

Cool Vendors in Sourcing and Procurement Technology 2025

15 August 2025 - ID G00836795 - 13 min read

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Initiatives: [Procurement Digital Transformation](#); [Sourcing and Procurement](#)

AI empowers procurement organizations to tackle strategic challenges and drive greater value. In this research, we highlight five innovative vendors that enable procurement technology leaders to achieve their strategic goals and deliver actionable insights through AI.

Overview

Key Findings

- Seventy-eight percent of respondents to a recent Gartner survey cited digital transformation as one of the primary goals for procurement organizations. For procurement leaders aiming to maximize the benefits of digital transformation, making AI exploration a top priority is crucial.
- Many procurement organizations struggle to realize the full potential of AI due to inconsistent, incomplete or poor-quality data. Without robust data governance practices in place, AI models are often trained on unreliable information, leading to inaccurate insights and suboptimal decision making.
- Gartner clients express concerns that AI technologies are frequently overhyped and lacking sufficient testing, causing organizations to overlook the potential value and capabilities these innovations could bring to sourcing and procurement functions.

Recommendations

Procurement technology leaders responsible for emerging trends and technology should:

- Maximize the impact of digital transformation initiatives by assessing all new technology investments for their AI features and future development plans.

- Invest in data governance to effectively leverage AI in procurement technology. Leverage high-quality, real-world procurement data as a crucial foundation for generating valuable AI-driven, synthetic data insights.
- Perform thorough assessments of technology solutions by requiring structured, well-defined demonstrations that deliver clear, measurable outcomes and by carefully verifying customer references to substantiate vendor claims.

Analysis

This research does not constitute an exhaustive list of vendors in any given technology area, but rather is designed to highlight interesting, new and innovative vendors, products and services. Gartner disclaims all warranties, express or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

What You Need to Know

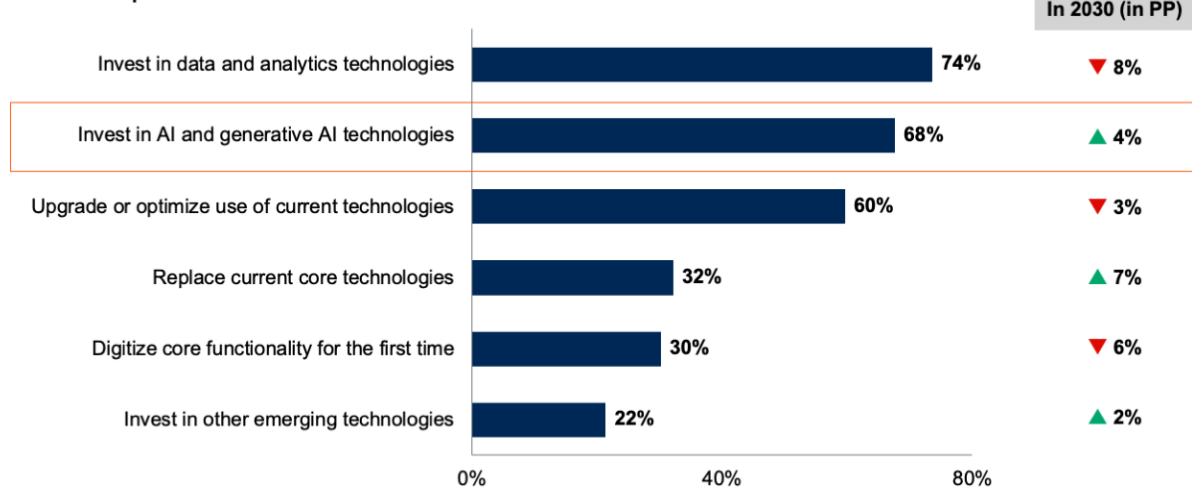
For procurement organizations determined to unlock the full potential of digital transformation, elevating AI exploration into a top strategic imperative is nothing short of essential. The difference between merely keeping pace and seizing industry leadership hinges on the boldness with which organizations prioritize and accelerate their AI initiatives. In today's rapidly evolving landscape, those who fail to make AI exploration a central focus risk falling irreversibly behind while those who embrace it stand poised to redefine the very future of procurement.

