

Guide

Closing supply chain gaps

flexport.

...for good

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Supply chain gaps are holding your business back

It's rare to see the word 'uncertainty' used positively.

But, [according to Gartner](#)¹, 9% of supply chain organisations expect to achieve revenue gains because of uncertainty.

While it's great to see some expecting good results from unpredictable times, this number is still pretty low. Especially when compared with the [63% expecting revenue losses](#)² due to exposure to uncertainty.

Between persistent disruptions across operations and an increasingly digital world, turning to technology to effectively manage the supply chain has become vital. But new solutions have yet to stem the impact of disruption, with 83% of executives saying their supply chain

technology investments have yet to achieve expected results, according to [PwC](#)³.

It's clear that, despite increased digitisation across the supply chain, it's still hard to see what's happening before it's too late. And even when you can see it, it's difficult to act quickly.

This is what we call the gap. Simply put, it's the distance between you and the complex, physical supply chains you're looking after.

And they're everywhere. They're the disconnect in communication with your suppliers. Or the lack of visibility on your next shipment.

In short, they're making trade tougher and likely holding your business back. It's time to close them.



Mathijs Slangen,

Vice President Sales & Marketing Europe at Flexport

¹ & ². www.gartner.com/en/newsroom/press-releases/2023-11-08-gartner-says-just-9-percent-of-supply-chains-expect-to-gain-value-from-uncertainty

³. www.pwc.com/us/en/services/consulting/business-transformation/digital-supply-chain-survey.html

A photograph of two women in a warehouse setting. They are both wearing orange safety vests over grey shirts. The woman on the right is holding a tablet and looking at it, while the woman on the left is looking over her shoulder at the tablet. The background shows a warehouse with a red door and wooden pallets.

Section 1:

What are the supply chain gaps?

Across your supply chain, gaps are manifesting in three core areas:



It's challenging to **see what's going on** in real-time. Good visibility is mission critical: without it, all other areas across your supply chain will be impacted.

It's hard to **manage what's going on** in the supply chain – communicating and collaborating with the various parties which you rely on to keep goods moving.

It's difficult to understand the current impact of your supply chain on the environment, and **choose how best to reduce emissions.**

But enough about ‘what’ the gaps are – let’s understand how to close them.



Achieving this requires knowing how they’re impacting your supply chain and how to bridge them – unlocking real value and growth opportunities for your business.

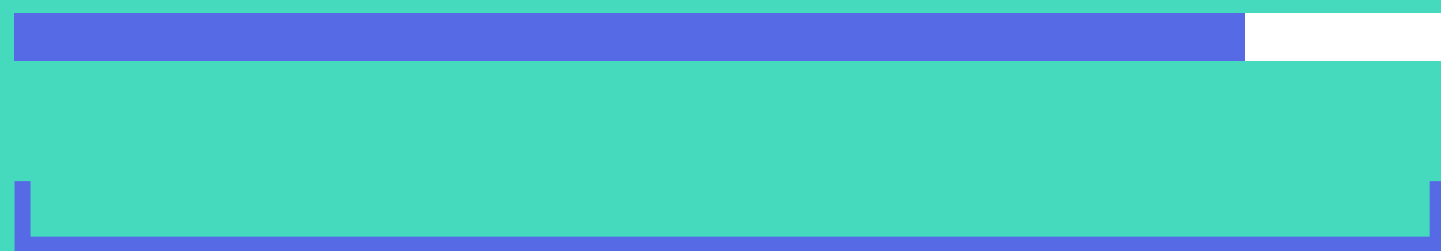
In this guide, we’ll explore the wider issues gaps are causing across the supply chain – from irregular, varied data to costly ever-changing legislation. We’ll also cover some key ways you can improve visibility, enhance collaboration and tackle sustainability to close your supply chain gaps and drive growth for your business.

