

SURVEY SUMMARY

Between November 2020 and February 2021, Gatepoint Research invited selected Operations, Supply Chain, Logistics and Transportation executives to participate in a survey themed *Supply Chain Management Trends*.

- Candidates were invited via a multi-channel approach and **123** executives have participated to date.
- Management levels represented are all senior decision makers and influencers: **6%** hold the title CxO, **9%** are VPs, **33%** are Directors, and **52%** are Managers.
- Survey participants represent SAP customers from a wide variety of industries including, but not limited to: electrical manufacturing, food & beverages, transportation, industrial engineering, telecommunications, chemicals, mining & metals, information technology & services, packaging, wholesale, medical devices, utilities, machinery, biotech, pharmaceuticals, automotive, consumer goods, and logistics & supply chain.
- **100%** of responders participated voluntarily.



EXECUTIVE OVERVIEW

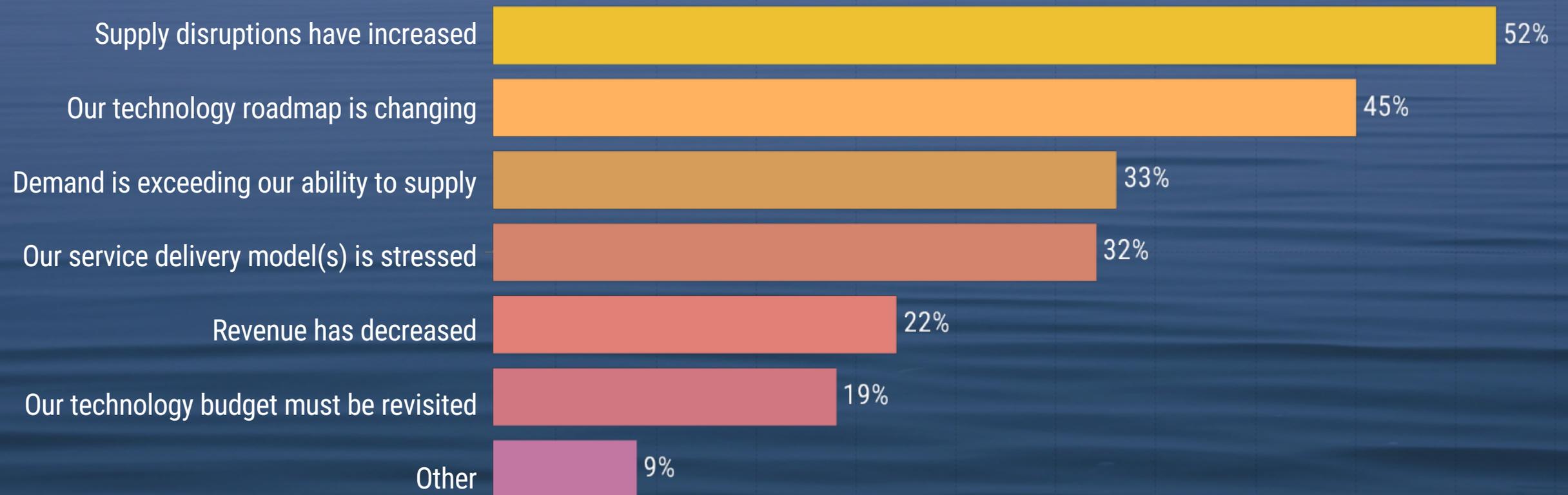


The widespread disruption of supply chains in 2020 forced many organizations to scramble, revising their business plans and strategies on the fly. What have companies done to their supply chain management solutions to make them more flexible and responsive to this new normal?

