



## Coupa Business Spend Index Reveals Trade and Policy Uncertainty Will Continue to Weigh on Businesses in 2019

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**An early warning system for economic health, the Q3 Coupa Business Spend Index projects that business spending will slow over the coming months**

SAN MATEO, Calif., Sept. 4, 2019 /PRNewswire/ -- Coupa Software (NASDAQ:COUP), a leader in Business Spend Management (BSM), today announced the findings of the Q3 Coupa Business Spend Index (BSI), which revealed that globally, businesses appear to be growing more cautious about the economy through at least the end of 2019. By analyzing billions of dollars of business spend transactions in the Coupa BSM Platform, the Coupa BSI reflects businesses' confidence in the economy, serving as an early warning system for economic health.



Today, businesses often rely on economic reports containing data that is based on past behavior or human confidence in future performance. The Coupa BSI is an early indicator based on actual business behavior, which can be a realistic predictor of future economic growth.

"Companies are always looking to economic indicators that they can trust to make smart decisions about their business," **said Rob Bernshteyn, chairman and chief executive officer at Coupa.** "At Coupa, we believe that the wisdom from our BSM community is a powerful tool to help companies of all sizes spend smarter together. The Coupa BSI analyzes hundreds of global companies and their real-time spend behavior, showcasing implications on the growth prospects of the global economy."

### What to Expect Over the Coming Months:

- **Businesses Overall:** In the aggregate, business optimism heading into the second half of 2019 is weaker than it was in the early part of this year. According to the Q3 Coupa BSI, all industries, with the exception of manufacturing and technology, are less optimistic about economic growth through 2019.
- **Financial Services:** Sentiment in Financial Services appears to be weakening, indicating more caution over the next six months. Geopolitical issues such as Brexit and trade conflicts have contributed to uncertainty in the sector.
- **Health and Life Sciences:** Sentiment in Health and Life Sciences appears to be above trend, but weakening, likely driven by uncertain government policy.
- **High Tech:** Any risk to the global supply chain is likely to depress growth. Somewhat surprisingly, sentiment in High Tech was slightly up.
- **Manufacturing:** Sentiment in Manufacturing seems to be increasing although slightly below trend as manufacturers look to domestic options due to global trade tensions.
- **Retail:** Sentiment in Retail over the last few quarters has been high, which correlated with consumer spending reported in the Q2 GDP release. Looking forward, retailers' confidence in economic growth appears to be slowing from where it has been.

"Having an early warning system that allows line managers to make smarter spending decisions is invaluable," **said Rone Luczynski, area vice president of supply chain/procurement for Service Corporation International.** "Being able to leverage the power of community data from hundreds of businesses is a great example of crowdsourced data benefiting enterprises. Coupa is delivering something truly unique to its customers and beyond."

### The Power of the Coupa BSI

Business investment is an indicator used today by the Federal Reserve when making decisions about raising or lowering discount rates. As mentioned by Chair of the Federal Reserve Jerome Powell during his [speech](#) on July 31, 2019, "Looking through this [trade policy tension] our business contacts tell us that the ongoing uncertainty is making some companies more cautious about their capital spending."

At the heart of the Coupa BSM Platform is Coupa Community Intelligence, an AI-powered engine that objectively analyzes the transactional spend data flowing through the Coupa BSM Platform and prescribes instant insights that help companies mitigate risk, remain compliant, identify smarter spending opportunities, and improve process efficiencies across all their business spend.

To view the Q3 2019 Coupa BSI in its entirety, visit [www.spendindex.com](http://www.spendindex.com).

### The Coupa BSI Methodology

The Coupa BSI is an early indicator for economic health based on current business spending decisions of hundreds of businesses. It analyzes

transactions from the Coupa BSM Platform, which has cumulatively processed more than \$1.3 trillion of business spending, to measure confidence around economic health at an aggregate level, as well as an industry level within Financial Services, Health and Life Sciences, High Tech, Manufacturing, and Retail. The index is based on three key spend factors: (1) average spend per person, (2) average time to approve spend decisions, and (3) average rate of spend approval/rejection. The Coupa BSI is normalized to a baseline value of 100, which represents the composite value of the three components in the reference period (July 2016).

Hundreds of companies around the world use the Coupa BSM Platform to gain the visibility and control they need to spend smarter, simpler, and safer. The Coupa BSM Platform offers a comprehensive and open approach that enables businesses to manage all their spend, including procurement, invoicing, expenses, payments, and more, in one place. To learn more, click [here](#).

#### **About Coupa Software**

Coupa Software is a leading provider of BSM solutions. We offer a comprehensive, cloud-based BSM platform that has connected hundreds of organizations with more than five million suppliers globally. Our platform provides greater visibility into and control over how companies spend money. Using our platform, businesses are able to achieve real, measurable value and savings that drive their profitability. Learn more at <https://www.coupa.com/>. Read more on the [Coupa blog](#) or follow @Coupa on Twitter.

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