

SUPPLY CHAIN AND LOGISTICS: KEY TRENDS

Technology Led Transitioning Towards Efficient & Integrated Supply Chain Ecosystem

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*The Growth Pipeline™ Company
Powering clients to a future shaped by growth*

CONTENTS



Impact

3



New Normal

7



Growth Opportunities

12



Future : What We Can Expect ?

15

IMPACT ON ECONOMY AND TRADE

FORCES SHAPING BUSINESS ECOSYSTEM



Back to normalcy from unlock measures

New Norms...



Plant Closures



Improving Cargo Capacity



Border Restrictions



Business Continuity



Demand Supply Shocks



Emergency Response Systems



Risk Mitigation



Air Travel Restrictions



Work From Home



Production Relocations



Social Distancing



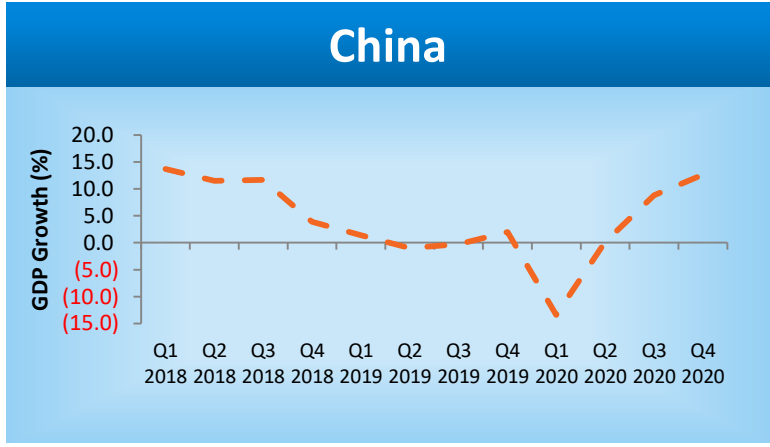
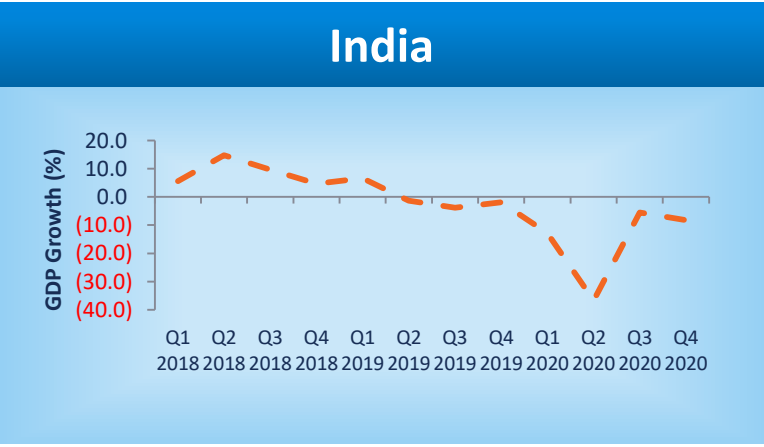
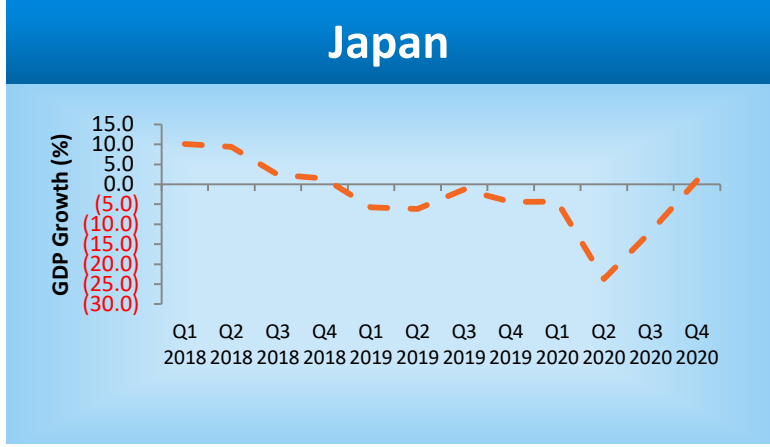
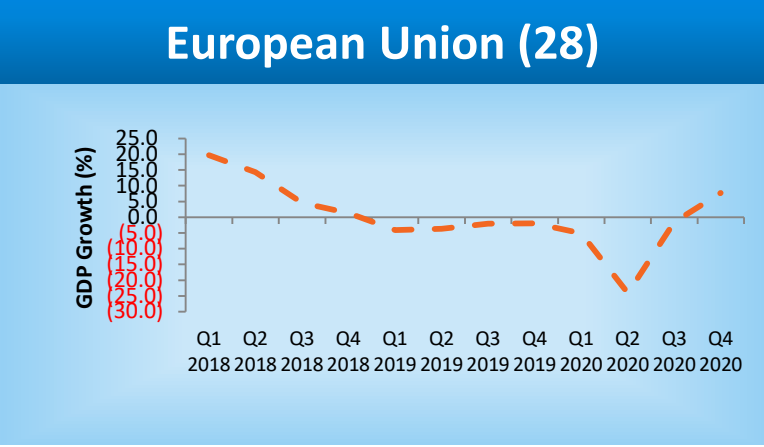
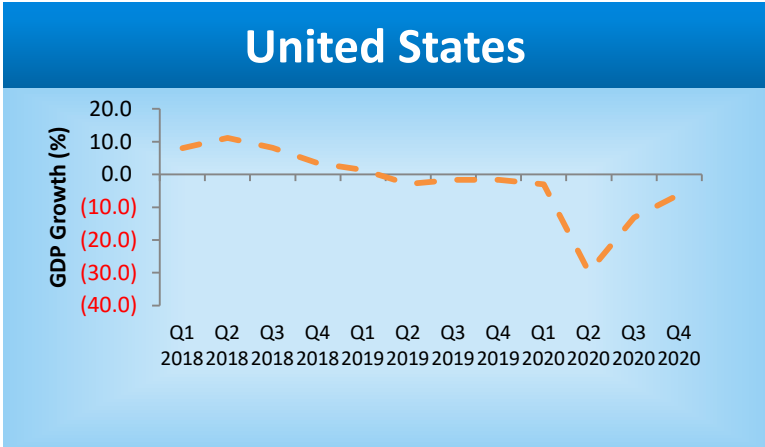
E Commerce

