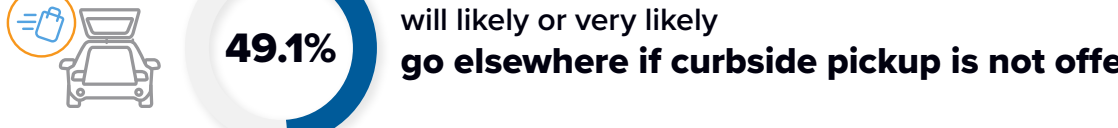
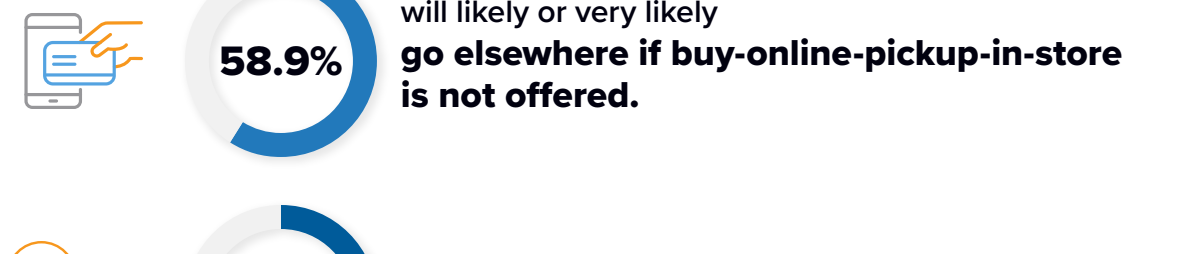


Create Satisfying Customer Experiences by Improving Retail Supply Chain Resilience

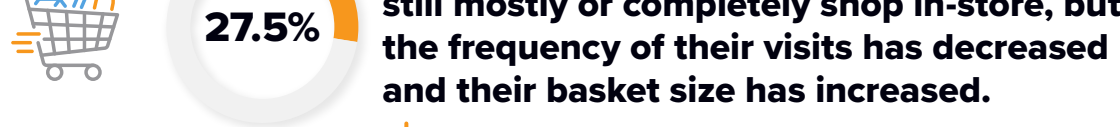
COVID-19 Has Driven Disruption in the Retail Supply Chain

Disruption has led to holes on shelves and swift changes to consumer shopping behavior, including an acceleration in online shopping and demands for omnichannel fulfillment.

When consumers were asked if they would switch retailers if certain services were not offered, responses indicated that:



For grocery shopping specifically...



Grocers have fewer chances to get it right, but the payout is big when they do.

KEY TAKEAWAY

Consumers want what they want when they want it, fulfilled where and how they like. The supply chain must be able to pivot as market forces and unexpected events dictate. This requires resilience.

Source: IDC Retail Consumer Insights Survey, September 2020

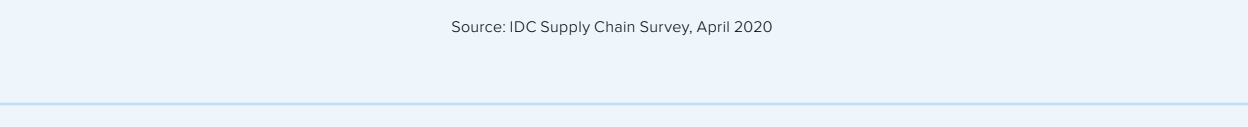
Resilient Supply Chains Are the Key to Mitigating Disruption

Resiliency Is Top Priority



Source: IDC Supply Chain Survey, April 2020

Visibility Is the Key to Building a Resilient Supply Chain



Source: IDC Supply Chain Survey, April 2020



Visibility challenges:

Siloed systems

Retailers cannot see across their enterprises, including into systems such as order and inventory management. This leads to a lack of actionable data, workflow inefficiencies, revenue loss, and product waste.

Poor visibility

Poor visibility exposes organizations simultaneously to revenue and product loss. In grocery retailing, the stakes are particularly high when poor visibility leads to the expiration of items and an inability to manage perishables.

Lack of insights

A lack of insights into both inventory and demand makes it difficult to manage inventory availability of specific SKUs at specific locations whenever customers want, failing to meet their expectations.

How Can Organizations Achieve Visibility?

Visibility into inventory, demand, and external disruptive events, along with the agility to move inventory, is the key to achieving resilience.

KEY TAKEAWAY

Control towers overlay silos to provide an end-to-end view and one version of the truth across the multi-enterprise network and supply chain. This provides one view of inventory at rest and in motion for real-time accurate available-to-promise (ATP).



Source: IDC Supply Chain Survey, April 2020

Demand-Sensing and Real-Time Decision Making to Manage Disruption Are Increasingly Important

AI provides the insight and predictive capability to achieve resilient retail supply chains.

To achieve resilience, retailers need more than just the end-to-end view. They need to understand what to do with that information. Retailers need intelligence.

To have a true end-to-end view, organizations need AI that can detect external events, leveraging data like weather and social news, and correlate with internal data to determine impacts.

Modern control towers leverage machine learning (ML) to retain institutional knowledge and support decision making, enabling optimal supply chain orchestration of inventory and minimizing the impact of disruptions.

Among organizations, interest in control towers is high:



Source: IDC Supply Chain Survey, April 2020

AI allows retailers to see, analyze, predict, and act.

By learning from decisions made in individual scenarios, AI enables problem-solving power to grow stronger and stronger.



Source: COVID IT Spending Survey Wave 12

KEY TAKEAWAY

With better abilities to sense demand and move product where it needs to go even amidst disruption, retailers maximize inventory fulfillment, improve management of perishables, minimize expired and spoiled items, and maximize customer happiness.

Guidance and Next Steps

Organizations require:

- A bird's-eye view of the end-to-end supply chain
- The ability to drill down into its individual nodes

Across this vast array of data points, retailers must be able to make informed and timely decisions, which requires AI. Otherwise, supply chains will not be able to perform optimally.

Supply chain execution has become an enabler of competitive advantage for retailers.

CHOOSE A MODERN CONTROL TOWER THAT OFFERS BEST-IN-CLASS CAPABILITIES:

- Real-time supply chain orchestration
- Ease of connection to data from other systems
- Visibility into the external environment
- Platform support for agile and effective collaboration
- Machine learning capabilities to help build organizational knowledge

Message from the Sponsor

Automate your supply chain with intelligent orchestration. IBM Supply Chain Control Tower, empowered by the industry-leading AI, provides the actionable insights you need to orchestrate your end-to-end supply chain disruption, identify and understand the impact of perishables, and take actions based on recommendations to mitigate the upstream and downstream effects.

Learn to respond faster to changes, enable smarter collaboration and drive operational automation with:

IBM Supply Chain Control Tower