Forward thinking supply chains

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The POWER of differentiation in customer collaboration

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What we will explore..

Our context for customer collaboration
Why collab unlocks service improvement and joint value creation
The Journey and Challenges with differentiation

The Importance of understanding your customers
Building a catalogue of capabilities

The Power of differentiated communication
Some green shoots – a case study

Possible next steps..
Our context for customer collaboration: PepsiCo South Africa
A leading FMCG Food and Beverage company supplying thousands of loved products.

Partnering with customers to make food available to consumers through thousands of outlets across all channels, with about 50% NR in Modern Trade...
Similar business and supply chain pressures are being felt by many companies in South Africa and around the world.
We believe customer collaboration in supply chains gives companies a competitive advantage

“Despite our complex landscape and the constantly changing environment, we saw an opportunity to build a culture, strategy and capability to collaborate with our customers to deliver our joint growth and profitability agenda through improved service and joint value creation”
Navigating the journey and challenges with differentiation..
A one size fits all is much simpler but limits the unlock to collaborate and optimize...

But differentiation must be fair to all customers..

And building a clear plan to enable customer collaboration requires strategic intent and investment.
Our roadmap was based on a COE and focused on 4 key pillars and a maturity assessment moving from reactive to capable

“Rome wasn’t built in day” – a plan to build differentiated collaboration as a strategy requires you to assess where you and where you want to get to, what are the key aspects you will measure and what capabilities you will build. And then what are the first key steps you will take!
The starting point..

How well do you understand your customers?
Need to be intentionally seeking and invested in customer feedback.

An example of the key elements considered in a customer survey

Supply chain impacts many key elements (stars)
Matching customers' needs with your own strategy and capabilities through the collaboration catalogue concept.

Each catalogue focus areas is made up of specific offerings that can then be deployed consistently. Capability is built in each area and differentiation is based on the customers needs, maturity and eagerness to collaborate.

A bit like building a puzzle with your customer!
The Power of differentiated communication
Some communication must be shared with all customers, but knowing what your customer is focused on, allows for differentiated comms.

We developed a clear roadmap that started with consistent and proactive comms and moved to specific and focused communication sessions to listen, share and plan together.
Green shoots – a customer story of collaboration and differentiation
Collaboration requires building trust, testing new ideas and then learning and growing together with your customer.

**FROM**
- Regular out of stocks
- Antagonistic engagements
- Fixed positions
- Escalations
- Transactional

**TO**
- Target service level – 95% +
- Collaborative win-win thinking
- Listening and trialling options
- Holding each other accountable
- Relational / Partnerships
Where are you in your journey...