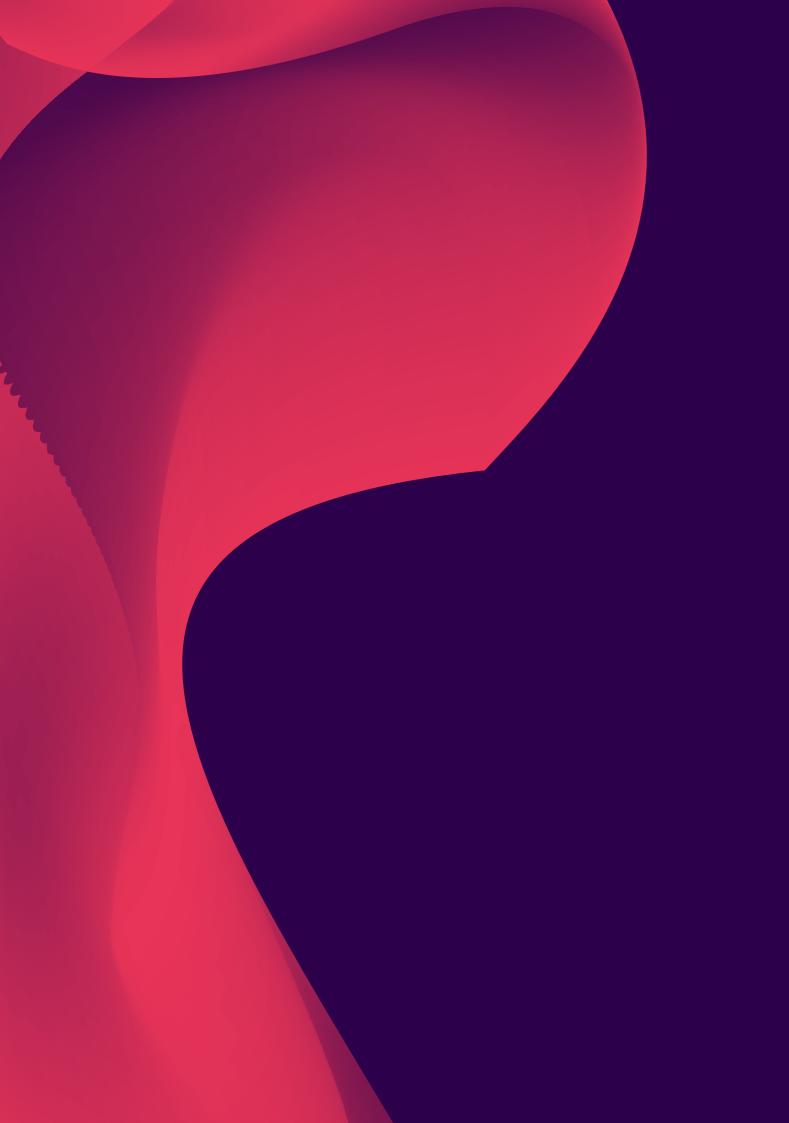Capgemini invent

INTELLIGENT SUPPLY NETWORKS

THE SEQUENTIAL SUPPLY CHAIN IS DEAD.

WELCOME TO INTELLIGENT SUPPLY NETWORKS

Intelligent Supply Networks recognize that, in today's digital world, the supply chain is no longer a supply chain at all. It's a supply-value network. While a chain is about rigidity and linearity, the supply-value network is all about flexibility, speed, agility, and adaptability.

In this digital world, the consumer journey is an increasingly personalized path through an interconnected web. Consumers are at the center and every other aspect of the ecosystem is directly connected to them.

Intelligent Supply Networks support consumer products companies in

reinventing their supply chains as modern supply-value networks, characterized by speed and intelligence, to meet the demands of today's connected consumers.

Intelligent Supply Networks confirm our role as orchestrator, helping our clients optimize inspirational relationships, technologies, and opportunities to deliver next-generation products and services to increasingly savvy consumers.

Welcome to Intelligent Supply Networks.

Only

9.6%

of Gen Z reports buying in a physical store*

according to SDCExe

A WORLD OF ONE.
A MARKET OF ONE. A BATCH
OF ONE. IT'S ALL ABOUT
ONE TO ONE.

The new digital world has created an unpredictable, disruptive environment. To survive and thrive, it's critical that traditional supply chains are transformed into consumer-centric value networks.

Intelligent Supply Networks understand that consumer behavior is changing. Consumers expect to personalize products and services and

to make every kind of purchase across a variety of innovative channels quickly and efficiently.

Meanwhile, technology allows brands to engage and empathize with individual consumers intelligently. Using data and insights from these interactions, brands are transforming sourcing, production, customization,

and delivery solutions to meet and exceed consumer expectations.

Intelligent Supply Networks are designed for the new digital world. They enable businesses to curate an environment where the path to purchase is an interconnected web. It puts the consumer firmly at the center and connects every aspect of the ecosystem to them.

