

Connected Supply Chains

ECR Supply Chain and Product Availability Summit 2019



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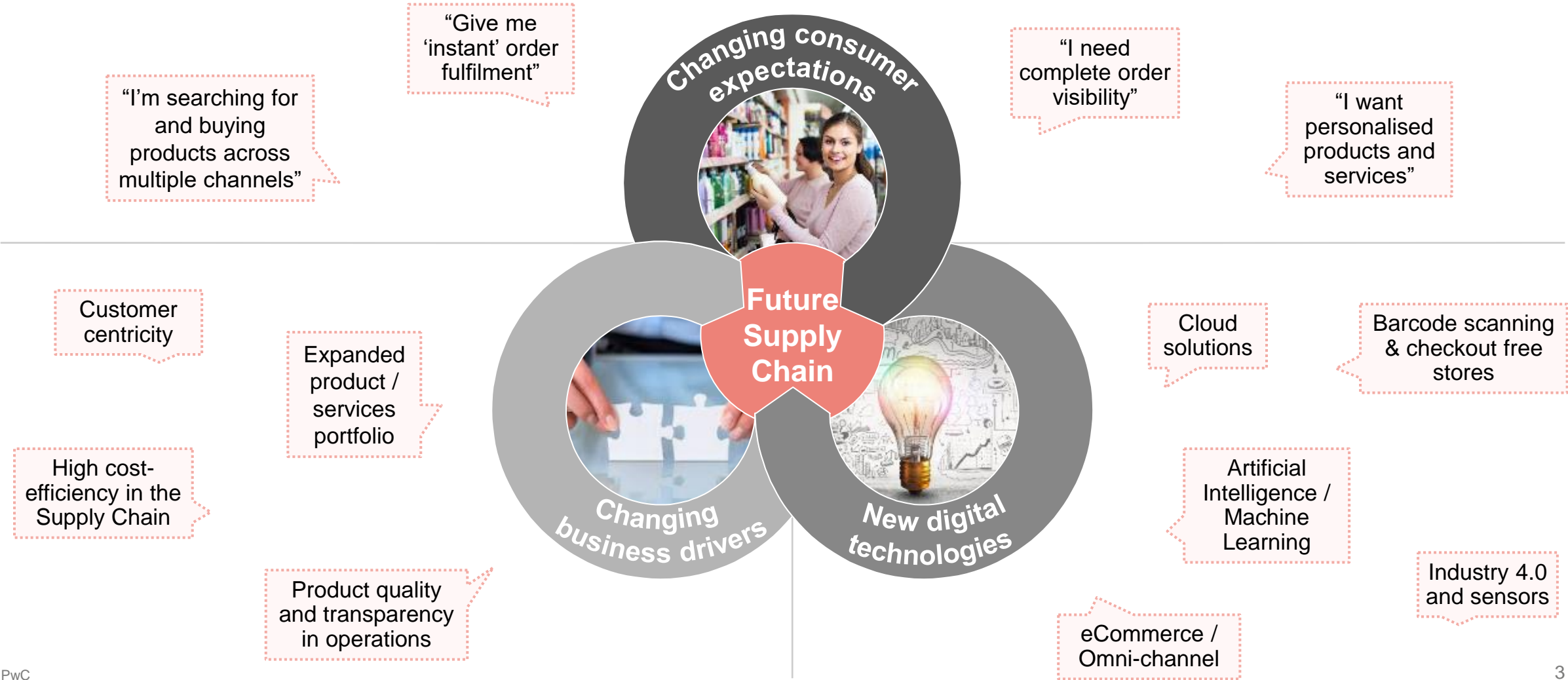


