

Order rate per catalogue: KPI for steering assortment usage in procurement

The order rate per catalogue is a procurement KPI that expresses the ratio of orders processed via an electronic catalogue to the total number of orders for an assortment or supplier. It shows how strongly purchasers actually use the maintained catalogue assortment and where orders are placed in parallel via enquiries or maverick buying. For procurement leaders, it is an early indicator of catalogue quality, user acceptance and process costs. A rising rate usually means shorter lead times, lower transaction costs and better plannability.

Key facts

- The order rate per catalogue relates ordered items or orders placed via a catalogue to the respective total volume.
- Typical benchmarks in practice frequently lie between 60 and 90 per cent, depending on the assortment and the maturity of e-procurement.
- Low rates indicate gaps in the catalogue, outdated prices or a lack of acceptance among purchasers.
- The KPI can be analysed per supplier, per category, per plant location and per period.
- It supports category governance and the management of framework agreements with A-suppliers.
- Improvement measures include regular parameter maintenance (MRP), assortment rationalisation and consistent procurement guidelines.

Definition: order rate per catalogue

The order rate per catalogue is a process KPI of operational procurement and measures the proportion of all order transactions processed via a defined catalogue assortment. It can be calculated at order header, line item or spend level. In B2B procurement systems, it is usually reported per supplier catalogue, per category and per site.

Calculation and reference figures

The common formula is: order lines via catalogue divided by all order lines of the assortment under review, multiplied by 100. Alternatively, the share of spend can be used if quantities are not comparable. Consistent definition is important: whether repeat orders from delivery-schedule-based procurement are systematically filtered out or included significantly changes the meaningfulness of the figure.

Distinction from other rates

The order rate per catalogue is not identical to the supplier share, which measures the volume share of an A-supplier in total purchasing. It also differs from fulfilment rates such as On-Time In Full (OTIF), which describe delivery performance. While OTIF highlights the supplier side, the order rate is primarily a KPI for internal process discipline and assortment loyalty.

Methods and approach for data collection

The basis is the data from the procurement system, in which every order is assigned a procurement channel. Clean data management is the decisive prerequisite, because without consistent catalogue and supplier master data the rate remains open to interpretation.

Data preparation in the procurement system

Every order line should be automatically tagged with catalogue ID, supplier, category and cost centre. Items that cannot be catalogued, such as services or subcontracted work, should preferably be excluded from the base figure or reported as a separate segment. Regular parameter maintenance (MRP) ensures that planning parameters and source-of-supply assignments remain up to date and that orders do not unintentionally bypass the catalogue.

Analysis along assortment logic

In practice, a three-level analysis has proven effective: first per catalogue, then per commodity group and finally per requisitioner or plant. This makes it possible to identify whether low rates are due to assortment gaps or to individual departments that habitually order outside the assortment. In addition, order books can be analysed using search terms to identify frequently requested but non-catalogued articles.

Important KPIs in the context of the order rate

The order rate per catalogue only unfolds its effect in combination with further KPIs. Only then can it be distinguished whether a high rate is genuinely efficient or based on a lack of alternatives.

Transaction costs and lead time

Process cost accounting allows the costs per order transaction to be compared for catalogue orders and free-text orders. Since catalogue orders in practice require significantly fewer manual checks, higher rates typically have a direct impact on the cost per order. In addition, the average lead time from demand notification to order and the share of automatically approved orders are meaningful indicators.

Spend compliance and assortment loyalty

Spend compliance describes the share of spend processed via agreed sources of supply and contracts. Maverick buying, by contrast, shows how much procurement volume bypasses the prescribed channels. Both KPIs interact closely with the order rate: if the rate falls, this is often an early signal of increasing maverick buying and should be checked at short notice.

Price and supplier quality

Price levels and delivery performance of the catalogued assortment also feed into the assessment. A high order rate is of little use if the catalogued sources of supply regularly miss terms such as On-Time In Full (OTIF). As part of cross-functional sourcing, the rate is therefore evaluated jointly with engineering and logistics and linked to targets from the service level agreement (SLA).

Risks and controls in interpretation

Like any ratio KPI, the order rate per catalogue can be misleading if viewed in isolation or artificially inflated. Clear control mechanisms are therefore part of professional KPI management.

Typical distortions

An apparently high rate can arise because favourites only cover a narrow assortment and requisitioners follow up via alternative channels. Conversely, strategic goods deliberately not catalogued reduce the rate without a process problem being present. Seasonal effects, large projects with export handling or special requests via the tender process also distort the overall picture; such cases should be flagged as exceptions.

Controls and governance

A regular review as part of category governance, in which the rates are discussed with the commodity group owners, has proven effective. A contract repository ensures the consistent assignment of orders to framework agreements so that catalogue prices and contract prices do not diverge. For persistent deviations, zero-base budgeting of the catalogue assortment is worthwhile: which items are not needed at all or only rarely, and conversely, which missing articles cause free-text orders?

Approval and procurement guidelines

Technical controls such as demand coverage via favourites, mandatory fields for justifying the source of supply for free-text orders and automatic prompts for comparable catalogue articles reduce unintended circumvention. However, without acceptance among requisitioners, guidelines only have limited effect; training and a comprehensible assortment composition are therefore essential.

Current developments and digitalisation

The importance of the order rate per catalogue grows with the degree of digital procurement. Classic supplier catalogues are complemented by access to broad assortments, dynamic price maintenance and increasingly assisted analytics.