Source: Frost & Sullivan analysis

COVID-19 TRADE IMPACT ON MAJOR COUNTRIES

TRADE REBOUND

Quarterly Exports Growth, Select Countries and Regions, Q1 2018- Q4 2020



Quarterly Trade Growth

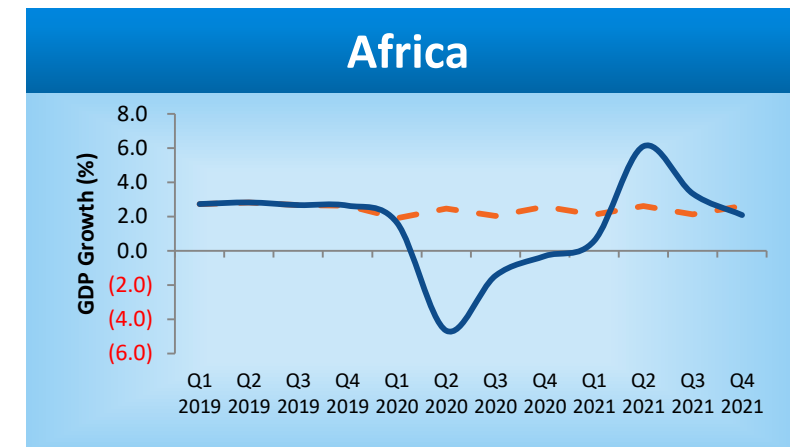
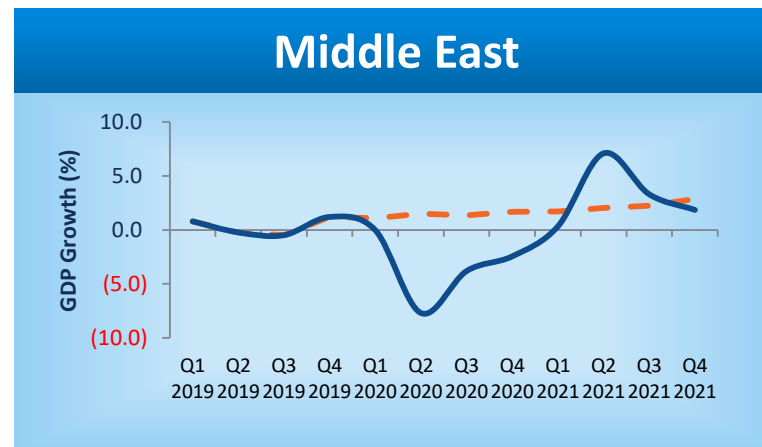
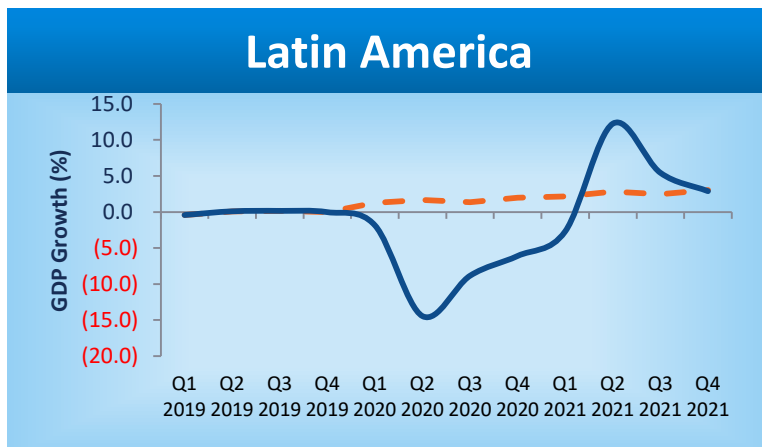
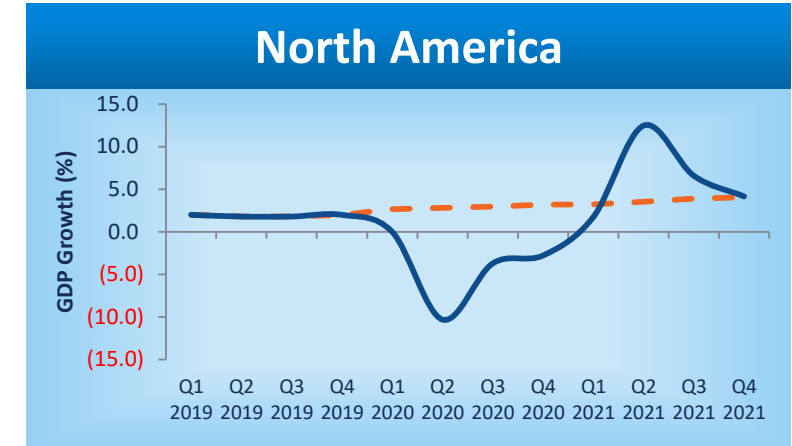
Note: The data and analysis stands updated as of 17 February, 2021

Source: WTO; Frost & Sullivan

COVID-19 IMPACT ON KEY REGIONS

ROAD TO RECOVERY

Quarterly GDP Growth, Select Regions, Q1 2019- Q4 2021



■ ■ ■ Non-Covid Scenario
 ■ Covid Scenario

1. The data and analysis on this slide stands updated as of December 11th, 2020
2. Data for Q3 2020 are estimates.

Source: IMF; Frost & Sullivan



KEY TRENDS & NEW NORMAL

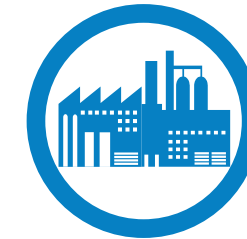
PANDEMIC EXPOSED VULNERABILITIES IN GLOBAL VALUE CHAIN



Shifts in global value chain driven by high reliance of single source of supplies



Main Industrial Clusters ,China



Reshoring due to high cost associated with lack of supplies



Companies are focusing on Supply Chain Diversification

NATIONALIZATION IS THE NEW GLOBALIZATION



Being self reliant and reducing dependency on other countries is the focus of current policies and business.



DEMAND FOR PRODUCTION NEAR TO THE PLACE OF CONSUMPTION IS ON A RISE



- Increase in Regional Value Content - at least 70% of a producer's steel and aluminum purchases must originate in North America.



