



Zycus e-Auctions

E-Sourcing Team
August 2020

Solvay Zycus e-Sourcing

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e-Sourcing within Solvay...

SCOPE

RFI

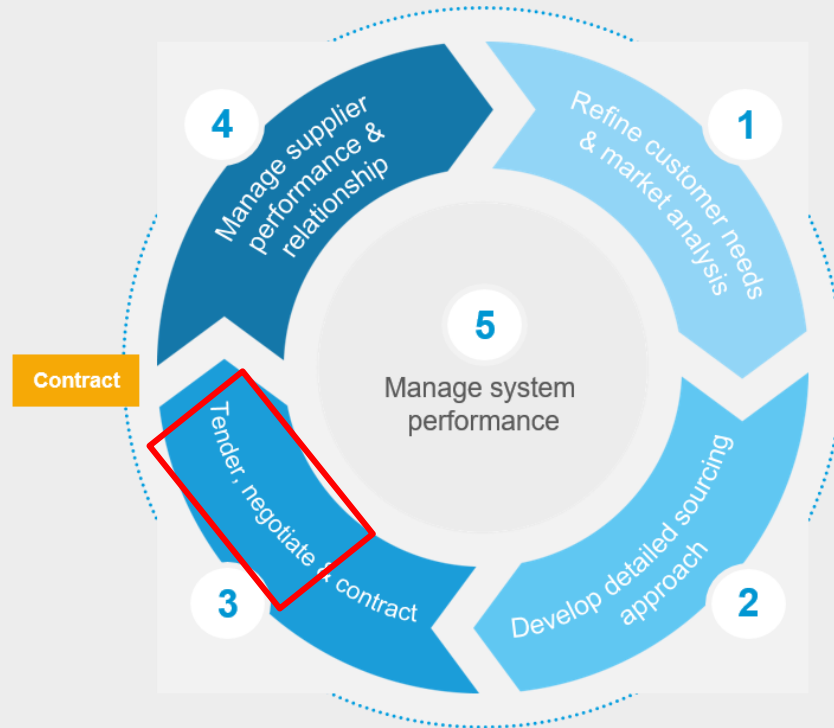
RFP

RFQ

eAuction

*English, Dutch,
Japanese*

Spot
Quotation



e-Auctions

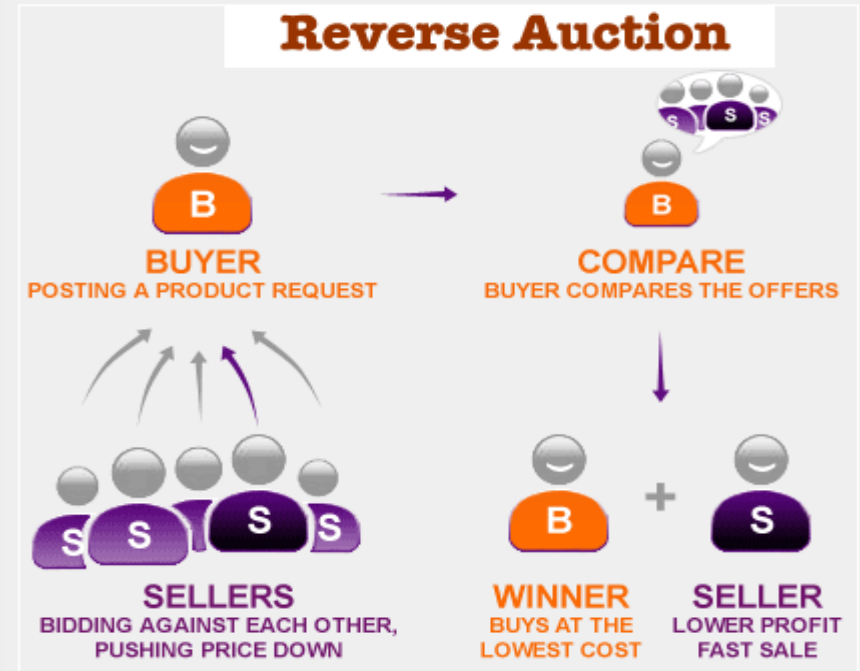
An Auction can be of three types: *English, Dutch, and Japanese.*

The e-auction can be forward and reverse.



e-Auctions

A reverse auction is a type of auction in which the traditional roles of buyer and seller are reversed. Thus, there is one buyer and many potential sellers. In an ordinary auction (also known as a 'forward auction'), buyers compete to obtain goods or services by offering increasingly higher prices. **In contrast, in a reverse auction, the suppliers compete to obtain business from the buyer and prices will typically decrease as the suppliers underbid each other.**



e-Auctions Types

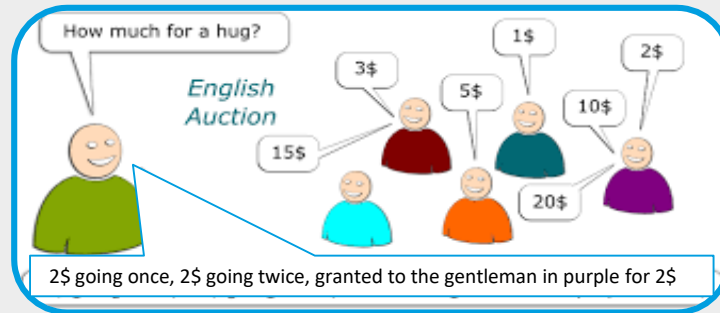


➤ English Auction

English auction is a type of auction wherein the bidding price is raised until only one bidder remains. The auction is opened by announcing a starting price. The Price of the item decreases with the lower bids from the Suppliers.



