

Nulogy eBook:
**Driving Effective
Collaboration With Your
Supply Chain Partners**



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The State of Supply Chains Today

Global supply chains, including fast-moving consumer goods supply chains, continue to reel from a complex array of external threats and disruptions such as:

- **Workforce instability and labour challenges**, including a shortage of technical knowledge workers and manual labour.
- **Consumer expectations on sustainability** that continually challenge brands to drive waste out of their supply chain operations.
- **Economic downturns** which have made predictions of consumer demand even harder as the cost of goods and capital rises.
- **Consumer demand** for product customisation in multiple channels, increasing complexity for global supply chains.
- **Geopolitical instability**, including shifts in trade policy, tariffs, and border control policies which impact the availability and cost of goods and materials.

The myriad forces pressuring today's supply chains have imposed a greater need for responsiveness and adaptability.





Why Friction is Costing You Money

News headlines from the past few years paint a clear picture: global supply chains lack the responsiveness to sustainably and efficiently deliver consumer products in today's market.

Because manufacturers rely on complex, multi-tiered networks of suppliers, external manufacturers, packagers and logistics providers to deliver products to end consumers, even minor delays or shifts in demand can escalate into major issues throughout the supply network due to the Bullwhip Effect.

Additionally, these networks are traditionally held together by disparate systems, which lack the data connectivity to collaborate and respond at the speed of business.

An enterprise's lack of data visibility and connectivity within its own supplier network can lead to critical issues such as:

- High inventory and late deliveries due to difficulty confirming forecasts and capacity plans with trading partners
- Higher costs due to schedule changes (reduced OEE) and expedites
- Lower order fill rates/stock outs and longer lead times leading to decreased customer satisfaction
- Missed savings opportunities due to inefficient manual processes and inconsistencies
- Time consuming, fragmented reporting processes
- Material waste due to obsolescence, negatively impacting sustainability metrics

In short, supply chain ecosystems that are still operating without the capabilities to effectively orchestrate and collaborate with their external trading partners are exposing their own fragility and inefficiency. In order to build an agile and responsive supply chain network that can withstand the conditions of today's marketplace, supply chains need maturity gained from digitally enabled, intelligence-driven solutions.



In 2022 and beyond, chief supply chain officers (CSCOs) must update their vision to account for ongoing and unimagined disruption to global networks, operating models and stakeholder demands.

SIMON BAILEY, SENIOR DIRECTOR ANALYST, GARTNER



The Demand for Connectivity

Forward-thinking manufacturers and supply chains have already recognized the importance of investing in building data, automation, connectivity and intelligence in their supply chain networks.

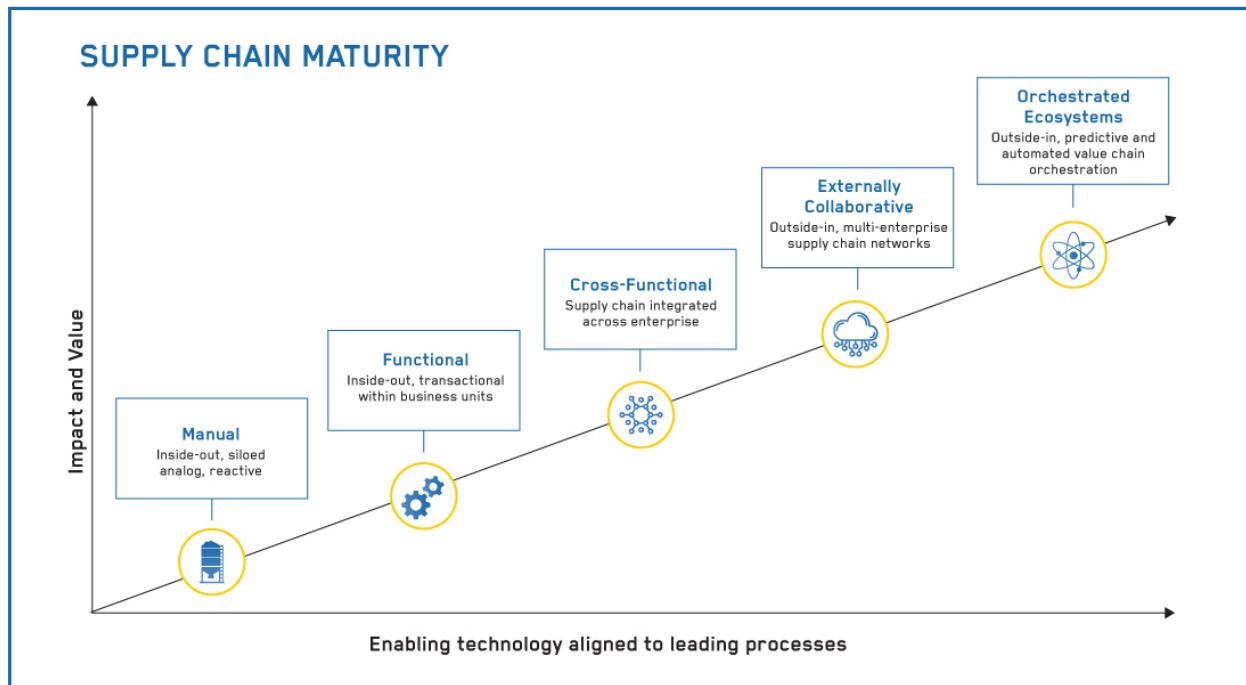


Fig. 1: A Supply Chain Maturity Strategy charting the transition from linear supply chain to ecosystem



Forty-five percent of survey respondents say that they either have no visibility into their upstream supply chain or that they can see only as far as their first-tier suppliers.