This survey asks respondents to report:

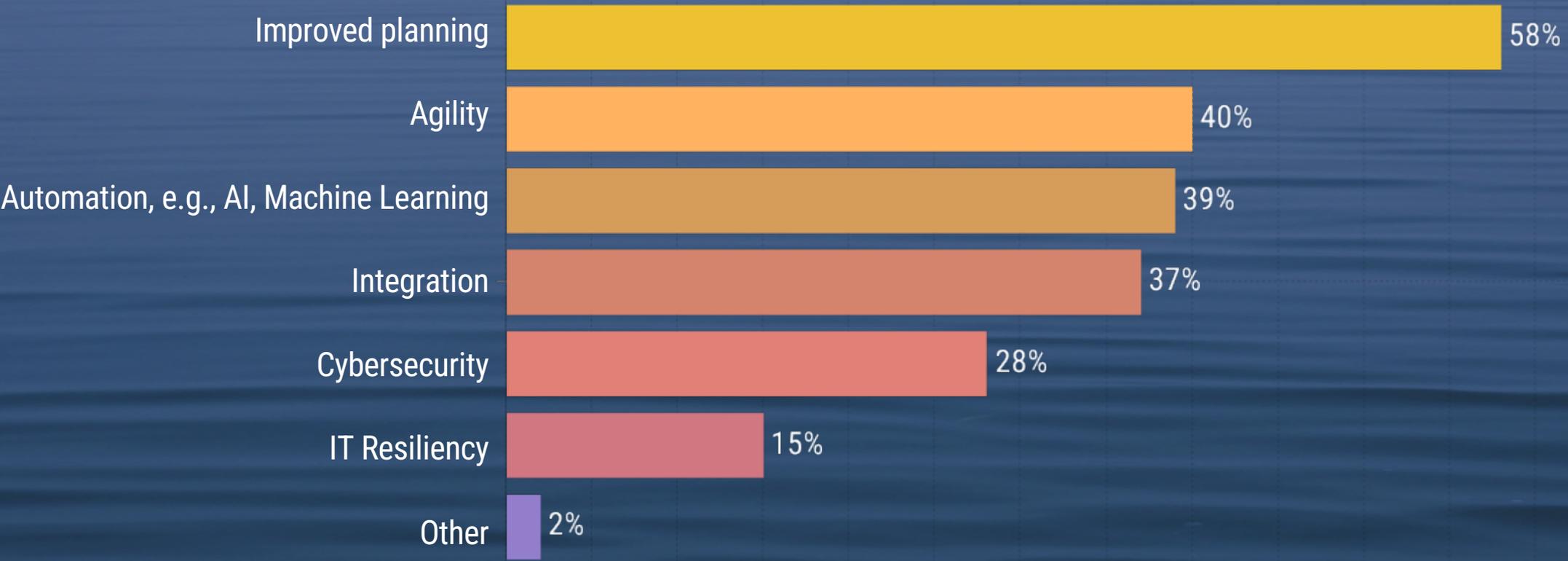
- **How has your 2020 supply chain business strategy changed? How has it affected your supply chain management processes?**
- **What obstacles prevent you from maximizing supply chain efficiency?**
- **Where is your technology roadmap focused now?**
- **Which areas of the supply chain would you most like to focus on improving?**

How has your 2020 supply chain business strategy changed?



More than half of those surveyed indicate increased disruptions in their supply chain has caused them to alter their business strategy. Nearly as many (45%) cite a changing technology roadmap as a catalyst.