English auction



e-Auctions Types



➤ Japanese Auction

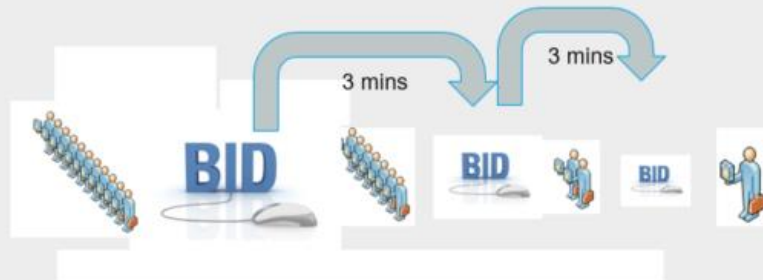
An initial price is set and made known to all attendees. Who is interested in selling the item at the displayed price they enter the auction arena and express their consent to the displayed price. Each attendee may exit the auction at any moment. Once exited, attendee can't re-enter the auction. The auction stops when a desirable number of attendees remain in the auction arena. These remaining attendees win the item lot and pay the displayed price.



Or



Japanese or
Ascending
clock auction



How to create English e-Auction?

1. Create event by filling basic details

Create Sourcing Event
✕

Full Source

When to use Full Source ▾

*(Marked with: * are mandatory)*

Event Name * Char(s) Left: 180

Demo English Auction

Event Description Char(s) Left: 2000

Enter Event Description

Event Type *

Request for Information (RFI)
 Request for Proposal (RFP)
 Request for Quotation (RFQ)
 Auction

Auction Type *


English
 Japanese
 Dutch

Auction Subtype *

Forward
 Reverse

Mark This Event As

Create



How to create English e-Auction?

2. Now you go through the draft stage

← Demo English Auction (1110305709) Draft In Progress

Event Details Event Summary (Activity)

Basic Details Additional Details Questionnaires Attachments Terms & Conditions

*(Marked with: * are mandatory)*

Basic details

Event Name Char(s) Left: 180

Event Type Auction Auction Type English Auction Sub-Type Reverse

Mark This Event As

Test Event Public Event Two-envelope Bidding

Event Description Char(s) Left: 2000



Additional Details









Cancel Save as Draft Freeze



How to create English e-Auction?

3. On draft stage fill in additional details, questionnaires and attachments

Basic Details
Additional Details
Questionnaires
Attachments
Terms & Conditions

 **Additional Details** 



PAY ATTENTION *  <input type="text" value="NEVER FLAG 'PUBLIC EVENT'"/>	GPS AXIS / DOMAIN *  <input type="text" value="Select"/>	GPS AXIS / SEGMENT *  <input type="text" value="Select"/>	GEO AXIS / ZONE *  <input type="text" value="Select"/>
GEO AXIS / SITE *  <input type="text" value="Select"/>	ORG AXIS *  <input type="text" value="Select"/>	LEG AXIS *  <input type="text" value="SOLVAY"/>	TARGETED SAVINGS (%) *  <input type="text" value="Select"/>


 **Questionnaires** 

The questionnaire can contain multiple sections each containing multiple questions



No questionnaire has been created.


Create Questionnaire
Import Questionnaire

 **Attachments** 

Add Attachments 

Drop file here or browse file (format: xls, pdf, jpg etc.)

 Browse 

 Maximum File count is 40 and size per file is 128 MB

Cancel
Save as Draft
Freeze

How to create English e-Auction?

4. On questionnaires create sections for introduction and pricing table for the auction

Home > Full Source > Create > Manage Questionnaire

← Demo English Auction (1110305709) Draft In Progress Import Export View supplier preview

