

RESILIENT PLANNING AND FULFILLMENT WITH SAP BUSINESS NETWORK

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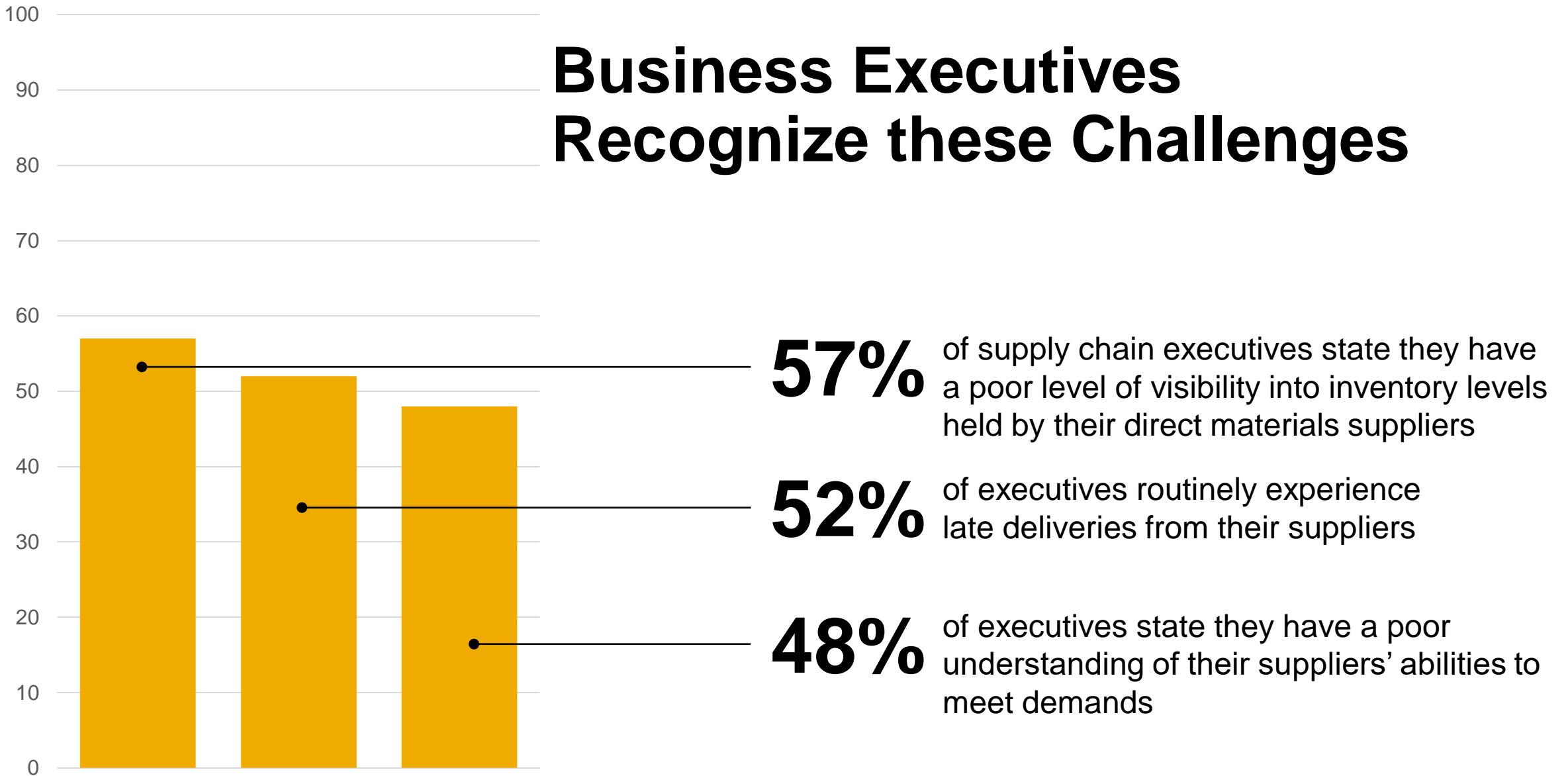
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Do These Planning & Forecast Challenges Sound Familiar?

