

On the Radar: Bonfire platform helps procurement teams find, select, and manage suppliers

Cloud-based collaborative sourcing platform

Publication Date: 13 Nov 2019

Product code: INT004-000045

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Summary

Catalyst

Every year thousands of requests for proposals (RFPs) are issued by organizations seeking to find products and services that meet their requirements at a price they are prepared to pay. However, many RFPs are run using paper-based document transfers. Not only is this more expensive for both suppliers and clients, but it also takes longer and costs more than using an online portal. Several RFP portals are only posting and document aggregation sites, while a few are truly online, where managing bids, compiling the RFP, posting RFPs, and receiving responses, evaluating, and making decisions are entirely digital processes, obviating the need for paper-based activities.

Ovum view

With digital business increasing the pace of business activities, and with continuously changing customer and citizen requirements, no organization can afford to be delayed by its procurement processes. Most bids and RFPs remain non-digitalized, and an online bid and RFP publishing, management, evaluation, and decision solution is essential to bring procurement into line with the pace of the organization's business changes. Not only are speed, efficiency, and cost-saving important, but also compliance and governance are essential to successful procurement operations. Non-digital, paper-based procurement processes represent significant governance and compliance risks for organizations.

Key messages

- Bonfire focuses on online sourcing for bids and RFP compilation, posting, evaluation, and awarding of contracts. The platform was designed to ease the bid and RFP process including evaluation and decision-making.
- Bonfire has sophisticated governance and compliance features designed specifically for the public sector.
- Procurement decisions are verifiable via continuous logging for justification and query and dispute resolution.
- Bonfire claims a 20% cost reduction and a two-times process improvement for procurement operations.
- Bonfire is now part of the GTY business ecosystem, providing end-to-end cloud-based technologies and services for government departments.

Recommendations for enterprises

Why put the Bonfire eSourcing platform on your radar?

- Procurement, especially in a government context, needs to be governed and compliant.
- Moving procurement operations online with Bonfire enables government institutions to match the operational pace of their organizations while being compliant.

- Improvements in process speed and efficiency, while cutting the cost of procurement and improving decision-making, are an added bonus to institutions.
- The ability to track contracts and vendor performance improved post-contract operations.
- Bonfire is part of the GTY business ecosystem, bringing leading cloud-based solutions for state and local governments together to achieve integrated convergence in citizen engagement and resource management
- Public institutions can make use of the annual Bonfire “State of the RFP” report to improve their procurement processes based on benchmarks compiled from more than 6,000 RFPs and nearly 300 public sector organizations in North America.

Highlights

While Bonfire was developed with public-sector organizations in mind, and although most of its clients are in the public sector, it has a significant private-sector client base. Bonfire has observed a difference in procurement priorities between public- and private-sector organizations. Public-sector organizations are primarily concerned with compliance, governance, and fit with public-sector processes and priorities, while private sector organization concern themselves with cost-savings and process efficiencies. Bonfire delivers on all these priorities and can demonstrate platform performance according to customer needs. It can deliver an average 20% cost saving, two-times faster procurement processes, and deep compliance, and 93% of users would recommend it.

The Bonfire eSourcing platform performs three functions. It offers bids and requests for proposals, information, and quotations (RFx) control from pre-posting to award. The platform enables customers to define their bid and RFx goals and set their requirements before inviting suppliers to respond. The full RFP process is then run online. During an evaluation, the platform provides auto-scoring where possible and allows for consensus scoring, where evaluators differ by more than 30% in their scores. The more auto-scoring in the evaluation, the faster the evaluation period. The portal tracks evaluation progress and provides workflow tools to ensure that those with the correct authority access the RFx content and responses at the appropriate time. Evaluation of submissions is online, which enables evaluators to access the necessary content and provide evaluation input at times when it is appropriate to them.

The RFx platform also compiles and tracks information on contracts and on vendor performance after contracts have been awarded. Contracts can be added even if they have not come through the RFx process. Contract tracking enables customers to manage dates and milestones, track terms, change orders, and spend. Reminders automatically notify stakeholders of contract milestones, value and cost thresholds, compliance targets, and progress toward targets.

The advantage of having all contracts in a central, searchable database is manifest. Vendor performance is tracked against contracted objectives, surveys are automated, and vendor KPIs are tracked and presented as color-scaled tables, charts, and heatmaps for ease of comparison across vendors.

Every year Bonfire issues a “State of the RFP” report, which analyzes anonymized first-party data from thousands of RFP submissions at hundreds of public-sector organizations to provide insight into the general RFP process, enabling public-sector organizations to improve their procurement processes.

Background

Bonfire was founded in 2012 to address the issue of there being no online RFP evaluation tools specifically for public procurement professionals. The solution is modular, allowing users to customize according to their procurement processes and requirements. Most customers start with basic modules and expand into other modules once the technology is proven. Bonfire analyzes the usage of the modules to provide future development directions. It also provides implementation and training services, product support, and consulting services. Each customer has a dedicated success manager who provides ongoing personalized support and best practices at no additional cost.

Bonfire targets customers in highly regulated environments that need compliance visibility and decisions to be justifiable to both executives and vendors.

In February 2019, Bonfire joined GTY, a holding company that aims to bring together leading government technology companies to offer a comprehensive suite of cloud-based solutions designed to fuel the digital transformation of the public sector. With GTY, Bonfire gains access to a wider market and can integrate with complementary digital solutions provided by other ecosystem members.

Current position

Bonfire is one of six government-sector serving companies under the GTY umbrella. GTY has identified a significant gap in North American government institutions, where 95% still use on-premises software. There is an opportunity to help government institutions move into cloud solutions and away from their cost- and time-consuming legacy systems.

Bonfire has data sovereignty as a critical element of its go-to-market strategy. All Bonfire infrastructure is provisioned programmatically leveraging technologies, including Terraform and Ansible, for infrastructure as code. Hosting on AWS cloud infrastructure, and with Canadian, US, and European regions already in place, Bonfire can rapidly provision new customers in new regions.

Data sheet

Table 1: Data sheet: Bonfire

Product name	Bonfire	Product classification	e-sourcing
Version number	Cloud	Release date	Cloud
Industries covered	Public sector, private sector	Geographies covered	All
Relevant company sizes	Small, medium, and large public sector; enterprise private sector	Licensing options	SaaS; seat-based and consumption-based pricing available
URL	Gobonfire.com	Routes to market	Direct or via public sector co-op
Company headquarters	Kitchener, ON, Canada	Number of employees	107

Source: Ovum

Appendix

On the Radar

On the Radar is a series of research notes about vendors bringing innovative ideas, products, or business models to their markets. Although On the Radar vendors may not be ready for prime time, they bear watching for their potential impact on markets and could be suitable for certain enterprise and public sector IT organizations.

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