Chief procurement officers (CPOs) participating in Gartner's 2024 CPO survey acknowledge the critical importance of this strategic imperative, placing significant emphasis on investing in AI and generative AI technologies as a top priority for the future (see Figure 1). ¹

Figure 1: AI/GenAI a Top CPO Priority for 2025

AI/GenAI a Top CPO Priority for 2025

Sum of top 3 ranks



n = 251; all respondents excluding no planned investment
 Q: What are the organization's top three technology priorities for the year 2025?
 Source: 2024 Gartner Chief Procurement Officer Survey
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Gartner

An AI-driven shift is underway in the procurement landscape and the majority of organizations are opting to purchase rather than build their own AI technology solutions (see [AI Use-Case Comparison for Sourcing and Procurement](#)). While many begin their journey by scrutinizing the product roadmaps and AI development strategies of their existing technology providers, according to Gartner's Generative AI 2024 Planning Survey, most respondents plan to acquire generative AI capabilities from entirely new vendors.² This signals not just a change in procurement strategy but a move to seek out innovation and competitive advantage beyond familiar partners — reshaping the technology ecosystem in the age of AI.

Procurement technology leaders must prioritize three critical attributes to ensure trust in their AI solutions:

- Unbiased data
- The correct AI model
- Skilled talent to unlock value

Among these, unbiased data stands as the foundation for effective AI adoption. Establishing a robust data governance framework is essential to address data quality and impartiality, enabling procurement organizations to fully leverage the transformative potential of AI. Gartner offers in-depth analysis of data governance, including detailed insights within [A Practical Guide to Data Governance for AI-Ready Data](#).

For organizations buying AI technology, selecting the right vendor is a pivotal decision that can define the success or failure of their digital transformation journey. In this research, we spotlight a select group of “Cool Vendors” — innovative, emerging players who are pushing the boundaries of what’s possible with AI technology. These vendors are worthy of consideration as they have the potential to deliver transformative value to procurement organizations willing to embrace the future.

hunterAI

Arizona, U.S. (hunterai.com)

Analysis by Martin Shreffler

Why Cool:

hunterAI delivers advanced spend analytics capabilities that help procurement teams gain visibility into spend patterns and uncover cost-saving opportunities across indirect and direct categories. The platform is cloud-native and enables rapid deployment with minimal IT intervention, allowing organizations to start realizing value in weeks rather than months. Using AI and machine learning, hunterAI detects invoice anomalies, highlights contract compliance issues, and surfaces supplier performance insights to drive improved decision making. Its dashboards present findings in a clear, action-oriented format, enabling procurement teams to prioritize recovery efforts and continuously track realized savings. A contingency-based commercial model, where fees are tied directly to realized savings, aligns vendor performance with client outcomes and lowers the barrier to adoption for organizations pursuing early ROI.

Challenges:

hunterAI's current data models and prebuilt dashboards are optimized for healthcare organizations, leveraging domain-specific benchmarks and patterns. Companies outside of healthcare may require additional configuration or customization to achieve the same level of precision for their direct spend categories. In addition, the platform's AI models rely on the quality and completeness of data. Organizations with poorly governed data may experience slower time-to-value and will need to invest some effort into data cleansing to fully realize the platform's capabilities.

Who Should Care:

Procurement leaders looking to improve spend visibility, recover cash, and accelerate analytics-driven decision making should evaluate hunterAI. Teams seeking a rapid, low-risk entry point into AI-powered procurement analytics and aiming to complement existing systems with targeted, high-impact functionality will find it particularly compelling.

Levelpath

San Francisco, California, U.S. (levelpath.com)

Analysis by Magnus Bergfors

Why Cool:

Levelpath is one of the first truly AI-native procurement platforms and has the ambition to create an entire AI-native S2P suite. While most other procurement suites in the market started by building a point solution, Levelpath started by building its platform data management capabilities and AI-driven reasoning engine called Hyperbridge. This has allowed them to rapidly release new AI-powered functionality. Additionally, Levelpath now supports intake management, sourcing, contract management and project pipeline management. Conversational user interfaces are leveraged across the solution. Policies and supporting procurements can be uploaded, allowing end users to interact with them using natural language and get guidance to the right workflows. Full CLM is supported and uploaded contracts can be searched and summarized for streamlined reviews, reporting and decision making. Sourcing is also highly automated with the solution being able to create events, identify and invite suppliers as well as collecting and analyzing bids. In addition to the capabilities mentioned above, Levelpath also supports invoice management and some supplier management capabilities. A more fully fledged supplier management product is planned for release later in 2025.

