

Expert Connect Series: Digital Supply Chain Explained



Session 2

DSC Demand Management



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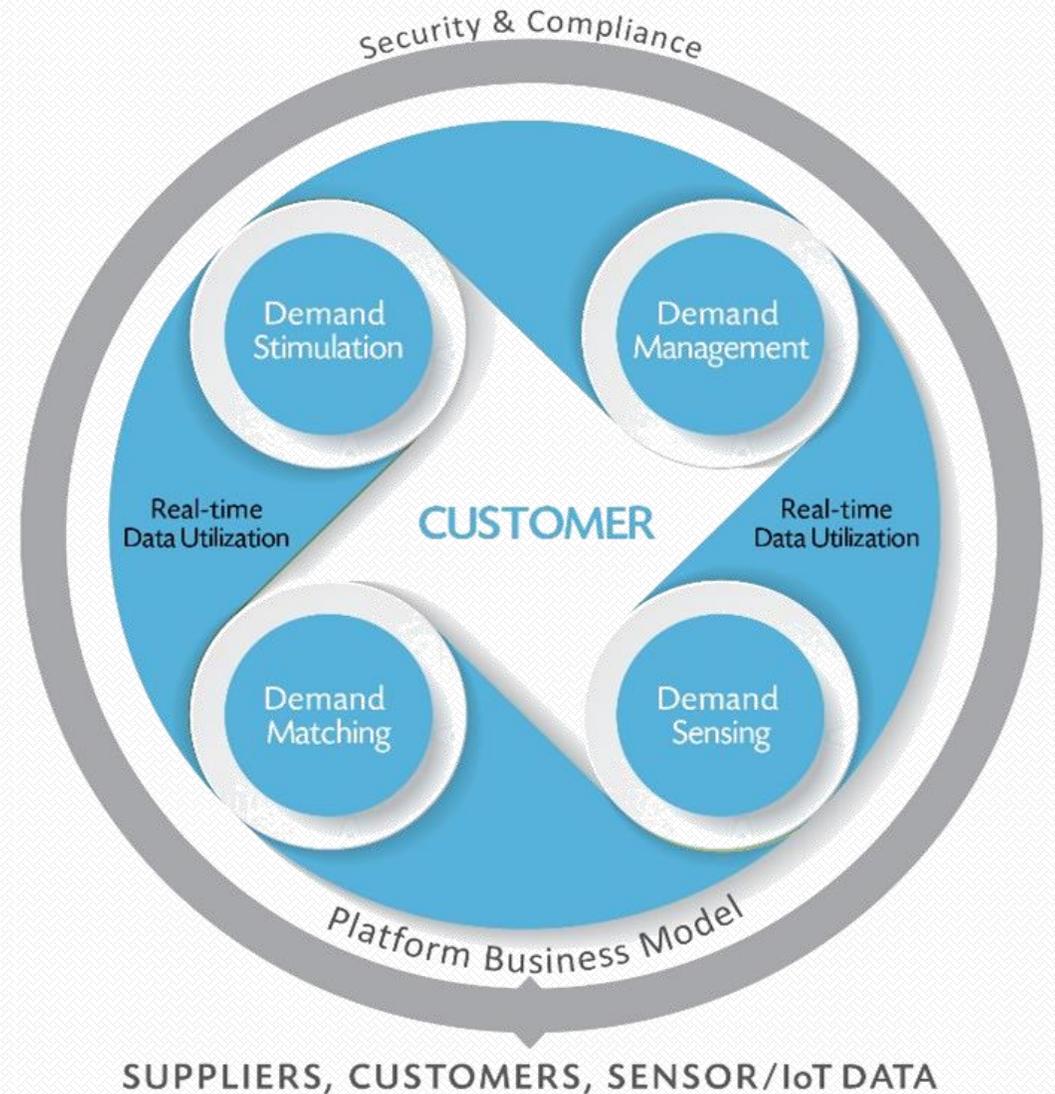
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Session Objectives

- Review the Digital Supply Chain and Demand
- Describe the ways that Digital Supply Chains will influence demand
- Provide guidance on the prerequisites for success
 - New data model required
 - Data trading
- Set stage for coming weeks of Expert Connect Series Sessions

It is all about the Demand Stack

- Customer-centric supply chain
- Revenue growth through:
 - *Demand sensing and stimulation* - anticipating demand: what products, how much, where, satisfaction models (channels), links to marketing
 - *Improved demand visibility* - our customers, segments, end users, competitors
 - *Improved ability to satisfy the demand* - how do we reach customers faster and with more innovation compared to our competitors



End-to-End Focus

- Pre-product to post delivery
- Engineering and design to manufacturing to sales customer service and delivery
- Deep and comprehensive data from each stage in the process
 - Including new data from sensors and IoT devices

