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What is Tail Spend?

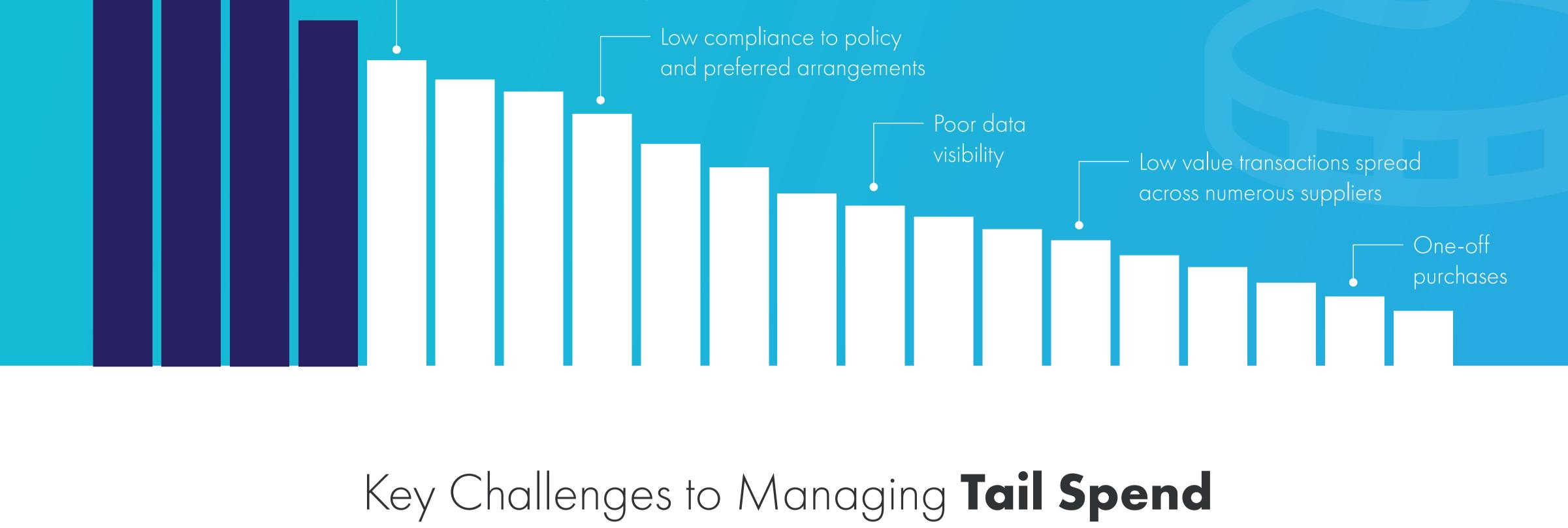
How do I control my Tail Spend?

The ongoing challenge for Public Sector procurement teams is to keep costs down, while ensuring their organisations have continual access to the products and services needed to drive their organisations forward. One of the areas of spend that is often overlooked is tail spend; and organisations high volume, low value day-to-day spend.

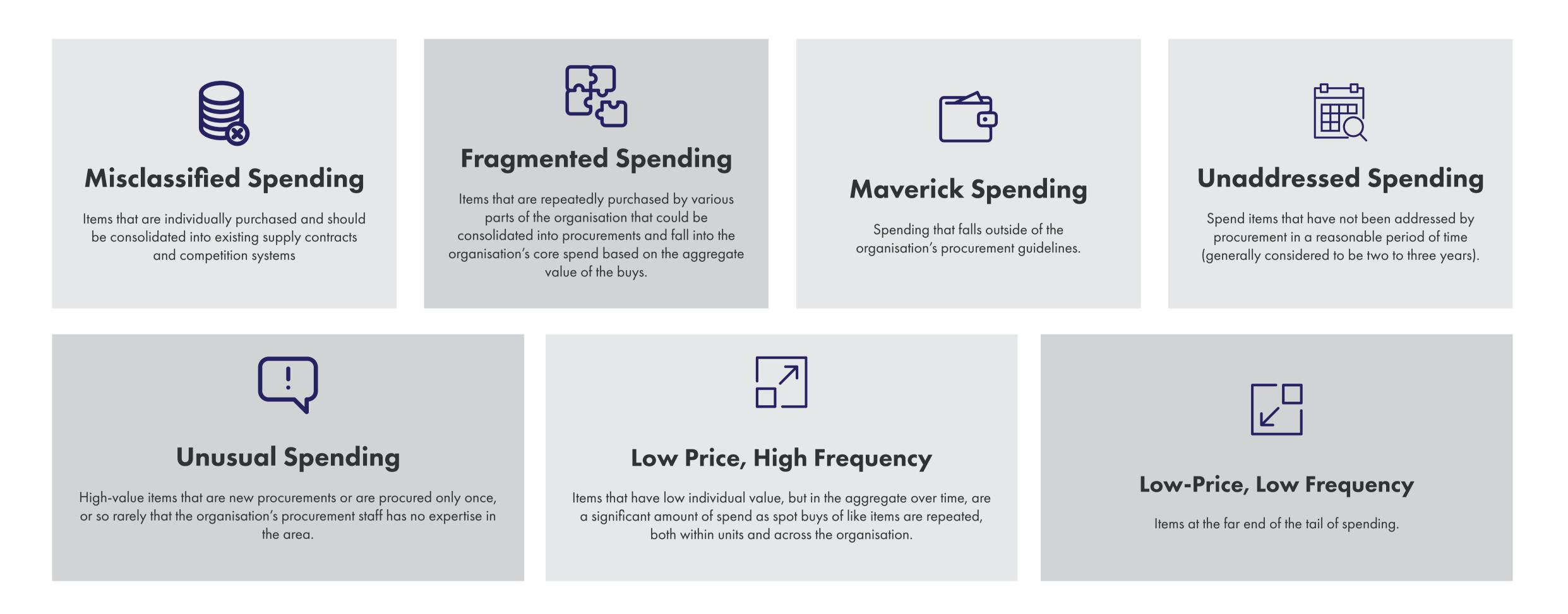
What is Tail Spend?