Section 2:

Closing the **visibility** gap



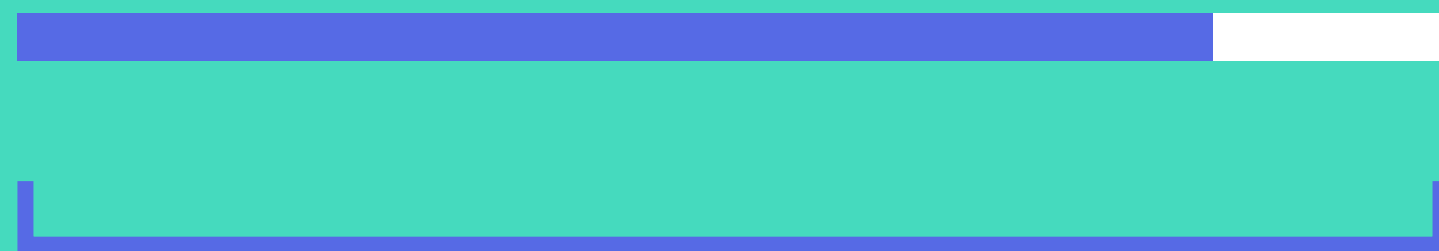
86%



of executives agree more investment is needed into supply chain visibility to identify, track and measure supply chain risk.

PwC¹

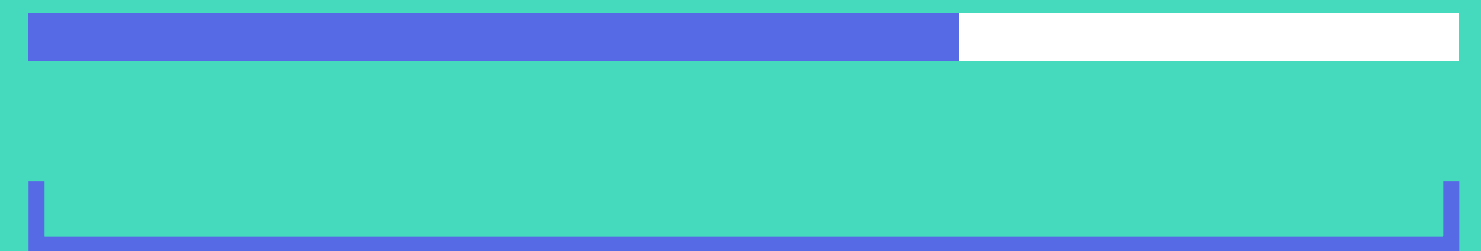
83%



of executives say their supply chain technologies haven't fully delivered expected results.

PwC²

65%



of supply chain leaders anticipate it will be easier to fund new technology investments, with 73% of supply chain IT budgets allocated to growth and performance enhancements.

Gartner³

1 & 2. www.pwc.com/us/en/services/consulting/business-transformation/digital-supply-chain-survey.html

3. www.gartner.com/en/newsroom/press-releases/2023-11-08-gartner-says-just-9-percent-of-supply-chains-expect-to-gain-value-from-uncertainty

How visibility gaps are manifesting in the supply chain

Are you struggling with dirty or siloed data? Disconnected manual internal processes? Managing and adapting to change?

Then you could have a problem with visibility across your supply chain.

Investing in new technologies to improve visibility can work as a temporary sticking plaster, but there's one area that must be right to make real improvement – and that's your data.

Supply chains are home to considerable amounts of information that often go unharnessed. But with the right analysis and application, this data can help your organisation overcome the visibility gaps holding your business back and making trade harder.

There are four key ways to cut your data to understand how problems with visibility are occurring in your supply chain.

Ask yourself, is my data:

Granular enough:

Am I getting the full picture? Is this everything I need to know or are there missing pieces or parts of my SKU journey I don't have access to?

Of good quality:

How is the data in my supply chain being analysed? Can I trust this data? Is it being processed in the same way and uniformly applied by the other parties I'm working with?

Interconnected:

Are we all seeing the same data? Do all of the systems across my supply chain communicate, so those operating a port in the US can see our shipment coming from Europe, for instance?

Updated frequently:

How old is my data? Is the information I have access to an hour old, or two days?

In short, the better the data available and how well it can be applied, the better visibility will be across your supply chain. **Because what can be seen can be managed, and what can be managed can unlock value.**

What's at stake?

As organisations grapple with many different sources of information and try to put the pieces together, problems with visibility can start to surface – which ultimately means decisions are delayed, being made off wrong data, or not at all.



How to close the **visibility** gap.

Ensure data ownership and strategy:

Getting your data right is a BIG job. And with all the moving parts of a supply chain – from suppliers to warehouses and employees – it can be easy for data stewardship to fall short unless it's actually someone's job. Ensuring data ownership sits under the remit of one individual who can enforce consistency throughout your organisation and across your supply chain network must be a high priority.

