SUPPLY CHAIN INNOVATION

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Greensill is the leading provider of working capital finance for companies globally.
We unlock capital so the world can put it to work.
Find out more at greensill.com
Collaboration is the driver of innovation

Being faster, better and cheaper than the competition requires colleagues, partners and stakeholders across an entire supply chain to work together.
Emerging tech remapping the 'last mile'

Forward-thinking technologies are being used to improve efficiency in the last mile of deliveries, which still account for a sizeable portion of supply chain costs and much of the road's traffic.

Richard McFarren

The postcode system was never designed to facilitate the transit of such a high quantity of goods. Delivery companies could save millions each year by reducing each courier's route by one mile per day.

The postcode system was never designed to facilitate the transit of such a high quantity of goods. Delivery companies could save millions each year by reducing each courier's route by one mile per day. The postcode system is an anachronism in an age where touchpoints are digital and consumer expectations demand speed and convenience. The system is outdated and unsuited to the demands of modern commerce.

The postal service is not only under increasing pressure to meet targets and deliver on time, it faces significant constraints in the way parcels are measured and addressed. To pinpoint the exact location of where recipients would like a delivery, a physical address must be found across the UK alone. "By 2020, there will be an estimated 400,000 addresses created in the UK alone, in which to place our parcels," says McFarren. "This is a serious problem for the logistics industry and for consumers who are increasingly expecting deliveries at a time that is convenient to them."

The image of couriers on their bikes, pedalling through traffic on our roads, still account for a significant portion of the last-mile logistics. "The delivery logistics of today will be remapped in the future," says McFarren. "But what will this means for the worker?"

The delivery of goods to consumers has always been a labour-intensive process, but the rise of technology has brought about new possibilities for improving efficiency and reducing costs. "There are ways to make delivering more agile, as seen in the example of Kar-Go," says McFarren. "It's a company that offers a range of blue pods that optimises their daily route based on the postcodes of the multiple last-mile logistics."

Meanwhile, researchers at the University of Aberystwyth, are also looking at driverless pods as a solution to the issue of couriers having to fight against the traffic in urban areas. "The driverless pods are expected to remove up to 90 per cent of the costs associated with last-mile logistics," says McFarren. "Such a system would be a significant improvement in the way goods are delivered to consumers."
Unlocking supply chains sets trillions in cash free for good

Greensill makes finance available to all businesses cheaply, easily and seamlessly using the latest technology, financial innovation and capital markets. They call this process the democratisation of capital. Today, too many big and medium-sized companies are delivering products and services that are locked up in the most complex supply chains behind the wheels of the global economy and doing so at a cost that is often much higher than it needs to be. This is because the cash that should be flowing to suppliers is stuck in a slow, expensive and inefficient process... We are looking at ways we can help companies unlock this cash and develop a new way of thinking about working capital finance and more.

Q&A

Greensill is changing finance to change the world

Lex Greensill, CBE, founder and chief executive of Greensill Capital, shares his insights into supply chain finance and more.

What is Greensill and what does it do?

We are a technology-powered working capital finance business. We help companies solve the problem of late payment by providing capital to suppliers. Our mission is to use technology to disrupt the way finance works and enable access to capital for all.

What does Greensill do differently?

Firstly, we are financially robust. We own our own bank, based in Germany, and have off-balance sheet facilities with the world’s largest banks. Our balance sheet is overseen by the Crown N wrecked by slow government payment. Greensill’s technology is helping to unlock cash where it is needed most.

What is supply chain finance?

Essentially, supply chain finance, or SCF, is a form of debt finance that enables businesses of all sizes to access working capital by changing the timetables for payment. It puts an end to late payments, just as an experienced buyer might request a discount for early payment. Unlike traditional forms of working capital finance, it allows medium-sized suppliers to access capital at a scale that had previously only been available to the largest multinationals. We believe that by using technology to change the way finance works, we can enable access to capital for all.

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What is Greensill’s innovation in working capital finance?

Greensill is disrupting the world of finance by using technology to change the way finance works. We believe that by using technology to change the way finance works, we can enable access to capital for all.

