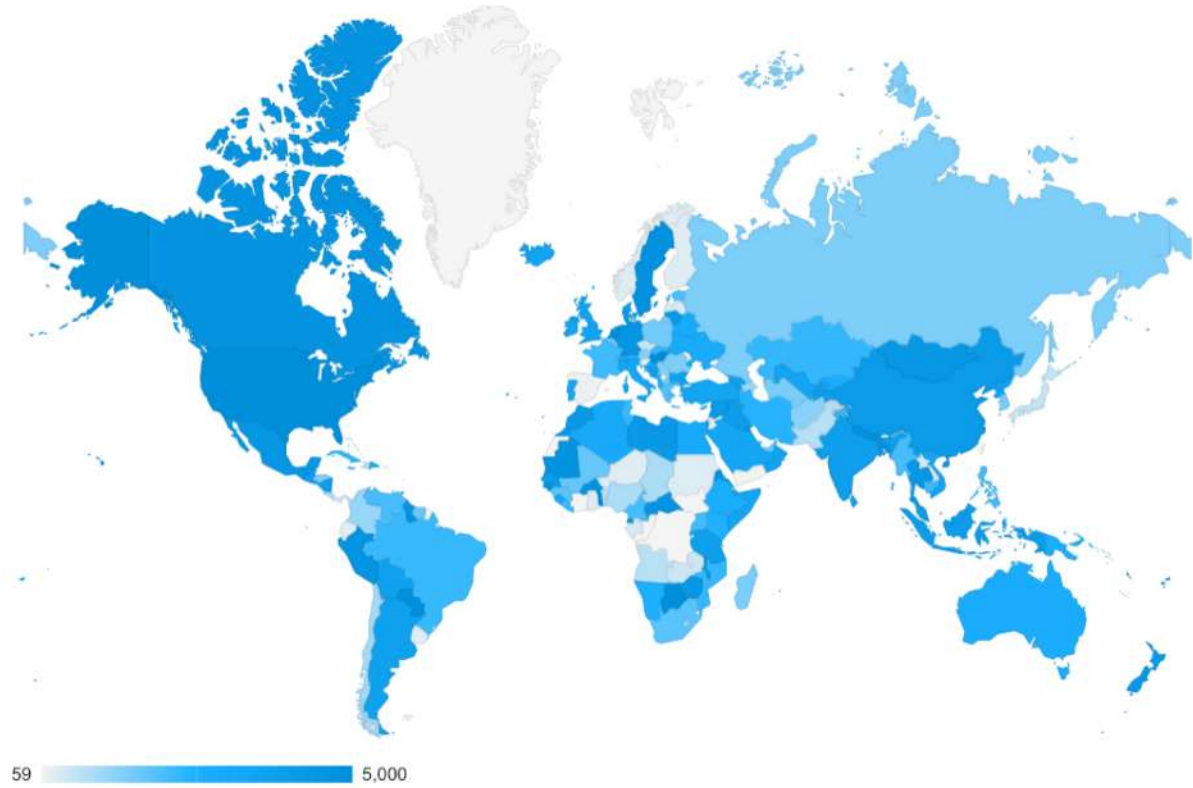
■ Spend    — % of distribution



## Top 20 suppliers by spend

Company	Total	# of POs	Average PO	Industry
Antler Navigations	\$27,436,202.56	627	\$43,757.90	Consulting
Heartstone	\$19,160,297.79	999	\$19,179.48	Construction
Bansheelectronis	\$17,402,707.72	270	\$64,454.47	Technology
Turtle	\$15,079,261.47	793	\$19,015.46	Consulting
Gorillacoustics	\$12,765,047.21	299	\$42,692.47	Construction
Cryptic Aviation	\$10,615,840.10	414	\$25,642.13	Technology
Zeusfruit	\$10,086,102.47	673	\$14,986.78	Manufacturing
Icebergarts	\$6,074,183.57	256	\$23,727.28	Manufacturing
Riverbite	\$5,956,107.81	379	\$15,715.32	Office Supplies
Energy Aviation	\$5,807,002.12	606	\$9,582.51	Manufacturing
Bluff Solutions	\$5,743,996.75	569	\$10,094.90	Consulting
Wundergold	\$5,694,154.11	705	\$8,076.81	Office Supplies
Asco	\$5,679,098.80	975	\$5,824.72	Office Supplies
Hammertronics	\$5,674,738.62	479	\$11,847.05	Office Supplies
Tuliproductions	\$5,521,358.68	512	\$10,783.90	Consulting
Lagoontechs	\$5,417,896.66	701	\$7,728.81	Consulting
Gorillacoustics	\$5,263,938.40	770	\$6,836.28	Manufacturing
Summit Navigations	\$5,198,015.87	240	\$21,658.40	Office Supplies