Challenges:

While Levelpath has created a platform that allows it to rapidly scale, the company is competing with established S2P vendors that have spent decades building deep support across the entire S2P process. While these vendors are not AI-native, they are investing heavily in AI and have access to massive customer datasets to train their solutions on. As several S2P technology vendors have experienced in the past, building the 20% capabilities that cover 80% of the needs is fairly straightforward. Addressing specific industry, category and regulatory needs is much more complicated.

Who Should Care:

Progressive procurement leaders willing to work with an emerging solution provider using the latest technology to improve end-user experiences and drive higher levels of adoption and spend under management.

LightSource

San Francisco, California, U.S. (lightsource.ai)

Analysis by Micky Keck

Why Cool:

LightSource is a cloud-based, direct materials sourcing platform designed to address complex sourcing events that require detailed cost breakdowns to assess a vendor's price. LightSource provides a structured environment for managing sourcing events that require detailed part-level data, including drawings, part revisions and subcomponent costs. LightSource supports integrations to product life cycle management (PLM) systems for bidirectional bill of materials (BOM) management as well as other systems via CSV and GraphQL API. The platform supports end-to-end sourcing workflows — from RFx creation to contract award — throughout a product or material's entire development life cycle. LightSource also supports sourcing scenario analysis, granular cost breakdowns at the component level and cost analytics over time. LightSource also incorporates AI insights to enhance bid analysis and supplier evaluation, enabling users to compare complex quotes efficiently and make data-backed decisions. Its architecture is built to support global supply chains, including regions with strict data regulations like China, and it emphasizes transparency and traceability throughout the sourcing process.

Challenges:

LightSource is heavily focused on direct material sourcing use cases, while it can support indirect goods and services, it is suboptimized for those categories of spend. It is often considered an add-on solution rather than a replacement for a general-purpose sourcing solution. Direct material sourcing typically involves a lot of data and complexity, so integrations and user adoption typically require more upfront effort than traditional sourcing solutions.

Who Should Care:

Sourcing and category managers who manage complex BOMs or require detailed cost breakdowns to effectively run and award sourcing events. Development and engineering teams who find their PLM-based sourcing is not effective at getting the level of detail in quotes they require to make good award decisions.

Omnea

Peterborough, U.K. (omnea.co)

Analysis by Chaithanya Paradarami

Why Cool:

Omnea offers an AI-native intake and orchestration platform that integrates seamlessly with existing systems like Coupa, SAP Ariba and others. Unlike traditional P2P or intake solutions, Omnea focuses on delivering a best-of-breed, modular approach that enhances user experience, automates sourcing and risk workflows, and enables intelligent decision-making through AI agents. This enables enterprises to streamline third-party spend, improve compliance and unlock tangible ROI — often repurposing procurement teams from administrative tasks to strategic roles. Omnea emphasizes custom-made integration and orchestration, allowing enterprises to tailor workflows and data connections to their unique needs. This approach enables clients to consolidate multiple systems and leverage actionable insights from fully queryable supplier data, delivering, for example, both operational efficiencies and risk mitigation.

Challenges:

While Omnea emphasizes deep orchestration with existing systems (e.g., ERP, CLM, S2P), enterprise environments are often fragmented and highly customized. Integrating seamlessly with legacy platforms requires custom-made configurations, which can increase implementation time, cost and risk. Maintaining these integrations as systems evolve is also a long-term challenge.

Who Should Care:

Procurement leaders at large enterprises who are dissatisfied with legacy S2P systems and are seeking a more agile, AI-powered intake and orchestration layer to improve user experience and process efficiency. Also, procurement organizations looking for modern intake experience to streamline all supplier data in one place can consider Omnea.