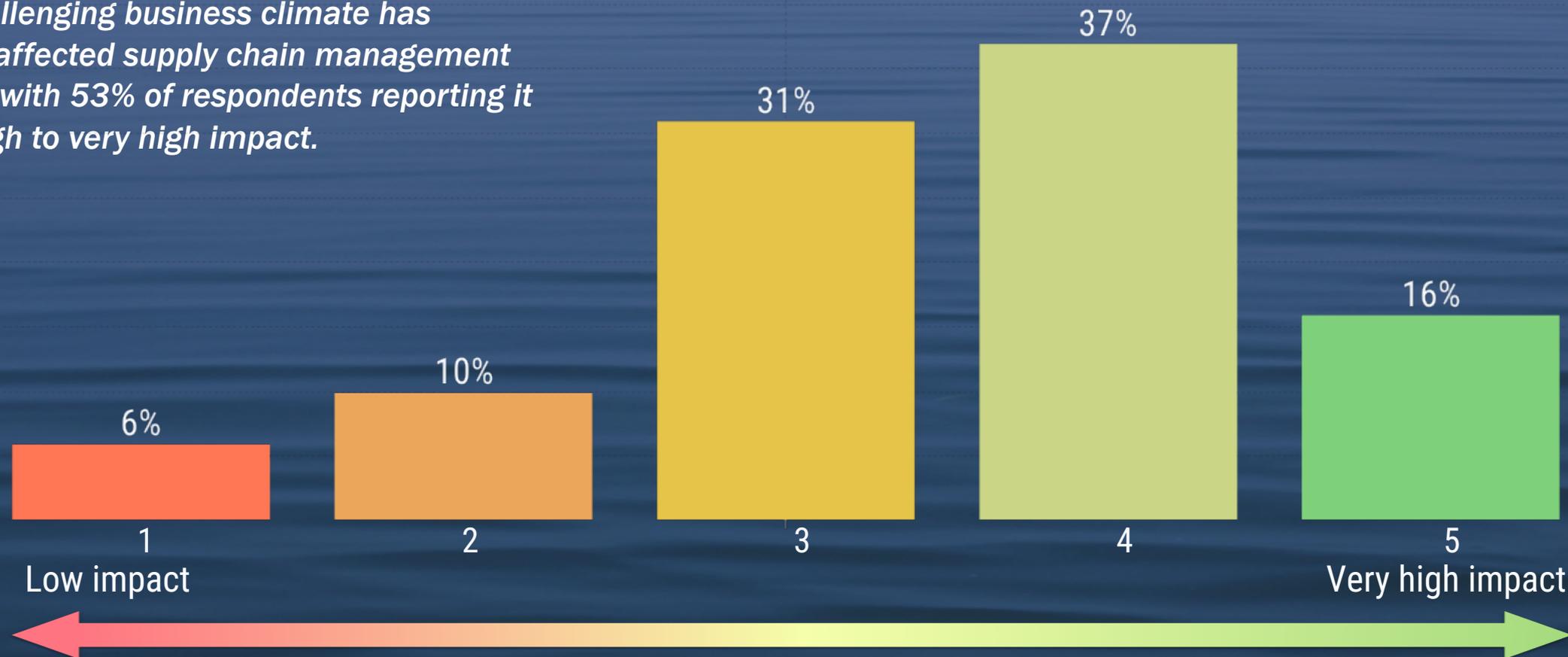
Where is your current technology roadmap focused?