- Relaxed regulatory requirements on PPE production
- European companies moving manufacturing from China to Thailand & Vietnam



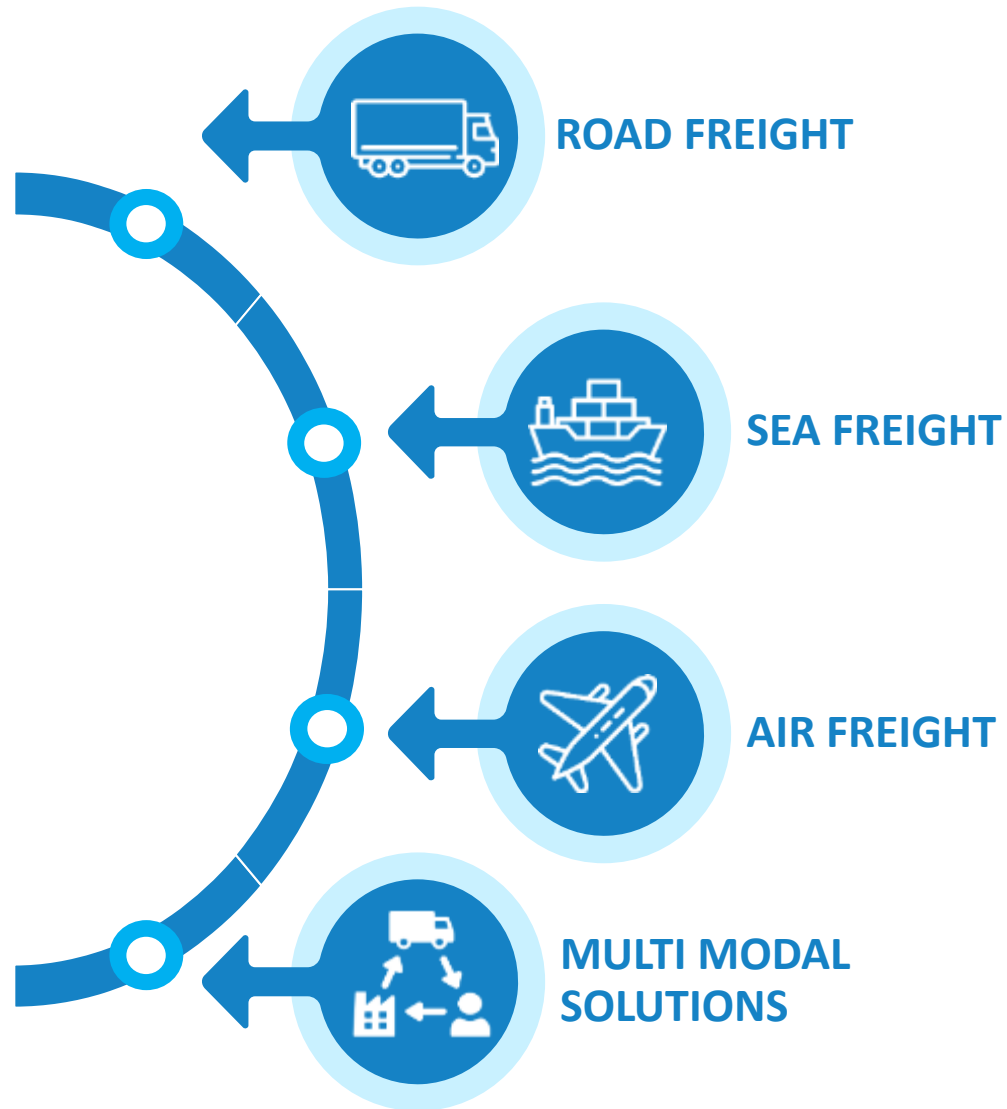
- Atma-Nirbhar Bharat Abhiyaan initiative to reduce dependency and be more self reliant.
- New label regulations to identify country of origin.



- Creation of AfCFTA, aiding companies to shift from China.
- US Tax credits to move out of China have seen companies move to Latin America

NEW NORMAL - FREIGHT TRANSPORTATION

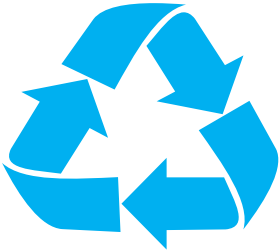
TECHNOLOGY ADOPTION WILL DRIVE PROCESS CHANGE AND NEW BUSINESS MODELS ACROSS FREIGHT SEGMENTS



Digitization	Process Change	Business Model
Visibility becomes Essential	Simplification of Border Process	End-to-End Solution Expectation
Smarter Port Operations	Technology Driven Clearance	Freight Aggregators and Market Places
Cargo Community System	Increased Collaboration with Land Freight	Focus on efficiency and Global Cargo Network
Focus on Integration	Simplification of Compliance	Align with Supply Chain Diversification

Source: Frost & Sullivan analysis

BUILDING RESILIENCE



**SUPPLY CHAINS
NEED TO
BALANCE
RESILIENCE AND
EFFICIENCY**

JUST IN TIME REINSTATED WITH JUST IN CASE



INVENTORY MANAGEMENT



NEAR-SHORING



MANUFACTURING
NETWORK DIVERSIFICATION



PLATFORM, PRODUCT OR
PLANT HARMONIZATION



MULTI-SOURCING



ECOSYSTEM PARTNERSHIPS

A hand in a dark suit jacket is pointing its index finger towards a glowing blue digital interface. The interface features a circular HUD with various data points and a white line graph with circular markers that trends upwards from the bottom left towards the hand. The background is dark and moody, with blue light emanating from the digital elements.