- Inaccurate demand plans leading to poor short-term decision making
- Unreliable Available To Promise due to lack of synchronicity between demand signals and supply signals
- Overreliance on high buffer inventories to guard against fluctuating customer demand
- Increase in Make/Assemble-to-Order and product personalization requires a more precise mix of inventory on hand to meet customer expectations
- Suppliers lack timely view into customer demand

Business Executives Recognize these Challenges



* Source: Oxford Economics (2021)



Network-Based Collaboration Drives Resilient Outcomes

1

Reduce latency and **improve quality** of demand and supply signals that are critical inputs to net requirements planning calculations

2

Reduce time and effort required to complete the Plan-to-Procure process cycle

3

Improve assurance of supply upstream in the supply chain allowing for more complete and reliable delivery to downstream customers

Resilient Businesses Leverage Network-based Collaboration



82% of leaders report 5% or more improvement in **on-time, in-full performance**

64% of leaders report 10% or more improvement in **on-time delivery from suppliers**

63% of leaders report 10% or more **faster time to market**

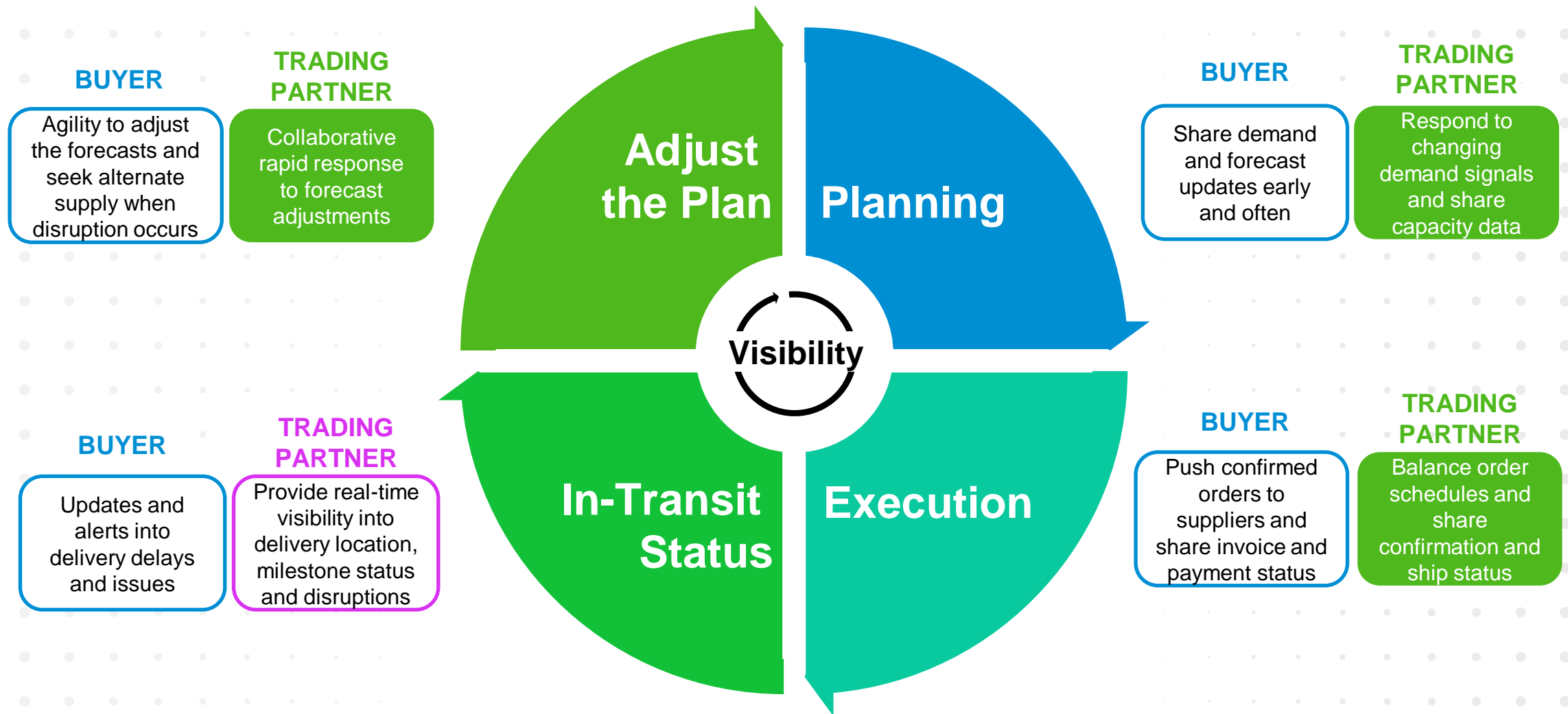
* Source: Oxford Economics (2021)