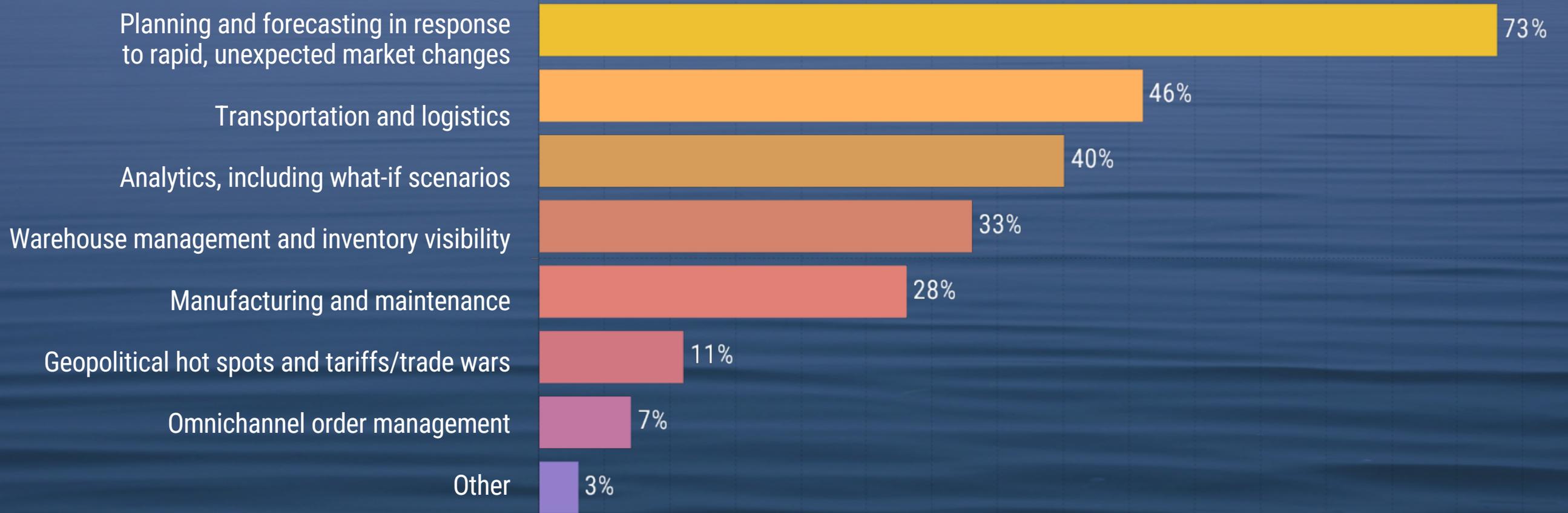
Respondents currently are mainly driving toward improved planning, say 58%. Other top goals: agility (cited by 40%), automation (39%), and/or integration (37%).

How has the 2020 business climate affected your supply chain management processes? (Rate 1 to 5: 1 = low impact; 5 = very high impact)

2020's challenging business climate has absolutely affected supply chain management processes, with 53% of respondents reporting it has had high to very high impact.