What is your partnership with General Atlantic?

General Atlantic has committed $140 million to Greensill Capital. This growth equity investment is intended to support Greensill’s continued growth and scale-up of its operations. The investment will be used to further develop the technology-driven platform that powers Greensill’s ability to scale, and enable it to expand into new markets. The combination of capital from General Atlantic and Greensill’s established business will enable us to achieve our ambitious growth plans.
**New brains of the supply chain**

Cognitive supply chains that are able to predict and adapt in times of uncertainty are set to revolutionise trade, and will be a key competitive advantage in the coming years.

Nick Easen

A complex, algorithmic, machine-learning and artificial intelligence-based minimisation of uncertainty in the supply chain is now being achieved through an increasing use of the blockchain. Companies, whether they’re mainstream, it seems inevitable, are increasingly using blockchain, which calculates demand for items in specific locations and moves them around efficiently, so it is a widely used concept. Yet it is the value.

“Then it begins to develop cognitive supply chains. Wholly new ways to increase in more sustainable ways and with the latest, fully digitalised supply chains and inventory management systems that think for those actions is still hot in the currently Human’s artificial intelligence technology, which calculates demand for items in specific locations and moves them around efficiently, so it is a widely used concept. Yet it is the value.

Newcomers of the supply chain, such as Amazon, are setting the bar for others to follow. Amazon, which has revolutionised the retail sector with its use of data analytics, has continued to disrupt the industry with its development of cognitive supply chains.

Companies that start with simple use cases will be part of a larger trend. The first use cases will be to improve visibility and performance, as well as increase accuracy and reduce costs across incredible complex globalisation of supply chains. Companies that adopt these digital capabilities will be positioned to navigate an unpredictable future.

**Cognitive supply chains**

Cognitive supply chains are able to sense in real-time, understand implications and trade-offs, they also drive competitive differentiation to the next level.

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**Most innovative in the coming years**

![Image](https://via.placeholder.com/150)

**MOST INNOVATIVE TECHNOLOGIES**

Supply chain industry leaders, and logistics and technology companies, were asked what technologies they believe will have the most impact on supply chain innovation benefits in five years. 

- **Blockchain** 
  - 14% 
  - Machine learning & artificial intelligence 
  - 13% 
  - 3D printing 
  - 12% 
  - Warehouse automation/robots 
  - 11% 
  - Internet of Things 
  - 7% 
  - Blockchain 
  - 6% 
  - AI 
  - 5% 
  - DRAM/strands 

- **What’s driving the rapid rise of supply chain innovation?**

  - Changes in consumer expectations 
  - Efficiency improvements 
  - Cost reductions 

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**Brexit rethink over just-in-time supply chains**

Brexit remains a major unknown. This is especially true for complex, smart supply chains that span across Europe supplying the UK daily with goods in many sections from automotive parts to drugs or food. How supply chains are optimised comes into question when there’s a risk of fresh food checks or new regulations, which could issu...
NEED FOR SPEED

Consumer cravings for instant gratification are creating challenges for transport and logistics companies, with retailers and service providers desperately figuring out how to still turn a profit and offer deliveries at the lowest possible cost. However, even as new shipping options and technologies begin to emerge, what customers seem to value beyond all else is that deliveries remain free (or at least, cheap), leaving companies scrambling to make their supply chains as efficient as they can be.

EMERGING SHIPPING OPTIONS
Percentage of manufacturers, retailers and logistics firms who expect to be using the following in ten years’ time:

- Dedicated delivery person: 88%
- Store fleet or store staff: 87%
- Car, bike, foot: 85%
- Crowdsourcing: 82%
- Semi-autonomous ground vehicles: 81%
- Delivery person completes administrative tasks while vehicle does the driving: 79%
- Autonomous ground vehicles: 78%
- Drones: 76%
- Bicycle couriers: 75%
- Droids: 74%
- Other: 73%

CONSUMER EXPECTATIONS FOR ONLINE DELIVERIES
How soon consumers expect their goods to arrive, and which timeframes they are willing to pay for:

- 62% of online shoppers say that free shipping is more important to them than fast shipping.
- 88% of shoppers said that free returns is the most important factor when returning orders.
- 90% of manufacturers, retailers and logistics firms believe delivery is an extension of a retailer’s brand.

