



ASK THE EXPERTS

Charting the Course for Supply Chain Excellence in 2024: From Digitization to Human Capital

M A D E 4 N E T

The realm of supply chain management is rapidly evolving, fueled by a technological revolution and a changing global landscape. Made4net recently polled industry experts to gauge what they view as the top supply chain trends for 2024 and share practical advice for supply chain leaders as we head into a new year.

KEY FORCES SHAPING THE FUTURE OF SUPPLY CHAINS

The **Association for Supply Chain Management (ASCM)** recently released a carefully curated **list** outlining the key forces shaping the future of supply chains. From harnessing the power of data and AI to building agile and resilient networks, the ASCM states that, “these trends are not just predictions, but imperatives for supply chain success.” According to this list, the top 5 supply chain trends to watch are:

TOP 5 TRENDS TO WATCH:

- ▶ Digitization
- ▶ Big data and analytics
- ▶ Artificial intelligence
- ▶ Investments in systems and people
- ▶ Visibility, traceability, and location intelligence

1. DIGITIZATION

Made4net asked experts from our partner community to weigh in on which trend they thought would take center stage in 2024 and why. The majority agreed that digitization, meaning the conversion of data from a physical to a digital format, deserved the top spot. According to Chuck Fuerst, Chief Marketing Officer at **ReverseLogix**, “Nearly every advancement or trend in the supply chain depends on one thing: Digitizing it. In the coming year, companies will be laser-focused on automating, streamlining, and digitizing as much of the supply chain as possible to make way for faster processes, less cost, and the implementation of AI-enabled capabilities.”

Digitization in the supply chain is crucial for various reasons, as it brings about significant improvements in efficiency, transparency, and overall effectiveness. Top benefits over the coming year may include:

▶ **Optimized Inventory Management:**

Digital tools enable accurate and real-time tracking of inventory levels. This helps in preventing stockouts and overstock situations, optimizing inventory turnover, and reducing carrying costs.

▶ **Faster Response to Market Changes:**

A digitized supply chain allows organizations to respond rapidly to changes in customer demand, market trends, and external factors such as geopolitical events or natural disasters.

▶ **Improved Collaboration:**

Digital platforms facilitate better collaboration and communication among various stakeholders in the supply chain, including suppliers, manufacturers, distributors, and retailers.

▶ **Supply Chain Resilience:** A digitized supply chain is more resilient to disruptions. With real-time data and analytics, organizations can proactively identify risks and implement contingency plans.

▶ **Enhanced Customer Experience:** According to Tom Stretar, Vice President. Technology at **enVista**, “Digitization of the supply chain will continue to be a leading factor in supply chain optimization as the journey for improved end to end decision making from inbound suppliers to end consumers progresses.” From order tracking to delivery notifications, customers will benefit from improved visibility and communication throughout the supply chain, leading to more flexible and capable supply chain execution and higher client satisfaction levels.

2. HARNESSING BIG DATA AND ANALYTICS

Several experts felt big data and analytics, meaning the strategic utilization of massive data sets, merited the top spot. John Seidl, **TZA's** Director Partnerships & Alliances, shares, “Access to data generated by various supply chain execution systems will be aggregated and utilized to identify opportunities for more efficient operations, supply chain efficiencies and improved customer satisfaction. Look for the BI tools that reside in the LMS, WMS, and OMS to come together to provide improved insights from the network level through the facility, team and individual contributor levels.”



Big data and analytics will fuel improvements to functions like Demand Forecasting, Inventory Visibility and Route Planning just to name a few. According to Amit Levy, EVP of Sales and Strategy at **Made4net**, “Big data analytics enable real-time monitoring of the entire supply chain. By collecting and analyzing data from various sources such as IoT devices, sensors, and RFID tags, organizations can gain comprehensive visibility into the movement of goods, inventory levels, and production processes.” These analytics can also help identify potential risks and disruptions in the supply chain, whether related to product changes, supplier issues, transportation delays, or geopolitical events.