Currency : EUR | Decimal Precision : 2 Change Questionnaire Settings

Sections (2) Add Section < Pricing Add Question

1. Introduction

2. Pricing

2.1 Char(s) Left: 1960

Question Type: Pricing Table Question: Fill information about the pricing table

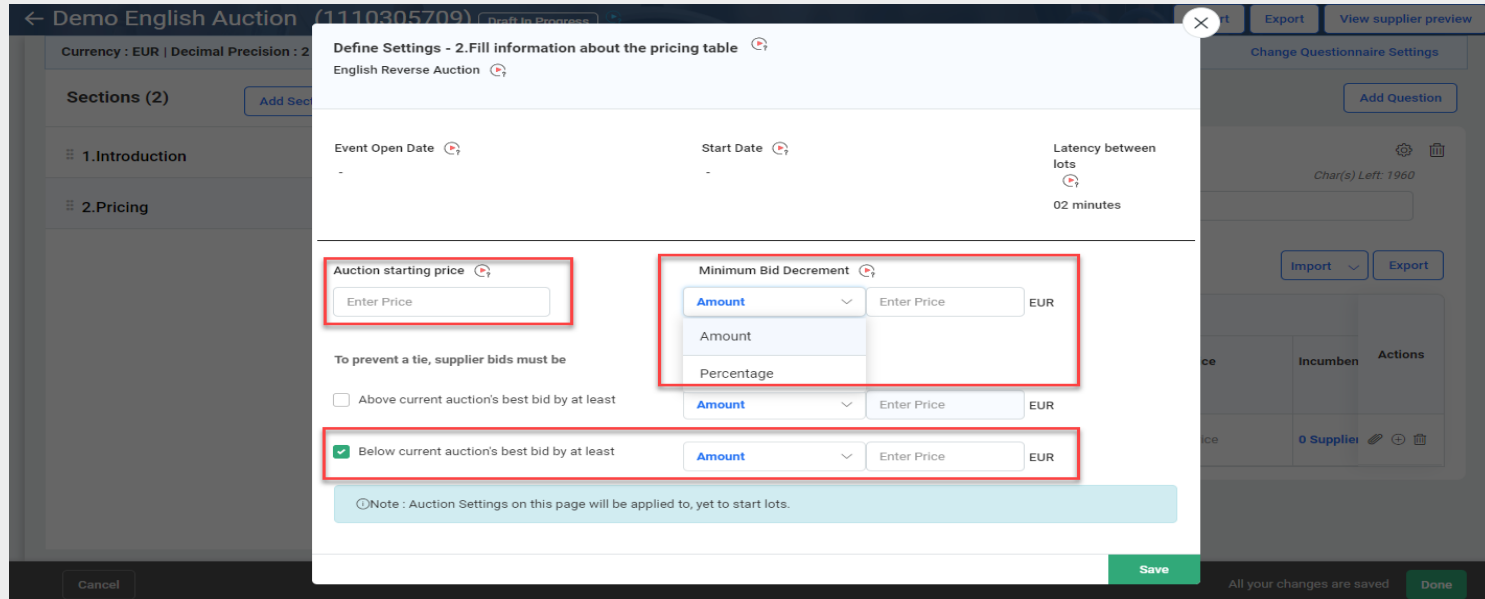
ⓘ Set up English reverse auction for this lot Define Settings Import Export

Item Information		Item Information	Baseline Costs			Incumben	Actions
Item No.	Item Name	Item Description	Current Price	Internal Price	Target Price		
1	Product A	Office	100	90	Target Price	0 Supplier ✎ + ✕	

Cancel All your changes are saved Done

How to create English e-Auction?

5. Fill pricing table and define settings for the lot



Define Settings - 2. Fill information about the pricing table

English Reverse Auction

Event Open Date Start Date Latency between lots
02 minutes

Auction starting price
Enter Price

Minimum Bid Decrement
Amount Enter Price EUR
Amount
Percentage
Amount Enter Price EUR

To prevent a tie, supplier bids must be

Above current auction's best bid by at least

Below current auction's best bid by at least Amount Enter Price EUR

Note: Auction Settings on this page will be applied to, yet to start lots.

Cancel Save Done

You can set *minimum bid decrement* and *tie prevention rules* for the entire auction or for individual lots. The tie prevention option allows you to set criteria in case of a tie. This is applicable for only the lowest bid and not for other bids. You can on both cases set this criteria either in percentage or amount currency.

How to create English e-Auction?

6. You can create another pricing table

← Demo English Auction (1110305709) Draft In Progress Import Export View supplier preview

Currency : EUR | Decimal Precision : 2 Change Questionnaire Settings

Sections (3) Add Section < Pricing B Add Question

- 1.Introduction
- 2.Pricing A
- 3.Pricing B**

3.1 Char(s) Left: 1960

Question Type: Pricing Table Question: Fill information about the pricing table

Set up English reverse auction for this lot Define Settings Import Export


Item Information		Item Information	Baseline Costs				Incumben	Actions
Item No.	Item Name	Item Description	Current Price	Internal Price	Target Price			
1	Product B	Office	200	180	Target Price	0 Supplier	✎ + 🗑️	

Cancel All your changes are saved Done


How to create English e-Auction?

7. When event details are fulfilled you can freeze


Basic Details Additional Details **Questionnaires** Scoresheets Attachments Terms & Conditions

Questionnaires  Modify Questionnaires Import Questionnaire


Section Name	Pricing Table	Total Questions	
1. Introduction	No	0	View Questions
2. Pricing A	Yes	1	View Questions
3. Pricing B	Yes	1	View Questions

Scoresheets  Manage Scoresheets Create Scoresheet

Scoresheet Name	Description	Status	ACTIONS
Auto generated Scor...	You can edit and continue using this score sheet or create a new one	Draft in progress	View Scoresheet

Attachments 

Cancel Save as Draft **Freeze**



How to create English e-Auction?

8. Now add suppliers

Basic Details Additional Details Questionnaires Scoresheets Attachments Terms & Conditions **Add Suppliers** Supplier Side Setting Event Settings

Add Suppliers

Assign Multiple Supplier Group

Supplier Search and Select

If you want to select multiple suppliers together [View All Suppliers](#)

SELECTED SUPPLIERS Search

<input type="checkbox"/>	Supplier Name	Contact Name	Status	Invitation Status	Action
<input type="checkbox"/>	DUMMY SUPPLIER 1	John Smith	Not invited	--	
<input type="checkbox"/>	DUMMY SUPPLIER 2	Jane Brown	Not invited	--	

Supplier side setting

Display Best Bid * Display Rank *

Show After Supplier's First Bid Display Exact Rank

Cancel Save as Draft Unfreeze Publish

How to create English e-Auction?