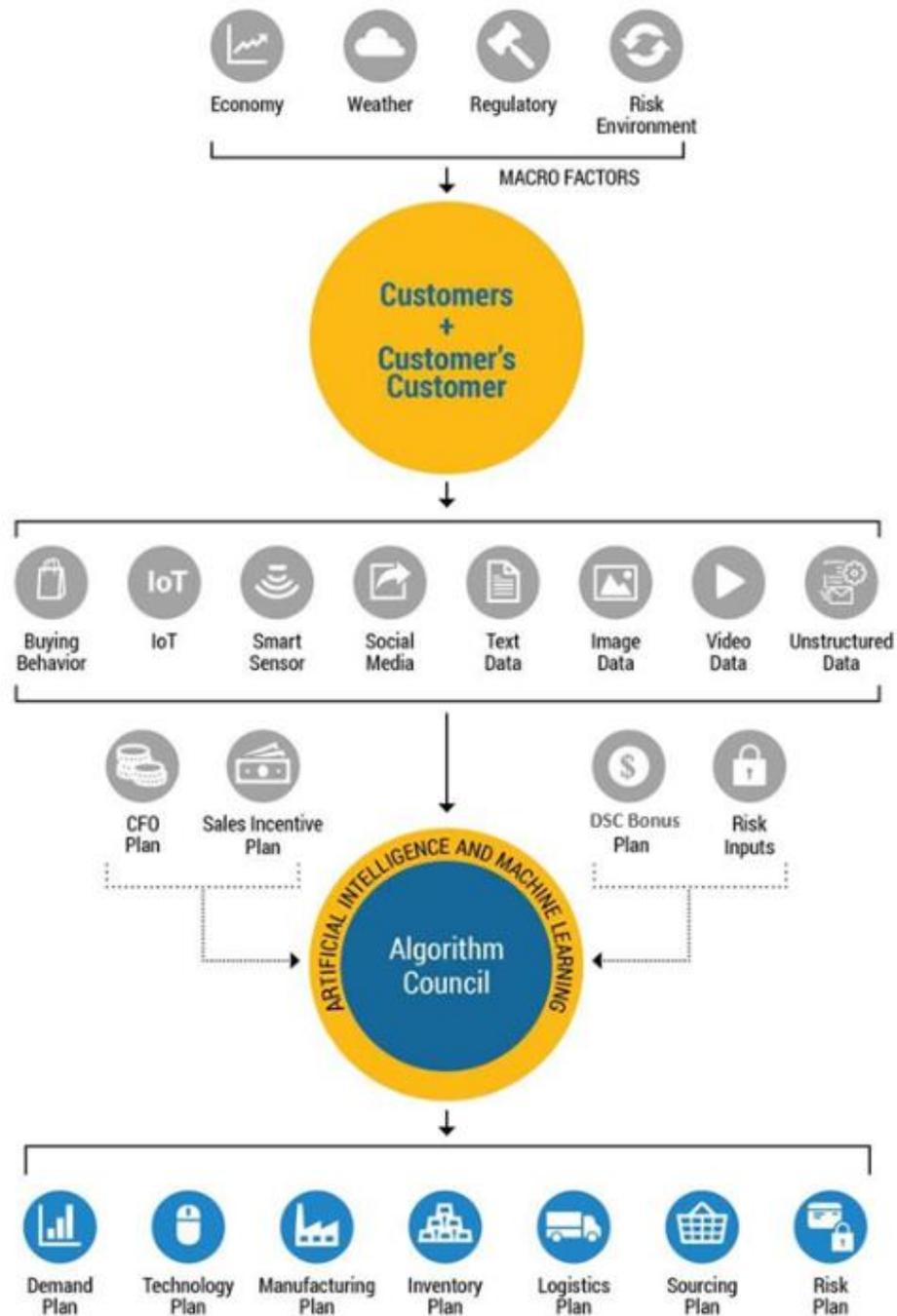
- Colgate-Palmolive
- Apple
- Data
- Value
- Sales



A close-up, high-angle photograph of a tire tread. The tread pattern consists of a series of interconnected, diamond-shaped or zigzag blocks. In the center of the frame, there is a circular valve stem. The overall image is in grayscale, with the text overlaid in white.