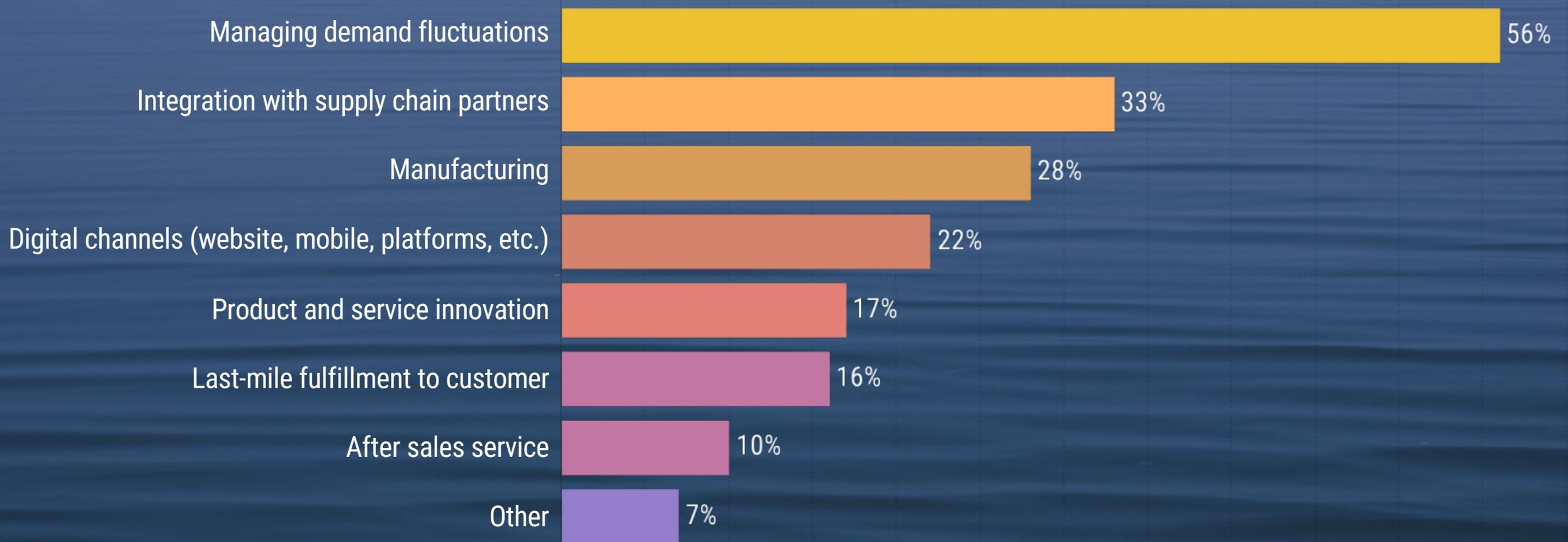


What are your top obstacles to maximizing supply chain efficiency?



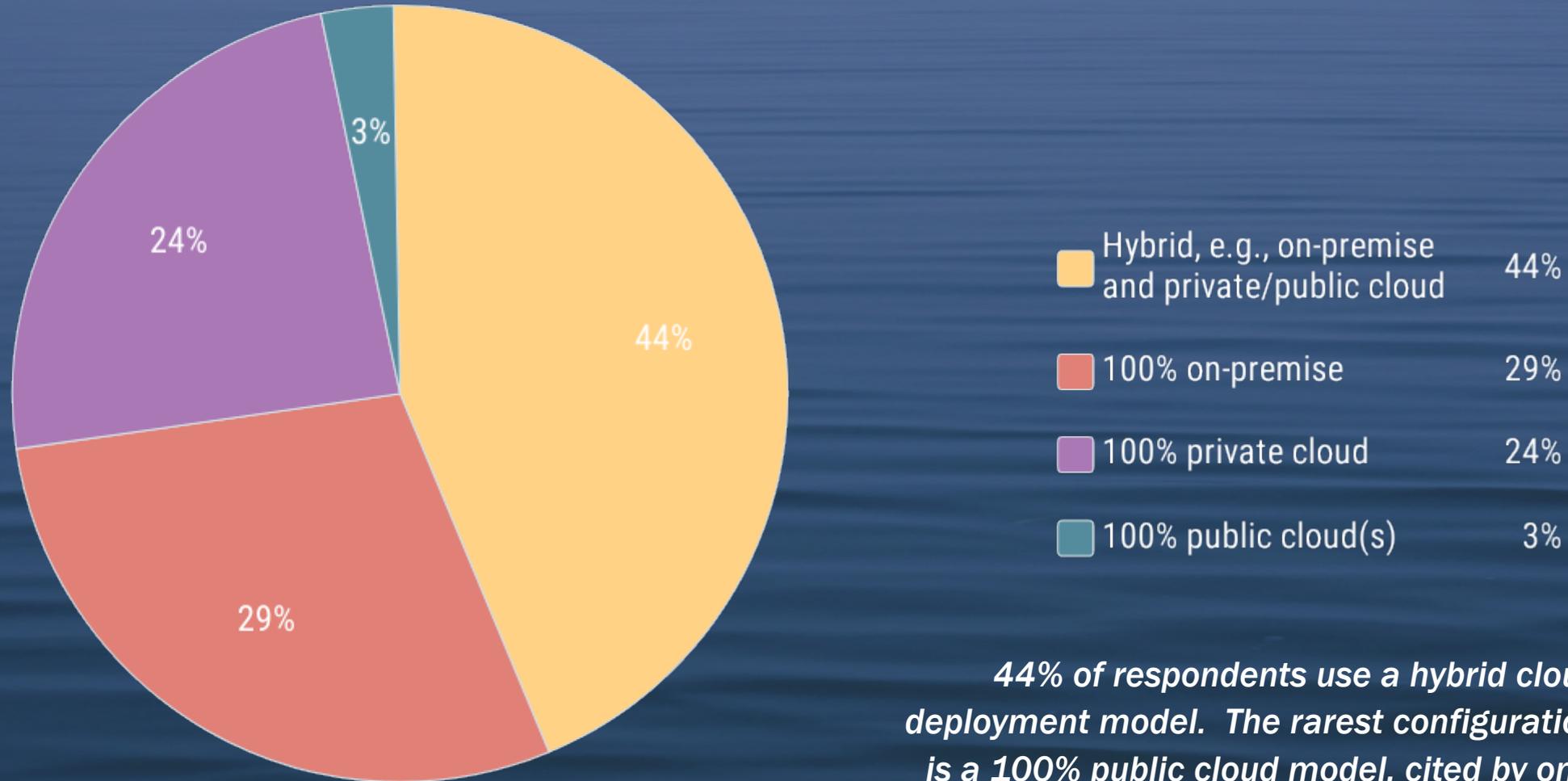
By a long shot, the most ubiquitous obstacle to maximizing supply chain efficiency — cited by nearly three quarters of those surveyed — is ad hoc planning in response to rapid changes in the market. At 46%, the distant second place obstacle is transportation and logistics, followed by analytics, indicated by 40%.