9. Define supplier side setting

Supplier side setting

Display Best Bid *

- Show After Supplier's First Bid
- Don't Show Best Bid to Supplier
- Show After Supplier's First Bid
- Show Best Bid at Auction Start

Display Rank *

Display Exact Rank

Supplier side setting

Display Best Bid *

Show After Supplier's First Bid

Display Rank *

- Display Exact Rank
- Don't Display Rank
- Display Exact Rank
- Display Range

Event Settings

Pricing Type Non Pricing Type

Show After Supplier's First Bid

Selecting this option, the best bid is displayed after supplier enters first bid.

Display Range

Select this option if you do not want to show the suppliers their exact rank but you want to give them an indication of their position in the auction.

How to create English e-Auction?

10. Define event settings and Publish

⚙️ Event Settings

Pricing Type

Non Pricing Type

Manually set Open Date and Time * 🔗

Yes No

Latency between lots * 🔗

hh mm

Block if bid changes (greater than)

Select Decimal Precision 🔗

Open Date and Time * 🔗

✕ 📅

Manual Auction Reset per lot 🔗

minutes

Warn if bid changes (greater than)

Primary Currency * 🔗

▼

Start Date and Time * 🔗

✕ 📅

Duration per Lot * 🔗

dd hh mm

Allow Multi-Currency Bidding 🔗

Yes No

🔗 Please Note: The auction, by default, will get automatically extended after the close time. Please un-check the Auto-Extend option during the auction process to close the auction.

Cancel

Save as Draft

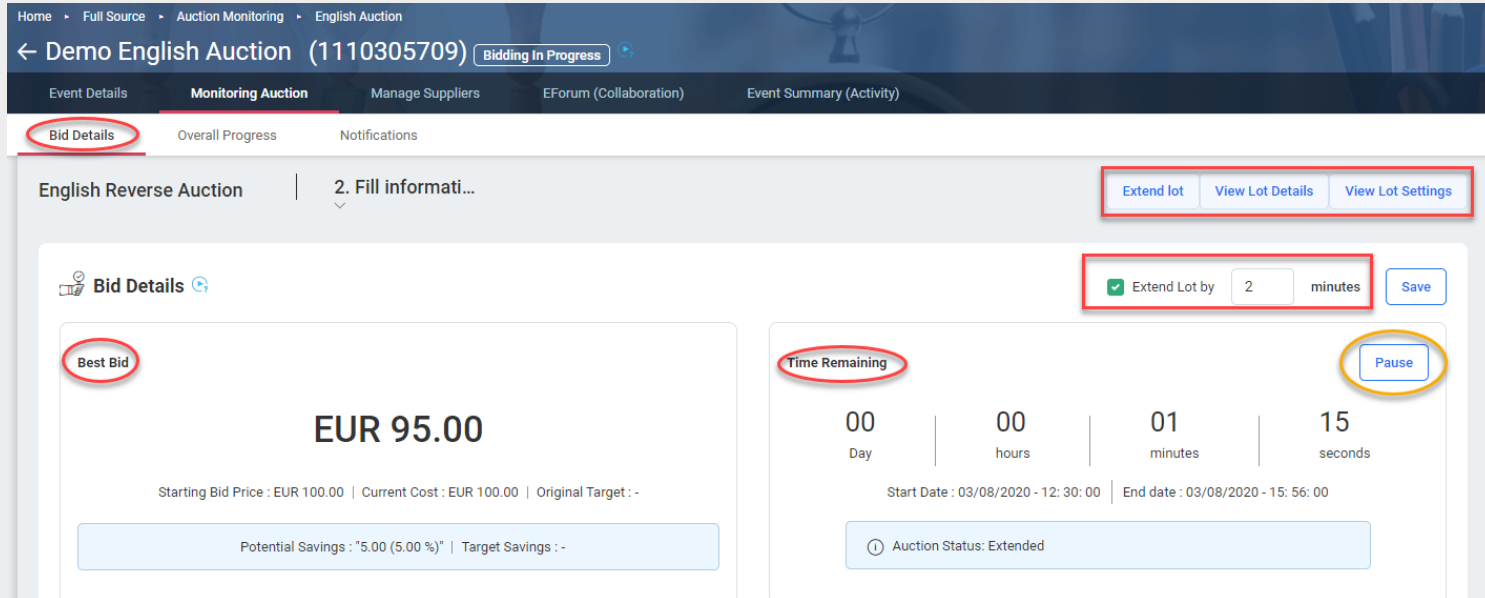
Unfreeze

Publish

Latency between lots: Time interval when bidding of 1st lot is finished and forward on for next lots
Lot extension: Time that lot is extended automatically until it closed manually

How to monitor e-Auction?