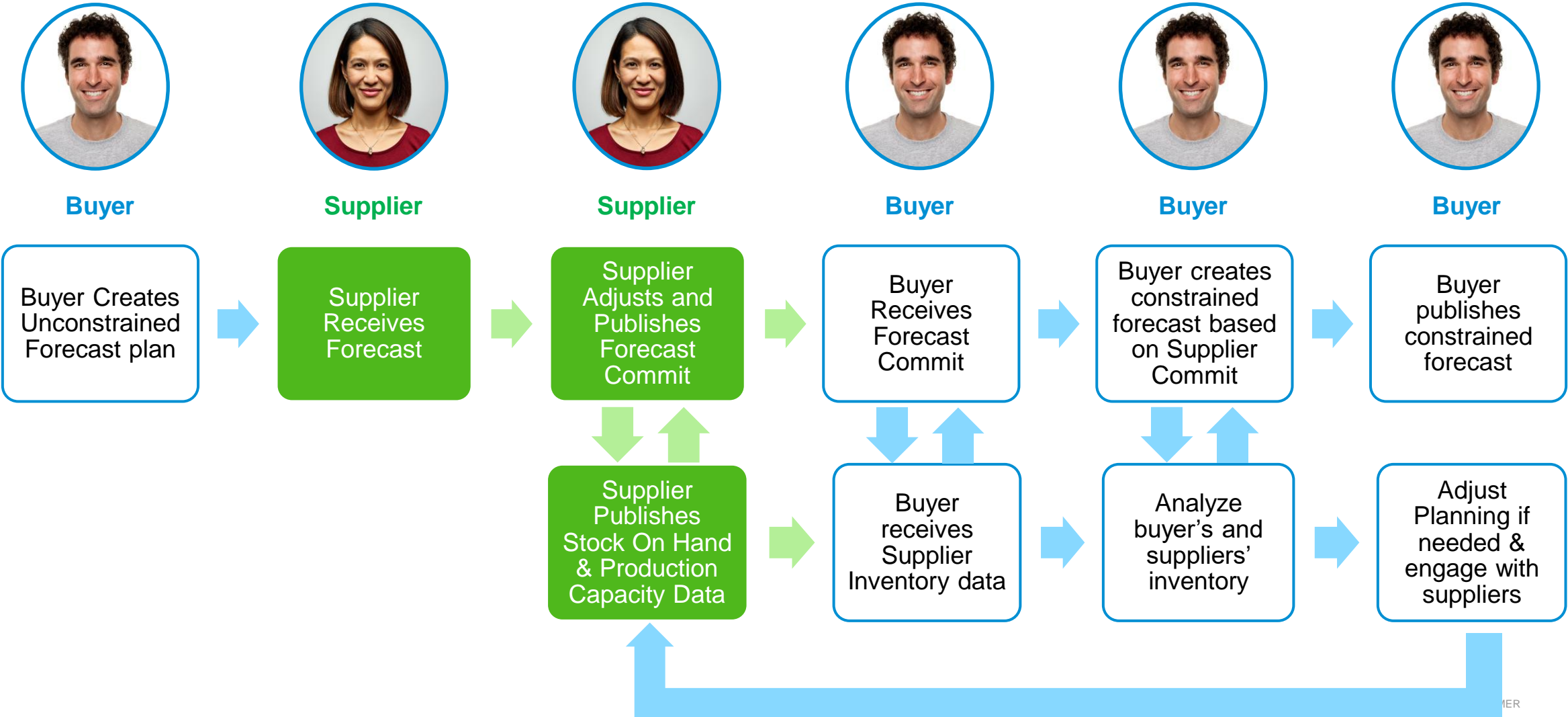
Increase Supply Chain Resiliency with Collaborative Planning and Fulfillment

Bi-directional visibility in the planning process and total transparency in delivery can eliminate needless buffer inventory while improving service to the end customer.