Nail down processes and data hygiene:

Once you have someone in charge of the data in your supply chain, it's then possible to put in enforceable processes and rules about how data will be analysed and used. Not only does this support data uniformity across your supply chain, it means that you know you're looking at the latest, most accurate information to make the right decisions.

Get the correct data stack:

Instead of taking a 'big-bang' approach to digitalisation or buying the newest tool on the market, many customers we work with have reaped the greatest rewards by starting small. By analysing where your biggest gaps are, and making incremental changes to close them, you'll start to correct the technology in your business stack with a view towards long-term progress. This also means you can be certain you're getting the most from every tool you're using – all while helping your organisation maintain its data strategy and promote good data hygiene.

**2-3
days**

**Reduction in
delivery time**

10+

**Onboarded
suppliers**

100%

**Improved
planning
reliability and
transparency**

Closing the visibility



gap with Ergobaby

“All the information I need about a consignment is visible at a glance. Today, I simply click through the individual bookings and know which consignments arrive in which container and when. This is much easier and faster for us than ever before.”

Riyadh Rashid,
Demand Planning & Supply Chain Manager, Ergobaby

[Read the full story](#)

Section 3:

Closing the

network

gap



53%



of executives say driving growth using supply chain technology investments is their main objective, but it's only possible once instant communication across the supply chain is available in one place.

[PwC](#)¹

61%



of logistics managers say their current supply chain still isn't operating normally.

[CNBC](#)²

90%



of supply chain leaders say they are planning to invest to make their supply chain more agile over the next couple of years.

[Gartner](#)³

1. www.pwc.com/us/en/services/consulting/business-transformation/digital-supply-chain-survey.html 2. www.pwc.com/us/en/services/consulting/business-transformation/digital-supply-chain-survey.html

2. www.cnbc.com/2022/12/23/supply-chain-managers-expect-problems-continue-2024.html

3. www.gartner.com/en/supply-chain/trends/measuring-supply-chain-agility

How network gaps are manifesting in the supply chain

Managing the supply chain is a team sport.

Whether it's two or ten companies involved in a shipment, it takes collaboration and communication at every stage of the journey. But this is also where problems can start to arise, impacting the accuracy and efficiency of your supply chain.

From supplier to consignee, supply chains are suffering from an ongoing source of truth problem. Making it difficult to take the right course of action when data isn't available quickly, and even harder to make accurate decisions when information is outdated or incorrect.

As with visibility, data plays a crucial part in connecting your network and being able to adapt quickly to change. But it's not just about having the data and ensuring someone takes ownership, it's also about who has access.

While it's essential to ensure data stewardship across your supply chain, restricting access too heavily can have an adverse effect - causing bottlenecks, with teams then trying to find workarounds or using outdated and poor quality information.