1. Go to Monitoring Auction and view Bid Details

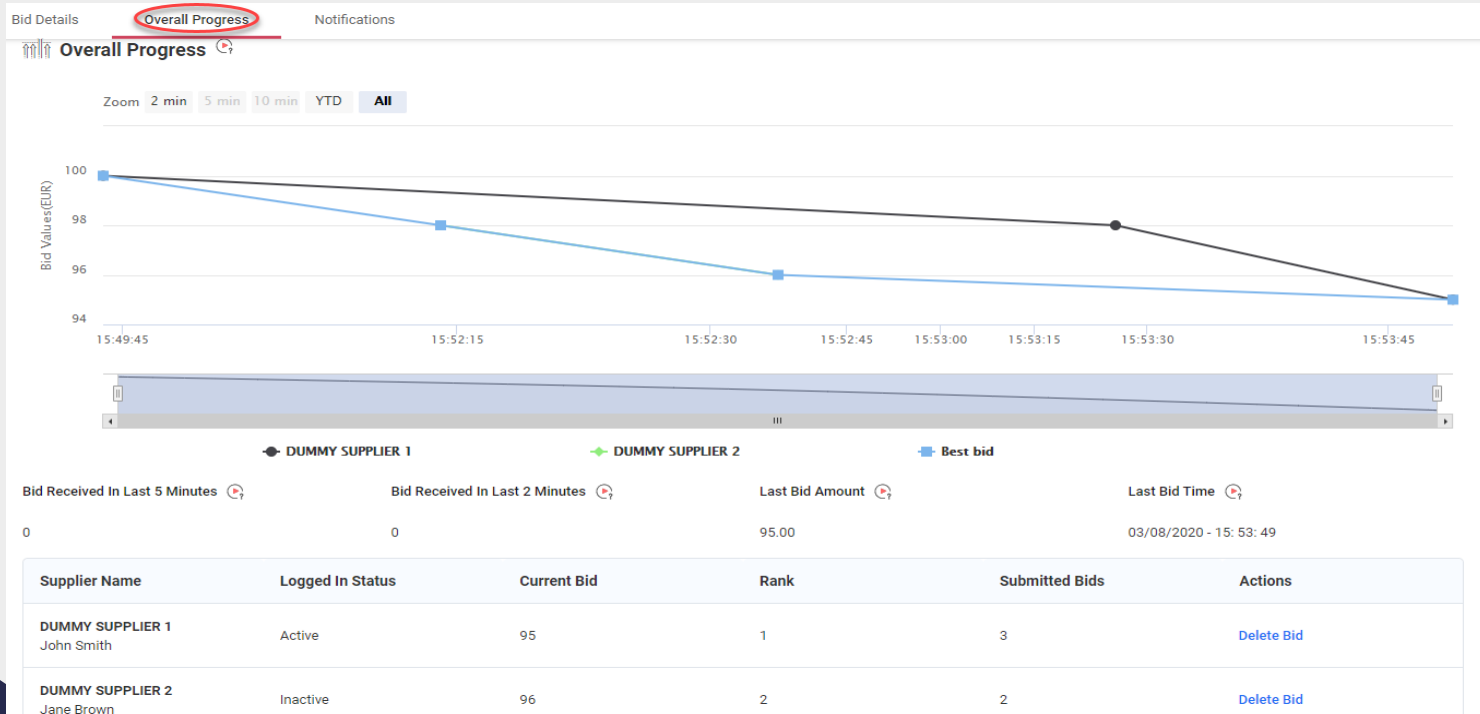


The screenshot shows the 'Monitoring Auction' interface for a 'Demo English Auction (1110305709)'. The 'Bid Details' tab is selected. The auction is an 'English Reverse Auction' with a current bid of 'EUR 95.00'. The interface includes a 'Best Bid' section, a 'Time Remaining' section showing 01:15, and an 'Extend Lot by 2 minutes' option. Other visible elements include 'View Lot Details' and 'View Lot Settings' buttons, and a 'Pause' button in the time remaining section.

Monitor Best Bid, Time Remaining and Extend lot minutes or close manually by unflagging. View Lot Details and View Lot settings are also available. Auction can be Pause at any time if not closed.

