

**FOR IMMEDIATE RELEASE**

## **AI and Automation Ignite a Transformative Year in Procurement, Keelvar Study Reveals**

*Faced with rising demands and shrinking workforces, sourcing leaders have reached a technological tipping point in their quest for more efficient procurement processes.*

CORK, Ireland, February 5, 2024 -- [Keelvar](#), the leading global provider of autonomous sourcing and sourcing optimization solutions, today [released the findings](#) of its 2024 Voices of Sourcing report.

The research found that 72% of global procurement leaders expect unpredictability, inflation, and disruption to continue to be major challenges in 2024. This is up from 59% in 2023, showing that rising costs and recessionary pressure are growing.

With 68% citing cost management and operational efficiency as the top priority, it's clear that 2024 will be a year of efficiency for procurement teams. Yet despite the pressure to cut costs, 59% of procurement and sourcing teams plan to adopt advanced technologies, with Artificial Intelligence (AI) and automation technology topping the list (42%).

With 63% reporting increasing workloads and 38% experiencing a flat or declining workforce, it's not surprising procurement teams are looking to technology to find new ways to solve problems of doing more and delivering increased value with less. AI and automation look to be where procurement leaders expect to solve this problem.

"2023 marked the beginning of the automation and AI revolution," said Alan Holland, founder and CEO of Keelvar.

"Last year was a year of exploration - procurement leaders were evaluating, learning, and looking to see who took the first step and the pitfalls to avoid. The predominant question asked by CPOs then was, 'Tell me what's possible'. Now the question being asked is, 'Tell me how best to do it'.

"2024 will be the year when true leaders and innovators get started with AI and automation and begin to separate from the pack".

For 42% of procurement leaders, automating the sourcing of non-strategic spend is their top digital transformation initiative, with leaders forecasting an additional 10-15% cost savings. Automation, once considered a nice-to-have, has become a must-have, and the only way for procurement teams to meet their efficiency and strategic goals.

The research found that leaders see the benefits of automation as:

- 57% reducing time spent on repetitive tasks
- 42% freeing up teams to be more strategic
- 33% enhancing supplier visibility and competition

- 15% controlling maverick spend
- 14% responding quickly to market changes and reducing human error
- 12% improving governance and oversight

When it comes to Artificial Intelligence, the study shows that enthusiasm for generative AI in procurement is palpable with many leaders considering GenAI to enhance procurement operations. Yet the hype is tempered by caution, with 56% expressing concerns about the need for close monitoring and frequent corrections of Gen-AI input.

“AI will be a game-changer for procurement,” said Alan Holland, founder and CEO at Keelvar. “But due diligence and caution are encouraged with generative AI.

“18% of procurement leaders report their interest in driving GenAI in procurement is due to industry hype with 11% indicating it’s mandated by the C-suite. It’s critical for procurement leaders to ensure they are looking at the true value and applicability of GenAI and not getting caught up in the hype.”

Additional insights from Keelvar’s research show that encouragingly, 62% of procurement professionals prioritize ESG and sustainability as very important or important and 64% see diversity objectives in sourcing as equally significant. However, for 2024 these priorities take a backseat as only 12% plan to deliver on these goals in 2024.

Keelvar’s research dives deeper into a number of critical topics affecting procurement and sourcing leaders, including disruption, automation, sustainability, and risk. The 2024 Voices of Sourcing survey represents feedback from global procurement leaders in industries including retail, consumer goods, pharmaceutical products, manufacturing, shipping, transportation/warehousing and more.

To read Keelvar’s 2024 Voices of Sourcing report, visit [here](#).

## **About Keelvar**

Keelvar is moving procurement forward with best-in-breed software for intelligent sourcing optimization and autonomous sourcing, designed for easy adoption, scalability, and productivity, Keelvar’s SaaS-based award-winning solutions transform the speed and quality of supplier negotiations. The company’s AI and machine learning-based products are delivering results for 100+ blue-chip global companies across logistics, direct materials, and indirect spends optimizing over \$100bn in spend annually.

## **Media Contact:**

Kerrie Kennedy

k.kennedy@keelvar.com