

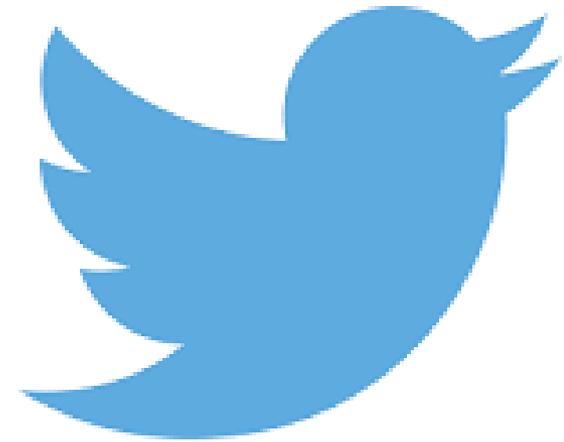
Supply Chains in Practice

**Beyond the Hype: Exploring the Supply Chain
Opportunities of Industrie 4.0**



Join the discussion in real time...

- ▶ #SCinPractice
- ▶ @WMGSupplyChain
- ▶ @wmgwarwick
- ▶ @JanGodsell



Connect to 'Warwick Guest'



3 Perspectives

1. Siemens

Alan

2. Cisco

Stephen

3. Supply Chain

Jan





Beyond the Hype: SC Implications of Industrie 4.0

Jan Godsell

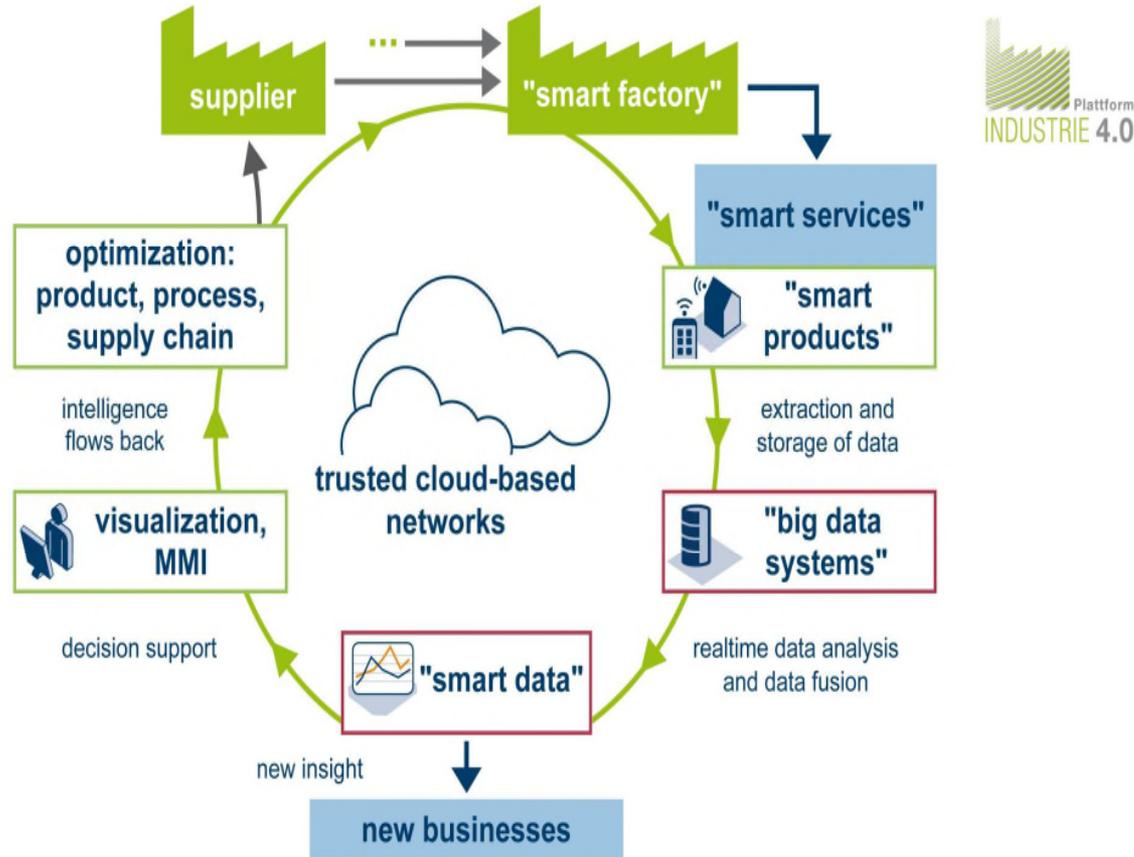
Professor of Operations and Supply Chain Strategy

3 principles...