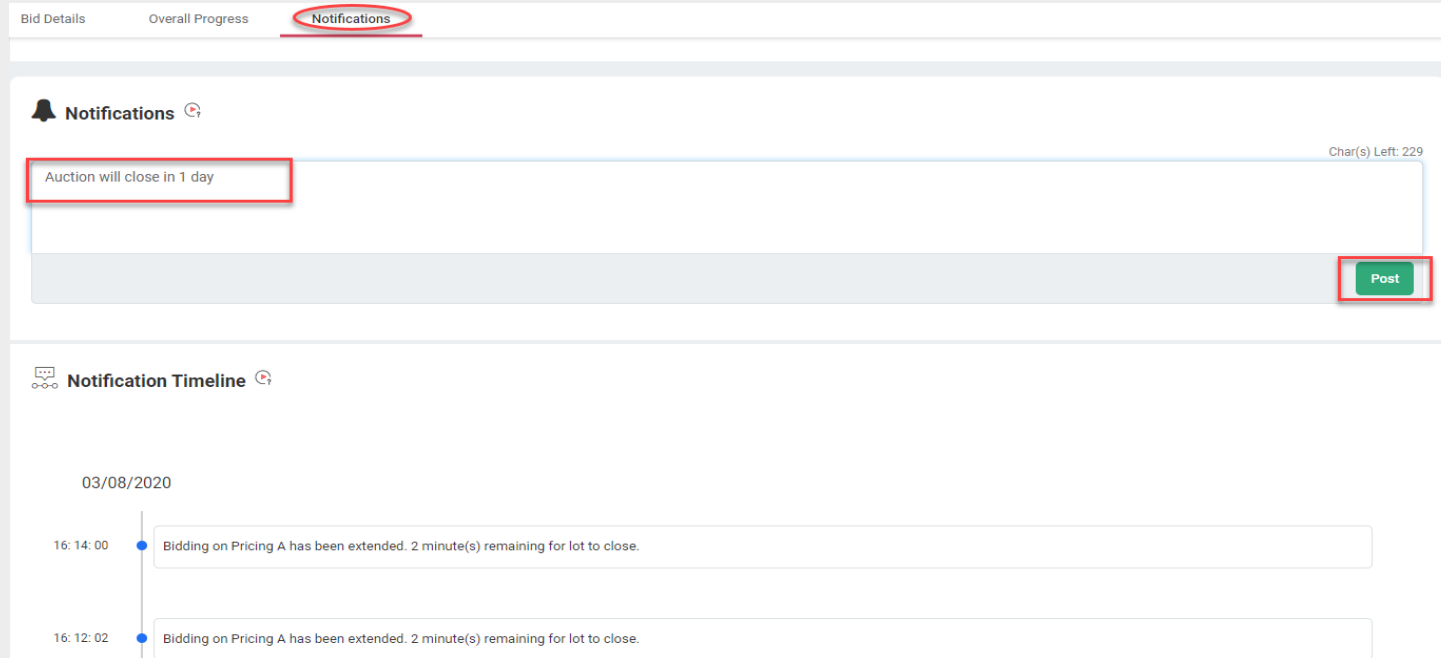
How to monitor e-Auction?

2. View bidding Overall Progress



How to monitor e-Auction?

3. View Notifications and Notifications Timeline



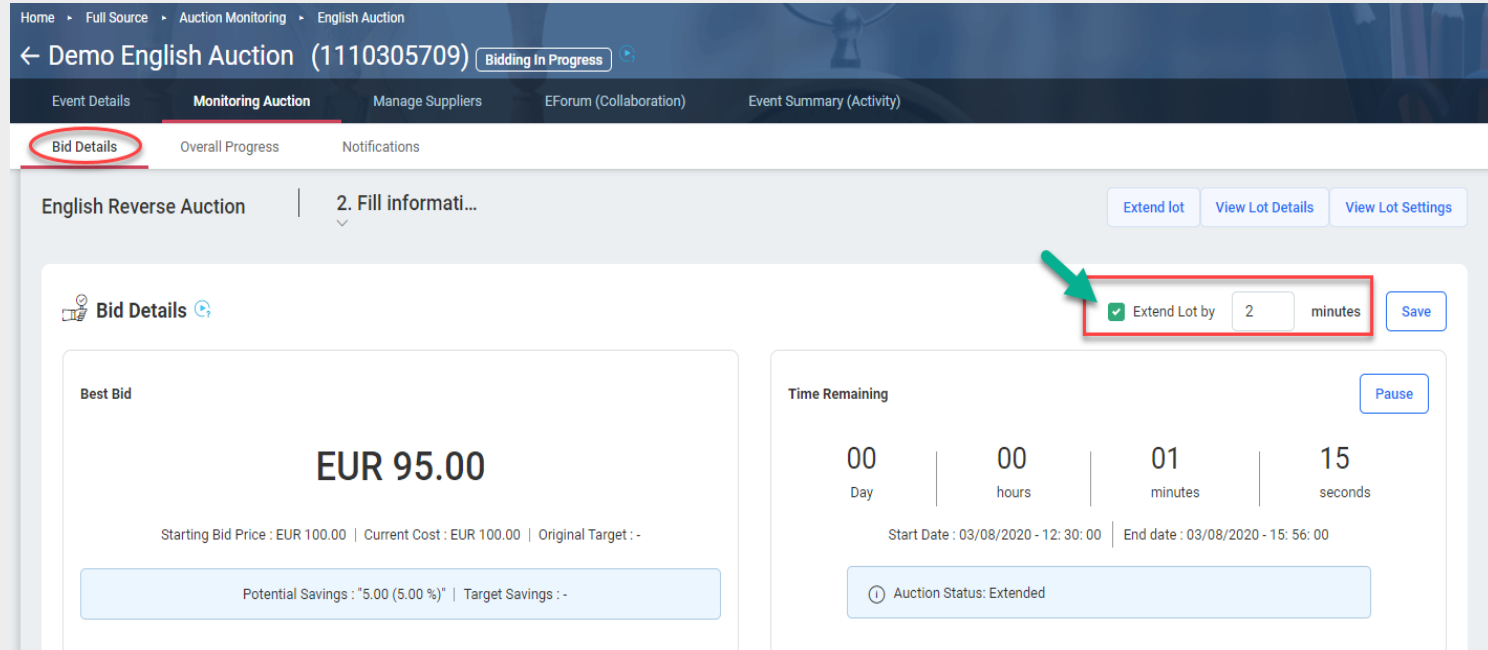
The screenshot shows the 'Notifications' section of an e-auction platform. At the top, there are three tabs: 'Bid Details', 'Overall Progress', and 'Notifications' (which is circled in red). Below the tabs, the 'Notifications' section is active, showing a notification box with the text 'Auction will close in 1 day' (highlighted with a red box) and a 'Post' button (also highlighted with a red box). The 'Notification Timeline' section below shows a list of notifications for the date 03/08/2020, with two entries at 16:14:00 and 16:12:02, both stating 'Bidding on Pricing A has been extended. 2 minute(s) remaining for lot to close.'