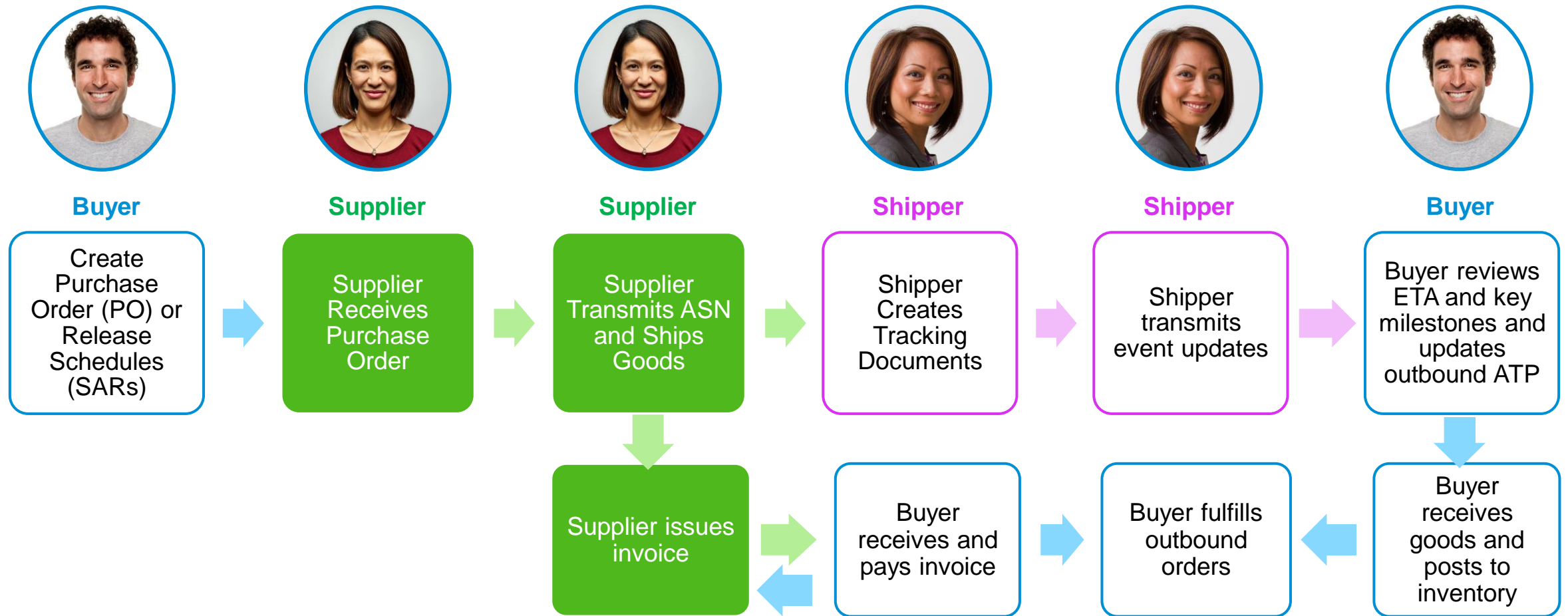
Planning and Fulfillment Cycle



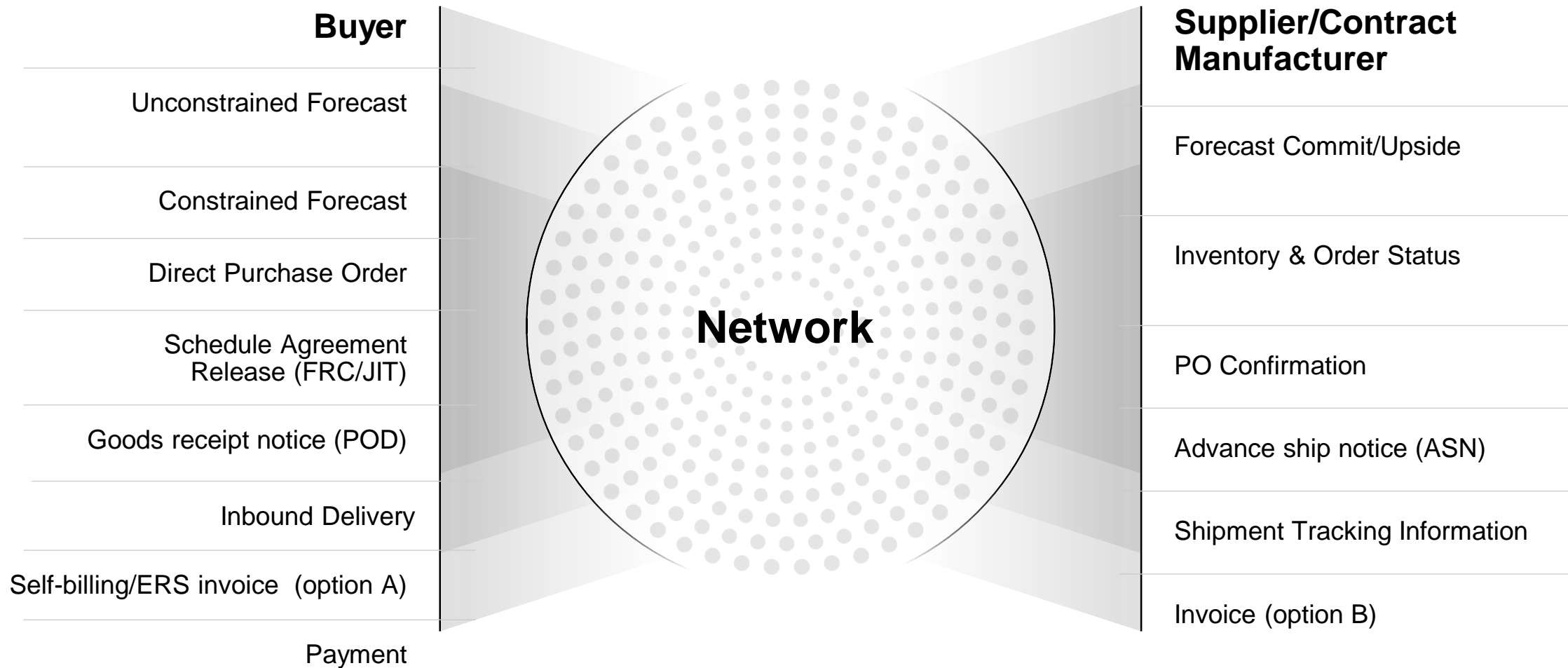
Planning and Supply Visibility Process Flow



Procurement and Inbound Tracking Process Flow



SAP Business Network Planning and Fulfillment



The Bottom-Line Benefits of Resilient Planning & Fulfillment

4-12%

Lower DIO

9-25%

Lower FTE Cost

8-23%

Lower revenue loss due to stock outs

* Source SAP Performance Benchmarking (2018)



What Does SAP Do Differently?

Supports a process of iterative planning between supply chain parties that can leverage over 30 demand and supply signals that are exchanged in near-real time.

The Supply Chain Monitor for buyers and planners and the Supplier Workbench for suppliers allows for Management by Exception.

Onboarding and enablement of supplier partners can be executed in a matter of weeks, where one-to-one collaboration connections traditionally require months of project work.



Case Study



A renovation of the Plan to Procure value stream for the Devices supply chain yielded the following benefits in less than 2 years:

- 87% reduction in planning/execution cycle time
- \$200M annual inventory Savings
- 65% reduction of Obsolete and Excess Inventory
- 75% improvement in supplier onboarding time

Event Survey

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