1. Consumption driven
2. Think business model
3. Technology enabled



The internet is driving the next generation of business models...



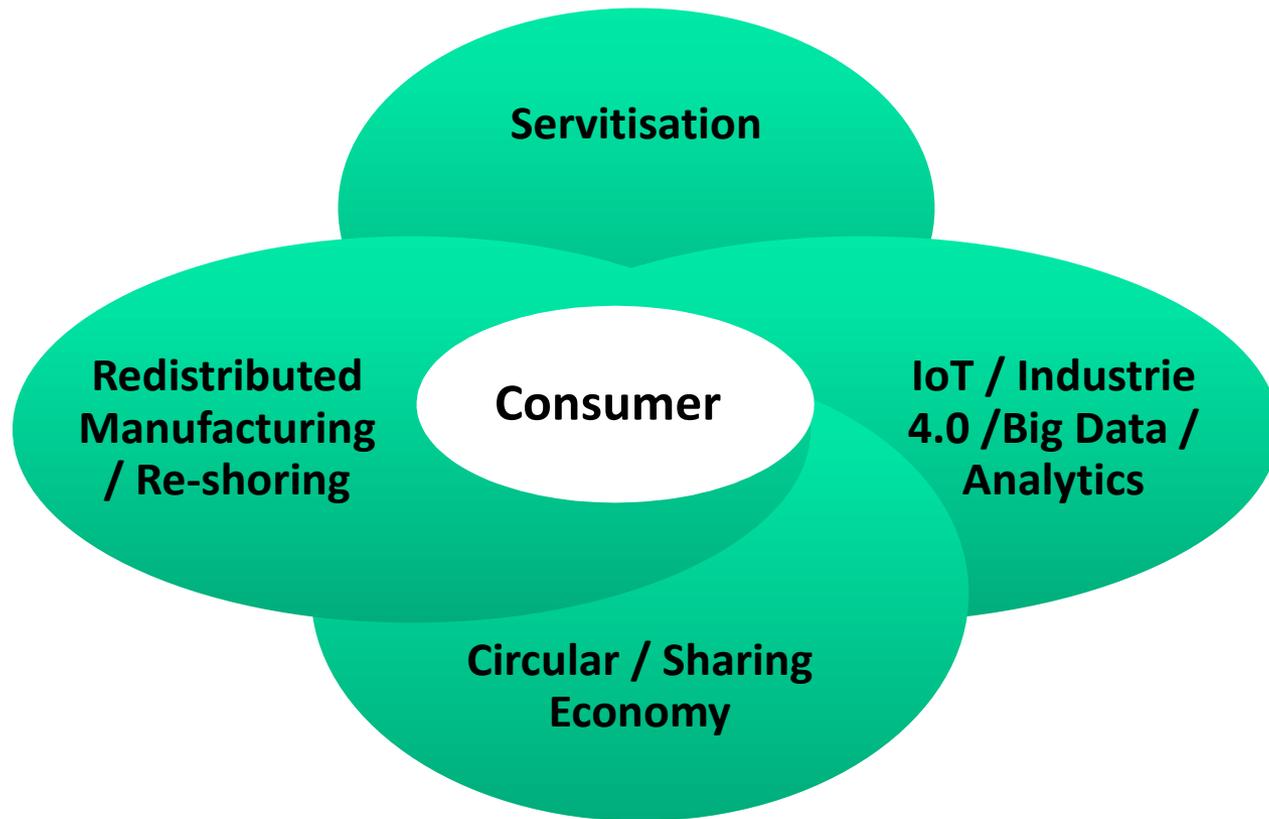
Enabled by a more contemporary approach to the supply chain...

	Traditional supply chain	Contemporary supply chain
Driver	Cost	Consumer
Cost orientation	Manufacturing cost	Total landed cost
Batch size	Large	Of one
Manufacturing location	Global	Local
Social and environmental sustainability	Low visibility	High visibility
Customer quality	Limited to conformance of product to quality standards	Superior quality delivered through fully personalised products

'personalisation at mass-production prices'