Use Notifications box to send alerts to suppliers about your auction.

Note: To send private message to one supplier use the eForum. Supplier can also create eForum to send messages to the buyer.

How to close e-Auction?

1. Close the auction



Home > Full Source > Auction Monitoring > English Auction

← Demo English Auction (1110305709) Bidding In Progress

Event Details | **Monitoring Auction** | Manage Suppliers | EForum (Collaboration) | Event Summary (Activity)

Bid Details | Overall Progress | Notifications

English Reverse Auction | 2. Fill informati... Extend lot View Lot Details View Lot Settings

Bid Details

Extend Lot by minutes Save

Best Bid

EUR 95.00

Starting Bid Price : EUR 100.00 | Current Cost : EUR 100.00 | Original Target : -

Potential Savings : "5.00 (5.00 %)" | Target Savings : -

Time Remaining Pause

00 Day | 00 hours | 01 minutes | 15 seconds

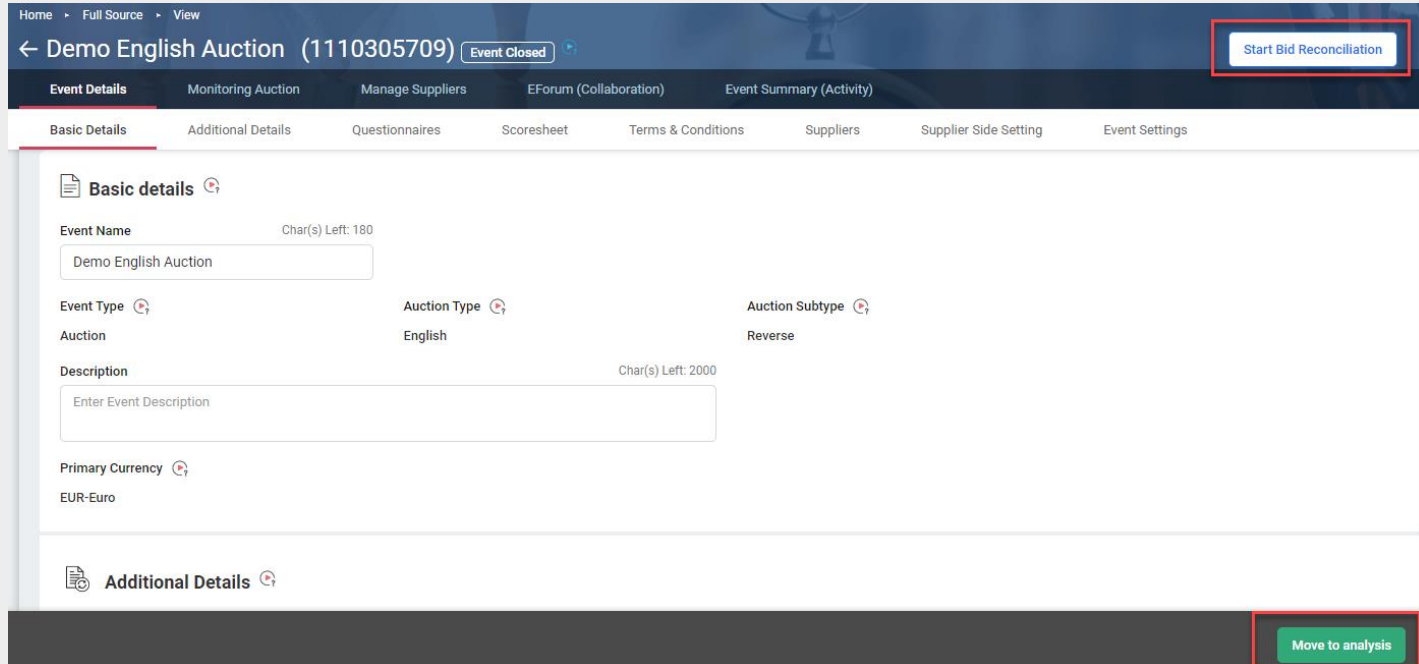
Start Date : 03/08/2020 - 12:30:00 | End date : 03/08/2020 - 15:56:00

ⓘ Auction Status: Extended

Close manually the event by unflagging the Extend Lot by

How to close e-Auction?