CONSUMER INTEREST IN DRONE DELIVERIES
Percentage of consumers who would trust a drone to deliver their package:

- Yes, for any product: 44%
- Yes, for a low-value product: 30%
- No: 20%
- Not considered this: 16%

BIGGEST CHALLENGES WITH LAST-MILE DELIVERIES
Global survey of logistics providers and supply chain executives were asked to choose their biggest challenges:

- Delivery efficiency: 43%
- Billing and overheads: 22%
- Mixed deliveries: 15%
- End-customer interaction: 15%
- Increased costs: 10%

MOST VALUED FREE DELIVERY SERVICES
Percentage of consumers who believe the following free options are attractive:

- Free return shipping: 26%
- Package tracking: 18%
- Same-day delivery: 18%
- Delivery at a specific time slot: 16%
- Store return option: 10%

85% of online shoppers say that free shipping is more important to them than fast shipping.

67% of shoppers said that free returns is the most important factor when returning orders.

90% of manufacturers, retailers and logistics firms believe delivery is an extension of a retailer’s brand.
Tech drives fairer pay for marginalised farmers

Blockchain and other digital platforms are opening up complex supply chains in agriculture, but without involvement at every level there are limitations to their success.

Blockchain, for instance, has often travelled halfway around the world to grocery stores, says Eric Hoard, global head of agri-food at AB InBev.

"Before food reaches our plates, it has travelled a long journey, helping shape its taste, texture, and smell. But it has also been exposed to conditions that can harm it, such as heat, humidity, and transportation shocks. These conditions can alter the quality and safety of the food, making it less enjoyable and potentially harmful to our health."

Blockchain and other digital technologies are gaining momentum as companies look to transform the food supply chain. The technology is being used to track the journey of food from farm to table, providing transparency and accountability for consumers and businesses alike.

"Blockchain is a revolutionary technology that can help to address some of the challenges we face in the food supply chain," said Hoard.

"It can trace the origin of food products, allowing consumers to know where their food comes from and how it was produced. This can help to ensure that food is safe, fresh, and produced in an environmentally sustainable manner."

However, Hoard cautions that blockchain is not a silver bullet and that other technologies and approaches are also needed to address the complex issues facing the food supply chain.

"Blockchain is just one tool in a larger toolkit, and it needs to be combined with other technologies, such as transportation and packaging solutions, to be effective," he said.

The use of blockchain in the food supply chain has the potential to revolutionize the industry and create a more sustainable and transparent system.

"Blockchain can help to reduce fraud and corruption, improve traceability, and ensure that food is produced in a responsible and environmentally friendly manner," said Hoard.

"It can also help to reduce waste and improve efficiency, making the food supply chain more resilient and adaptable to changing conditions."
Demica’s goal is to help extend SCF to mid-market companies and to those trading in emerging markets

One of the most notable factors in the rise of factoring and receivables financing is the growth of mid-market companies. Large companies still have many advantages when it comes to supply chain finance, mainly in developed markets. But there are a lot of smaller-scale programmes that have many more opportunities for mid-sized companies. Large banks do not offer the same level of service to mid-market companies as they do to companies of a similar size, which makes it difficult for these companies to gain access to SCF.

Demica has long been involved in the use of technology to support the delivery of supply chain finance solutions. The platform allows users to create an SCF network of more than 100 banks and funds. Demica has also created a tool called My Demica, which allows users to easily create teams of people and share information.

The platform is designed to simplify the process of providing SCF to suppliers, especially for those in emerging markets. It provides a way for companies to easily connect with each other and share information.

The platform also provides a way for companies to easily connect with each other and share information. This is especially important in emerging markets, where the infrastructure for supply chain finance is still developing.

Demica’s goal is to help extend SCF to mid-market companies and to those trading in emerging markets. It is focused on providing solutions that are scalable and can be adapted to different markets.