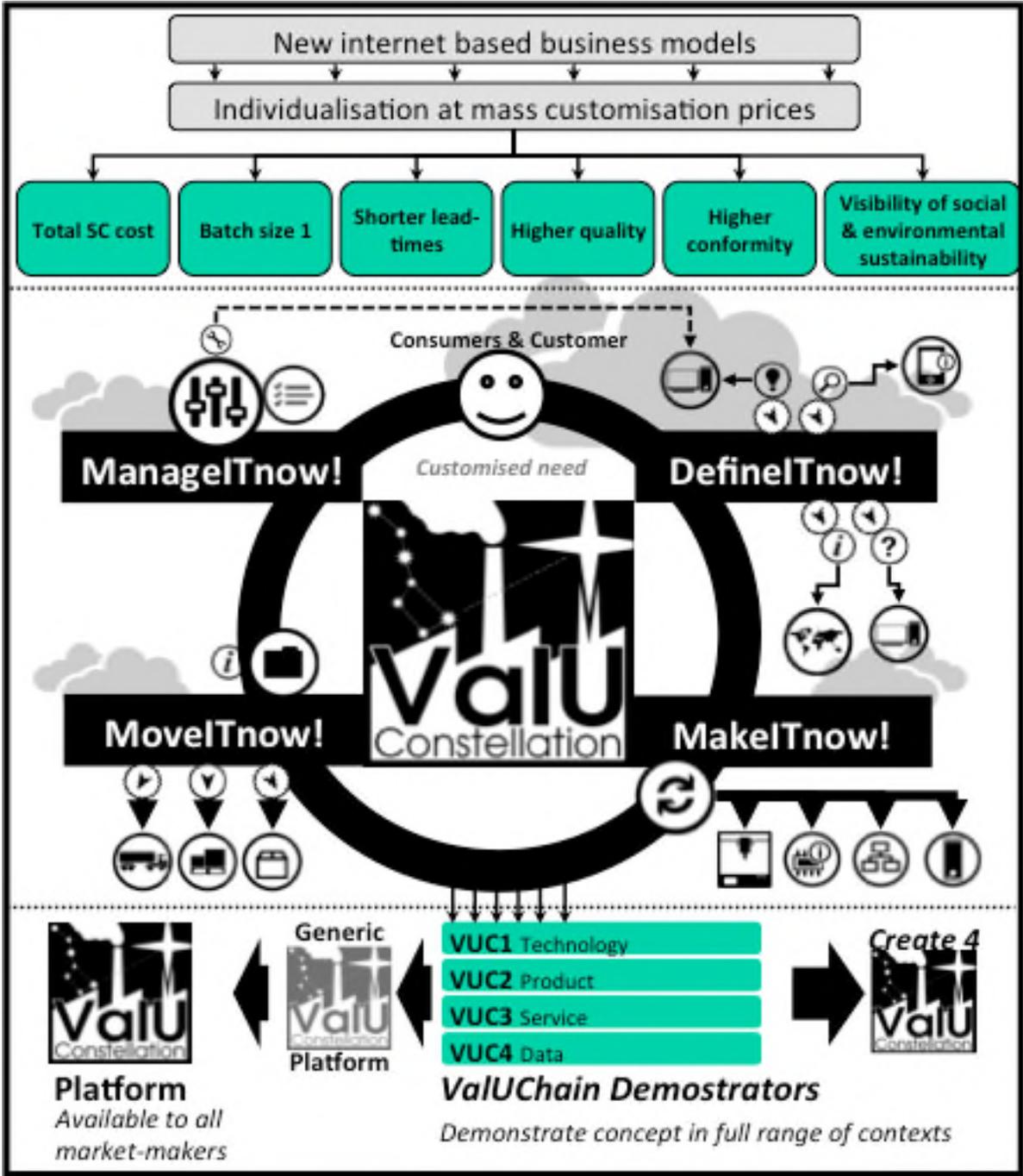


Future trends in manufacturing are interconnected...



...and are business trends not isolated to manufacturing





Omni-channel...



‘Seamless approach to the consumer experience through all available shopping channels’



Evolution...

Shop Direct to stop Littlewoods catalogue after 80 years
Littlewoods to stop printing catalogue and focus on websites due to internet shopping revolution

Catalogue circulation

Peak: 25 million
2010: 5 million
2015: 300,000



‘This is a big step in Shop Direct’s transformation and, importantly, it’s one that’s been led by our customers. They’ve embraced online at a phenomenal pace – this is where they’re browsing and where they’re buying’

Alex Baldock, CE, Shop Direct (May 2015)

Revolution...



Rise of business models that support the sharing economy...



Convenience & community...



Remember 3 principles...

1. Consumption driven
2. Think business model
3. Technology enabled



Keep in touch...

Next SCIP networking event: Tuesday 8th March 2016 ,WMG, IIPSI
You Get What you Measure: Perspectives on Productivity

www.mychainreaction.co.uk

#SCinPractice

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