# Supplier breakdown by geography

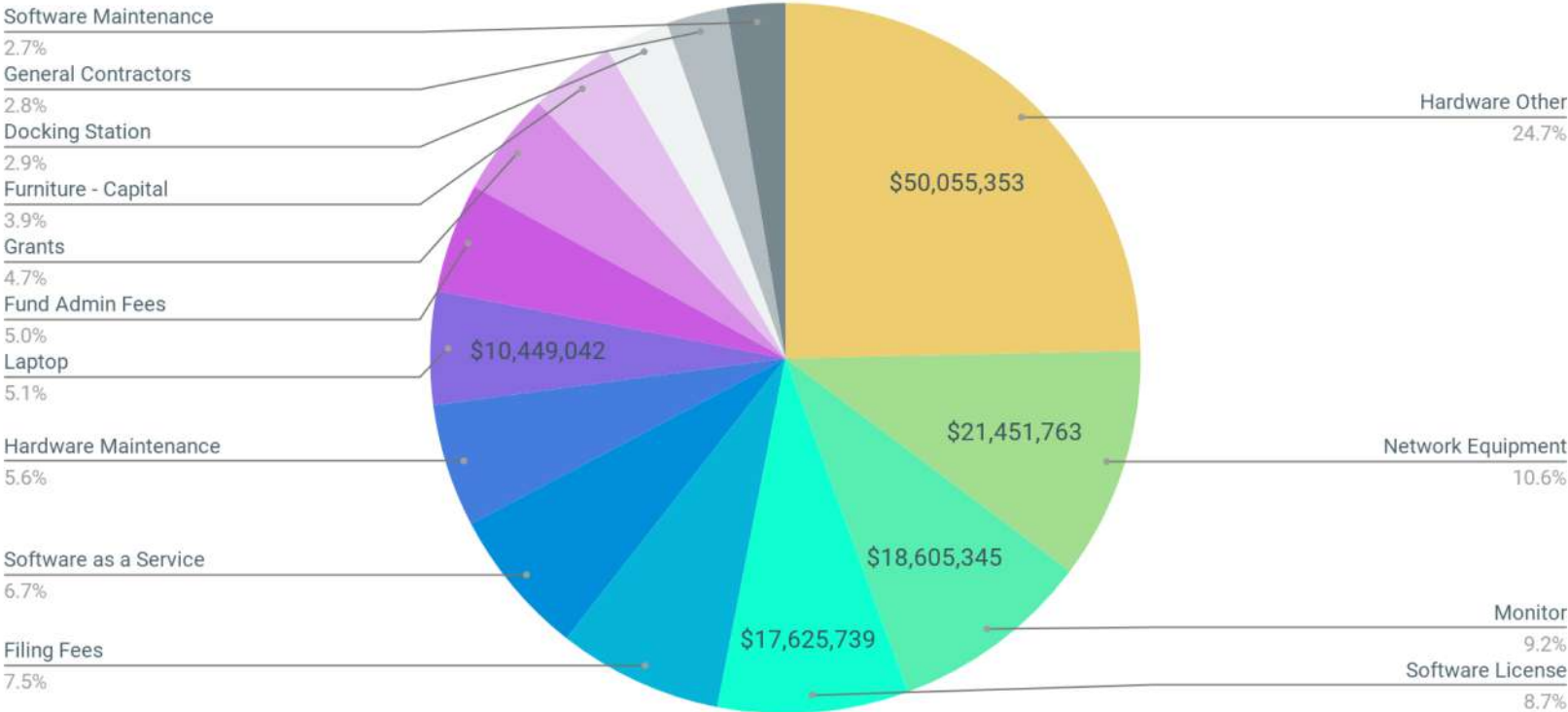




# Category Analysis

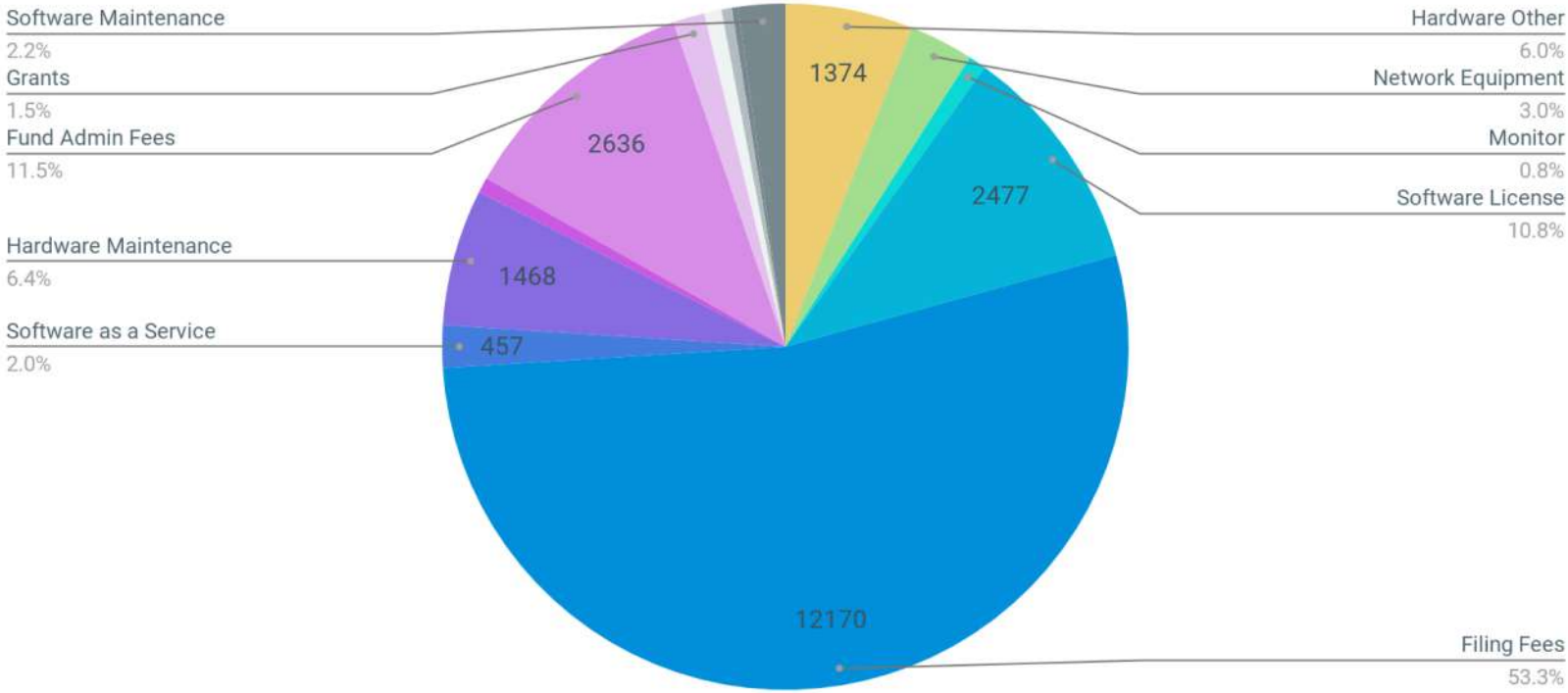
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# Total spend by category



