

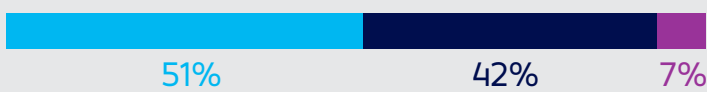
New Expectations of the Supply Chain

Retailers and their suppliers can no longer assume demand and supply will always meet in the store. Demand can be triggered wherever the consumer is, and supply must go wherever that consumer wants it to go. This challenges the traditional hierarchical push-oriented design of traditional supply chains. The new supply chain has new requirements: a greater focus on sustainability, a sharper focus on per-product total landed cost (the cost to buy, ship and deliver inventory) and the ability to enhance traditional store-oriented customer order fulfillment with direct-to-customer shipping.

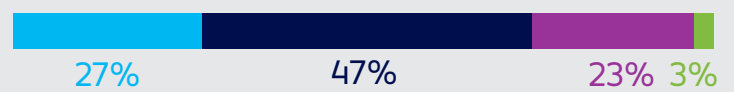
Retailers were asked their opinions of the following supply chain statements:

■ Strongly Agree
 ■ Agree
 ■ Somewhat Disagree
 ■ Strongly Disagree

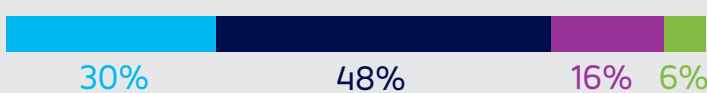
We have to find more sustainable practices and products to satisfy changing customer tastes.



A growing percentage of our business is direct-to-customer, bypassing traditional fulfillment.



Supply chain inefficiencies can be hidden in the price of a product.



We need to find the lowest cost from manufacture to consumption based on a product-by-product basis.



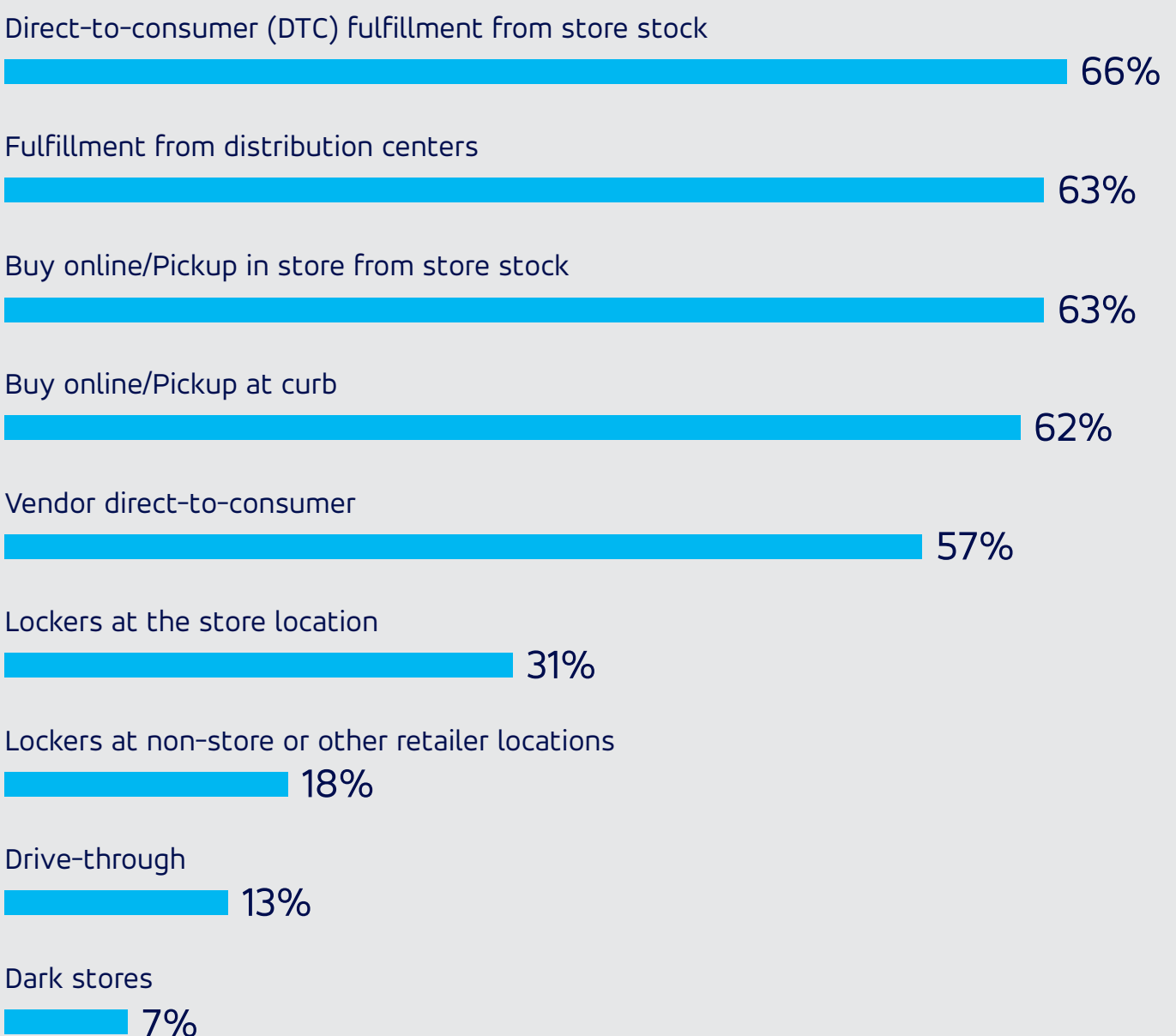
New Processes, New Costs

And while most retailers believe that healthy gross profit margins can hide supply chain inefficiencies, they recognize they are leaving money on the table.

But that's just on the buying (supplier) side of the operating model. The selling (customer facing) side has also become much more complex, especially as the volume of online customer orders has increased dramatically. Today, consumers expect flexible order fulfillment options, all which add cost and complexity to the supply chain.

Retailers were asked about fulfillment strategies in use today:

Respondents were asked to select all that apply



The "Retail Supply Chain: Navigating Through Rough Waters with Improved Agility" report from [Blue Yonder](#) and [Retail Systems Research \(RSR\)](#) details the changes in retail supply chain processes and supporting technologies. The online survey was conducted in the summer and fall of 2021 and received answers from 90 qualified retail respondents. RSR uses its own model, called The BOOT Methodology© to analyze Retail Industry issues. For an in-depth analysis, download the report: rsrresearch.com/research. To learn more about how upgrading to Blue Yonder's solutions can help you meet your supply chain needs visit: blueyonder.com.