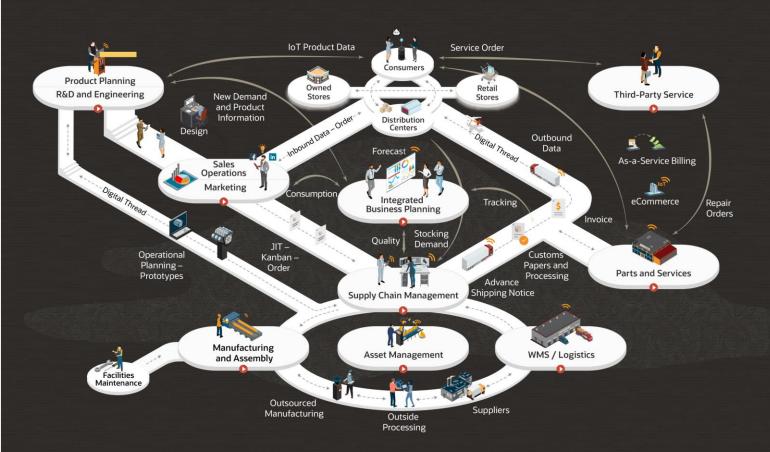


Oracle for the Durable Goods Industry



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The durable goods industry continues to grow globally. Demand for products are bolstered by growing wealth in developing economies and the buying power of millennials. Product innovation is also driving new demand, spurring customers to replace in-service assets with products that provide more value. Counter balancing this growth is an increase in raw material costs and competitive pressures. To respond to these challenges, durable goods companies must tightly integrate retail and consumer channels, drive product innovation, and optimize their supply chain.

Complex sourcing and distribution channels make business disruptions commonplace and requires capabilities to operate in both B2B and B2C markets. The consumer is also changing (especially millennials) and is relying less on retail interactions and more on social media and other online research. Mobile customers expect digital capabilities in their products and shopping experiences and are much more comfortable buying online. To meet these evolving demands of the consumer, companies must extend their traditional demand management processes and market to the consumer digitally and enhance the consumer buying experience.

Leading durable goods companies are transforming by engaging consumers earlier in the buying cycle and incorporating feedback from these consumers into the innovation and product development processes. These digital market insights allow for smarter decision making to drive improvements across supply chain, manufacturing, and service.

With growing product specialization, increasing supply chain costs, and greater market complexity, the need for greater business agility is clear. The durable goods market is being disrupted, and you must adapt:

- Global markets create new opportunities but also new competitors
- Direct customer relationships are difficult but are key to delivering high value experiences and complimentary revenue models
- Shorter development life cycles and product innovation is required to create new demand and generate brand differentiation
- Global sourcing creates uncertainties and management complexity
- Automation continues at an increasing pace due to competitive pressures and workforce shortages
- Demand management and channel inventory visibility challenges affect operations efficiency and customer satisfaction
- Uncertain tariffs and taxes threaten integrated business plans and established supply chains

Key Business Drivers

- Supply Chain Resiliency
- Globalization
- Service Economy
- Accelerated Development
- Regulation / Compliance
- Automation
- Workforce Challenges
- Tariffs and Taxes
- Supply Chain Digitalization

Consumer Behaviors

- Social media is a significant source for product information
- Mobile devices are the engagement model of choice
- They want brands that align with their social values
- They prefer immediate, low effort shopping and fulfillment
- They desire product personalization
- They are value oriented

Oracle's industry-leading cloud solutions provide a comprehensive platform to efficiently manage your core business and address your unique needs as a durable goods manufacturer. Leveraging advanced digital and analytical technologies, Oracle Cloud drives operational excellence across critical areas of commerce, configuration and PLM, supply chain management, manufacturing, production management, asset management, and service and repair.

Digital Transformation with Oracle Cloud

Smart durable goods companies are looking at digitally transforming their business by leveraging game-changing technologies such as artificial intelligence (AI), industrial internet of things (IIoT), blockchain, additive manufacturing, and augmented and virtual reality (AR/VR). These advanced technologies combined with Oracle's best-of-breed cloud applications give you the foundation needed to improve agility, reduce costs, and drive innovation across your business.

Deploying Oracle's leading cloud solution enables you to have a digital thread to tie together your operational and management information systems so you can maximize the benefits of the digitally connected enterprise. Contextualizing data from your value chain provides analytic insights needed to transform how you operate and better serve your customers. Built-in, pre-configured analytics deliver immediate returns and help you make smarter decisions about your business. Future proof your business and stay protected with a cloud-based architecture that ensures your company stays on the leading edge.