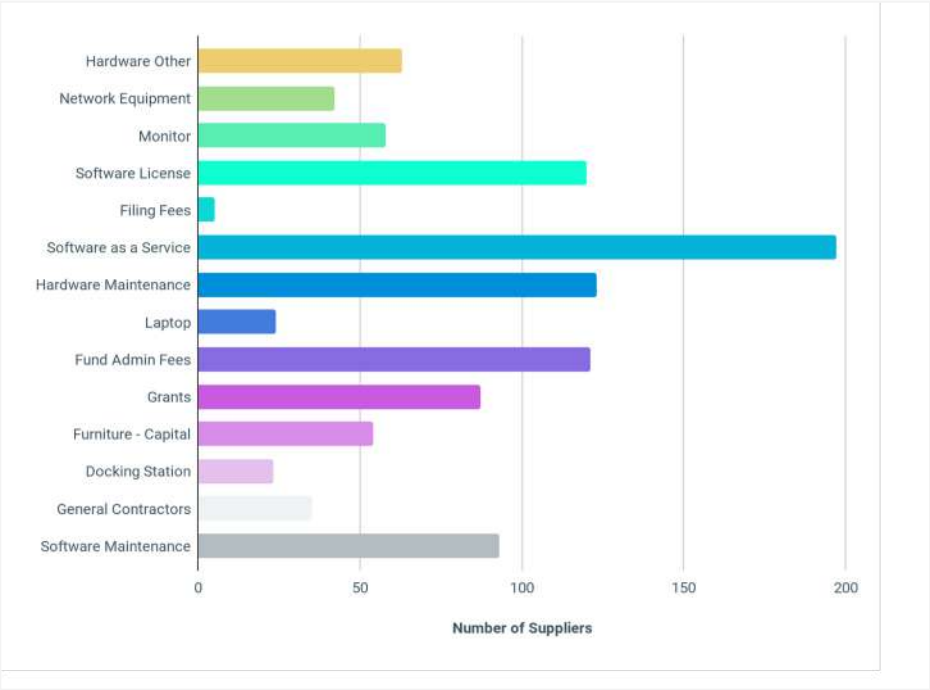


# Transaction volume by category

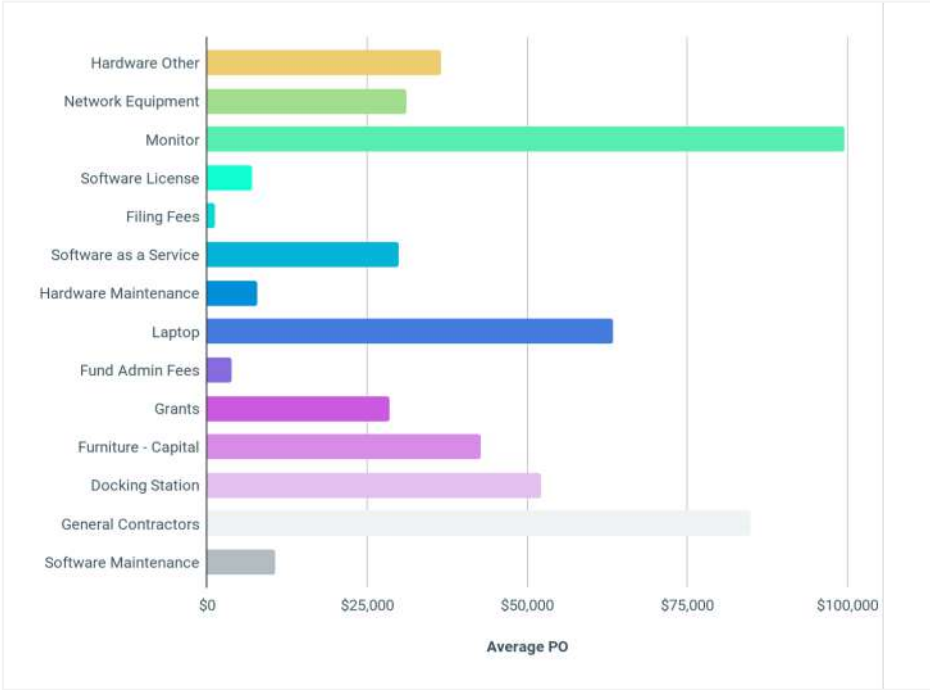


# Additional category insights

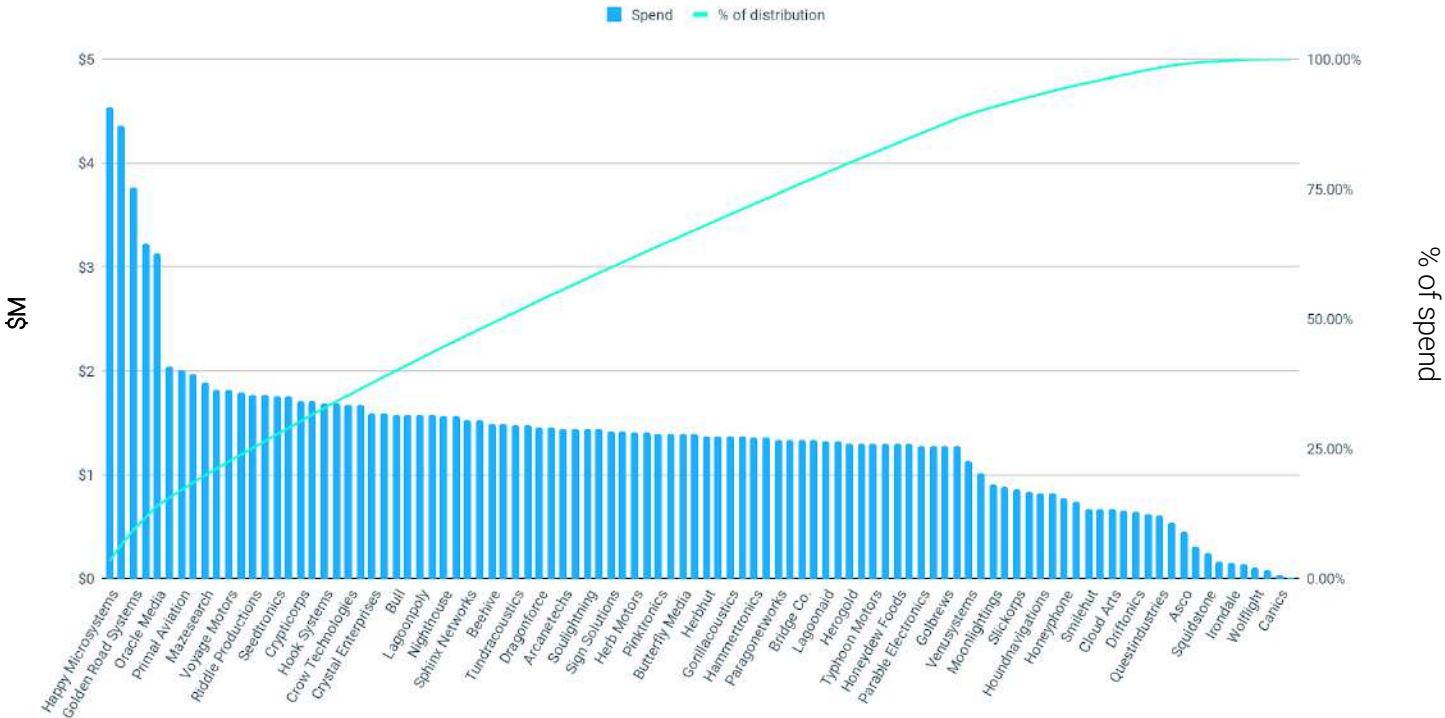
Number of suppliers



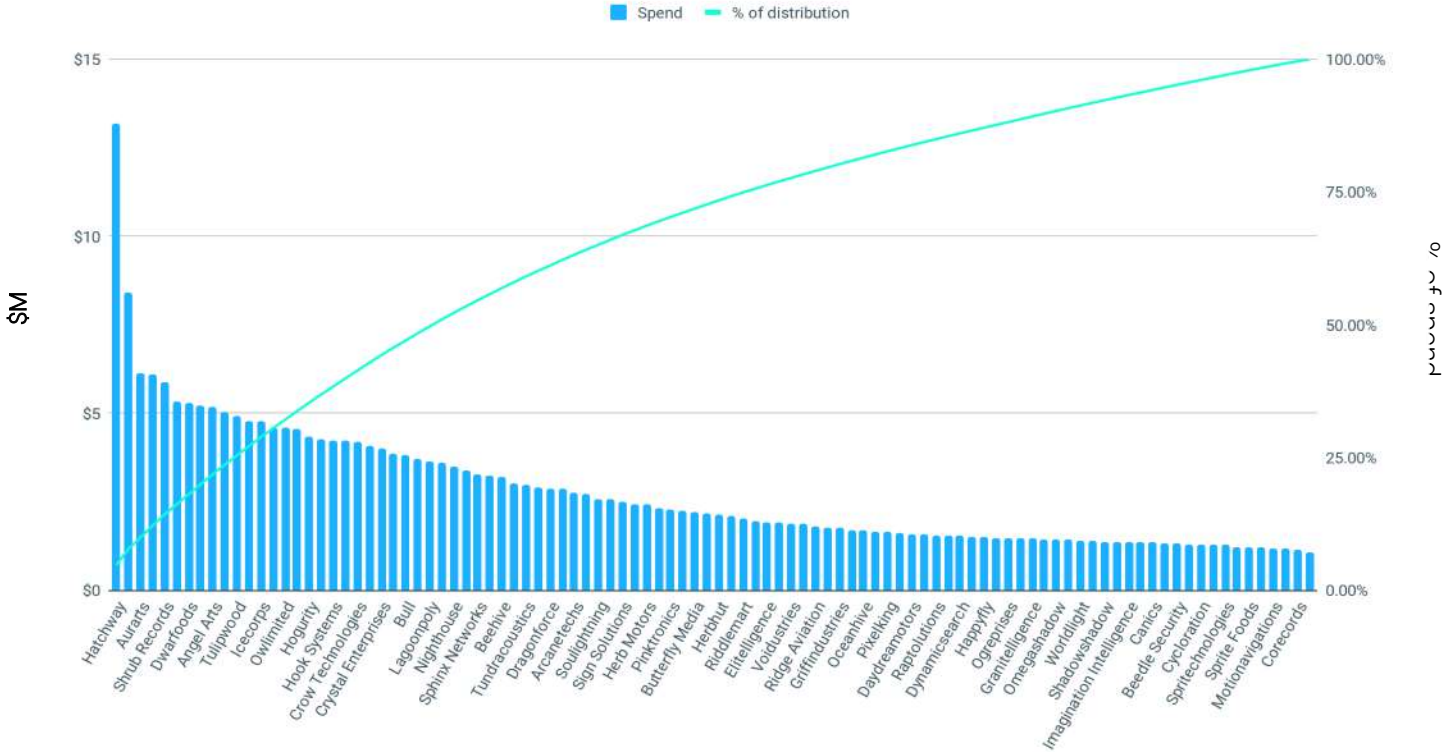
Average PO



# Focus Category A spend distribution



# Focus Category B spend distribution

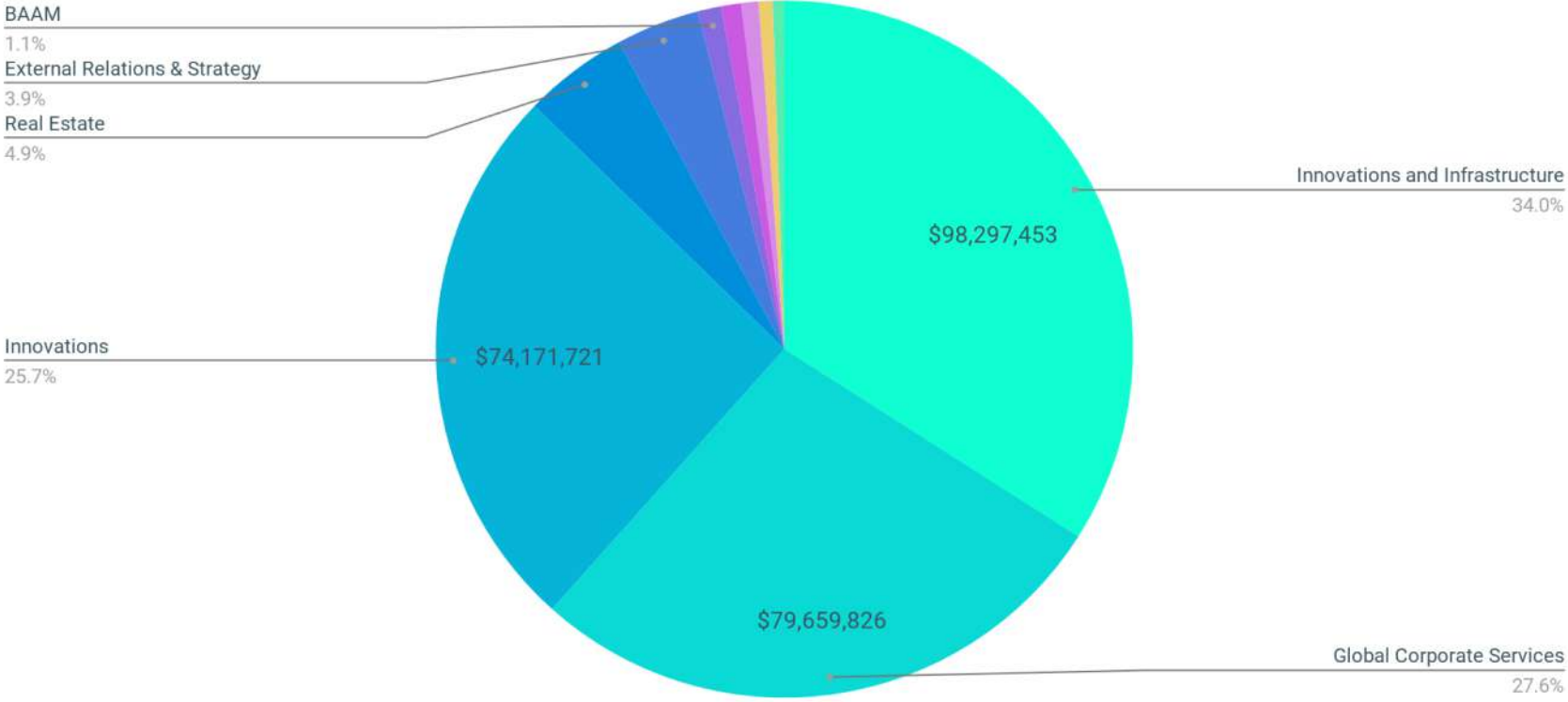




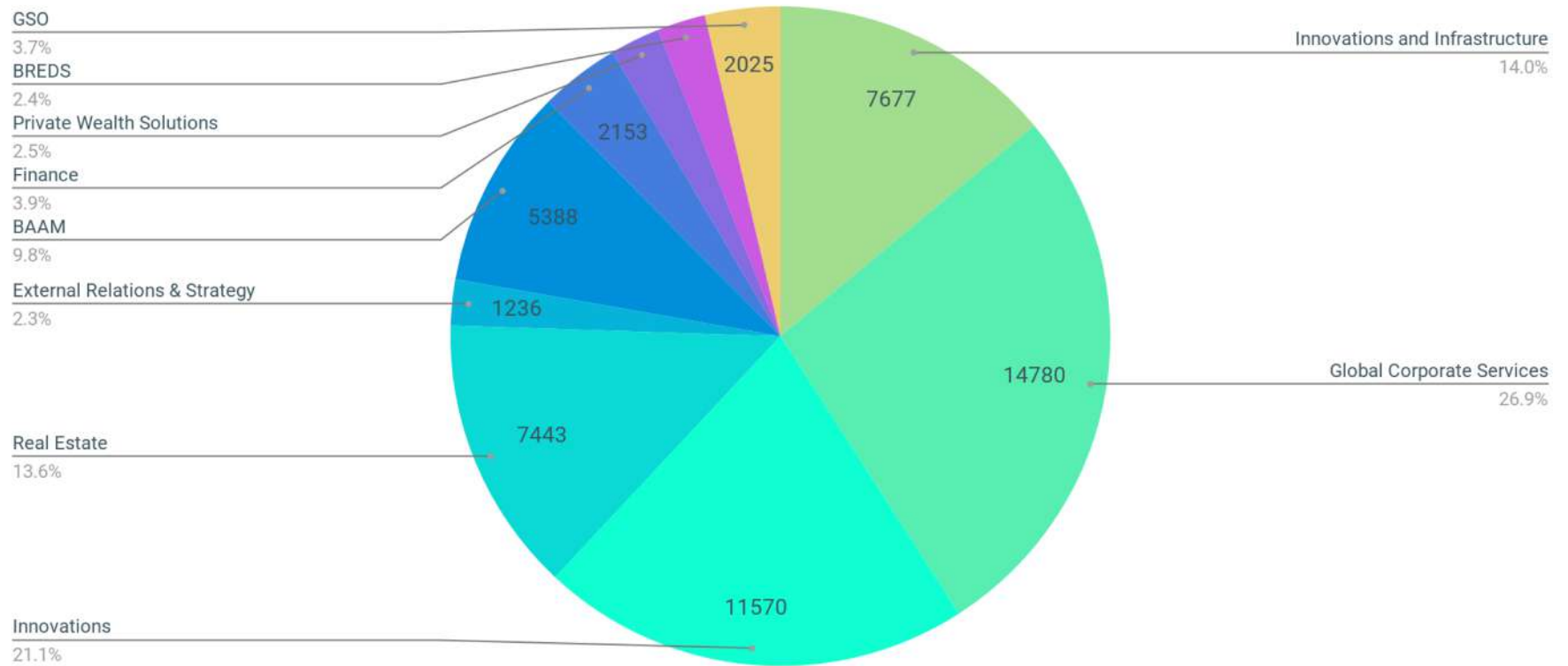
# Department Analysis

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# Total spend by department

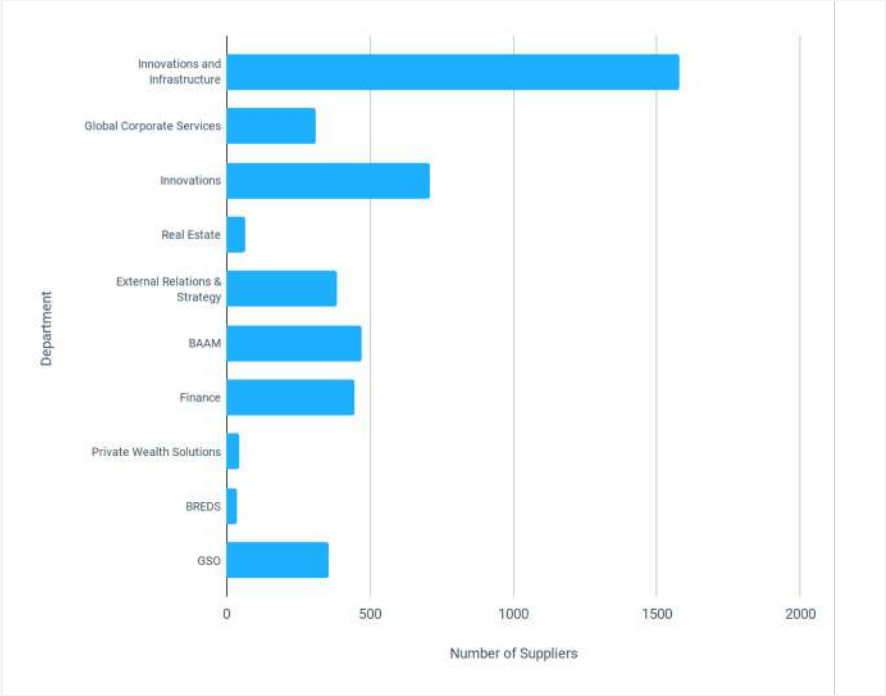


# Transaction volume by department

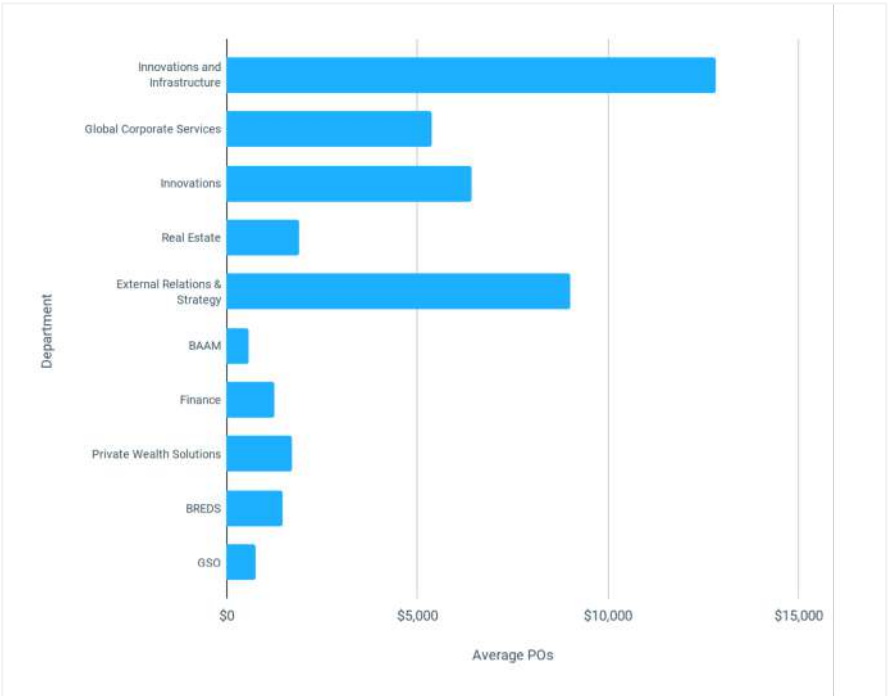


# Additional department insights

### Number of suppliers



### Average PO







# Buyer Analysis

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## Buyer analysis insights

