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DESIGNING A CONNECTED SUPPLY CHAIN WITH E2OPEN AND ACCENTURE

VIDEO TRANSCRIPT

0:12 I don't think supply chains will ever be normal again.

0:15 I think we've lived through it.

0:17 We haven't fully solved it.

0:18 It's not going away that this is a board- and CEO-level discussion.

0:24 There's also the overall risk to the business if supply chain disruptions happen and they're not managed. For example, you don't have a resilient supply chain to adapt and go to a secondary supplier.

0:34 Obviously, if you can't meet the demands of your best customers, you'll probably not be in business for much longer.

0:39 Most supply chain problems are actually supply chain data problems.

0:42 Data is the foundation of any supply chain.
0:45 The second major challenge for supply chains is people.

0:48 There is a scarcity of Labor across the market.

0:50 The challenge is not just finding the talent, but once you find it.

0:53 Remember, these are the people day in and day out that are actually operating the supply chains.

0:58 The third major challenge is scalability.

1:00 Good ideas are not good enough.

1:02 Supply chain leaders generally know what they need to do to build their supply chains of the future.

1:07 But they're challenged with how they scale across geographies, within their function, across their workforce.

1:14 The challenges are real, but the solutions are also there.

1:19 One of our supply chain partnerships is with e2open.

1:22 So, some of the magic of e2open is that it allows you visibility into your suppliers and suppliers and your whole connected supply chain.

1:32 Having all those data points at your fingertips is essential at e2open.

1:38 We have over 400,000 connected suppliers in our system.

1:53 And so, bringing those pieces together within their platform will accelerate the ability to use generative AI.

2:00 So, Accenture research shows that 81% of supply chain executives are very excited and planning to explore generative AI technology.
2:09 But what does that really mean?

2:10 In my view, that means that they will spend a lot more time structuring their data across a cloud-based modern technology platform, and they will be forced to think about how generative AI can answer new questions to future-proof their supply chains.

2:29 I think it's the combination of Accenture and e2open to open this partnership that really allows us to manage the change required at an organization to operate these complex supply chain systems.

2:42 At the end of the day, it's about bringing value; it's about building confidence and making our clients successful.

TEST TEST So if you look at Mars, they've got a new global coalition called Kinship, which is defining a great in the future of pet care across health care, science, nutrition, to investment and collaboration with startups. It's largely autonomous to Mars and operates across sort of the typical industry boundaries. So you've got startups focusing on owner meet-ups, payments, virtual [apps 00:07:10], all these sorts of things that broaden the ecosystem.

And then if you looked at ventures, say P&G's Venture studio partners with startups and inventors to build businesses and brands within the CPG space, so you can increase the portfolio breadth. An example would be Zevo. It's a small plug-in device. It's a start up that was partnering with P&G to reinvent people's experience with, of all things, home pest control, which again is a new take on, in this case, an almost $20 billion industry.

Renee Ertl: Okay. So now let's turn to data for a moment. How are CPGs using it in their pursuit of new consumers, categories, or collaborators?

Oliver Grange: So I think data and analytics, because I think the two are important to say together, it's going to be one of the biggest differentiators on the journey of big CPG to growth. And the amount of data available today is staggering, but 76% of consumer-products executives acknowledge they'll struggle when it comes to scaling data across the business; so getting it there fast enough to be able to use effectively.

Different functions need different types of data. Some need the same data for different purposes. And the Holy Grail, I suppose, is having a truly holistic data model for consumer goods where there's clear structure around what data is required, where it comes from, how to use it, and then how to measure success.

No one's really cracked this yet, from zero party data all the way through to data that comes out of companies and systems. But once you get to that truly holistic data model, I think there'll be huge value, particularly in driving the growth agenda.

TEST TEST And so CPG has got to leverage the wealth of data available to them and then apply the analytics to create those deep insights about customers and consumers.

For some years, with their Freestyle platform, Coca-Cola had been using intelligent vending machines, which are enabled with AI to mine vast amounts of consumer data in order to innovate drinks and flavors, optimize locations, and drive consumer targeting and loyalty. But data alone can't drive disruptive innovation. There is a critical combination of human plus machine that creates and harnesses end science, and then channels them into growth.

So, in essence, every company will be fully data-driven in 10 years. The ability to access and extract insights from different forms of consumer data and customer data and all the other varieties and flavors will be one of the biggest differentiators for growth.

Renee Ertl: Oh, yes. And so much change is happening in the industry and it's happening fast. Oliver, do you have any advice for CPGs trying to figure out the path forward?

Oliver Grange: We suggest sort of four steps to start. So first one, pressure test your purpose. Define what your organization's fundamental reason for being, and the broader purpose you serve and your ecosystem serves, and hold your business and your ecosystem accountable at every level with rigor. Measure the success.

Secondly, choose those partners wisely within that ecosystem. So proactively seek partnerships to unlock capabilities and access to new experiences, and then frame those partnerships in models of shared incentive and success to grow together. If your incentives are aligned, then there's more chance your ecosystem will be healthy in the long run.

TEST TEST Thirdly, data, data, data. So rely on those data-led insights. Rethink and redefine the role that data plays to unlock growth. Identify those new consumer and customer trends and respond faster. The speed, the agility, is something that, again, we hear a great deal from on consumer goods in terms of having a real, tangible, competitive advantage.

And then, lastly, as we just discussed, tap into that power of human plus machine. So develop those AI cloud and machine-learning capabilities to help automate some of the executional, repeatable tasks across channels, so you free the humans up for more strategic, value-added work.

Renee Ertl:
Oh, and thank you, Oliver, for these tremendous insights into the opportunities for growth in consumer goods. Any final thoughts?

Oliver Grange:
Well, thank you for your time. If I was to leave you with one message, it would be this, that whilst finding and delivering growth is an increasingly complex task, these are also exciting times with abundant opportunities. So today is a great time for CPGs to reset, renew, and evolve for future growth.

Renee Ertl:
Thank you again, Oliver. And thank you for listening to this podcast. For more information, please visit www.accenture.com/consumergoods.