September 2019

Agenda

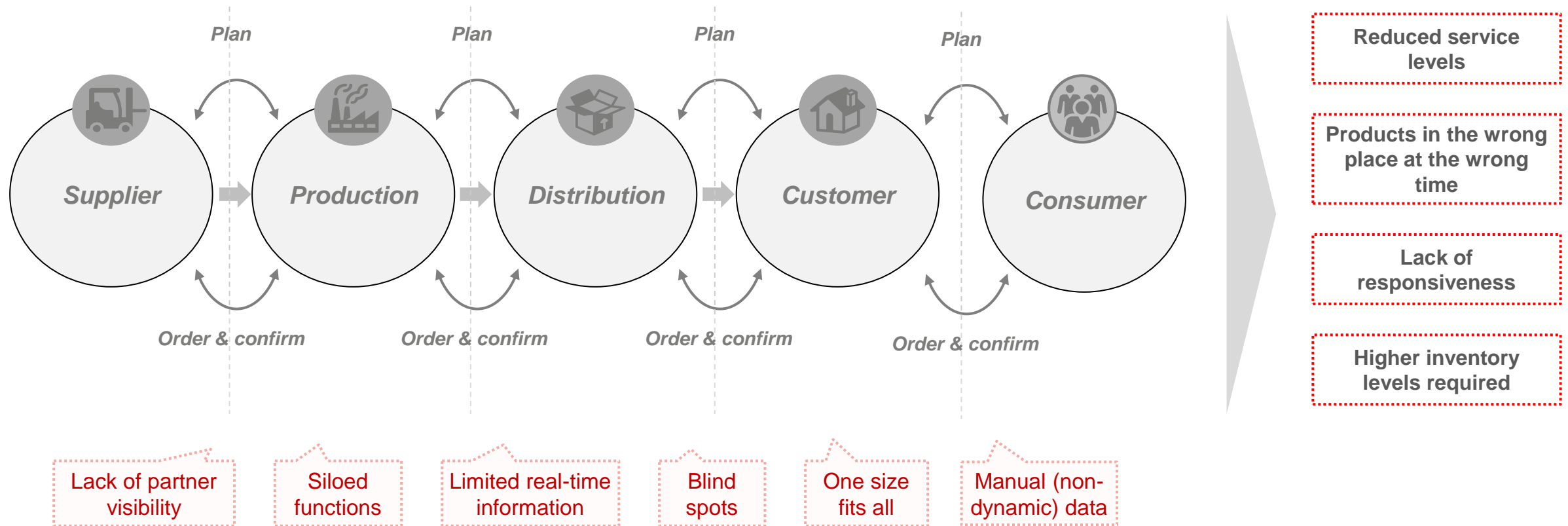
- Trends impacting the future of supply chains
- Connected supply chains
- The ‘control tower’
- Digital technology enablers
- Road map

Changes in **consumer expectations**, digital **technologies** and **business drivers** are increasing requirements for the future supply chain

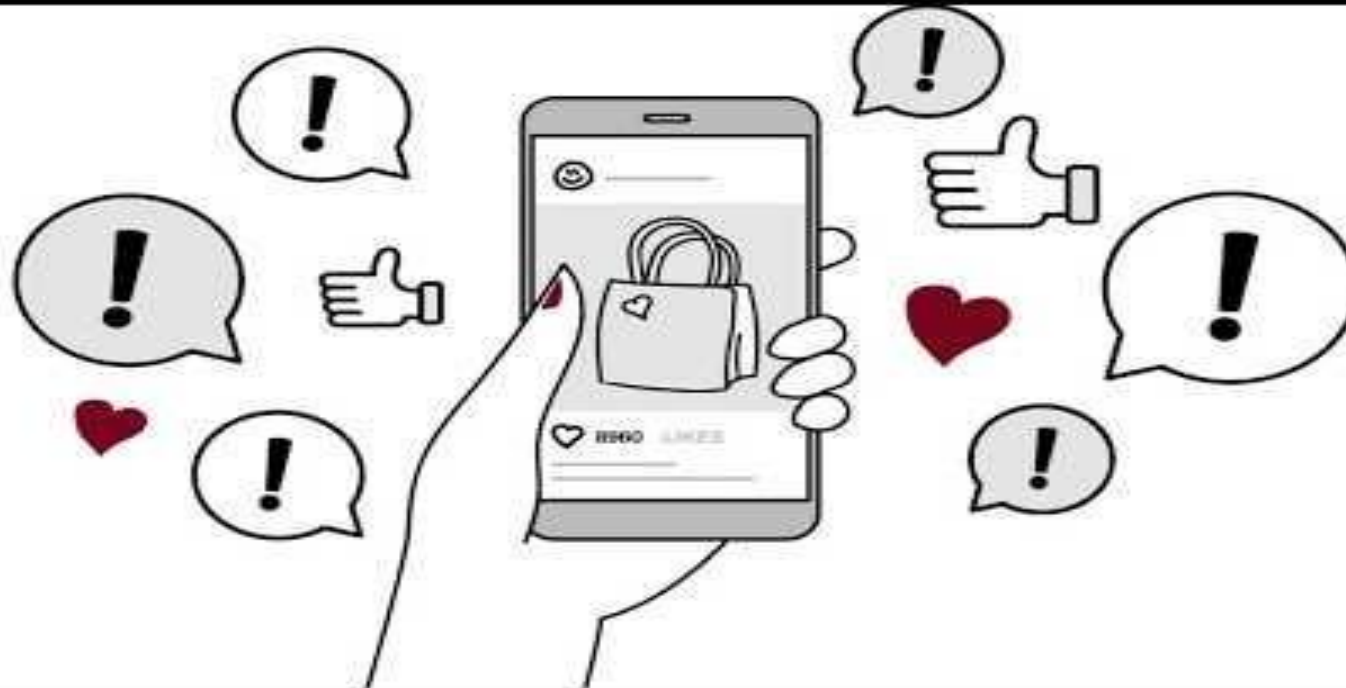


Many organisations have **not developed their supply chains** to meet the new market requirements