1

You have 322 active requisitioners but you have 14 “power users”

2

These requisitioners handle 81% of your total PO volume and 72% of your total spend

3

Your average requisitioner created 3 requisitions for an average spend of \$5400

4

Your power users created 45 requisitions with an average value of \$7899

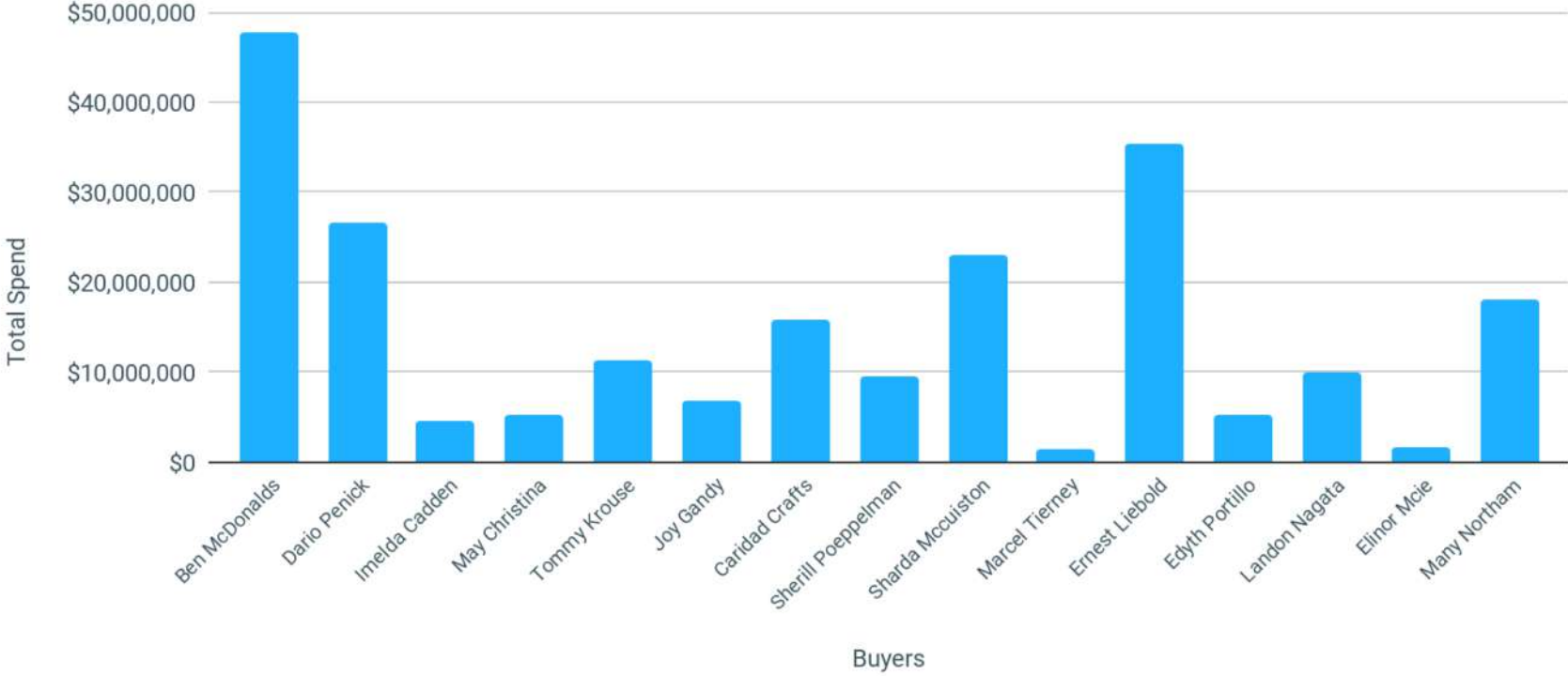
# Price discrepancies on items from the same supplier

Description	Unit Price	Quantity	Total Price	Supplier	Sub Category	Potential Savings
Support Sheet TS Support, 3/4"	\$397.78	27	\$10,740.06	Newtone Sheets	Steel Products Fabricated	\$4,404.51
	\$234.65	25	\$5,866.25	Newtone Sheets	Steel Products Fabricated	-
Gauge Water Temperature	\$38.12	480	\$18,297.60	Maintenance Pros, LLC	Maintenance	\$7,665.60
	\$22.15	500	\$11,075.00	Maintenance Pros, LLC	Maintenance	-
	\$54.23	425	\$23,047.75	Maintenance Pros, LLC	Maintenance	\$13,634.00
Compressor 460V	\$323.05	12	\$3,876.60	Compressor Technologies, Inc.	Compressor Scrolls	\$1,066.08
	\$321.21	20	\$6,424.20	Compressor Technologies, Inc.	Compressor Scrolls	\$1,740.00
	\$234.21	14	\$3,278.94	Compressor Technologies, Inc.	Compressor Scrolls	-
	\$275.83	15	\$4,137.45	Compressor Technologies, Inc.	Compressor Scrolls	\$624.30
27" Dell Monitor	\$212.23	10	\$2,122.30	Newtone Sheets	Monitor	-
	\$290.12	10	\$2,901.20	Newtone Sheets	Monitor	\$778.90
Herman Miller Aeron Chair	\$451.21	20	\$9,024.20	A.C. Mason	Office Supplies	\$1,460.20
	\$378.20	12	\$4,538.40	A.C. Mason	Office Supplies	-
	\$429.00	9	\$3,861.00	A.C. Mason	Office Supplies	\$457.20

