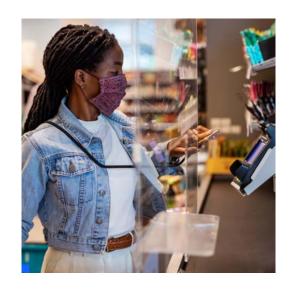
## Benefits of blockchainbased, end-to-end supply chain networks

A hypothetical consumer goods company empowers and engages customers and growers, enables supply chain responsibility and ensures quality and authenticity.

## ConsumerGoodsNet: A model for an end-to-end consumer engagement solution

In this use case, we follow a hypothetical, fast-moving consumer goods company—Consumer Brands Inc.—as they join a blockchain-based industry network—ConsumerGoodsNet.

Our hypothetical industry network provides ethical sourcing tools with strong authentication, carbon footprint data and calculations and proof of provenance, origin, and authenticity. The network also provides closed-loop condition monitoring, and engagement tools and analytics.



## Value generated by ConsumerGoodsNet for Consumer Brands Inc.

The annual value of joining a robust industry ecosystem with broad participation

| Improvement                    | ConsumerGoodsNet<br>advantage         |              | Value generated                       |
|--------------------------------|---------------------------------------|--------------|---------------------------------------|
| Marketing leverage             | Enhance consumer trust and engagement | 1            | 6-point improvement in NPS score      |
|                                | Connect consumers with suppliers      |              |                                       |
| Customer growth and loyalty    | Improve brand image and trust         | <b>↑</b>     | 7% increase in spend per customer     |
|                                | Boost customer acquisition            | <b>↑</b>     | \$3B increase in revenue              |
| Pricing power                  | Amplify brand differentiation         | 1            | 1% price increase                     |
|                                | Reduce price elasticity               | <b>↑</b>     | \$200M more pretax profit             |
| Capitalization                 | Improve social reputation             | <b>\</b>     | -3 basis points reduces WACC          |
|                                | Decrease climate risks                | <b>↑</b>     | \$450M increase in market cap         |
| Reduced carbon footprint       | Capture data on GHG emissions         | <b>\</b>     | -2.44M tons of carbon emitted by 2050 |
|                                | Gain scope 3 emissions visibility     | 1            | \$95M more profits annually           |
| Anticounterfeiting             | Track serialized units end-to-end     | <b>\</b>     | 35% reduction in counterfeits         |
|                                | Provide authentication                | <b>↑</b>     | \$143M additional sales               |
| Talent acquisition             | Enable sustainability initiatives     | $\downarrow$ | 2.45% reduction in turnover           |
|                                | Improve employee loyalty              | <b>↑</b>     | \$72M increase in profit              |
| Supplier loyalty and viability | Monitor fair trade practices          | <b>\</b>     | 50% reduction in supplier turnover    |
|                                | Track supplier quality and compliance | 1            | \$4M savings in sourcing costs        |

## Creating value for other consumer products supply chain participants

ConsumerGoodsNet generates broad value for companies that participate in the network

|                                      | Producers, suppliers | Brand<br>owners | 3PLs and carriers | Distributors | Retailers | Consumers |
|--------------------------------------|----------------------|-----------------|-------------------|--------------|-----------|-----------|
| Marketing leverage                   | High                 | High            | Med.              | Med.         | High      | Med.      |
| New business, customer loyalty       | High                 | High            | Med.              | Med.         | High      | Med.      |
| Pricing power                        | High                 | High            | Low               | Med.         | High      | Low       |
| Capitalization                       | Med.                 | Med.            | Low               | Low          | Med.      | Low       |
| Reduce carbon, water footprints      | High                 | High            | Med.              | High         | High      | Med.      |
| Anti-counterfeiting                  | High                 | High            | Low               | Med.         | Med.      | Med.      |
| Gray market reduction                | Low                  | Low             | Low               | High         | Med.      | Med.      |
| Talent acquisition and retention     | High                 | High            | Med.              | Med.         | High      | Med.      |
| Supplier loyalty, viability, quality | High                 | High            | Low               | Low          | Med.      | Med.      |

Intrigued by these findings? Get the details behind the value creation story. Download the full report "The value of networks: Creating consumer trust and empowerment" from ChainLink Research.



Read the full story