Traditional supply chain model



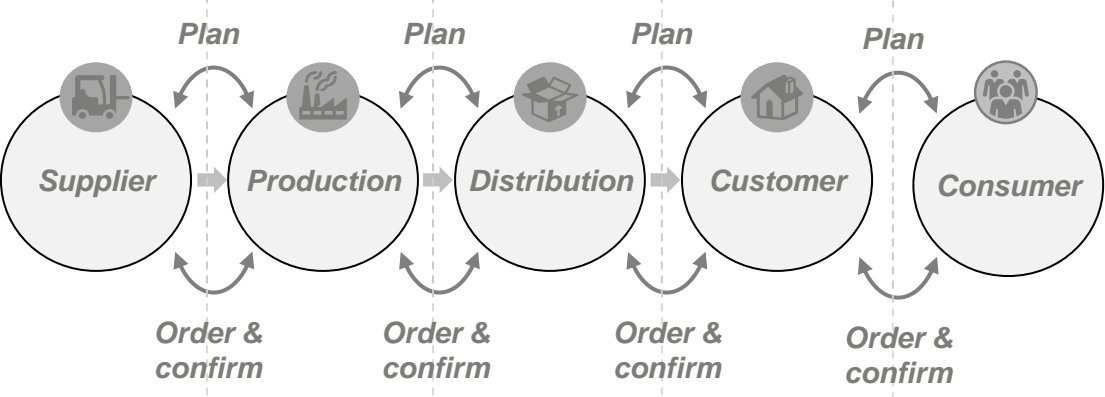
Supply chains must evolve into **connected solutions** in order to operate with the **agility** required



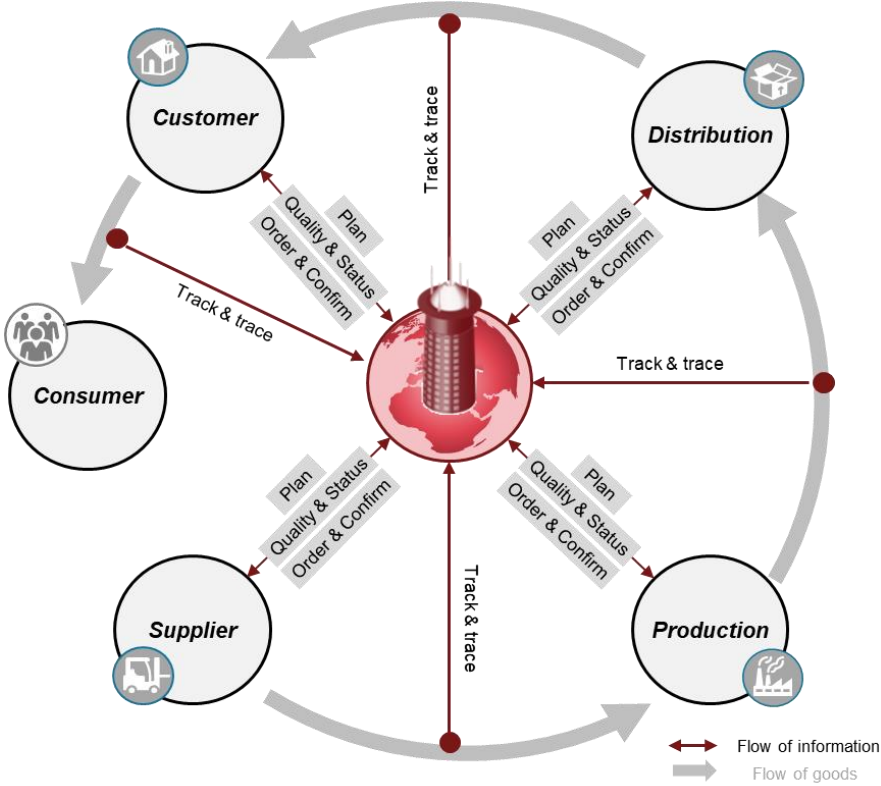
<https://www.youtube.com/watch?v=fdcJJpsOPGw>

Companies need to transition from **traditional** to **connected supply chain ecosystems**