The unmanaged or 'lightly' managed spend, typically 20% of the total spend with the following characteristics...

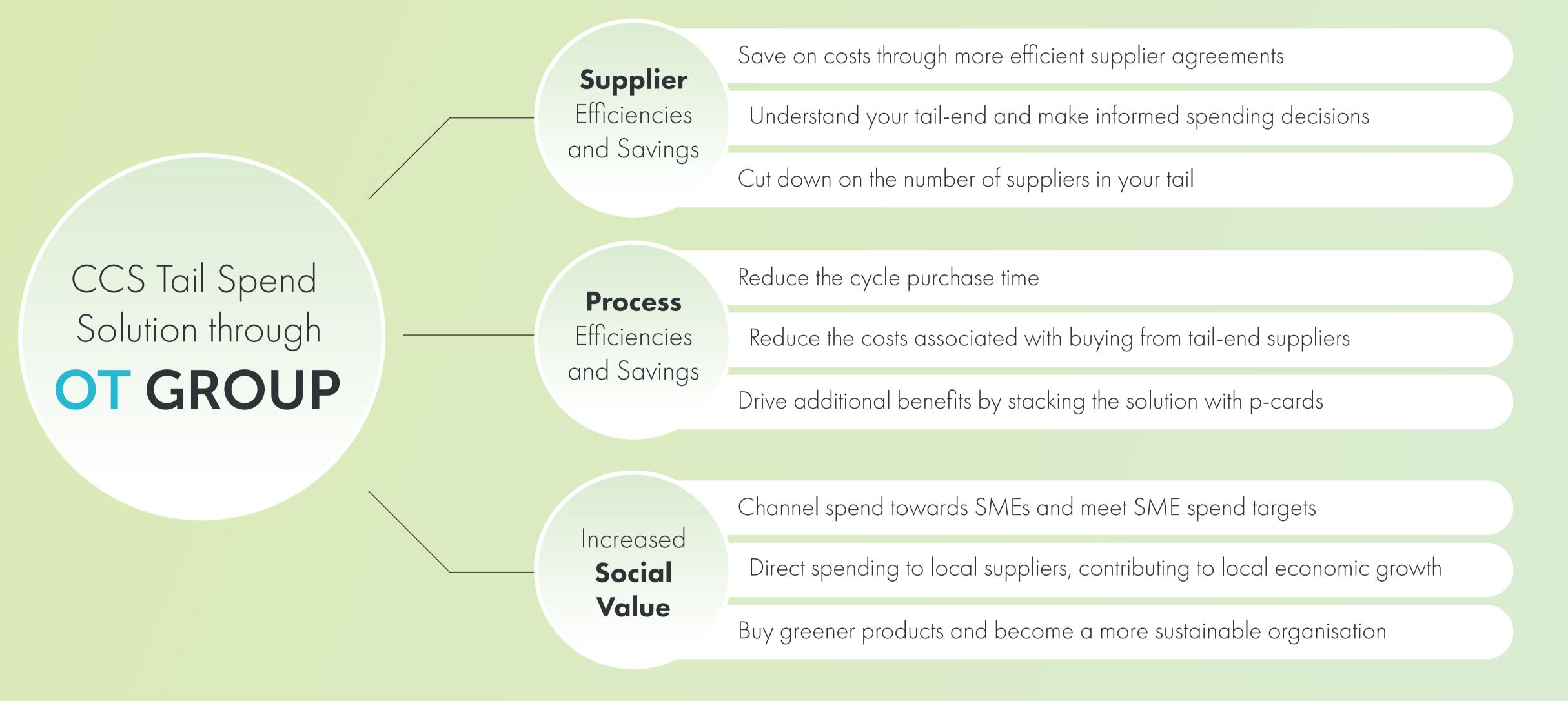




Key Challenges to Managing Tail Spend



Setting up for Success



Typical **Benefits** Include:







Supplier Efficiencies

10% cost savings on average

8%

average reduction in rogue spending

reduction in number of tail suppliers



Process Efficiencies

380 reduction in purchase cycle time

reduction in **35%** transaction costs per transaction transaction

additional savings through rebates



Social Value

38% of in-scope tail spend going to SMEs

84% of spend going to local suppliers

2500* average increase in purchases of green products

16pp^{*}

average increase in spend with diverse suppliers

*pp means percentage points. If green purchasing goes up from 10% to 35%, this is a 25 percentage point increase, not a 25% increase.

Read the full report from CCS





Visit https://otgroupltd.co.uk/ccs/tailspend