# KEY TRENDS FOR THE FUTURE OF SUPPLY CHAIN MANAGEMENT

ONE CENTER, FOUR KEY CHARACTERISTICS

Ground zero in today's supply chains is the customer. This trend will continue, as customers are increasingly digitally linked to supply chains. Supply chains must respond by providing increasingly unique, tailored responses. This creates a self-reinforcing cycle in which supply chains respond with unique experiences, causing customers to ask for more. This is leading to the virtual concept of supply chains of one, in which successful enterprises give customers the impression that they are getting their own "personal supply chain."
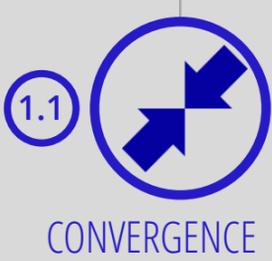
SUPPLY CHAINS OF ONE

1 DYNAMIC   **2** REAL-TIME   **3** COGNITIVE   **4** SYNERGISTIC
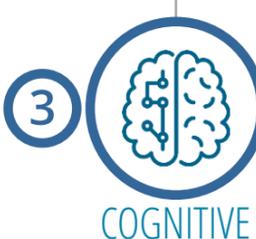
DYNAMIC

1 Supply chains will be increasingly dynamic, meaning they will be synchronized across function-and-time with increasing precision.

1.1 CONVERGENCE
Business processes and supporting technologies will converge, allowing for function-and-time synchronization.

1.2 SELF-FORMING AND ASSET VIRTUALIZATON
Relationships will dynamically form to provide personalized service at the highest possible profit.

1.3 SHARING ECONOMY
Companies will find ways to share assets and crowdsourcing will leverage idle capacities.

1.4 BLOCKCHAIN
Blockchain and related technologies will reduce latencies and transactional friction.

REAL-TIME

2 The promise of the real-time enterprise will start to be realized, through asset and labor digitization and SCM software able to maintain and respond using a digital twin.
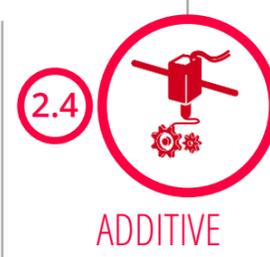
2.1 IOT
The ability to electronically gather status and data from assets will reduce latencies.

2.2 DIGITIZATION
Software will continue to eat the world, digitizing physical assets and labor and providing customer insight throughout.
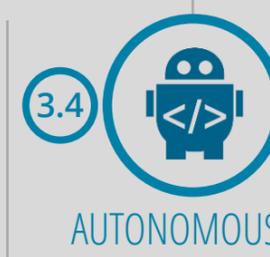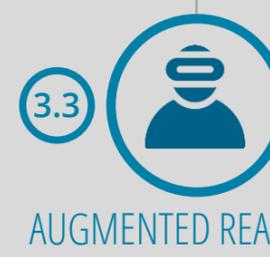
2.3 DIGITAL TWIN
SCM software will maintain a digital twin of the physical world.

2.4 ADDITIVE MANUFACTURING
3D printing will eliminate time and distance, essentially digitizing transportation.

COGNITIVE

3 Supply chains will start to augment rules-based approaches with learning-based approaches. This trend will continue for years.

3.1 SELF-LEARNING
Supply chains will employ automatic learning loops to their planning and execution loops.

3.2 STRATEGY-DRIVEN
Supply chains will be automatically and systematically aligned to, and driven by, business strategy.

3.3 AUGMENTED REALITY
Augmented reality, voice, and other related technologies will help execution workers and managers alike.

3.4 AUTONOMOUS
As learning becomes more systematized, software will be allowed to make more of its own decisions.

SYNERGISTIC

4 While everyone wants to move quickly to the future, supply chains will be realistic in leveraging new technologies into existing asset bases in a synergistic way.

4.1 TWO-SPEED ARCHITECTURE
Successful companies will figure out how to back-leverage new technologies into existing asset bases.

4.2 CLOUD AND WEB-SCALE IT
The cloud will continue to be leveraged for SCM applications, with SCM software with a true SaaS technical infrastructure becoming prevalent.

4.3 APPS
An "app-like economy" will emerge for enterprise software, including SCM software.

4.4 NETWORK OF NETWORKS
Barriers at the application layer between disparate networks will be broken down to create true visibility.