Which areas of the supply chain would you most like to focus on improving?



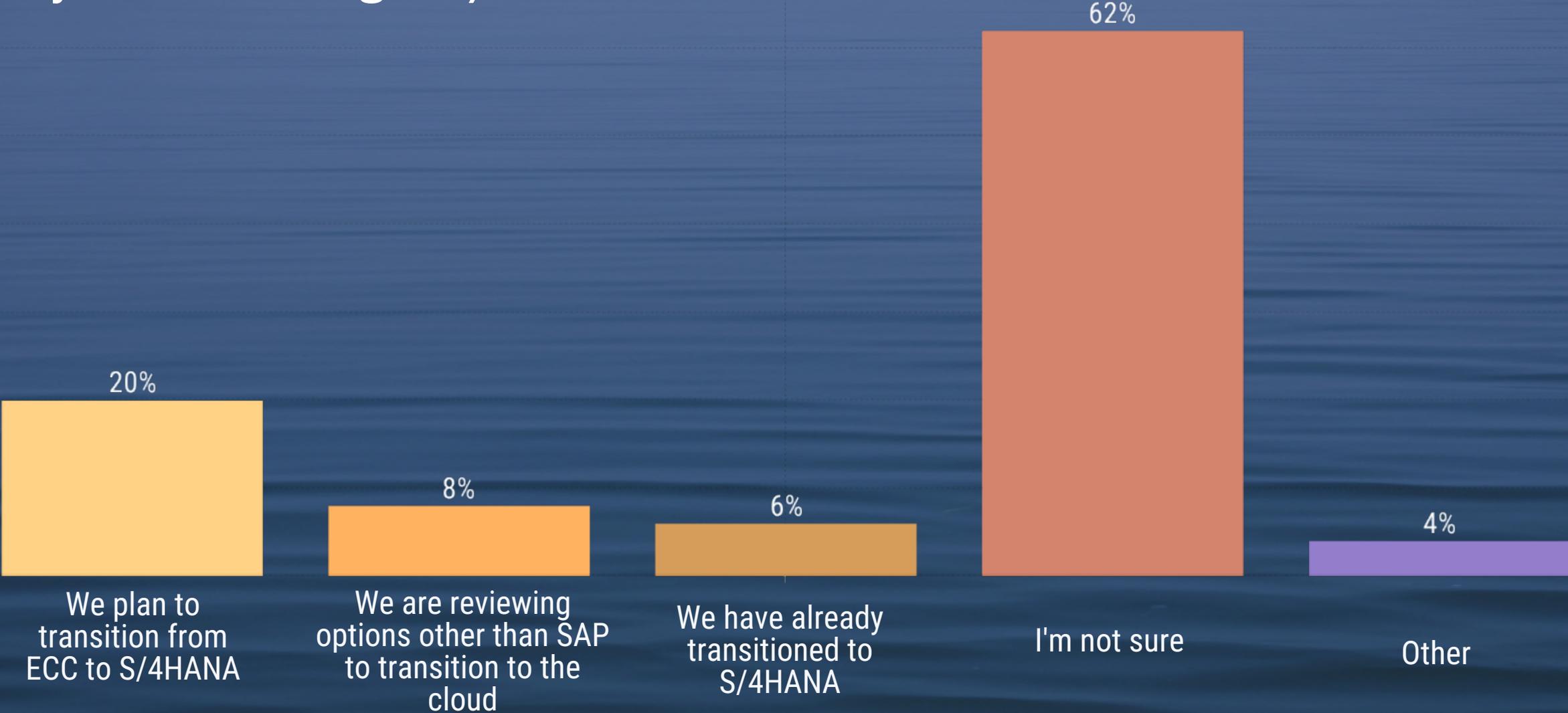
Primarily, respondents want to be able to manage demand fluctuations (say 56%). In addition, improved integration with supply chain partners is a popular goal (33%) along with forging closer ties to manufacturing (28%) and improving digital channels (22%).