Automated catalogue maintenance and forecasting

More modern systems maintain article master data, prices and availability automatically and link the catalogue data to the capacity planning of demand. In addition, forecasting approaches such as a consensus forecast can help to expand assortments proactively with articles likely to be ordered, instead of reactively allowing free text. This reduces maintenance effort and stabilises the rate.

AI-supported analysis

Assisted analyses can classify free-text line items, identify duplicates and generate suggestions for assignment to the catalogue. Buyers should review the results, as classifications may be missing and legal or sustainability requirements – such as REACH thresholds for chemicals – must still be assessed on their merits. AI therefore primarily relieves the burden of data preparation, but does not replace professional approval.

Sustainability and reporting obligations

Catalogued sources of supply facilitate the allocation of emissions and the calculation of CO₂e values per procurement transaction. If a CO₂ price is applied internally, the order rate can also be steered from a sustainability perspective by giving preference to catalogued, verified sources of supply. This also increases transparency for internal and external reporting.

Target values and improvement of the order rate

Appropriate target values depend on the industry, assortment and system landscape. For C-items and standard materials, a rate of over 80 to 90 per cent is often achievable in practice, while project-oriented procurement naturally shows lower rates.

Realistic target setting

Segmentation is sensible: high-volume standard categories receive ambitious targets, strategic and hard-to-catalogue goods moderate or no targets. The targets are agreed with the commodity groups and reviewed at least annually. A sudden increase in targets without assortment expansion usually generates maverick buying rather than compliance.

Levers for increasing the rate

The key levers are needs-based assortment expansion, up-to-date prices and availability, short search paths within the catalogue and the consistent follow-up of recurring free-text demands. In addition, a clear escalation path for missing articles helps ensure that requisitioners do not order outside the assortment permanently. Measurable progress usually becomes apparent within one to two quarters, provided the analysis is carried out monthly.

Typical metrics

Order rate per catalogue (standard materials): > 80%

usual benchmark for C-items and ancillary materials; lower depending on the assortment

Spend compliance: > 90%

share of spend via agreed sources of supply, closely linked to the catalogue rate

Share of maverick buying: < 5%

low values support a high order rate

Cost per order (catalogue vs. free text): typically significantly lower in the catalogue

determine via process cost accounting

Lead time from requirement to order: usually 1–3 days for catalogue orders

company-specific, assess in terms of trend

Practical example

A mid-sized mechanical engineering company with around 300 purchasing staff found that only about 55 per cent of order lines in the area of operating supplies and standard consumables were processed via catalogue, even though three A-suppliers maintained complete catalogues. The analysis by plant and cost centre showed that two plants preferred to order by telephone and email. After the following measures, the rate rose to around 85 per cent within two quarters, and the cost per order fell noticeably.

- Monthly analysis of the order rate per catalogue and plant as part of category governance
- Assortment expansion by the twenty most frequently free-text-ordered articles with updated parameter maintenance (MRP)
- Automatic prompt in the procurement system pointing to comparable catalogue items for free-text orders
- Linking the rate to targets from the suppliers' service level agreement (SLA) to secure availability and prices

Conclusion

The order rate per catalogue is a pragmatic KPI for making the benefits of maintained catalogue assortments measurable and reducing process costs in procurement. It only has a steering effect if the data basis is clean, exceptional cases are flagged and the analysis is discussed regularly with the commodity group owners. Combined with spend compliance, maverick buying and transaction costs, it yields a differentiated picture of procurement discipline. Companies that manage the rate systematically typically benefit from shorter lead times and lower costs per order transaction. The KPI should therefore be a fixed component of periodic procurement reporting.

Frequently asked questions

What is the order rate per catalogue?

The order rate per catalogue is the percentage of purchase orders or order lines that are processed via an electronic catalogue. It shows how well the maintained assortment is adopted by the procurement team. In practice, depending on the assortment, it typically lies between 60 and 90 per cent.

How is the order rate per catalogue calculated?

The common formula is: catalogued order lines divided by all order lines of the assortment under review, multiplied by 100. Alternatively, the share of spend via the catalogue can be used. It is important to define the reference figure consistently across all reporting periods.

From what level is an order rate per catalogue considered good?

There is no universally valid target value, as the assortment and industry context shape the rate. For C-items and standard materials, values above 80 to 90 per cent are achievable in practice, while project-oriented procurement naturally shows lower rates. Segmented targets by commodity group make sense.

Why does the order rate fall despite an available catalogue?

Common causes are missing articles, outdated prices, unclear availability and long search paths within the catalogue. Habitual maverick buying by individual departments also reduces the rate. An analysis by requisitioner shows whether the problem lies in the assortment or in user acceptance.

Which KPIs complement the order rate per catalogue?

In addition, spend compliance, maverick buying, transaction costs per order and lead times are meaningful indicators. Delivery metrics such as On-Time In Full (OTIF) also help assess whether the catalogued sources of supply are performing well. Only the combination of these KPIs provides a reliable picture.

How can the order rate per catalogue be increased?

The key levers are a needs-based assortment expansion, up-to-date catalogue data and short search paths. In addition, procurement guidelines, automatic prompts suggesting catalogue alternatives for free-text orders and training for requisitioners are effective. Monthly reporting with a target system keeps the improvement process on track.