GROWTH OPPORTUNITIES

RESTRICTIONS TRIGGER OPPORTUNITIES...



Constraints lead to new solutions

1.

Equipment Repositioning, port congestions, stuck shipments

2.

Capacity Constraints due to lower belly capacity, High Freight rates

3.

Border delays & driver shortages

4.

Social distancing and labor intensive operations

5.

Freight Capacity challenges & uncertainty with long term contracts

6.

Restrictions on last mile delivery operations & high delivery costs



Ocean Freight Transportation

Modernization of transport infrastructure, cargo tracking, Port Management system



Air Freight Transportation

Charter & cold chain infrastructure for perishables & pharmaceuticals, cargo security



Road Freight Transportation

Telematics, fleet management, delivery automation, Autonomous



Warehousing

Automation & wearables for sorting & packing, robots for loading & unloading



Contract Logistics

Warehouse & service delivery automation, predictive analytics, cargo monitoring



E-commerce Logistics

Delivery robots, drones & autonomous vehicles, locker boxes

Source: Frost & Sullivan

E-COMMERCE 'SAVIOUR' OF ECONOMY



E-Commerce has played a vital role and will be changing future approach to customers

Contactless Operations

In times of social distancing, it has played a major role in driving business.

01



Augmented & Virtual Reality

Help customers to better understand the product and buy with confidence

03



Bigger Reach

Instrumental in driving sales

05



Ease of Shopping

Makes it possible to order hassle free, which encourages people to order more.

07



02

Elimination of Middlemen

Manufacturers to customer. at better price.



04

Re-Commerce

Online market for used products has never been bigger.



06

Social commerce

Purchases directly on social media platforms gaining ground.



08

Last-mile delivery

Major chunk of the business came from E-commerce

Source: Frost & Sullivan

For Ecommerce is all about omnipresence. The customer journey is now far from linear; it's not only multi-device, but multiplatform.

Its all about achieving multi-channel efficiency and crafting platform-specific messages to be at the right place, at the right time, with the right action driving hook.

Source: Frost & Sullivan



**FUTURE – WHAT WE CAN
EXPECT ?**

WHAT WE CAN EXPECT



Future - Efficient and Integrated



Regional Integration



Production Relocations



Trade Corridors



Digital Supply Chain Network



Multi Modal Logistics

Multi Modal Connectivity



Emergence of Mega Hubs



Mega Ships



Warehouse Automation



Innovative Business Models



Digital Platforms



Supply Chain Sustainability



E Commerce Logistics

Source: Frost & Sullivan analysis

OPPORTUNITY AREAS



Supply Chain Technologies



Predictive



Real-time



Security and Remote Monitoring



Infrastructure and Connectivity



Route Optimization



Enhanced Capacity



Cost Optimization



Cross Border Commerce



Digital Supply Chain



Autonomous Fleet



Process Automation



Supply Chain Resilience and Sustainability



Drones and Robots



Electric Vehicles



Analytics-powered Planning



Shift in Delivery Models



Digital Freight Platforms



Warehouse Aggregation



Last mile delivery Innovations

Source: Frost & Sullivan analysis

HOW CAN OUR TEAM HELP YOU?



Keep You Connected to Your Customers

Improved virtual outreach programs via focused brand and demand solutions



Revise Forecast Plans

Clarity to your prior market assessments and ensure business plan continuity



Focus on Emerging Growth Opportunities

Identifying the Growth Opportunities that will emerge



Growth Strategies Best Practices

60 years of best practices navigating through crisis periods to stabilize and bring confidence



Growth Partner

We will work together to reduce risk, focus on positive outcomes and achieve a growth trajectory