Enabling the Digitally Connected Enterprise

Leveraging technology to improve enterprise visibility, speed, and agility



Digital Marketing and Commerce

Sell everywhere on any platform with <u>Oracle's CX Commerce solution</u>. Traditional distributor and store selling can be complimented with a seamless digital experience which is integrated into market analytics using AI for deeper consumer insights. <u>Oracle Infinity</u> can help you understand online buyer behavior and provide operational advantages for enhanced market visibility and more responsive fulfillment operations. Create an immersive sales channel that will improve order

Oracle ERP Cloud Recognized as the Only Leader in Gartner Magic Quadrant Report

Oracle Recognized as a Leader in Gartner Magic Quadrant for Cloud Financial Planning and Analysis Solutions

Oracle Recognized as a Leader in the Magic Quadrant for Supply Chain Planning System of Record

Oracle Recognized as a Leader in Gartner Magic Quadrant for Warehouse Management Systems

Oracle Named A Leader in Gartner Magic Quadrant for Manufacturing Execution Systems

Oracle Named a Leader in Gartner Magic Quadrant for Field Service Management conversion by adding <u>Loyalty Management</u> and <u>Product Configuration</u> abilities to your customers' shopping experience.

Integrated Business Planning and Execution

Leveraging IoT, AI, and prescriptive analytics, Oracle's <u>Integrated Business Planning and Execution (IBPX)</u> solution provides continuous feedback from planning and plan execution to enable faster response times to changing market conditions. Monthly or quarterly plans are too slow. Instead, react to changes in the market instantly and re-align product, demand, supply, and financial plans to current realities. Easily identify performance gaps and uncover opportunities for improvement as you implement an integrated business planning process that drives operational efficiencies and higher profitability.

Configuration and PLM

Today's customers demand greater customization. The resulting array of product configurations and options create complexity in every element of the value chain. Durable goods companies require solutions that are not siloed but leverage a singular data model that creates interoperability from engineering, order management, and production versioning, through service and end of life. Oracle's Product Lifecycle Management (PLM) Cloud solution facilitates the synchronization of your engineering development process and data through digital publishing, thereby reducing development cycle times, decreasing costs, improving quality, and providing a continuous feedback loop for product innovation. By utilizing IoT, advanced analytics, and cloud-connected solutions, the digital thread through your value chain provides the backbone to collect operational data and derive product design and deployment insights. Formalize product innovation with Oracle's completely integrated ideate-to-retirement solution.

Production and Asset Management

The operational requirements of the durable goods industry rely on large industrial investments. This makes optimizing production and facilities utilization critical in this competitive, low margin market. Managing high product mix for production and equipment resources on Oracle's Supply Chain Planning, Al Apps for Supply Chain and Manufacturing, and IoT Asset Monitoring enables a robust Asset Performance Management (APM) strategy for your business. This set of Oracle monitoring and analytic applications enable condition tracking, predictive maintenance, maintenance management integration, and quality insights through machine learning, enabling higher asset utilization for your smart factory strategy. With Oracle's Smart Manufacturing solution, companies can better predict and resolve maintenance requirements, correlate quality issues to machine and environmental factors, reduce downtime, and improve overall quality.

"After a thorough market evaluation, we chose Oracle Service Cloud because it provides us with a fully integrated customer interaction solution across all channels and for all platforms, without needing to change our agents' working methodology. If you want to find the right answer to a customer question—in the customer's local language and targeted to his location—then Oracle Service Cloud is the industry's best tool."

- Pascal Monnier

IS/IT Manager Special.T by Nestle, Nestle S.A.

Service and Repair

Customer engagement continues after the sale in the durable goods world, and customer satisfaction and brand loyalty require excellence in after-sale service. Service and repair operations are very different compared to manufacturing operations, often only having the product in common. Managing logistical, operations, and third-party services are all specialized business functions that require specific solutions. The <u>Oracle's CX Service</u> solution synergistically combines self-service, contact center, knowledge management, and field service functions for all of your after-delivery processes.

Innovate with Oracle Cloud

Oracle has the industry's most complete and integrated cloud suite, enabling durable goods manufacturers of all sizes to connect their entire operations anytime, anywhere, on any device. With advanced technologies, modern best practices and data-driven intelligence built into every application, Oracle's cloud applications are designed to be future-ready for the digital age. Leapfrog your competition and modernize your business with Oracle Cloud solutions for enterprise resource planning, enterprise performance management, supply chain management, human capital management, customer experience, and other critical business needs.

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