Balance of power could shift to consumers

Some experts predict increasing competition between parcel delivery companies could change traditional market dynamics, with logistics firms having to differentiate themselves to win the loyalty of online customers.

Michelle Perry

Some experts have noted the increasing complexity of modern supply chains, making it necessary for logistics providers to offer more than just delivery services. This is especially true in the parcel delivery industry, where companies are offering a wide range of services, from same-day delivery to offer-wrapped gifts.

Some experts predict increasing competition between parcel delivery companies could change traditional market dynamics, with logistics firms having to differentiate themselves to win the loyalty of online customers.

The future of logistics is increasingly reliant on technology. Companies that are able to leverage technology to improve the customer experience will be the ones that succeed. This means that logistics firms need to be innovative and willing to experiment with new ideas.

The rise of e-commerce has also led to a surge in parcel delivery demand. This has put pressure on logistics firms to improve their services and offer more options to customers.

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Splitting supply chains in uncertain times

Making a supply chain completely agile and adaptable is necessary in times of economic uncertainty and disruption, but this requires real-time visibility over a connected network of suppliers.

Mark Hillsdon

This allows chains to maximise quality and responsiveness while ensuring a robust and efficient product, and ultimately lowering costs.

David Hillsdon, chief financial officer at global supply chains for the Tronesia Network, argues supply chains of all sizes can benefit from splitting up their supply chains. He believes this is not because they are too complex, but also because of industry, sanctions, currency or product, and the geographic complexity organisations face if they operate as they are.

For large global businesses, operating in an uncertain world, having a multitude of suppliers rely on can be a real advantage. "Trust is one of the biggest obstacles to effective performance management," says Sian Hopwood, senior consultant at The Supply Chain Co. "You must manage individuals across the supply chain. The more data, people and processes you can connect to or use, the more confidence you can bring to your business."

"Organisations across the world are becoming more and more dependent on data and analytics to manage their business. This is especially true for businesses that have a high reliance on outsourcing," says Dr. Anne G. Robinson, professor of supply chain management at the University of Illinois at Urbana-Champaign. "Data-driven decision-making is becoming a core competency for businesses in today’s environment."
Why supply chain platforms are booming

Supply chains are moving onto cloud-hosted platforms. In these environments hundreds of thousands of partners on a supply chain can share information, shipping and inventory updates. Here are seven reasons why platformisation could be the future for supply chain management.

1. Total visibility

A platform gives enterprises the ability to see the supply chain beyond their own walls. It becomes possible to receive an overview of operations across a whole supply chain, allowing better management of clean data, forecasts can be made accurate to previously unattainable levels. The AI engine at JDA is created by a team of particle physicists who wrote the algorithms for the Large Hadron Collider. The AI engine at JDA is created by a team of particle physicists who wrote the algorithms for the Large Hadron Collider.

2. Uniformity of data

Platforms are designed to automate actions and remove manual processes. This leaves staff to concentrate on more important matters. For example, the GT Nexus platform is used by the auto manufacturer Ford to integrate supply chain data and transactions of all its suppliers. The platform translates messages from various sources into common standards and formats. (Image 273x1870 to 2952x6233)

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6. Pre-built, so just sign up

It is possible to build a proprietary supply chain platform, but you’ve got to be big to do it. A Platform, principal consultant at technology consultancy Forrester, says: “Tech-savvy Ocado is a great example of the platform-as-a-service way of doing things.” The company created its own e-commerce platform, the Ocado Smart Platform, which it sells to other retailers. Ocado’s platform is also available as an analytics service, allowing companies to see how the Ocado platform operates, and get end users on board. (Image 5100x6793 to 7776x9553)

7. AI and forecasting

The holy grail of supply chain is to see the future with perfect clarity. A platform can contribute to this mission by providing rich pools of clean data, which enable artificial intelligence (AI) or machine learning (ML) engines to consume. For example, the BlueYonder platform is teeming with commercial apps which enhance the service. There’s an app for payments, a connector app for Sage 50 accounting software. There’s an app for supply chain visibility acting as a central nervous system. There’s an app for supply chain visibility acting as a central nervous system.

Charles Orton-Jones