Traditional supply chain model

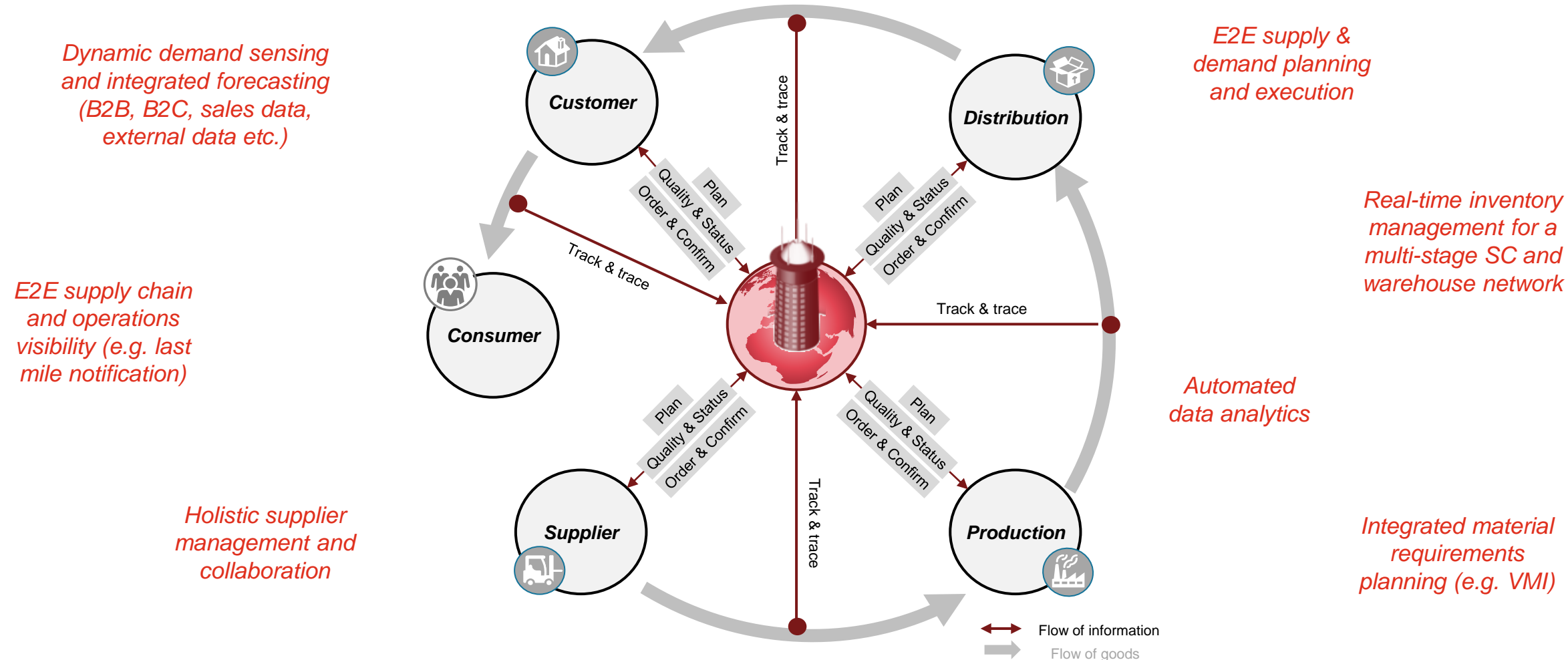


Connected and dynamic supply chain ecosystem



Connected Supply Chain with E2E visibility, integration, built-in intelligence and automation

Implementing 'Control Tower' like functionality, enabled by digital technology, can provide dynamic visibility and integration across the supply chain



There are many **benefits of getting it right**



Improved responsiveness through demand sensing and integrated planning



Real time monitoring and transparency across the end-to-end supply chain



Improved reliability and reduced disruption



Enhanced customer focus and service levels



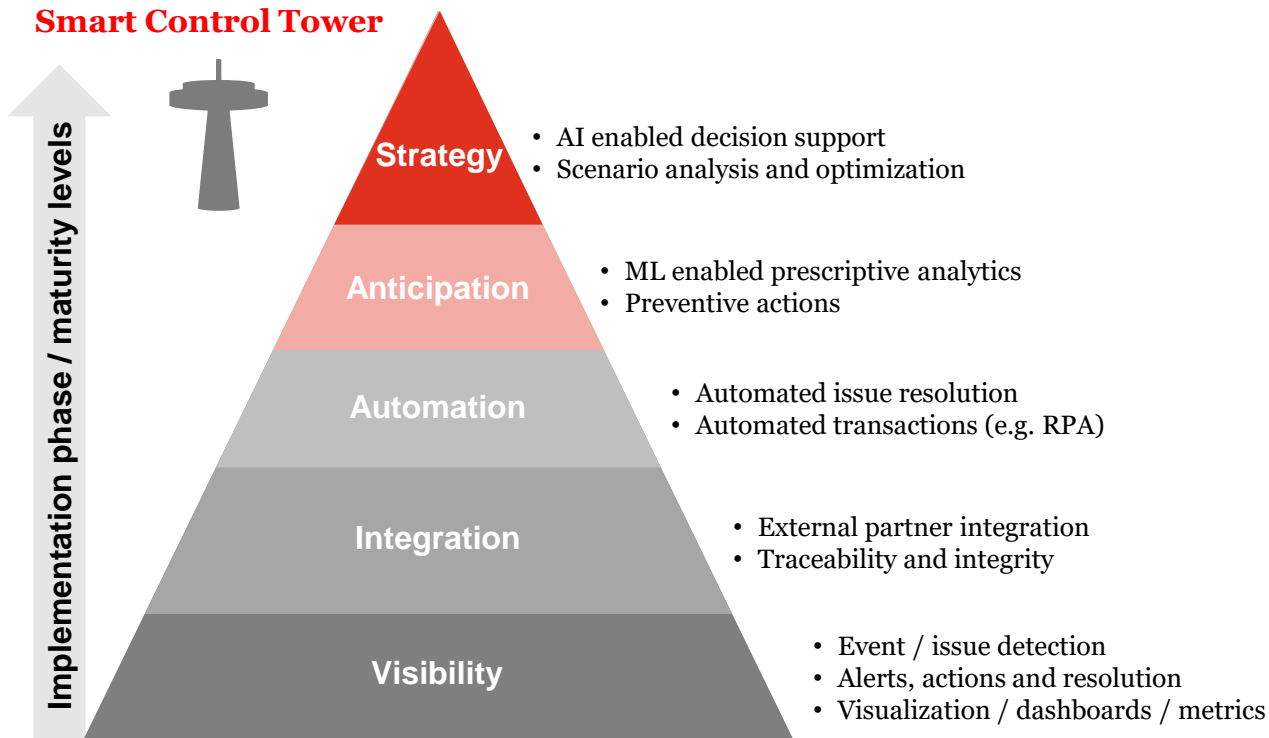
Highly process and asset efficient, reducing working capital requirements