MCKINSEY, AUGUST 2022



As supply chain enterprises mature technologically, they must correspondingly increase their investments in both integration and collaboration within the enterprise's four walls: between facilities, business units and divisions. While this step is a necessary improvement, it is incremental at best, and does not account for value derived from multi-party orchestration.

As companies progress along the technological maturity curve, their focus shifts from internal digitalisation to investing with their trading partners to ensure data visibility, collaboration and cooperation—network optimisation which benefits all parties.

The Case for Supplier Ecosystem Collaboration

Multi-enterprise supply chain business platforms drive collaboration in ecosystems. According to an article by Accenture, **“72% of supply chain ‘masters’ believe multi-enterprise supply chain capabilities will be critical to enable their customer experience-led growth.”**

Gartner also notes that **“more than three-quarters (77%) of companies said they are investing in deeper and more collaborative supplier relationships to improve resilience and agility.”**

And, in the latest PwC research on digital trends in supply chain, global survey results show that **“in recent years, the frontrunners in supply chain digitisation have invested in ecosystems in which all supply chain partners are digitally connected”** which enables these digital champions to work together with their contract suppliers more effectively.

Investment in building data, automation, connectivity and intelligence in the supply ecosystems

drives tangible value. Multi-enterprise collaboration platforms can reduce a great deal of unnecessary costs across the entire supply ecosystem, and improve customer service levels by optimising for on-time, in-full fulfillment and mitigating inventory shortages.

Other notable outcomes of operating on a multi-enterprise collaboration platform includes reduction of expediting costs, enhancement of planner productivity, increases in revenue and margins realisation, improvements in inventory optimisation, and increases in manufacturing throughput.

With a seamless flow of data and collaboration capabilities, enterprises can also ensure:

- Real-time tracking of OTIF fulfillment.
- Accurate on-hand inventory visibility.
- Timely production status updates.
- On-time product delivery.
- Quality, safety and traceability requirements are met.



Research by PwC shows that investments in supply chain visibility generate 8% additional revenue and reduce costs by 7%.

PWC GLOBAL SURVEY (FEBRUARY 2021)



Adopting multi-enterprise collaboration capabilities

Recognising the value of investing in digitalisation for the entire ecosystem, today's supply chain leaders are driven to invest in a multi-enterprise supply chain business platform specifically to:

- Obtain real-time data to enable the efficient and scalable exchange of data and latency reduction
- Create visibility to shine a light on supply chain for actionable insights
- Ensure truth by removing silos between parties and functions
- Enable collaboration by eliminating inefficient off-platform and disconnected interactions
- Increase intelligence by enabling multi-party optimisation, orchestration and distributed intelligence

Multi-enterprise supply chain platforms have use cases that help create end-to-end, real-time visibility across the ecosystem by connecting internal and external data from disparate systems. More importantly, they use advanced analytics and management by exception that draw intelligent, actionable insights for the users. Furthermore, they provide capabilities that help users dynamically collaborate across the ecosystem.

Other supply collaboration capabilities include:

- **Materials Visibility**
Track inventory as it moves through your external network to quickly adjust production schedules and inventory levels against volatile demand signals.
- **Order Collaboration**
Collaborate with your external network in a centralised platform to provide a single source of truth on all production order information including in-progress order tracking.
- **Collaborative Planning**
Collaborate with your external partners on demand, inventory, and operations plans to synchronise and align short and long term equipment, inventory and human resources.
- **Network Capacity**
Collaborate with your external network on orders and forecasts to manage capacity allocation and achieve optimal outcomes. Gain full visibility into capacity across the network.
- **Collaborative Analytics**
Leverage actionable insights into key KPIs such as OTIF, inventory levels, and production metrics to improve network performance and drive continuous improvement.



Next Steps for Multi-Enterprise Maturity

Today's supply chain ecosystems, composed of manufacturers and their partners, must make wise investments in data and connectivity in order to operate at the speed that the market demands. Multi-enterprise supply chain business networks enable real-time collaboration between trading partners by delivering on the promise of real-time visibility and bilateral collaboration, arming businesses with the intelligence and agility needed to achieve long-term, sustainable value.



By 2026, more than 50% of large organisations will compete as collaborative digital ecosystems rather than discrete firms. The ecosystem has the potential to become the competitive entity of the future, as it can effectively leverage the capabilities of all its members.

GARTNER, "THE RISE OF THE ECOSYSTEM AND 4 MORE SUPPLY CHAIN PREDICTIONS"



Nulogy's multi-enterprise platform is the only solution designed to improve visibility and collaboration between FMCG manufacturers, co-packers, raw materials producers, packaging manufacturers and their supply base. Nulogy's platform helps organisations drive agility and improvement across business processes, manage costs, enhance on-shelf availability, optimise operational excellence and efficiency, and mitigate carrying cost and material waste.

[Click here](#) to learn more about Nulogy's Supplier Collaboration Solution and how it can enable true collaboration throughout your supply chain network.

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ABOUT NULOGY

Nulogy, a leading supplier of digital supply chain solutions, enables customers and their supplier communities to collaborate on a multi-enterprise platform to deliver with excellence to an ever-changing consumer market. Nulogy’s cloud-based platform optimises upstream supply ecosystems composed of brand manufacturers, contract manufacturers and packagers, third party logistics providers, raw material and packaging suppliers to accelerate supply chain responsiveness and collaborate at the speed of today’s market.

[Nulogy.com](https://www.nulogy.com)