Goodyear: Fitbit of tires = Revenue growth and new model

New data model to build algorithms and grow sales



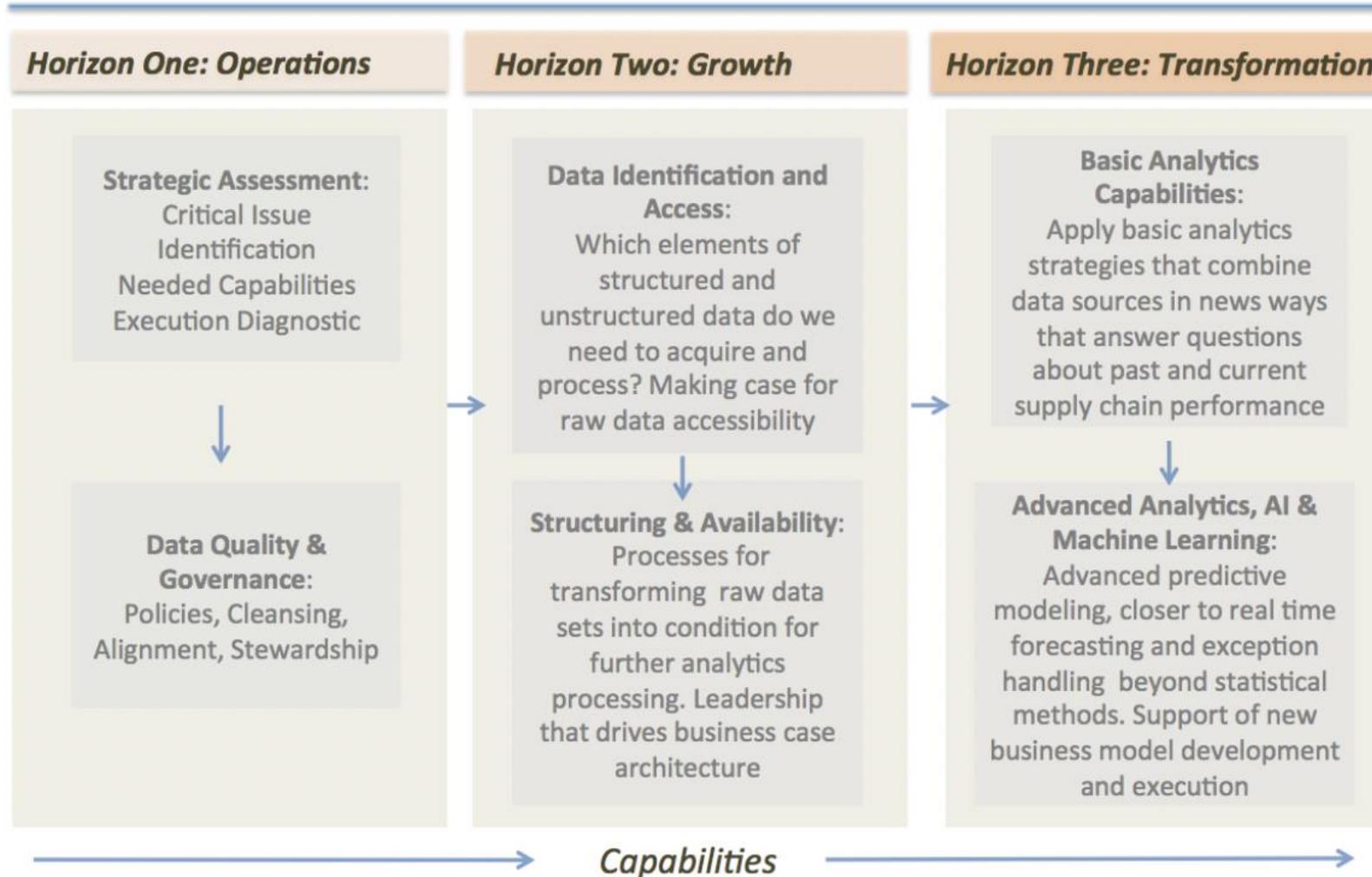
Data Trading Examples

Top Five Issues to Keep in Mind

1. What is the needed data form, frequency and level of detail?
2. Who carries the cost of preparing and cleaning the data?
3. What is the financial impact of getting the data? More revenue? Less cost?
4. Are there regulatory and legal considerations?
5. Does the trading partner have sufficient data protection and cybersecurity controls in place?

Data Trading Examples: External	
Footwear Manufacturer – Problem to Solve: Improve demand forecasting for a popular women’s shoe	
Needed data from the retail chain:	Age and gender of the buyer
Data to trade:	Comparative, aggregated sales of popular women’s shoe in other retail chains
Construction Company – Problem to Solve: Shift project management schedule given material shortage caused by an unexpected supply chain disruption	
Needed data from material supplier:	Revised product allocation and delivery schedule on a weekly basis
Data to trade:	Overall shifts in construction plan on a weekly basis so supplier can re-allocate product if possible
Consumer Electronics Component Manufacturer Problem to Solve: Improve demand forecasting for replacement parts	
Needed data from OEM:	Warranty return data for a specific productsimilar product from a related product group
Data to trade with Consumer Electronics OEM:	Volume of the replacement part sold to out-of-warranty repair centers for that specific product

Supply Chain Demand Data Leadership Actions



DEMAND DATA ACTION STEPS

- Step 1.) What segment?
- Step 2.) What data?
- Step 3.) Where can I find it?
- Step 4.) How can I access it?
- Step 5.) How do I use it?
- Step 6.) What actions?

Source: Kurz, D. and Anandarajan, M., 2018

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CUSTOMER



WAREHOUSE



LOGISTICS



ANALYSIS



MANAGEMENT



DELIVERY

DISTRIBUTION



TIME TO MARKET



TRACKING



PROCUREMENT

Q & A



Expert Connect Series: Digital Supply Chain Explained



Session 3

DSC Talent Planning

September 2 at 11 AM EDT



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