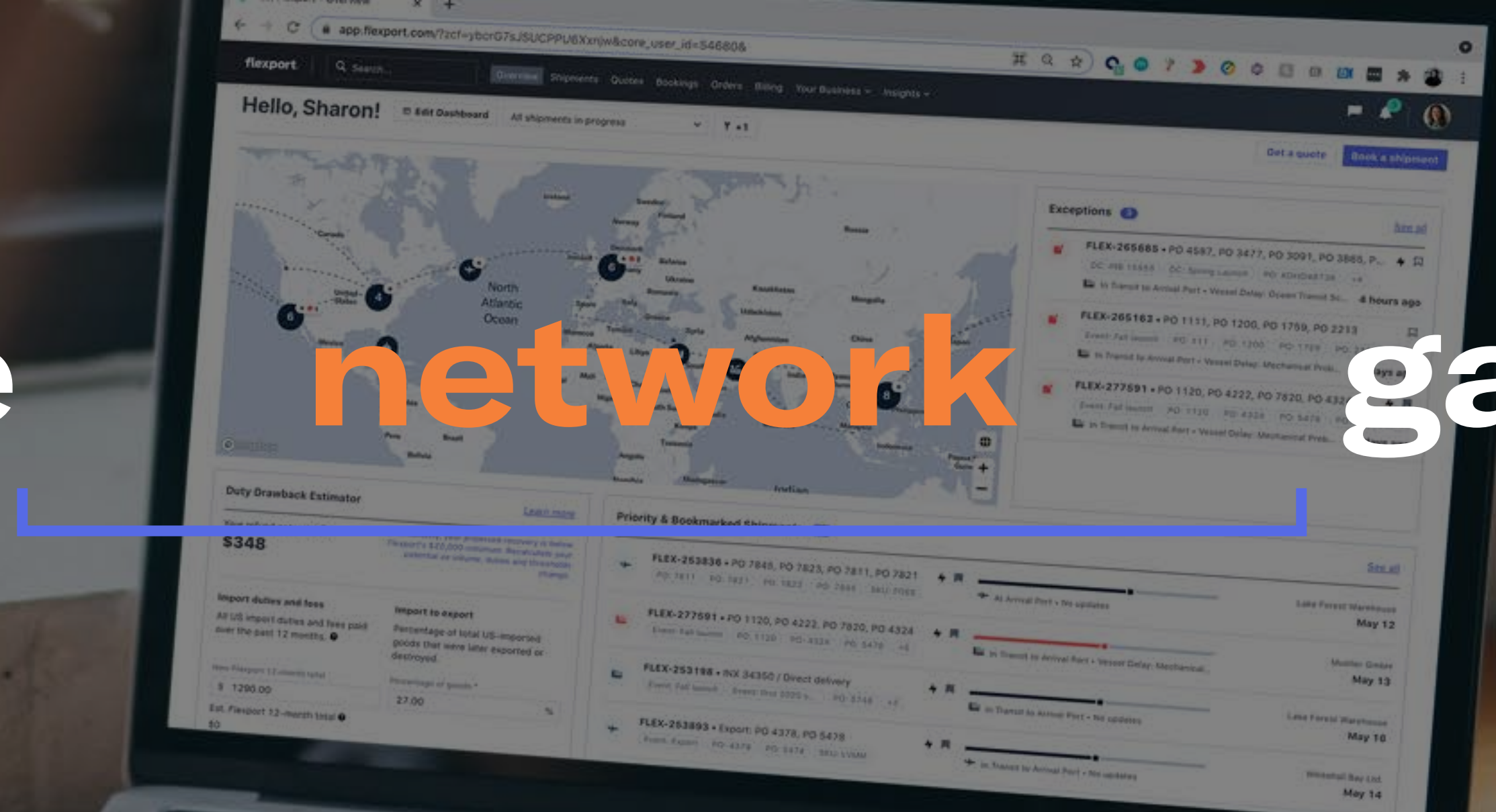
It's important to create guidelines which enable multiple people to look after your data so you can move quickly in the event of disruption. From data to project criteria, aligning IT more closely with standardised supply chain processes is a step towards greater accessibility for the information housed across your supply chain.

What's at stake?

A lack of connection across your supply chain - from people to processes - can come at a significant cost. Whether it's the inability to adapt quickly when things change or the financial cost of everyone in the supply chain not being on the same page when it comes to budgets or decision making.



How to close the network gap



Create a single source of truth:

Network gaps exist when data across the supply chain isn't consistent across the multiple companies and individuals involved in each shipment. Connecting disparate systems and ensuring everyone across your supply chain – from truck drivers to air freight workers, warehouse teams and your suppliers – has access to the same information in one place is vital to close a network gap.