2. Start Bid Reconciliation or Move to Analysis



Home > Full Source > View

← Demo English Auction (1110305709) Event Closed

[Start Bid Reconciliation](#)

Event Details | Monitoring Auction | Manage Suppliers | EForum (Collaboration) | Event Summary (Activity)

Basic Details | Additional Details | Questionnaires | Scoresheet | Terms & Conditions | Suppliers | Supplier Side Setting | Event Settings

Basic details

Event Name Char(s) Left: 180

Event Type Auction | Auction Type English | Auction Subtype Reverse

Description Char(s) Left: 2000

Primary Currency EUR-Euro

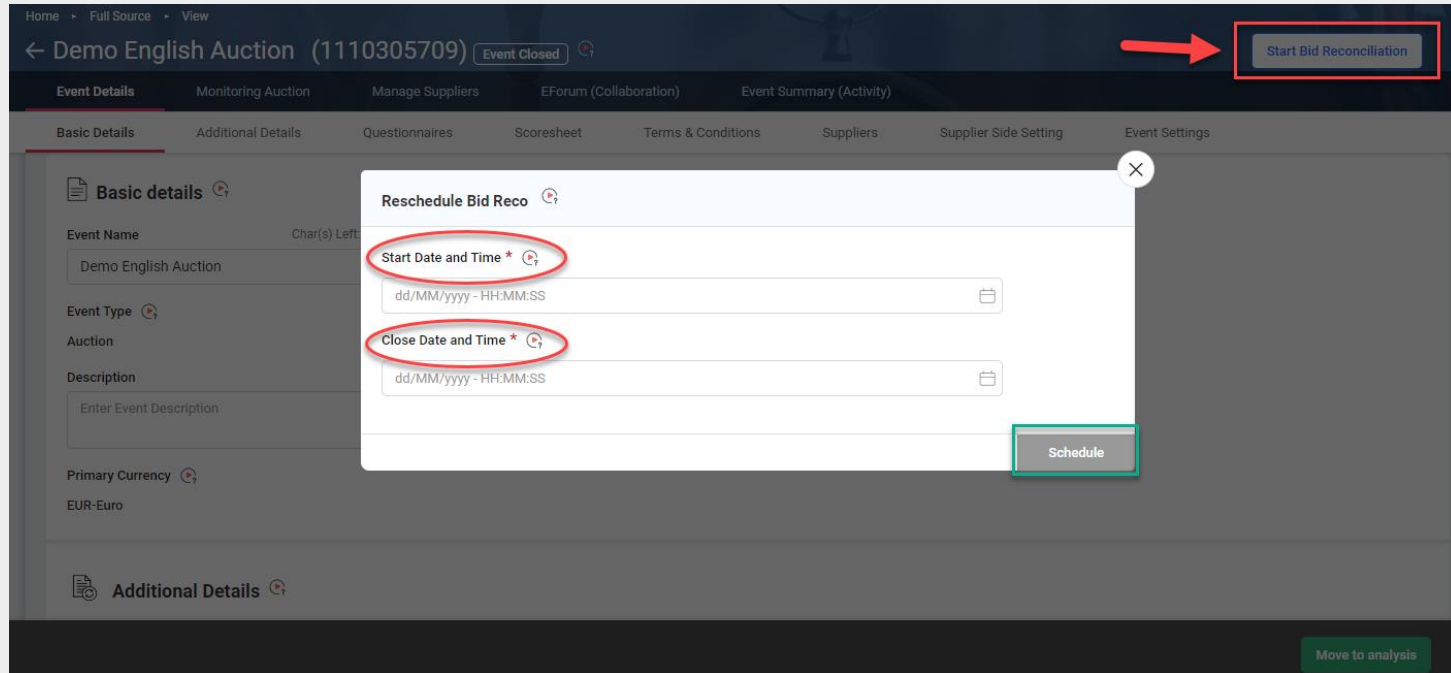
Additional Details

[Move to analysis](#)

Once the auction gets over, as a buyer, you would be asked whether you want to reconcile the bids or proceed to the analyze stage. You can ask the suppliers for bid reconciliation values once the auction is over.

How to close e-Auction?

3. Start Bid Reconciliation and Reschedule



The screenshot shows the 'Demo English Auction (1110305709)' interface. A red arrow points to the 'Start Bid Reconciliation' button in the top right corner. Below it, a 'Reschedule Bid Reco' dialog box is open, featuring two input fields: 'Start Date and Time *' and 'Close Date and Time *', both circled in red. The dialog also includes a 'Schedule' button at the bottom right.

Bid reconciliation allows the supplier to update the pricing lot line items according to the auction value. In case of a difference, it's not possible to reconcile. Also, if you further move to the Analyze stage, it's not possible to go back to Bid Reconciliation.

E-Auction Strategies

B
A
S
I
C

English



3+ Suppliers

Intense competition
(bid over bid)

Dutch



1+ Suppliers

Single bid auction
(the quickest)

Japanese



1+ Suppliers

Acceptance based auction
("blind" auction)

A
D
V
A
N
C
E
D

Best/Not Best
PMT auction
Discount auction
With Formulas
Transformation
Multiple items/lots
Sealed envelope
"Old" Japanese

Discount
Formulas
Multiple items/lots
PMT auction

Discount
Formulas
Multiple items/lots
PMT auction

E-sourcing Support Team

A diverse and collaborative team committed to improve Sourcing



S. Bica

SBS Purchasing SL



B. Kehayes

Purchasing SPP



A. DAAYF

SBS Purchasing SL

Work on concrete Business Cases to yield improvements and work on any gaps to provide countermeasures in order to meet Purchasing Requirements on short/mid/long term