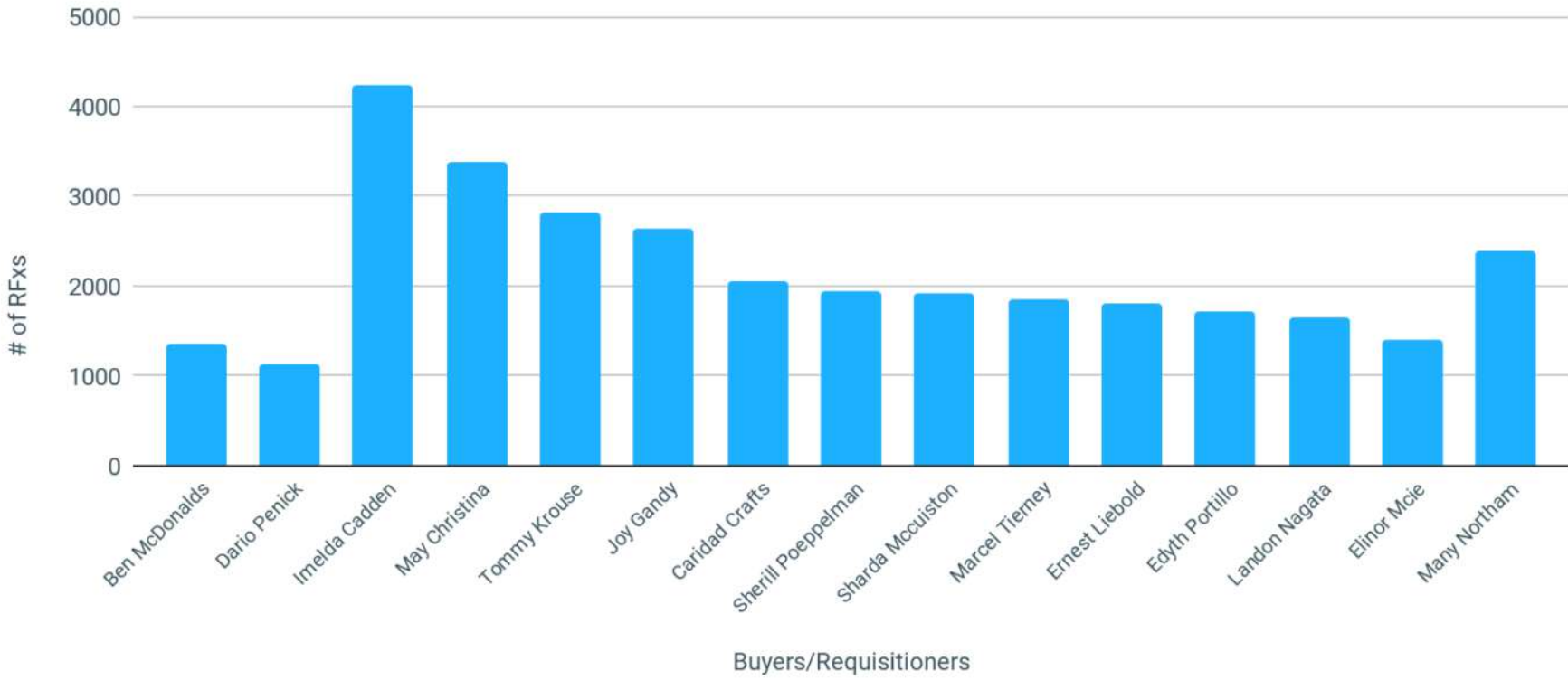
## Analysis of top 15 buyers

Buyers/Requisitioners	# of RFxs	Versus Average	Average RFQ	Versus Average	Total Spend
Ben McDonalds	1363	0.63	\$35,046	4.02	\$47,767,585
Dario Penick	1123	0.52	\$23,615	2.71	\$26,519,849
Imelda Cadden	4245	1.97	\$1,061	0.12	\$4,504,289
May Christina	3387	1.57	\$1,520	0.17	\$5,146,643
Tommy Krouse	2809	1.31	\$4,054	0.47	\$11,388,759
Joy Gandy	2630	1.22	\$2,593	0.30	\$6,818,562
Caridad Crafts	2056	0.96	\$7,653	0.88	\$15,735,169
Sherill Poeppelman	1935	0.90	\$4,950	0.57	\$9,579,004
Sharda Mccuiston	1914	0.89	\$12,014	1.38	\$22,994,509
Marcel Tierney	1858	0.86	\$765	0.09	\$1,421,005
Ernest Liebold	1809	0.84	\$19,581	2.25	\$35,422,473
Edyth Portillo	1717	0.80	\$3,065	0.35	\$5,262,707
Landon Nagata	1641	0.76	\$6,044	0.69	\$9,918,681