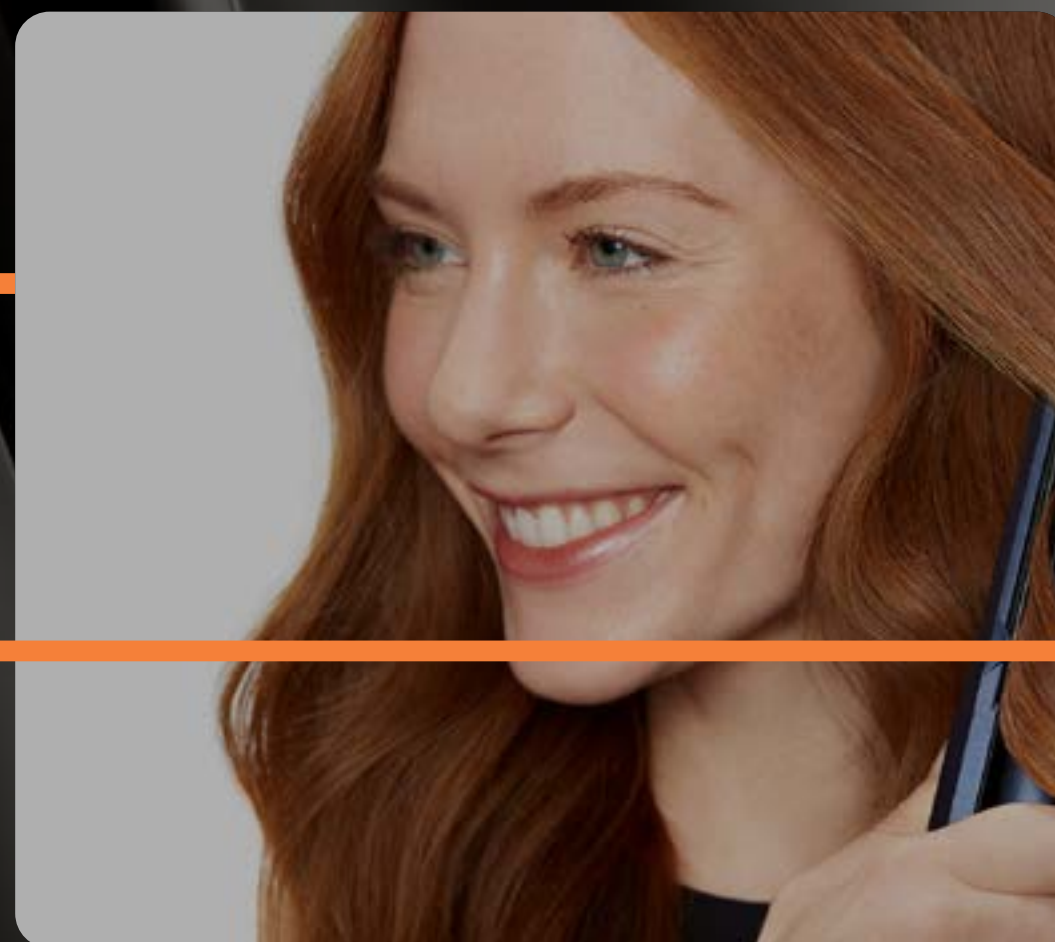
Remove barriers, keep guardrails:

Creating and enforcing guidelines that keeps your data consistent across the supply chain means everyone has access to the same information – whenever they need it, and without barriers, to ultimately ensure everyone shares the same reality.

Make decisions with digital twins:

Deciding what to change to improve the efficiency of your supply chain can feel like a never-ending list. Being able to digitally duplicate your supply chain and explore not only where things are going wrong, but also test possible solutions takes out any guesswork. So, you can be sure that any new deployment will actually work for the reality of the supply chain network you're working with.

Closing the network



gap with CLOUD NINE

4hrs

Saved per week from tracking shipments and monitoring business KPIs

“All the information we need [is] in one place. It’s the perfect marriage of digital processes with a human touch. It frees our team from time-consuming transactional tasks so we can spend time on priority areas—improving our visibility of shipments in the short-term, and ability to think strategically in the long-term.”

George Sweeney,
Supply Chain Manager at CLOUD NINE

[Read the full story](#)

Section 4:

Closing the **sustainability** gap

73%



of executives say the most common challenge to integrating sustainability into the supply chain is a lack of available data and digital tools.

[PwC](#)¹

35%



of firms have net zero goals in place.

[MIT](#)²

52%



of firms carry out a sustainability audit across suppliers.

[MIT](#)³

1. www.pwc.com/us/en/services/consulting/business-transformation/digital-supply-chain-survey.html2. www.pwc.com/us/en/services/consulting/business-transformation/digital-supply-chain-survey.html

2 & 3. sscs.mit.edu/wp-content/uploads/2023/10/MIT-CTL-State-of-Supply-Chain-Sustainability-2023.pdf

How sustainability gaps are manifesting in the supply chain

Knowing when a shipment has departed or if it's delayed is a vital piece in the logistics puzzle. But it's just one piece.

Today, understanding the full picture of your supply chain also critically means knowing how sustainable your operations are.

What's the emissions footprint for a new product launch? How much heavy fuel oil (HFO) is being used to get that shipment delivered on time? Does your supply chain meet ESG regulations to operate in all regions?

