



“The disconnect between the need for high-quality data and the current reality of poor data management and process integration creates a significant hurdle for organizations aiming to extract the full value from their S2P technology,” Ivalua’s Vishal Patel said in the press release. “Without clean, standardized, and readily accessible data and the elimination of silos across S2P, automation is limited, as is the effectiveness of AI and analytics.”

#### **4 Steps to a Data-Driven S2P Foundation**

In its report, Ivalua says that the roadmap to procurement’s future must emphasize data as a cornerstone. The company offers up these recommendations to companies that want to set up a data-driven S2P foundation:

- 1. Master your data.** Prioritize data hygiene; implement data cleansing initiatives to eliminate inconsistencies and errors in existing data sets. Establish clear data governance policies that ensure ongoing data quality and accessibility.
- 2. Make data management capabilities as a core selection criterion.** Look for S2P suites that offer robust data quality tools, seamless data integration across modules, and user-friendly interfaces for efficient data access and analysis.
- 3. Create AI governance.** Use clear guidelines on data ownership, access controls and security protocols for AI-powered tools. Prioritize data privacy and ensure compliance with relevant regulations when working with third-party data sources.
- 4. Develop a Generative AI (GenAI) roadmap.** Identify areas where GenAI can significantly improve processes and workflows, but also ensure that the data foundation is robust enough to support these advancements.

The market is also highly competitive. Industry giants are adopting product expansion strategies such as mergers and acquisitions, Fact.MR reports, while mergers and acquisitions help companies increase their product offerings and market reach. For instance, Infineon Technologies AG recently announced the acquisition of GaN Systems Inc., and Flosfia began offering next-gen power chips made from gallium oxide.

#### **Overall Outlook Remains Positive-But-Cautious**

The broader semiconductor market has been through some ups and downs lately as the sector emerged from the pandemic, shook off the impacts of the global shortage and caught up with demand for certain products. According to [KPMG's Semiconductor Industry Confidence Index](#), the current score of 54 is similar to that of 2023, with a value above 50 indicating a more positive outlook than negative.

According to KPMG, 83% of semiconductor leaders project their company's revenue to grow in 2024, which is in line with last year's 81%. However, the rate-of-growth projections are slightly lower. This year, four in 10 leaders expect revenue growth of more than 10 percent. While still healthy, a full half of respondents (5 in 10) felt this way last year.

Automotive topped the survey as the most important application driving semiconductor company revenue, with wireless communications coming in second and cloud/data centers and the Internet of Things tied for third place on organizations' top list of revenue drivers in 2024.