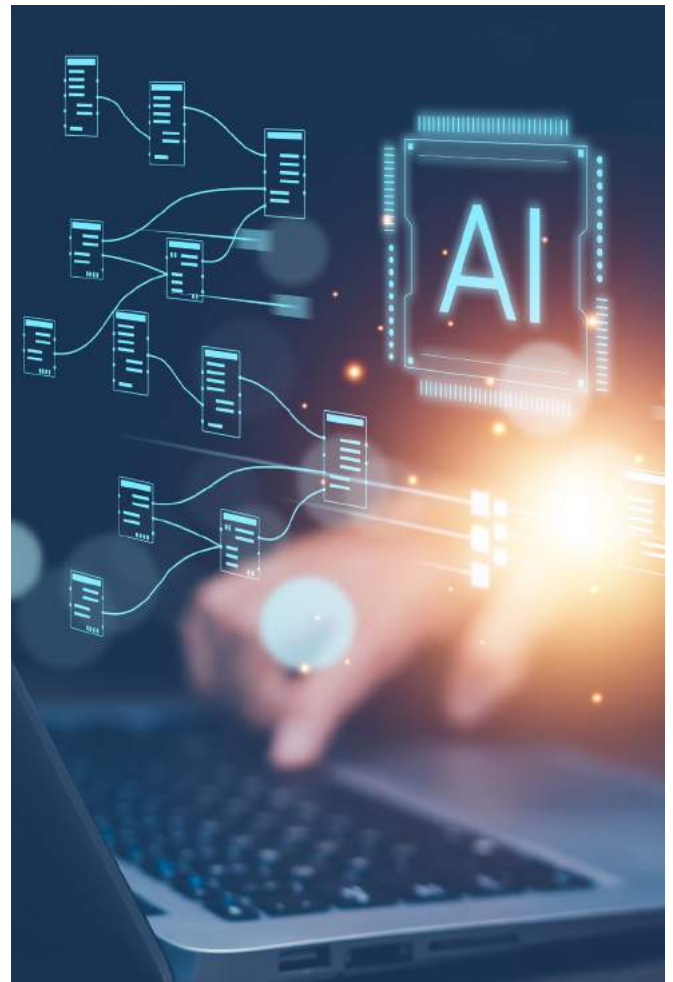
Patrick Prasinis VP of Business Development at **Made4net**, adds that the combination of Big Data and Analytics can provide organizations a deeper level of decision-making data to discover patterns you couldn't see before. Harnessing that data can convert into higher margins. “One example is the opportunity for customizing products and processes for personalized experiences, allowing companies to stand out in the crowd and send a message that the organization is prepared to grow, but does not forget what the client wants. This creates a very tight bond between client and brands, that can last for many development cycles, allowing companies to gain significant market share. This is particularly important for low-cost and high-volume products as well as highly competitive services-oriented companies.”

3. ARTIFICIAL INTELLIGENCE DRIVES INTELLIGENT OPERATIONS

According to the ASCM, “Advances in artificial intelligence (AI) are happening at an unprecedented rate and offering numerous immediate returns — particularly in the areas of intelligent sourcing, inventory management and logistical route-planning.” And, all of our experts agreed that AI would play a major role in 2024 primarily because there is still so much to learn about it. Steve Simmerman, Head of Global Alliances at **Locus Robotics**, believes “that AI will continue to take center stage because it is so fascinating to people.” And, while he doesn't think we fully understand all of the potential benefits or ramifications of AI, he feels it will continue to be at the center of many conversations.

Seidl agrees that we are only seeing the beginning of the potential for AI. “AI will start to identify operational exceptions and generate actions to resolve them without supervisor intervention. AI will begin to work its way into improved inventory slotting at the DC levels and at a higher level be applied to determine channel flow strategies for new products – what to place where and in what quantities to best meet anticipated customer needs.”

Prasinis indicates that most companies are focusing now on buying products that have some level of embedded AI capabilities. In time, as organizations realize the vast potential of AI's native capabilities in day-to-day operations, it will become more usual to have processes and people's performances reviewed by AI, looking for patterns and scenario building techniques that will provide improvement opportunities.