But calculating the answers to these questions can be difficult – with many endpoints and variables to account for in a single shipment. As well as continuously changing regulations that are increasingly hard to keep up with, from local sustainability legislations to international shipping requirements.

As businesses continue to meet demands for sustainable operations – particularly in fast fashion retail or consumer goods environments – being able to calculate and act

on your emissions footprint will be vital to partnerships, customer loyalty, and doing right by our planet.

In fact, not being able to quantify your supply chain's greenhouse gas footprint could mean missing out on partnerships with organisations that mandate sustainability requirements.

Whether you're looking to neutralise your emissions footprint, meet consumer demands or create sustainable products, genuinely and effectively reaching your sustainability goals requires accurate data and analytics.

Because quantifying the impact of your supply chain is the first step in making a tangible difference towards reducing emissions. That means choosing how you act on what's going on, with sustainable, long-term improvements.

What's at stake?

Without being able to accurately and quickly calculate your emissions output, you risk losing business or falling foul of legislation. Not only could this come with a hefty fine, but the overall impact of unsustainable supply chains on global warming will likely come at an even higher cost to society.



How to close the sustainability gap

Make it a business-wide mission:

It's not up to one individual or department to make an organisation more sustainable. Every team, department and third party involved in your supply chain must have a stake in the business' overall sustainability targets. Whether you're looking to offset emissions or achieve a net zero value chain, ensuring everyone in the business is accountable to meeting these goals will help to actually make it possible.

Stay ahead of regulations:

Updates to sustainability legislation and requirements across the globe are changing rapidly – and non-compliance comes at a cost. Identifying what and how to comply with the latest regulations across your supply chain is vital. Here, ensuring you have support from a third party to stay up-to-date about changes will help mitigate expensive mistakes and keep your supply chain on the right side of regulatory bodies.

Don't go it alone:

Enlisting support from a specialist can help your organisation bolster its supply chain sustainability efforts – from measurement to education, neutralisation and offsetting. And while getting sustainability right now might seem like a nice to have, not being able to calculate your emissions footprint could have devastating effects on your business (and the planet) in future. But you don't have to wait for all the pieces to fit together perfectly to begin reducing your supply chain's emissions output. **You can get started now by calculating your shipment emissions here with our free tool.**

Closing the sustainability



gap with Fairphone

100%

Of carbon emissions offset for Fairphone shipments through Flexport.org

95%

Increase in on-time performance through improved supply chain visibility

“The transparency over our transport options and the built-in offsetting programme align with our own CO2-focused priorities. By maintaining excellent stock availability and lead-times, we are keeping our social enterprise professional and dependable.”

Miquel Ballester Salva,
Circular Innovation Lead and one of the founding team members at Fairphone

[Read the full story](#)

Section 5:

Close your

gaps for good



At the core of closing any of your supply chain gaps – whether you're struggling with visibility, collaborating across your network or calculating your carbon impact – is your data.

But ensuring your data is **granular enough, of good quality, interconnected and updated frequently** doesn't just make managing the supply chain easier today – it's also the foundation for tomorrow.

Getting your data right today means having the ability to look ahead clearly, and not miss out on opportunities. Because...

Closing the visibility gap means: being able to adapt fast and react to change in real-time by understanding what's going on, always.

Closing the network gap means: acting on what's going on, quickly and accurately. As well as planning for the future of your business, with the people and companies you'll work with being increasingly digital.

