

Customer Experience Matters to Supply Chain Execs Too

It's one of the biggest factors in striving for innovation

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Improving the customer experience is the driving force behind many retail initiatives, but it's also a top priority among supply chain and logistics professionals.

A new report from [Adelante SCM](#) and [BluJay Solutions](#) found that customer experience is one of the leading factors in spurring supply chain innovation. Reducing costs and enhancing the customer experience were leading motivations for supply chain innovation (both at 31.4%), according to executives worldwide surveyed in March 2018. Fewer (17.5%) said creating a competitive advantage was the goal.

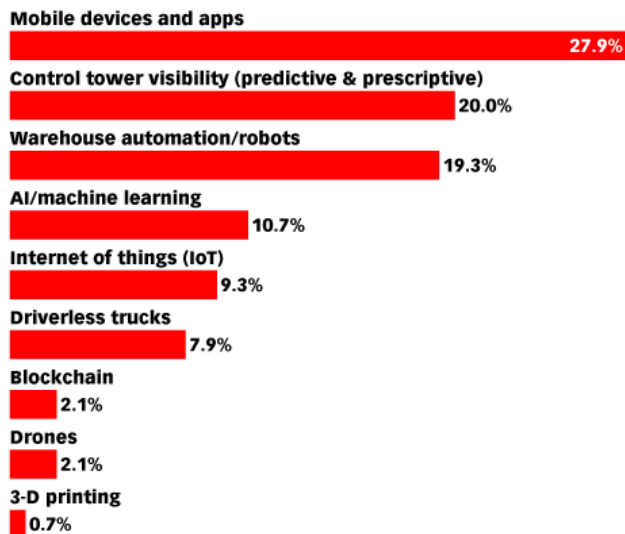
Yet businesses characterized as Innovators/Early Adopters had different priorities. Enhanced customer experience had higher interest (36.2%) and creating a competitive advantage (25.5%) came before reducing costs (21.3%).

Technology is the modern enabler of this supply chain innovation, but it's not always easy to determine which tech to invest in. Mobile devices and apps (27.9%) were cited as the technology that would deliver the most innovation benefits in five years. Control tower visibility (20.0%) and warehouse automation (19.3%) were also

popular. Supply chain professionals had less confidence in tech that has been hyped, like drones, blockchain and 3D printing.

Which Technology Do Supply Chain Professionals Worldwide Believe Will Deliver the Most Supply Chain Innovation Benefits? March 2018

% of respondents



Note: in the next 5 years

Source: BlueJay Solutions and Adelante SCM, "Competing on Customer Experience: The Driving Force Behind Supply Chain Innovation," Aug 15, 2018

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An earlier study by JDA found different supply chain priorities among US manufacturing professionals. Many were digital laggards, though. Only 18% currently operated a fully integrated digital supply chain. Some 70% of respondents said supply chain digitalization would become a major initiative within 12 months. Warehouse automation and control towers—things that the aforementioned supply chain executives predicted would provide future innovation rewards—were among the lowest priorities over the next two to three years.

Innovators appear to be more digitally advanced. According to BlueJay Solutions, 77% of companies characterized as Innovators/Early Adopters used Transportation Management Solution (TMS) software to manage supply chains while most (78%) of the Laggards/Late Majority were using Excel spreadsheets.