SUPPLY CHAIN & LOGISTICS PRACTICE

SERVICE FOCUS, STRATEGIC IMPERATIVE 8'S AND GROWTH PIPELINE ENGINE

Phase 0: Growth Audit™

- Establish organizational baseline & identify growth obstacles

Phase 1: Opportunity Universe

- Ideation & prioritization of all potential growth opportunities

Phase 2: Opportunity Evaluation

- Deep, 360° analysis of prioritized opportunities

Phase 3: Go-To-Market Strategies

- Translation of strategic alternatives into a cogent strategy

Phase 4: Planning & Implementation

- Strategic plan execution (e.g., milestones, targets, owners, & deadlines)

Phase 5: Monitoring & Optimization

- Adapt strategy to changing market dynamics & unearth new opportunities



Supply Chain Services



- Contract Logistics
- Post & Express
- Supply Chain Optimization
- Supply Chain Technologies

Freight, Infrastructure and Facilities



- Air
- Ocean
- Land

Maritime



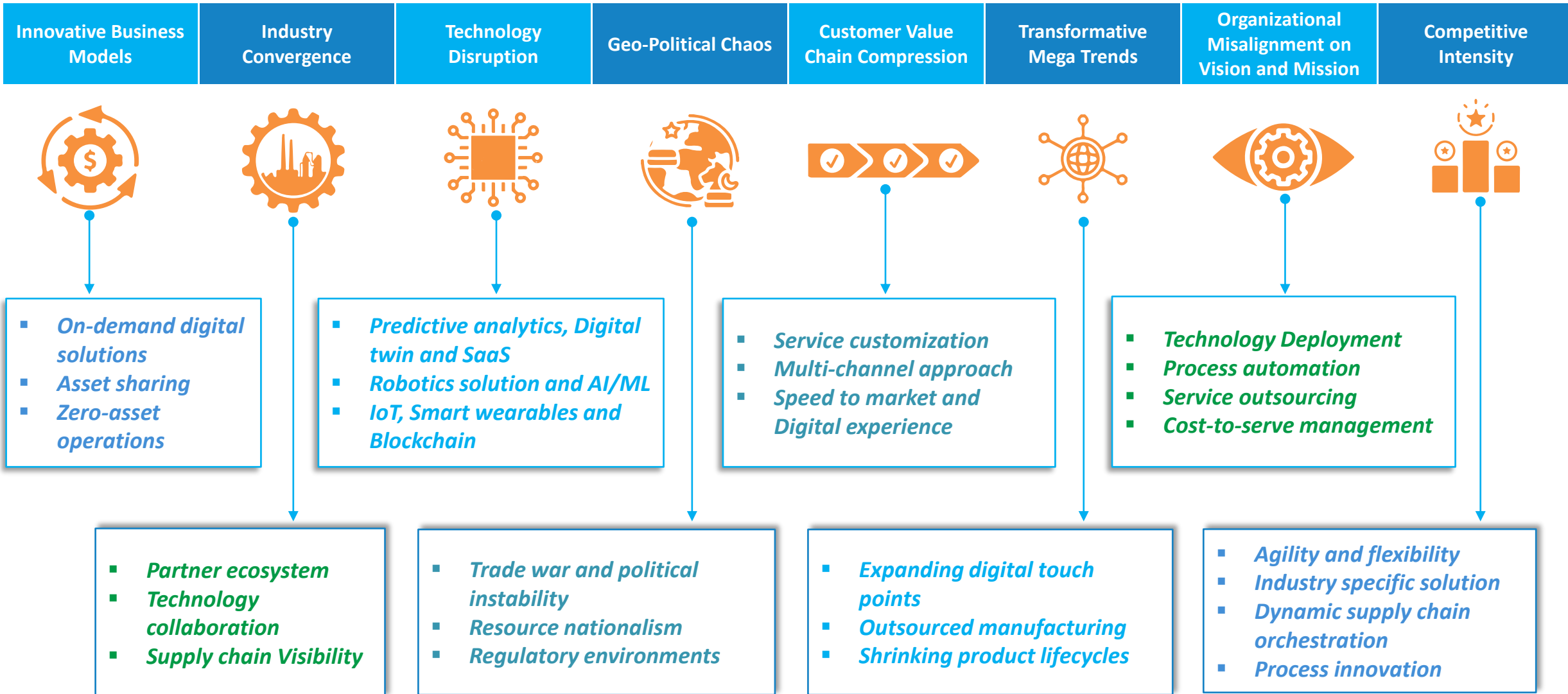
- Equipment
- Services

Rail



- Solutions & Systems
- Support Services

THE TOP STRATEGIC IMPERATIVE 8'S THAT IMPACT SUPPLY CHAIN & LOGISTICS (SC&L) BUSINESS



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