What is your current supply chain management cloud deployment model?



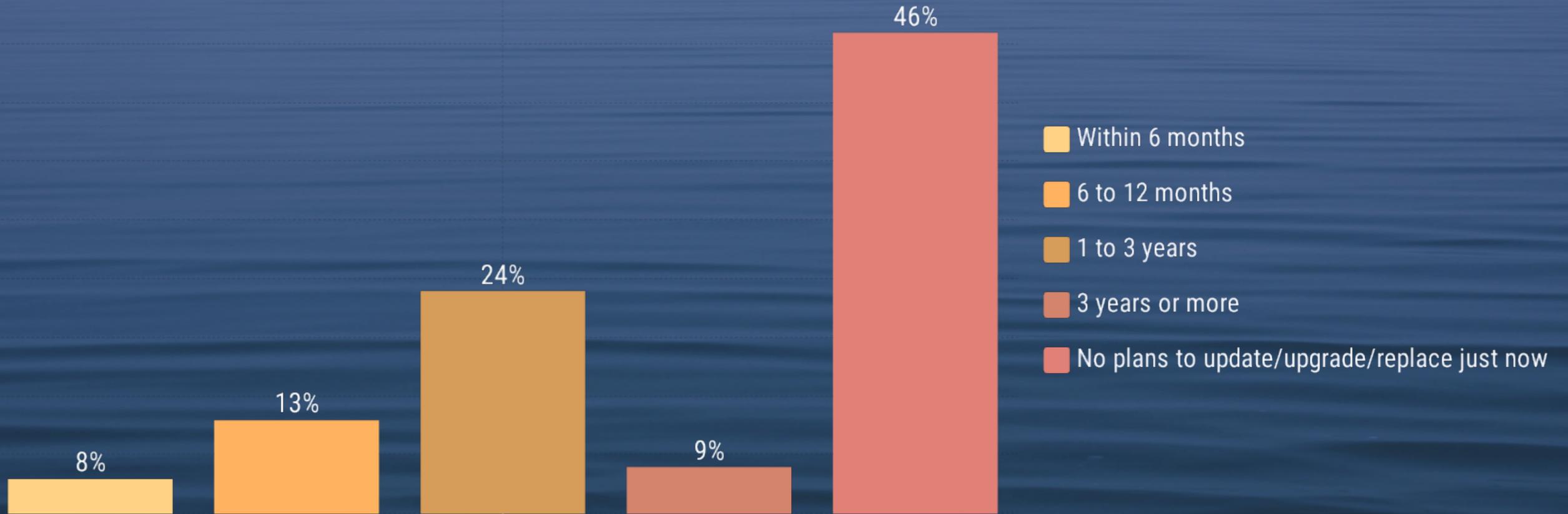
44% of respondents use a hybrid cloud deployment model. The rarest configuration is a 100% public cloud model, cited by only 3% of those surveyed.

Are you transitioning to S/4HANA?