Improved flexibility (e.g. 'individualization') and product mix

Capabilities should be developed **progressively**, layering on **increasingly advanced capabilities** over time

Increasing capabilities over time:

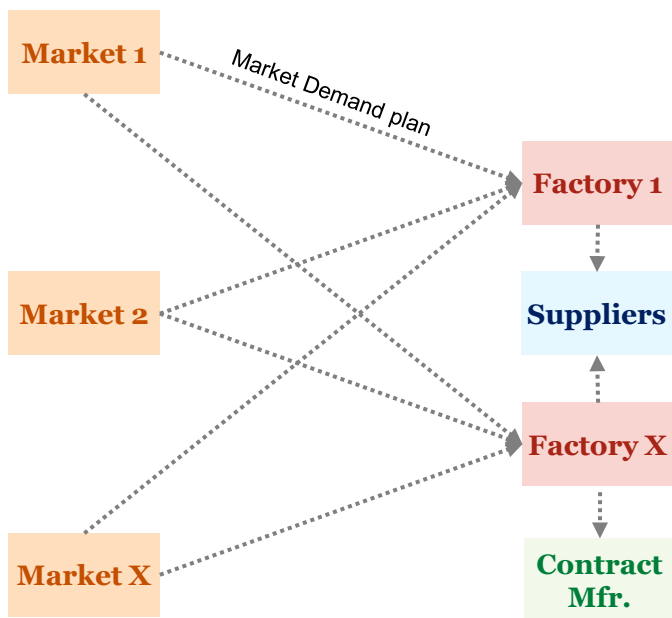


Potential Control Tower Issues

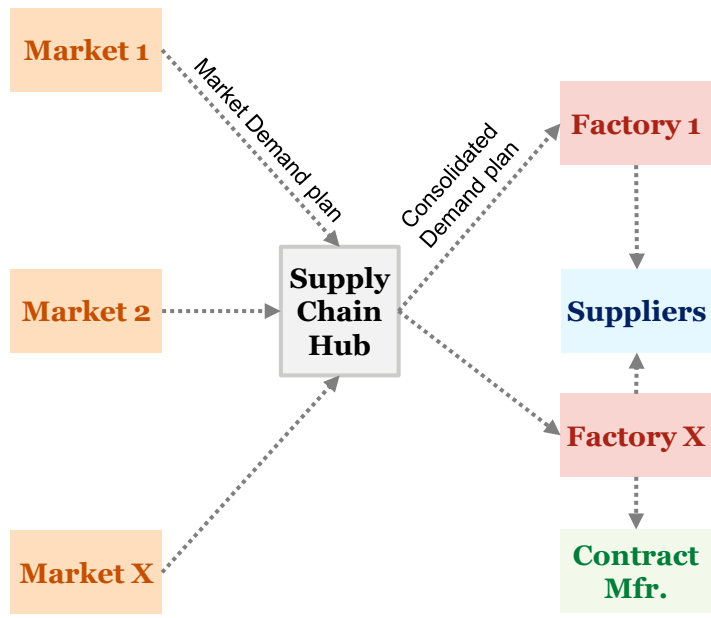
- Too much information can be pulled in or they can try to cover too much
- Issues/alerts may be retrospective (rather than predictive/preventative)
- Inputs (e.g. data) remain manual
- They can be too disjointed from the rest of the organisation to resolve issues
- Roles & responsibilities across the supply chain not clearly defined

A FMCG client case study provides an example of how an organisation can progressively build connected supply chain capabilities