For consumers, iIntelligent Supply Networks bring to life what's next in consumer products. This helps them order not just a batch of cupcakes but a batch of personalized, cherry topped, banana cupcakes, decorated with Mandarin script, delivered to their desk at a specified coffee-break time. With bamboo forks. In short, it enables consumers to take control of ordering exactly what they want, precisely when and where they want it.

Consumers want to discover products, services, and niche brands in ways none of us can control. They follow social media and listen to influencers. They want products delivered direct to their door. They expect to shop on their terms and at their convenience. They'll shop via social networks, subscriptions, or online marketplaces, but they'll also patronize big-box stores and local retailers.

Consumers are changing where and how they engage with brands. They're increasingly selective, and demand transparency around ingredients, sourcing, and alignment with their individual beliefs. And they're engaging

at an increasingly quicker rate thanks to image recognition, chat, messaging apps, and voice.

Consumer expectations know no limits and the world's leading brands are responding with a wealth of innovative solutions. There are four identifiable categories of solutions. These are: personalized products, like Nike By You; personalized product packaging, such as Krombacher's birthday labels; channel proliferation, as embraced by Amazon Flex; and consumer technology that interacts with major brands, as demonstrated by Lego Design. Of course, thousands of other inspiring brands are innovating in tandem. The ultimate goal is to turn your consumers into effective ambassadors of your brand.

For business, Intelligent Supply Networks optimize these significant opportunities. As the traditional high-volume production and supply model declines, it helps brands to compete and thrive. It enables consumer-products companies to evolve within a "world of one" in which products are highly personalized. We can help them

> " *Consumers want to order, not just a batch of cupcakes, but a batch of personalized, cherry topped, banana cupcakes, decorated with Mandarin script, delivered to their desk at a specified coffee-break time. With bamboo forks.*"

> " *Consumers want to discover products, services, and niche brands in ways none of us can control.*"

IMPROVING SUPPLY CHAIN VISIBILITY HAS BECOME A PRIORITY TO PROACTIVELY MANAGE SUPPLY CHAIN RISKS AND ISSUES

"We want to get more grip on our external manufacturing partners"

"We want more transparency in our supply chain to ensure less hassle during recalls"

"Insight in raw material production disruptions allow us to migrate supply risks"

"We want to improve our supply chain but have not enough information for root/cause analysis"

"Visibility is cruvial fo futher improvement of the reliability of order lead times"

"We want to increase insight of stock development at our customers"

"We need better info on the performance of our logistic service providers"

DESIGN YOUR UNIQUE SPORTS SHOES WITH NIKE BY YOU

Personalize your favorite Nike sports shoes. Simply choose your shoe and start the journey towards creating an individual design, according to your personal preferences. Take inspiration from famous athletes, who've already designed their personalized shoes.

KROMBACHER BEER DELIVERS CUSTOMIZED LABELS

German brewery Krombacher invites you to design your own beer bottle and packaging. Simply add a picture and a personalized message to create the perfect gift for your best friend's birthday or personalize bottles for your own special celebration.

AMAZON FLEX DISRUPTS THE DELIVERY MARKET WITH PRIVATE COURIERS

Amazon delivers some of its packages via private people in order to shorten delivery times. The couriers only need an app, a car, and a driver's license. The concept operates with thousands of couriers in the US, UK, Spain, Singapore, and Germany.

LEGO INVITES ITS COMMUNITY TO CONTRIBUTE WITH NEW DESIGN IDEAS

Online LEGO fans can hand in product ideas, compete in contests and challenges, and vote on new ideas. Every idea that reaches over 10,000 votes gets the chance to become a new LEGO product.

DATA IS THE MOST CRUCIAL CURRENCY.
UNDERSTAND IT. PROCESS IT.
BRING IT TO LIFE.

Intelligent Supply Networks help businesses leverage the power of data-enabled insights and technology, changing skills, culture, and mindset to enable an intelligent supply-value network.

As increasing complexity in product portfolio and route to market demands accelerated automation in planning, decision making, and execution, Intelligent Supply Networks make these the responsibility of the whole supply ecosystem. They embrace automation that has the power to

assess current situations, review potential future scenarios, analyze the impact of the decisions it makes, and even make decisions independently.

Success will depend on bringing data to the center of each business function. Therefore, companies must be more

deliberate in organizing their business to embrace data-enabled technology. For example, if a consumer wants to customize a product, the organization will need the ability to service that preference across the whole supply chain. This can only be done well if the business thinks about data and technology holistically.

Advances in technology, whether they're consumer apps or smart products, create innovative interactions between individual consumers and major brands. Data and insights from these interactions create a huge opportunity to improve consumer products and the operations needed to source, produce, and deliver those products to consumers.

In this new retail landscape, consumer products companies have no choice but to embrace agile manufacturing, because only then are they able to offer consumers new ways to customize or personalize orders. Therefore, it's essential to create a supply-value network that supports those requests at every point in the consumer journey.

To enable the shift to customization, Intelligent Supply Networks help businesses convert to an asset-lite manufacturing model. In addition, as shopping moves rapidly to Direct to Consumer (DTC) channels, we can create more flexible and mobile distribution networks that respond quickly and intelligently.