4. VISIBILITY, SUSTAINABILITY AND CHANGES TO SOFTWARE

While not in the top 3 this year, our experts also felt that visibility, sustainability and changes to software would have their moments in the spotlight this year.

Fuerst feels, "Improving supply chain visibility will be very important. Visibility is required for good data and analytics, which then inform strategies for hitting organizational goals. As enterprise organizations prioritize supply chain sustainability and traceability, they will be investing heavily in solutions that improve visibility in order to track their progress."

Stretar stated that, "Green initiatives will continue to play a role within the Chief Supply Chain Officers domain as ESG reporting and compliance issues gain prominence and traction globally."

And Drew Eubank, EVP & Co-Founder at **Zion Solutions Group**, predicted that "Software will continue to adapt to the consumer, and more will come out of the cloud and be on prem. With more technology being installed, the latency required to be successful will force a more direct connection. Those software orgs that understand this will gain more market share than those who will not pivot."

Prasinos noted that several initiatives within global organizations are encouraging the largest manufacturers to adopt more responsible supply chains, considering not only the Manufacturing-to-Consumer flows, but the Reverse Logistics, as well as from consumer to recycling or repurposing. These initiatives will create a new paradigm for supply chain organizations, one that will measure the business efficiency based on what each organization can monitor and how it participates in the full circle.

5. PEOPLE REIGN SUPREME

Despite the trends, our experts feel that the importance of focusing on people in the supply has always been important and should not be overlooked in 2024.

Stretar emphasizes the critical role of people as the backbone of moving goods throughout the supply chain. He advises supply chain leaders to maximize investments in people, process improvement, and technology, acknowledging that not every process can be automated. However, the demand for rapid one-day delivery, coupled with low unemployment, necessitates automation and technology investments, including cloud-based execution applications and automated material handling solutions.

Seidl also stresses that the people element will be critical in 2024. He anticipates increased spending on employee training and coaching/development programs for warehouse workers. An emphasis on real-time coaching enabled by Learning Management Systems (LMS) will contribute to better knowledge acquisition, retention, and creating an engaged and productive workforce.

Finally, Simmerman echoes the sentiment that investments in both systems and people are critical across all aspects of the supply chain. Given the fierce competition for skilled labor in the global workforce, companies need to invest in their people and provide them with effective systems to enable optimal performance. He emphasizes that retaining, hiring, engaging, and rewarding people is the top priority for supply chain leaders in 2024 and highlights that even in identical operations, the difference in performance often comes down to the people, making it a truism that has stood the test of time.



THE LINCHPIN FOR SUCCESS IN 2024 AND BEYOND

As we stand on the cusp of 2024, the realm of supply chain management is undergoing a seismic shift, driven by the imperatives of digitization, data analytics, and artificial intelligence. The insights gleaned from Made4net's partner community and the key trends outlined by the ASCM paint a picture of an industry at the forefront of technological innovation. While digitization takes center stage, the symbiotic relationship with big data, analytics, and AI promises a future where supply chains are not only efficient and transparent but also agile and resilient. The crucial dimensions of visibility, sustainability, and software adaptability are also poised to make their mark, reflecting the industry's responsiveness to evolving global demands. But the enduring importance of people within the supply chain – in the face of automation and technology – means that investing in human capital remains the linchpin for success in 2024 and beyond.

MEET THE EXPERTS



Chuck Fuerst, Chief Marketing Officer
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Tom Stretar, Vice President, Technology
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John Seidl, Director Partnerships & Alliances
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Steve Simmerman, Head of Global Alliances
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About Made4net

With customers in 30 countries and solutions in 20+ languages, Made4net is a leading global provider of supply chain solutions that help organizations of all sizes improve the speed and efficiency of their supply chain. The company's end-to-end SCExpert platform is adaptable, configurable and scalable to provide maximum Speed-to-Pivot™ for ever-changing supply chains. Made4net solutions provide real-time inventory visibility, labor management, and equipment productivity with performance analytics that drive faster, more accurate order fulfillment and improved throughput.

For more information, visit www.made4net.com.