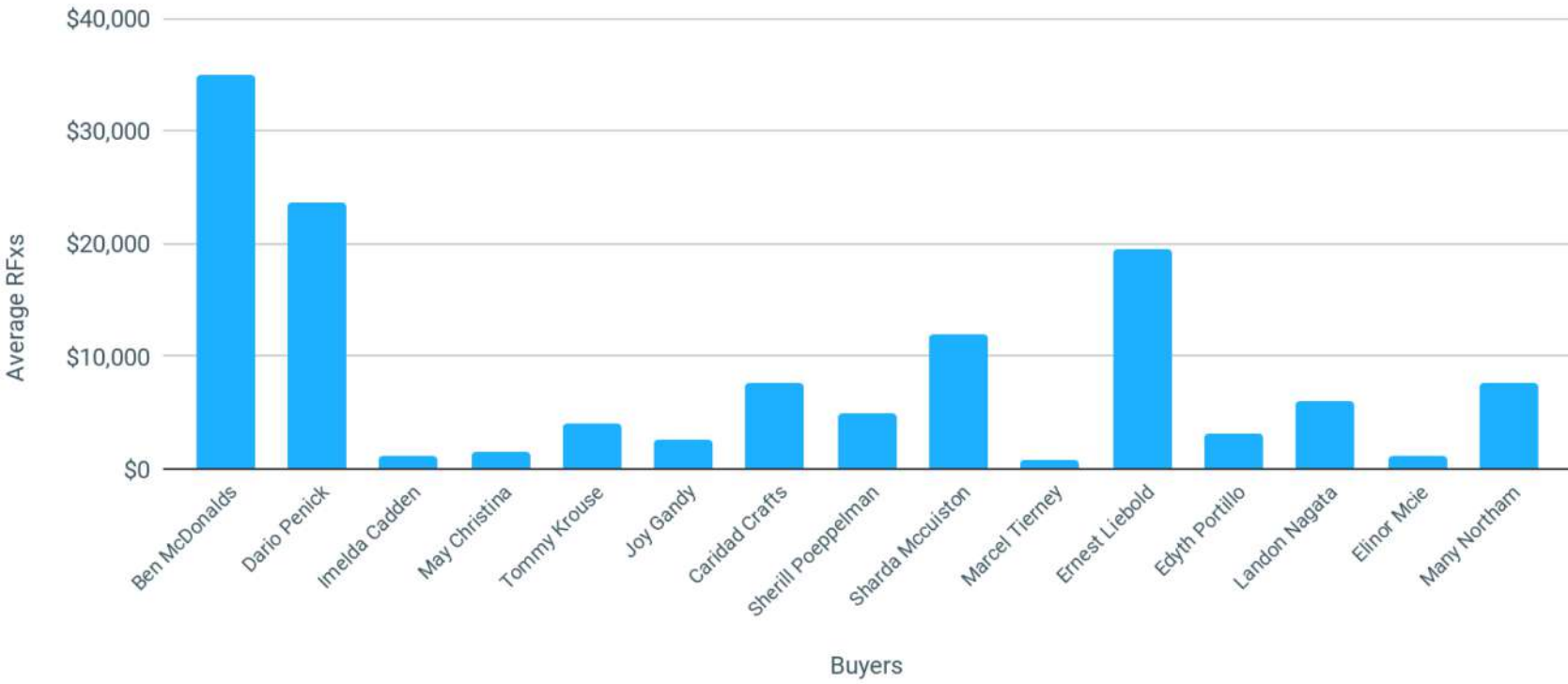
# Total spend by buyer



# Total requisitions by buyer



# Average RFxs by buyer



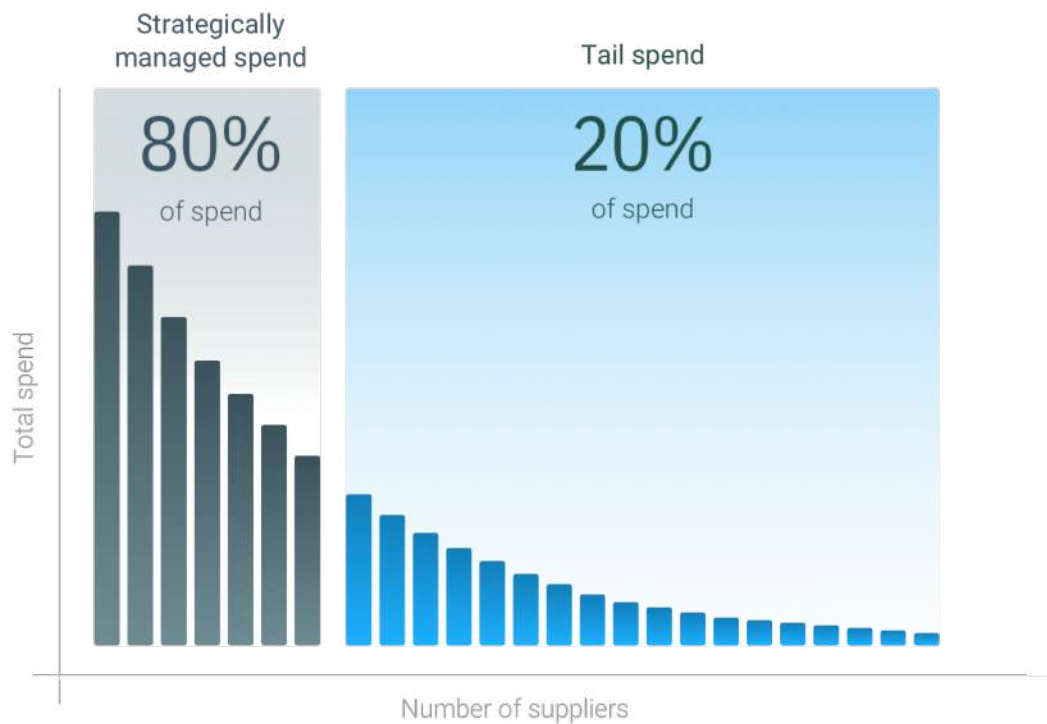


# Tail spend analysis

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## What is tail spend?



**Tail spend** is software, professional services and business purchases that are outside the typical large, ongoing purchases that organizations make.

These purchases are often too small to go through procurement and are not frequent enough to be included in catalogued systems.

An easy way to think of it is the 80 percent of suppliers that represent just 20 percent of an organization's spend, following Pareto's principle.