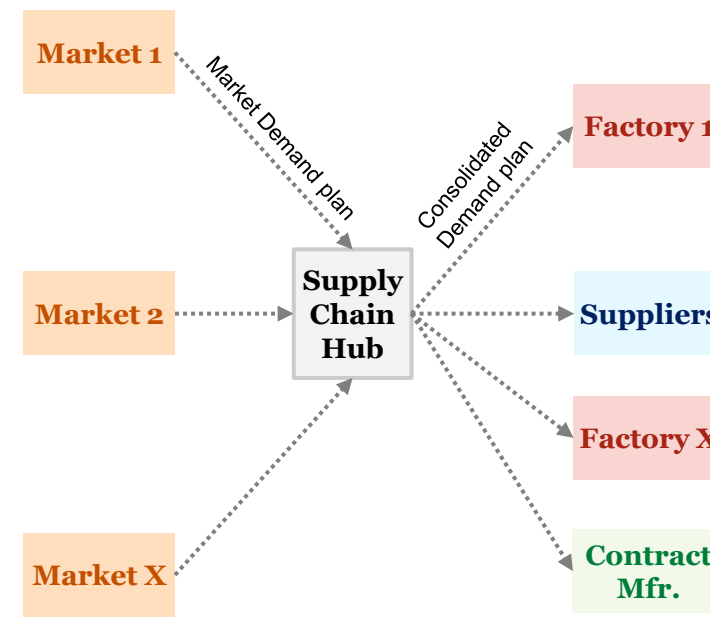
As-Is Model



To-Be Model (Phase 1)



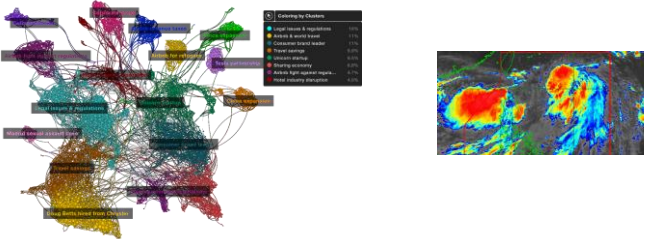
To-Be Model (Phase 2)



Note: Detailed clarity was required on the roles & responsibilities of Supply Chain Hub vs. other key stakeholders (e.g. who manages specific events, who can update schedules, who can request expedited orders/delivery)

Digital technology enables the transition to a flexible, agile and connected supply chain ecosystem

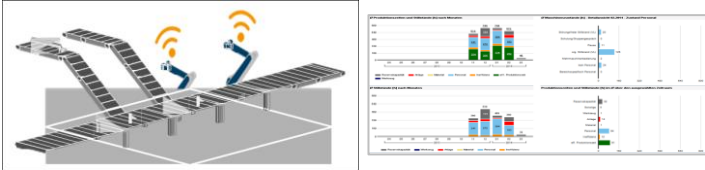
Smart Sensors / Natural Language Processing / Social Listening



Machine Learning (e.g. sales prediction, product suggestions, fraud reduction)