Treefera

London, U.K. (treefera.com)

Analysis by Cian Curtin

Why Cool:

Treefera is an AI-powered data platform that addresses a critical gap in supplier risk management by bringing visibility to the first mile — a stage that is traditionally a blind spot due to incomplete, unreliable and outdated data. By delivering accurate and verifiable information from the outset, Treefera empowers businesses to identify and mitigate risks early in the supply chain, strengthening supply chain resilience and speeding up decarbonization assessments by delivering improved data, transparency and traceability at the source. The use of AI for synthesizing diverse data types is a hallmark of advanced analytical processing. Treefera unifies diverse data sources — including satellite, sensor, ground truth and regulatory information — into a single source of truth. Treefera is industry-agnostic, featuring a library of commodity data and provides source data to enable streamlining and transformation of global strategies across diverse commodities, regions and suppliers. Treefera enables customers to look backward and forward to anticipate disruptions, safeguard operations and build resilience. Built computationally frugal by design, Treefera is also a front-runner in the use of hypereffective and energy-efficient AI.

Challenges:

Treefera is a source of high-quality data, offering valuable insights across a range of commodities, regions and suppliers. However, to fully harness the potential of this data, organizations will need to implement additional platform capabilities. This may include advanced analytics, integration tools or custom dashboards that can process, interpret and visualize the data in ways that support specific business objectives.

Who Should Care:

Procurement, strategic sourcing, supplier risk and sustainability managers and also capital market players who need independent sources of data to streamline and transform global strategies across diverse commodities, regions, and suppliers. This is especially true within organizations that must comply with evolving regulations demanding reliable, actionable data for ethical and sustainable practices.

Evidence

2025 Procurement Digital Transformation Survey. This survey was conducted to explore the current perspectives of the procurement function regarding the adoption of technologies and the approach and consideration given to the adoption of newer emerging technologies. Additionally, the survey assesses the return on investment (ROI) from technology adoption and examines the budget allocated for innovation and digital transformation within the procurement function. The research was conducted online in March and April 2025 among 64 respondents from North America, Western Europe and Asia/Pacific. Industries surveyed included manufacturing (n = 34 [consumer products, industrial, food and beverage, and other manufacturing]), services (n = 4), energy and utilities (n = 3), government (n = 1), healthcare providers (n = 2), insurance and banking services (n = 2), retail (n = 2), natural resources (n = 1), and other industries (n = 15). To qualify for the survey, respondents must have been part of the procurement function. Disclaimer: Results of this survey do not represent global findings or the market as a whole, but reflect the sentiment of the respondents and companies surveyed.

¹ **2024 Gartner Chief Procurement Officer Survey.** This survey aimed to explore where and how organizations need to invest to advance their procurement functions. The survey was conducted online from 26 June through 29 July 2024 among 258 respondents from North America (n = 126), Western Europe (n = 80), and Asia/Pacific (n = 52). Respondents were from organizations with enterprisewide annual revenue of \$250 million or more in 2023. The industries surveyed included communication and media, education, government, healthcare providers, insurance, manufacturing, natural resources, retail, services, transportation and logistics, utilities, and wholesale trade. Qualifying respondents held job roles tied to the sourcing and procurement function and were involved in decision making regarding sourcing and procurement, either leading or being part of the leadership team. Disclaimer: The results of this survey do not represent global findings or the market as a whole but reflect the sentiments of the respondents and companies surveyed.

² **Gartner Generative AI 2024 Planning Survey.** This survey was conducted to examine generative AI's use case implementation and impact by business function. The survey was conducted from September through November 2023. In total, 822 business executives who lead corporate functions outside IT and who indicated will begin or continue to implement Generative AI across the next 12 months qualified and participated. The research was collected via online surveys in English. The sample was equally split across the following eight corporate functions: finance; HR; marketing; sales; customer service; supply chain; procurement; and legal, risk and compliance. The sample mix by location was North America (n = 536), Europe (n = 176) and Asia/Pacific (n = 110). The sample mix by size was \$50 million to less than \$500 million (n = 119), \$500 million to less than \$1 billion (n = 129), \$1 billion to less than \$10 billion (n = 374) and \$10 billion or more (n = 200). Disclaimer: The results of this survey do not represent global findings or the market as a whole, but reflect the sentiments of the respondents and companies surveyed.

Recommended by the Authors

Some documents may not be available as part of your current Gartner subscription.

[Hype Cycle for Procurement and Sourcing Solutions, 2025](#)

[Procurement Digital Transformation Primer for 2025](#)

[Magic Quadrant for Source-to-Pay Suites](#)

[Magic Quadrant for Supplier Risk Management Solutions](#)

[Magic Quadrant for Contract Life Cycle Management](#)

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