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sights

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More and more shopping



If you leave Mumbai to the north via National Highway 8, you will come to the city of Vapi after about 150 km. Situated on the Daman River, many industries have settled in this old trading town. In the past, many of them were in the textile industry, but today 70 % of them are in the chemical and healthcare industries.

However, Vapi is not famous for its more than 1,400 industrial companies; in recent years, Vapi has regularly made it onto the list of the 10 dirtiest cities in the world. It has long been the dirtiest city in India. I had the dubious pleasure of working just north of Vapi around 2010 and will never forget the stench of the air and streets in the greater Vapi area.

What does one of the dirtiest cities in the world have to do with modern shopping? Vapi rarely shows up as a manufacturing location.

It is here that precursors, dyes or ingredients for medicines are produced. In few cases for the end consumer, and certainly not for the European market. If, in the past, the purchasing department simply ordered a dyed jute bag in South India, it now has to deal with the entire supply chain, also as a result of the Supply Chain Sourcing Obligations Act. And then Vapi can and will show up all at once.

Record social and ecological standards

More and more purchasing means the expansion of the function of purchasing in companies. Long since ceased to be just the processor of orders, purchasing has grown greatly into the function of cost management in

recent years. With the general digitalization of companies, purchasing was usually in the first place there as well. Internal processes were optimized and digitalized and the exchange with suppliers was automated. And the next big topic was supply chain transparency. Today, when a buyer goes to a supplier in India, for example, it's no longer just about delivery quantities and quality control. It's about social and environmental standards and compliance. In 2010, employees in a foundry were still wearing flip-flops; today, this is no longer imaginable.

Purchasing has to face up to this and relies on transparency

However, more and more purchasing also means the stronger integration of purchasing departments into sales processes. Just as purchasing screens its supply chains, customers in turn screen their supply chains. And then the request comes to the purchasing departments accordingly, from sustainability to social standards to risk management.

Transparency in supply chains requires strong, active purchasing, always a little more purchasing in the companies. This goes hand in hand with new profiles for purchasing. From good master data managers, good buyers, good analysts, good relationship managers to good project managers, all profiles will be represented in purchasing departments in the future. Purchasing is thus becoming more and more of a cross-sectional function.



Think about basics

With all the more and more roles and functions, however, the focus must always be on the core tasks of purchasing: Cost management and optimal supplier relations. Both are the foundations for successful purchasing, including sustainability and social green procurement.

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