Supply Chain Consulting
Training
Research
Projects and Interim Management

The Driving Forces Behind the Increasing Demand for Supply Chain as a Service

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In partnership with









Drivers of Change in Supply Chains

1. Consumer Behaviour



- More sophisticated
- Mobile
- More informed
- Time poor
- Seeks convenience
- Seeks value
- Appreciates "personal experience"
- Immediate gratification
- Little tolerance for error

2. Technology



- IoT/ 5G Mobile Connectivity
- Artificial Intelligence & Computer Vision
- Big Data & Processing Power (Moores Law)
- Robotics & Automation
- Renewable Energy/Energy Storage
- Accessibility & Low Cost of Technology to All
- SMART Supply Chains

3. Sustainability



- Resource Management
 - ISO 14000
- Commercial Benefits
- Social
 - stakeholders employees, customers, community, governments, lobby groups
 - health and safety, training & development, diversity & opportunity, product information, human rights, etc
- Corporate Responsibility Reports

4. Economics



- Globalised
- Uncertainty & Risk
- Scale and Sharing
- Marginal Costs Disappearing
- Energy
- Labour Resources & Skills

5. Risk & Uncertainty

Supply Chains more vulnerable:

- Globalised
- Leaner
- Multiple Parties
- Less tolerance
- Higher standards
- Climate & Environment
- Accelerated Change & Lifecycles





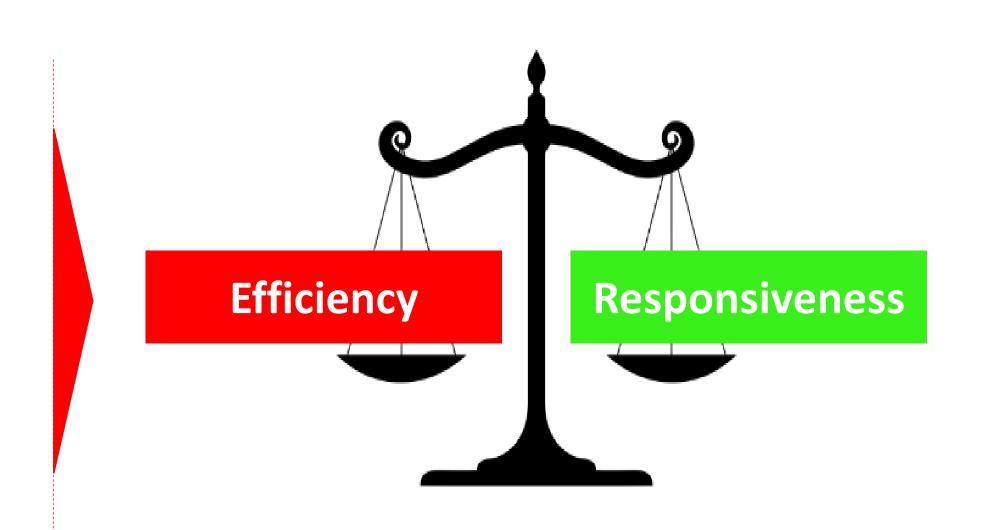
Key Takeaways - The Supply Chain Response

What are the minimum service levels? (these were once competitive edge)

- Speed
- Range
- ✓ Information
- ✓ Transparency
- ✓ Sustainability
- ✓ Error Free

What is now a competitive edge?

- ✓ Efficiency Cost effectiveness
- ✓ Adapting to continuous disruption
- ✓ Satisfaction of multiple Customer segments
- ✓ Agility (respond to actual demand, not forecast)
- ✓ Customer experience Seamless Integration of channels







The Implications of Change for Each of the Supply Chain Drivers

The major drivers of Supply Chain performance consists of three logistical drivers and three cross-functional drivers.



Facilities



Inventory



Transportation



Sourcing



Information



Pricing

- Scalability
- Geographic spread
- Re-purposing
- Regulatory Compliance
- HSE Compliance

- Increasing variety of products
- Recyclability/ Repurposing
- Returns Processing
- Packaging
- Repositioned DCP
- Increased complexity
- Increased Risk

- Wider sourcing & distribution footprint
- Time-criticality
- Fleet configuration
- Real-time order tracking

- Scrutiny over sustainability
- Decreasing product lifecycles
- Cost pressures
- Customisation/ Modularity

- Information proliferation (big data)
- Instrumented data gathering
- Connectedness & processing
- Analytics

- Multiple Customer Segments
- Emerging segments
- Revenue management
- Loss leaders





Outsourcing SCaaS leverages shared use of infrastructure, intelligence & expertise



Facilities



Inventory



Transportation



Sourcing



Information



Pricing

- Shared facilities
- "Pay per Use"
- Services per Region
- Compliance Expertise
- HSE Expertise
- Services Diversification
- Efficiency Focus
- Low Capex/Opex
- Spreads Risk

- Nimbly repositions DCP
- VAS
- Consolidated Returns
- Piece picking

- Shared Infrastructure
- "Pay per Use"
- Services per Region
- Compliance Expertise
- Responsiveness
- Services Diversification
- Efficiency Focus
- Low Capex/Opex
- Spreads Risk

- Provides transparency
- CSR/ Sustainability Reporting
- Economies of Scale
- Increased Expertise/ IP
- Lower Cost
- Ready Customising
- Spreads Risk

- Control Tower
- Advanced analytics
- Data gathering devices
- Metrics & KPI's
- Decision Making support

- Reduced Capex and Opex
- Deeper insights

Increased Ability to Change Business Model, Agility, Scalability, Resilience, Transparency, Insight, Scope & Continuous Technology Upgrade.

Decreased Risk, Capex, & Opex,



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Helping organisations transform their supply chain challenges into value chain opportunities

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