Businesses need to shift their focus far beyond producing large volumes of products. They need to focus on the ability to distribute them with speed and agility across a wide variety of channels. In the near future, success won't just be a matter of getting products on shelves, but also on doorsteps, in consumer pickup centers, and to marketplaces or third-party sellers.

"
We chose Capgemini clearly because they understood our business needs and our ways of operating. And also, they have a good pool of complementary resources and experts, which made a perfect team for us."

Reinhard Meister
CEO, CONA Services

By
2025
there will be
22
billion
IoT-connected devices, according to IoT Analytics

RE-IMAGINE.
RE-INVENT.
RE-DESIGN.
INTELLIGENT SUPPLY NETWORKS ARE YOUR POWERFUL ENGINE FOR GROWTH.

While organizations traditionally looked for end-to-end visibility in their traditional supply chains, today's environment requires a 360-degree view across a symbiotic, interconnected web of relationships.

Intelligent Supply Networks offer consumer-products companies a range of capabilities to help enable their supply-value network:

Integrated business planning enables our clients to achieve a complete overhaul of both their business strategy and operating model, moving from a linear chain to a digitally connected ecosystem that puts consumers firmly at the center. Supply-chain strategies aimed at maximizing efficiency, agility, customer focus, or flexibility are often incompatible when applied as a linear supply chain. A revamped strategy and operating model enable companies to operate multiple interconnected supply chains, each with its own specific responsiveness, granularity, and cost-level, within one vibrant ecosystem. As a result, those Networks become key enablers of new business models and services to consumers. Today we see more and more evidence that digital operating models and collaboration with a supply-chain partner are key ingredients to efficiently run supply Networks at higher visibility and quality levels.

Connected autonomous planning fine tunes the operation of manufacturing, transport, procurement, and virtually every other aspect of the supply-value network in a touchless, autonomous way. Connected autonomous planning enables planning to become granular and able to generate an optimized plan for the production, storage, and delivery of one specific product to one specific consumer. It makes planning highly dynamic and easily

> "IThe new digital world demands a 360-degree view across a symbiotic, interconnected web of relationships"

adaptable, as consumer demand changes continuously. Traditional weekly and monthly planning cycles are transformed as a continuous cycle, ensuring they are fast, agile, and responsive to real demand.

Manufacturing 4.0 enables near real-time visibility into production lines and every element related to them, as enabled through the cloud. It helps build digital factories capable of monitoring and self-driving performance and maintenance activities. Connected manufacturing helps operations optimize consumer data, as customers increasingly demand that more products in the portfolio can be personalized. It makes insights into manufacturing capability and capacity easily available across the network, so it can optimize production based on the latest insights into supply and demand. Manufacturing 4.0 is a new industrial revolution enabled by artificial intelligence, embedded sensors enabling the Internet-of-Things

and massive digitization of operations and processes.

A cognitive control tower is a centralized and consolidated set of supply-chain capabilities that monitor and operate certain parts of the supply ecosystem. It enables a 360-degree view of the supply-value network, providing real-time visibility of the end-to-end supply network. A cognitive control tower plays an important role in Intelligent Supply Networks, enabling the collection and sharing of structured and unstructured data across the network. With spiraling complexity in products and routes to market, simply improving data availability is not enough. A cognitive control tower enables prescriptive analytics and automated decisions to efficiently direct the flow of products through a continuously changing network of interconnected parties.

Integrated operations is about freeing companies to focus on GROW. Companies can shift their focus to excelling in the functions which drive customer satisfaction and consumer engagement, eliminating waste, integrating internal and external processes, systems and data and outsourcing RUN business processes to better value partners.

MOVE QUICKLY AND INTELLIGENTLY IN AN INTERCONNECTED WEB OF OPPORTUNITY

Intelligent Supply Networks give our clients the agility to move quickly and intelligently in a space beyond supply chain. There, we can work together to invent new supply-value networks to deliver next-generation services to increasingly savvy consumers.

It recognizes that, as the consumer journey becomes an increasingly personalized path, it needs to be supported by intelligent, consumer-centric supply chains. It offers solutions characterized by speed and intelligence, to meet the demands of today's connected consumers.

Intelligent Supply Networks open up an entire spectrum of innovative new products, services, and even new business models. This changes the focus of supply-chain design, from reducing costs and optimizing service to enabling new business models.

Consequently, Intelligent Supply Networks become a powerful engine for growth.

Capgemini ● invent

About Capgemini Invent

As the digital innovation, consulting and transformation brand of the Capgemini Group, Capgemini Invent helps CxOs envision and build what's next for their organizations. Located in more than 30 offices and 25 creative studios around the world, its 7,000+ strong team combines strategy, technology, data science and creative design with deep industry expertise and insights, to develop new digital solutions and business models of the future.

Capgemini Invent is an integral part of Capgemini, a global leader in consulting, digital transformation, technology and engineering services. The Group is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year+ heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. Today, it is a multicultural company of 270,000 team members in almost 50 countries. With Altran, the Group reported 2019 combined revenues of €17billion.

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People matter, results count.