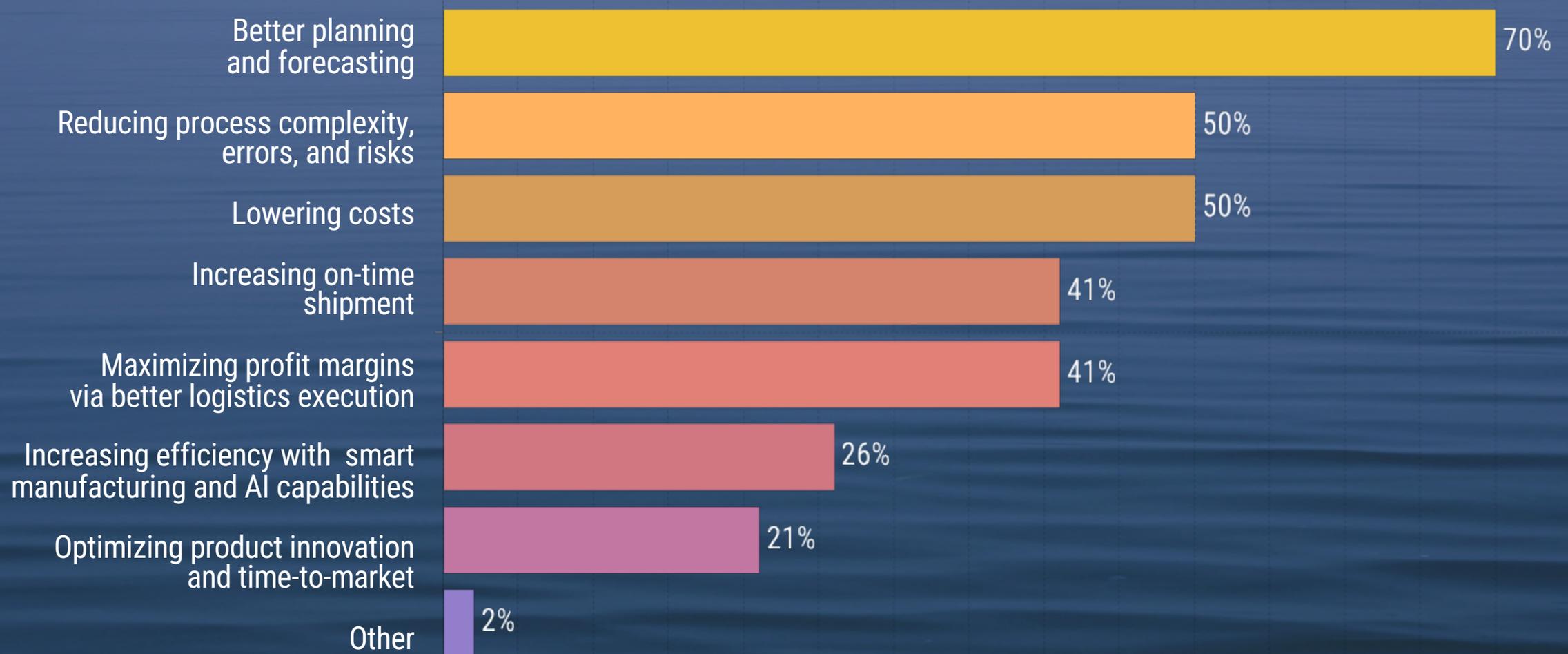
Only 26% of those surveyed are either planning to, or have already transitioned from ECC to S/4HANA. 62% are not sure.

When do you expect to begin updating, upgrading or replacing key components of your ERP and/or supply chain management system?



45% of those surveyed plan to update/upgrade/replace their ERP and/or supply chain management system within the next 3 years.

What arguments tend to support supply chain technology investment?



The most compelling argument for investing in supply chain technology is the promise of better planning and forecasting, say 70% of respondents. Half also cite the allure of reducing process errors/complexity (and the resultant risk), and lowering costs.

JOB LEVEL



48% of survey respondents hold director or executive level positions in their organization. The remaining 52% are front-line managers.

