



ACCENTURE RETAIL SOURCING

VIDEO TRANSCRIPT

Currently retailers are under huge pressure. Sourcing costs are increasing in many, many markets globally. Consumers are asking for sustainability and transparency in the product they are buying. They are demanding more and more customisation. Only sourcing can provide those capabilities.

At Lands' End, I would say that sourcing's role is somewhat unique compared to other retailers. Sourcing takes a seat at the table along with everyone else. And that is just, I think, an enlightened way to operate and enables us to be more successful as a result.

Sourcing has a highly important role in product innovation. They can work with material suppliers to help the product design team instead of just buying the product that the design team ask them to buy.

As vendors, we could bring to the table several skills in terms of construction, in terms of material, in terms of different methodologies. The result could be very impactful.

Sourcing has the key to ensure supply across the complete chain. They can ensure that product is available when it's needed, where it's needed at an optimal cost, and in doing so, they can also ensure that the whole supply network is self-adjusting and resilient to disruptions.

But sourcing itself needs to change as well. Today, a lot of time is spent trying to gather data and stitch it together.

Tomorrow, this data will be available at their fingertips. Understanding the data, analysing that data is critical for the sourcing team of the future.

The relationship between vendors and retailers absolutely needs to change. Vendors like us can help retailers right along the value chain. It has to be a collaborative approach to really ensure that we leverage each one's skills to cater to the consumer. It will mean having integrated teams working together on innovation, on transparency, on sustainability, on circularity.

Giving sourcing a seat of the C-Suite table is absolutely imperative for retailer success.

The potential benefits are enormous.

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