

THE SUPPLY CHAIN FACING THE COVID-19 CRISIS:

100 QUESTIONS FOR ANSWERS BY ASLOG



#052 HOW DO WE COPE WITH THE INCREASING DEMAND FOR HOME DELIVERY?

Distribution

Industry

Supply

OUT OF STOCK

The disruption is caused by the lack of velocity in the supply cycle: information does not circulate as fast as physical flows and causes the shortage (the disruption in the store takes place before the warehouse has had the visibility, the disruption in the warehouse takes place before the industrialist is notified). **This is the famous «bullwhip effect».**

So to have a much more precise vision of demand, the velocity of information must be increased. The first idea is to set up collaborative processes to obtain customer sales in near-real time.



With visibility down the chain, the industrialist can be much more reactive and anticipate variations.

In upstream management, **it is necessary to identify as quickly as possible the supply risks of components or raw materials.** There are two ways of doing this:



Macro Approach: Identifying countries and industries at risk. This will allow you to rank your suppliers according to objective risk criteria.



Micro Approach: Contact all your Tier 1 suppliers for information on the stability of their operations.

With more transparency both upstream and downstream, it is possible to significantly reduce the number of breakdowns. **However, it can be complicated to practically implement this collaboration and visibility for strategic reasons with direct business partners.**

It may then be appropriate to use a third party as an intermediary. The data is then shared only with this third party, who obtains complete visibility and is thus able to give recommendations that significantly reduce disruptions.



Jean-Baptiste Clouard

Co-founder and CEO at Flowlity

Specialist in Supply Chain software planning. He was in charge of S&OP at Dassault Systèmes (Quintiq) before founding Flowlity. CSCP, CDDP, he's passionate about digitalization and innovation in supply chains. His mission with Flowlity is to eliminate the bullwhip effect from supply chains globally.

| About ASLOG

ASLOG brings together more than 400 companies from all sectors, with 2,000 professionals working together to promote and build tomorrow's Supply Chain. ASLOG is a neutral and independent association that addresses Supply Chain issues.

As early as 1972, visionary men sensed that this function would be decisive for all companies. For almost fifty years, professionals in the sector have made ASLOG the reference partner.

ASLOG is the privileged interlocutor of institutions and public authorities on all questions relating to the sector.

| #supplychain4good

The **#SupplyChain4Good** community was created at the initiative of Michelin and ASLOG, as part of the Movin'On ecosystem, in favor of a more sustainable mobility of goods.

#SupplyChain4Good's ambition is to federate the actors who work for Supply Chains that are simultaneously good for the planet, the people and the business performance. The members of this community are «shippers» (industrial and commercial companies), «operators» (transporters, logisticians, shipping companies, ports...), «support functions» (academics, consultants, information systems, regulators, NGOs...).

They cover all economic sectors and all regions of the world. Their work takes place throughout the year and culminates in the annual Movin'On Summit, the world summit on sustainable mobility.