Real Time Data Analytics, Quality Management, Predictive Maintenance



SELECTED EXAMPLES

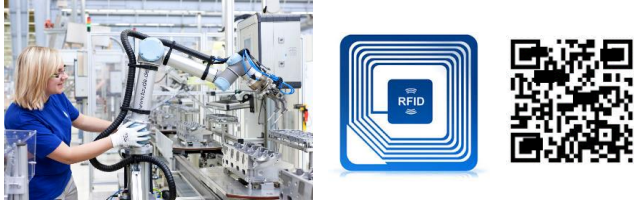
Automated Guided Vehicles



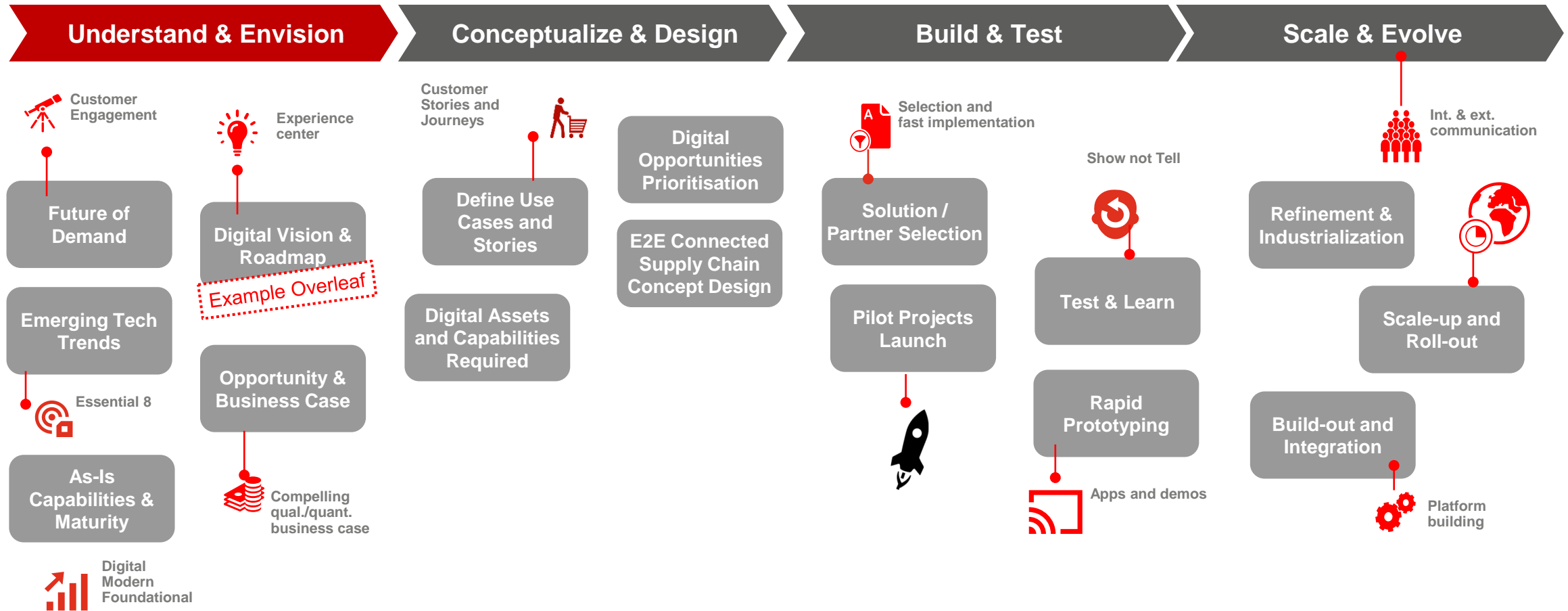
Augmented Reality (e.g. Smart Glasses/Pick by Vision)



Smart Warehousing, Packaging & Distribution



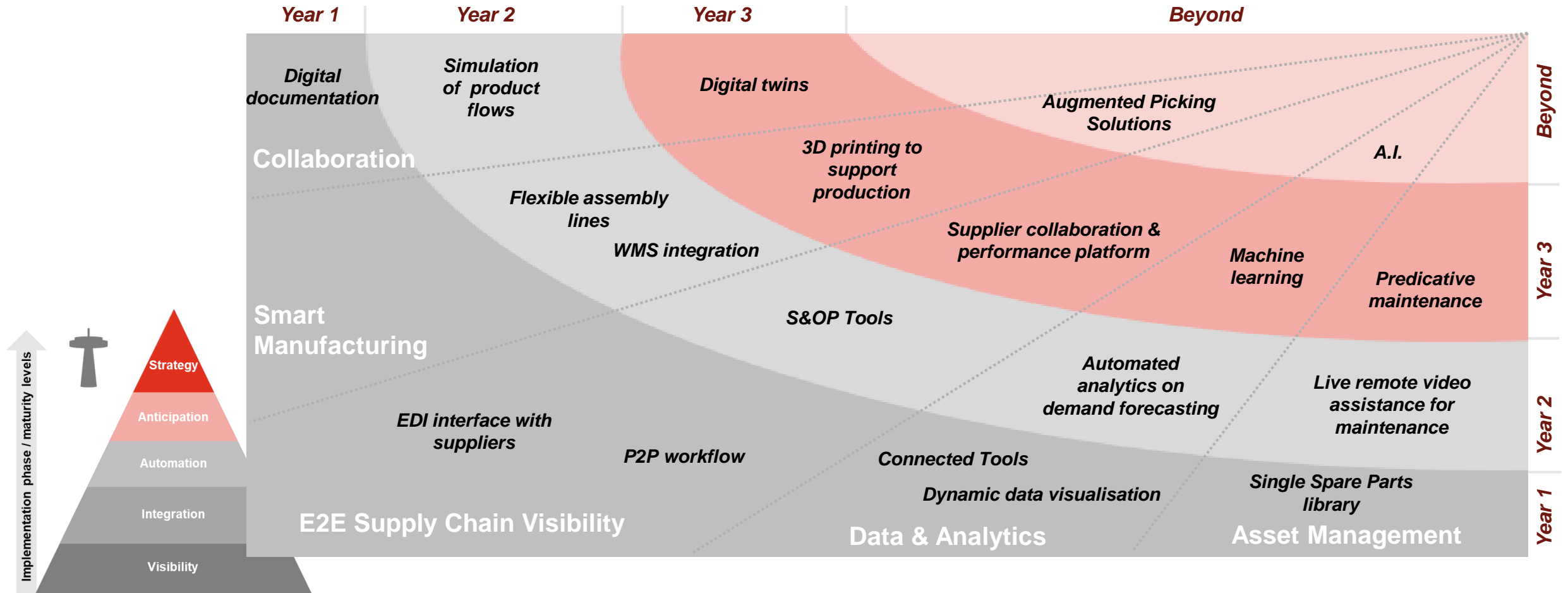
An agile and progressive approach should be used to rapidly pilot components of the connected supply chain



This is not just about technology, people and processes will be impacted - the entire organisation must embrace the change