# Total tail spend



\$123M

Purchases under \$100k



\$224M

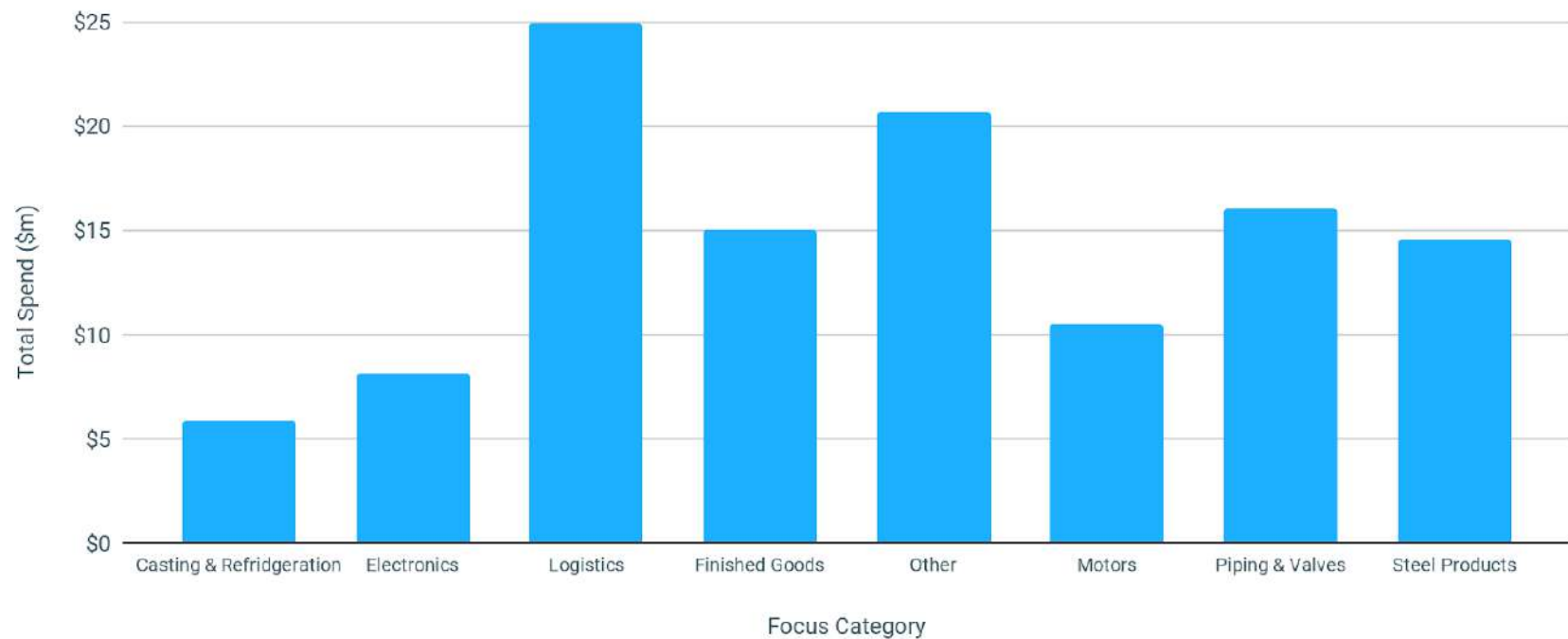
Purchases under \$200k



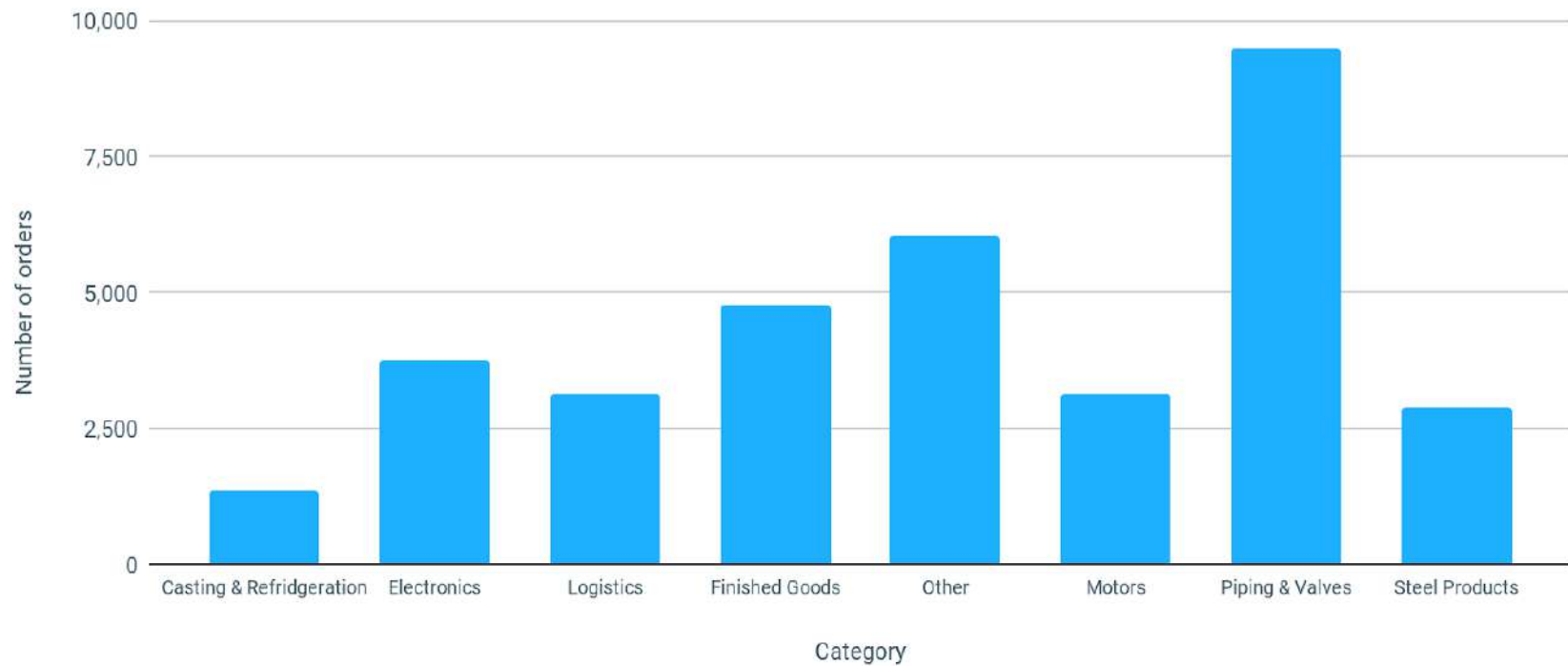
\$312M

Purchases under \$250k

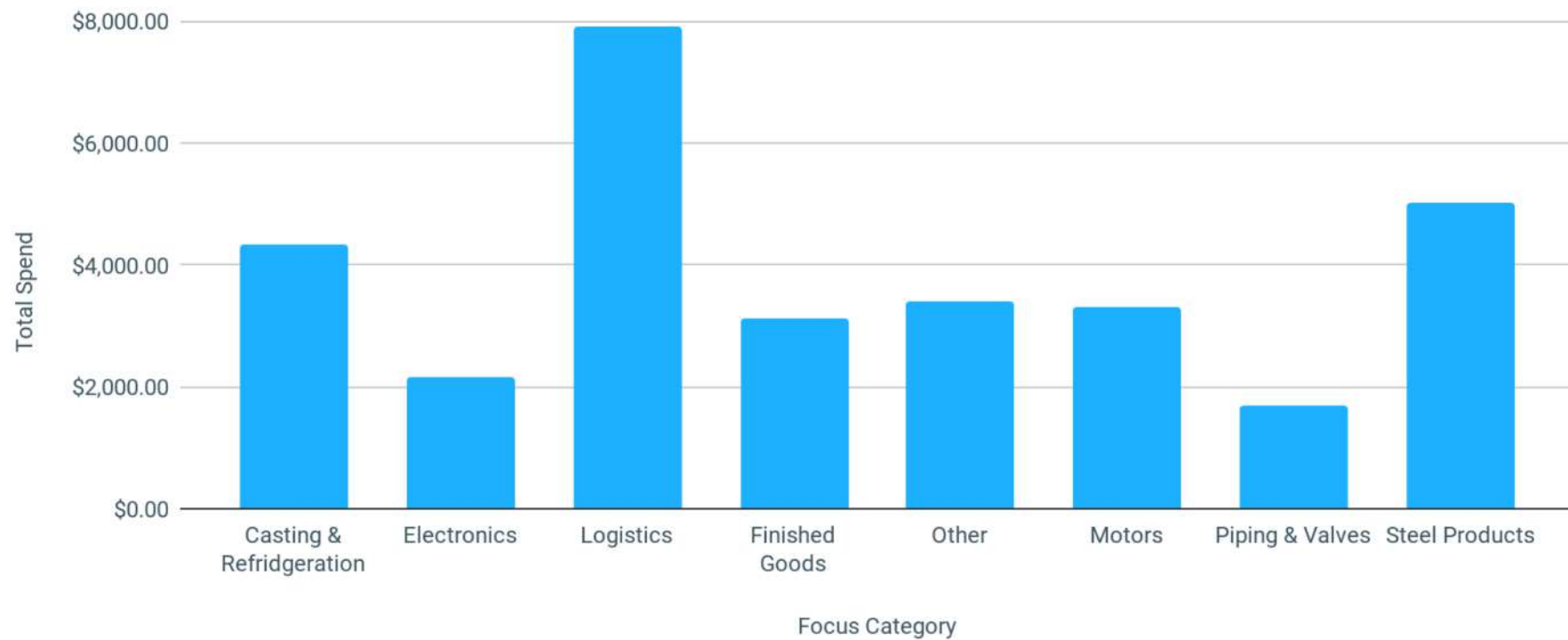
## Tail spend by category – Total spend



## Tail spend by category – Number of orders

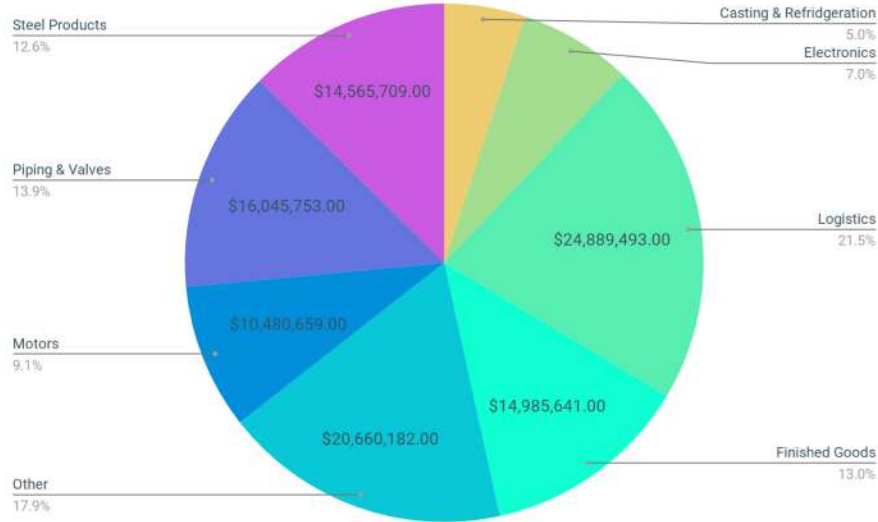


## Tail spend by category – Average order amount

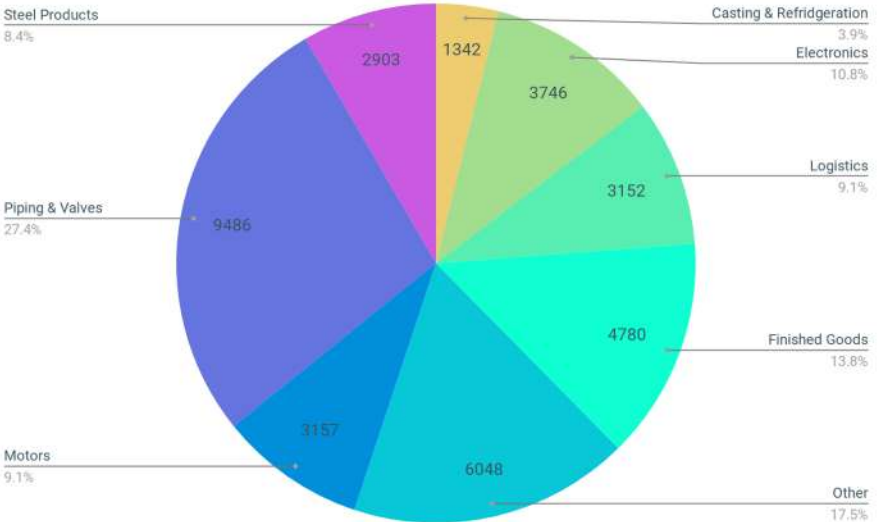


# Tail spend by category

By total spend



By number of orders





# Appendix

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## Category spend analysis

Category	# of Transactions	Spend	Average PO	# of Suppliers
Hardware Other	1374	\$50,055,353	\$36,430	63
Network Equipment	689	\$21,451,763	\$31,135	42
Monitor	187	\$18,605,345	\$99,494	58
Software License	2477	\$17,625,739	\$7,116	120
Filing Fees	12170	\$15,190,317	\$1,248	5
Software as a Service	457	\$13,639,433	\$29,846	197
Hardware Maintenance	1468	\$11,386,538	\$7,756	123
Laptop	165	\$10,449,042	\$63,328	24
Fund Admin Fees	2636	\$10,121,918	\$3,840	121
Grants	338	\$9,610,780	\$28,434	87
Furniture - Capital	186	\$7,945,213	\$42,716	54
Docking Station	113	\$5,894,653	\$52,165	23
General Contractors	66	\$5,605,340	\$84,929	35
Software Maintenance	505	\$5,393,213	\$10,680	93