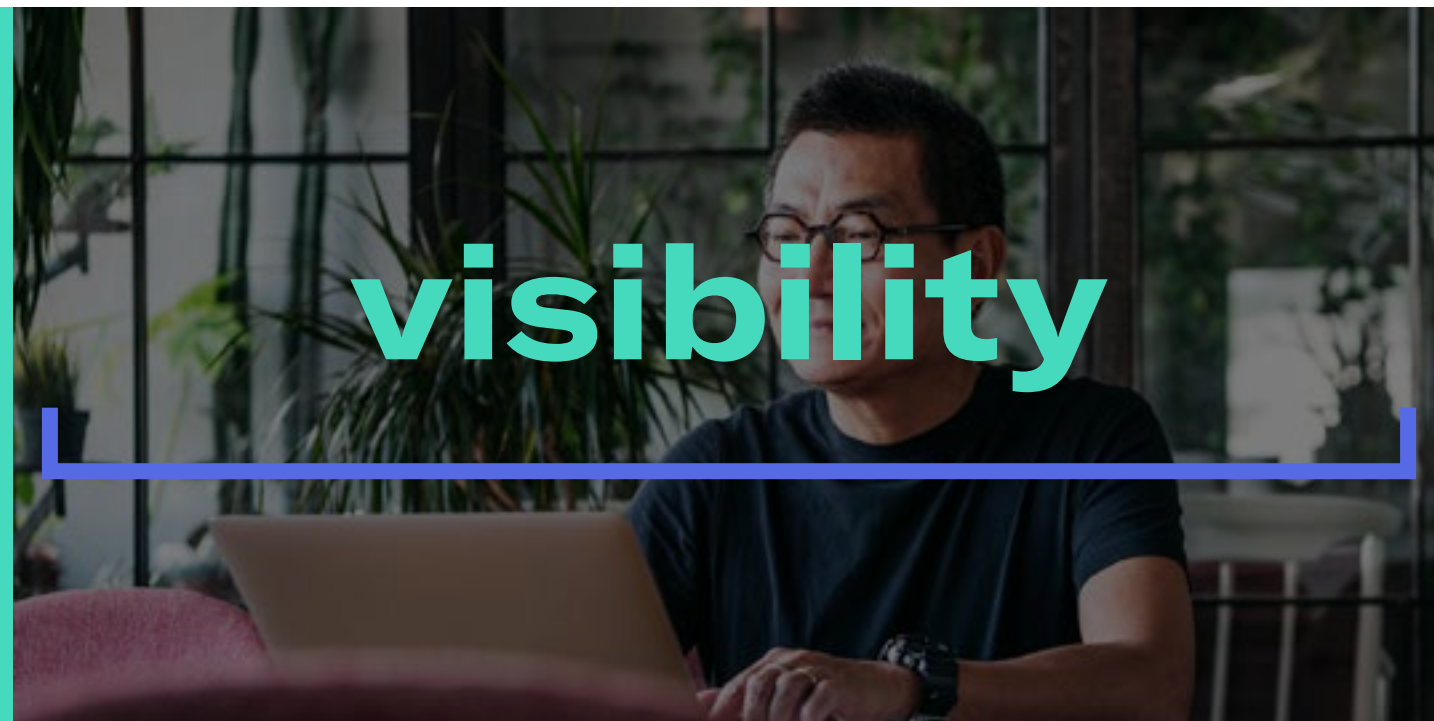


Closing the sustainability gap means: choosing how you act on what's going on, with sustainable, long-term improvements. This means forward planning to ensure costly mistakes aren't made – from making sure your business isn't rendered obsolete because it can't meet sustainability regulations to, ultimately, saving our planet.

Once you've identified your gaps and taken the right steps to close them, you'll have the power to unlock opportunities – from achieving sustainability goals to driving growth, with the ability to harness new technologies and solutions faster than your competitors.

After all, who doesn't want to outstrip the competition? Plus, you can reduce day-to-day firefighting which frees up more time for strategic thinking, cost mitigation and supply chain efficiency. Sounds nice, right?

If you'd like to chat about the supply chain gaps holding your business back, and how you can close them for good, reach out to us today.

Closing the gaps snapshot

<p>The gap</p>	<p>It's challenging to see what's going on in real-time. And this is table stakes: without visibility, all other areas across your supply chain will be impacted.</p>	 <p>visibility</p>	<p>How to close</p>	<ul style="list-style-type: none">• Ensure data ownership and strategy• Nail down processes and data hygiene• Get the correct data stack
<p>The gap</p>	<p>It's hard to manage what's going on in the supply chain – communicating and collaborating with the various parties which you rely on to keep goods moving.</p>	 <p>network</p>	<p>How to close</p>	<ul style="list-style-type: none">• Create a single source of truth• Remove barriers, keep guardrails• Make decisions with digital twins
<p>The gap</p>	<p>It's difficult to understand the current impact of your supply chain on the environment, and choose how best to reduce emissions.</p>	 <p>sustainability</p>	<p>How to close</p>	<ul style="list-style-type: none">• Make it a business-wide mission• Stay ahead of regulations• Don't go it alone

Chat to us today to
uncover the gaps in your
supply chain, we can help
you close them.

Get in touch

flexport.