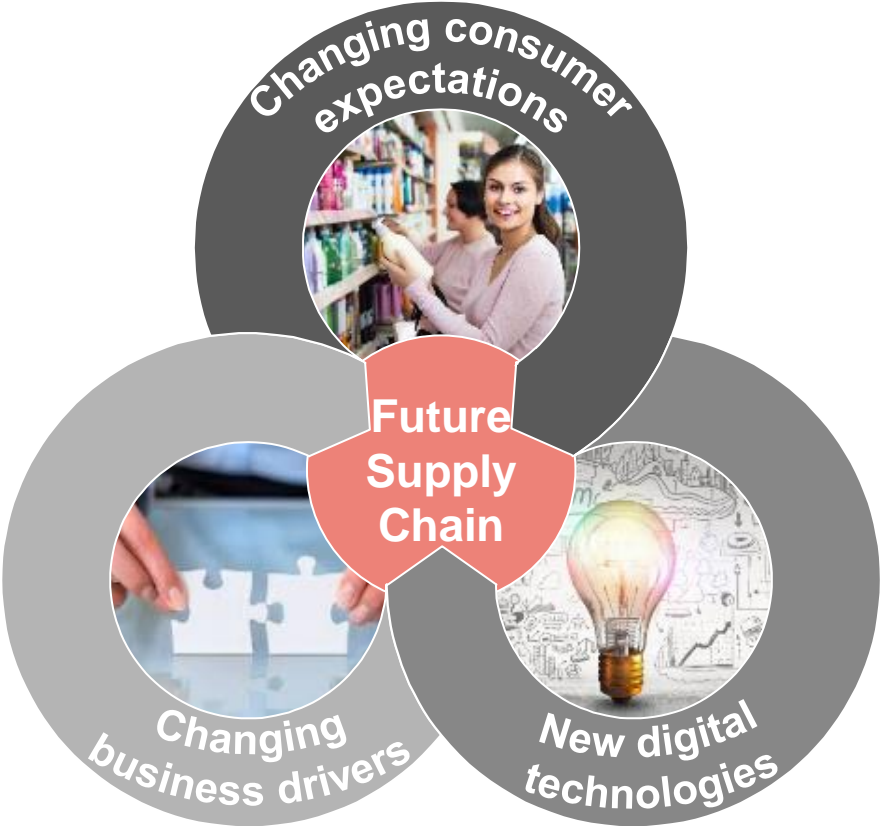
A clearly prioritised roadmap helps identify the transformation required for the future

ILLUSTRATIVE

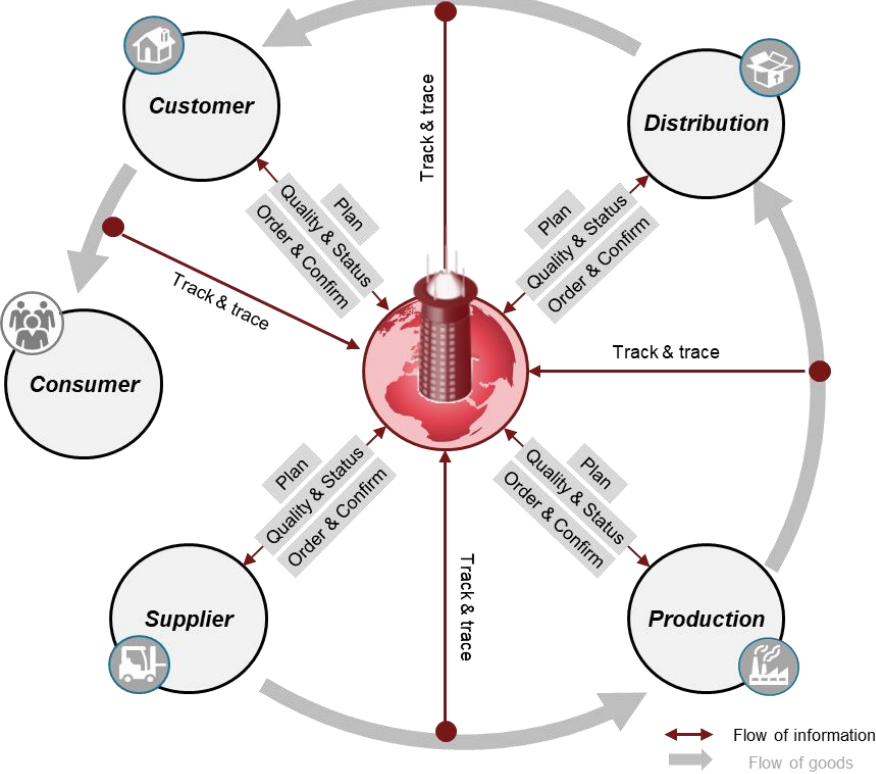


Companies need to transition from **traditional** to **connected supply chains**

Changing Landscape



Connected Supply Chain



Thank you

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