



Business-friendly Solutions

Intelligent Planning – The winning tool for CPG Business in the Digital Era



Demand Volatility, Supply Viability and Operations Complexity Require Flexible and Agile Planning

If one must succeed then one must leave the past trends, and that's why most of the growth stories are stories of change. Similar is the story of consumer goods companies which are fighting with same age-old objective of right product at right place at right time. For a long past, challenge was with the traditional supply chain model where functions were operating in silos and focus was on improving a particular aspect of supply chain, rather than improving/optimizing across the value chain. The last decade has added complexities and multi-faceted risks factors across the supply chain. With continued efforts businesses now can control/minimize risks associated with supply chain visibility, product quality, outsourcing, and globalization. Then there comes a set of risks related to geopolitics, natural disasters, regulatory compliances, and economic uncertainties which are hard to deal with and very difficult to be defined. But there are some risks which remained from ages and are still persistent, frequent in nature and constantly needs to be addressed. We are talking of risks related to demand volatility, supply viability and operations complexity. Many of these risks have design answers and if planning capabilities are flexible and agile, then companies can thwart many of the upcoming problems.



CPG Industry Lacks an Enterprise-wide Connected Planning Systems

The CPG industry is no stranger to efficiency, with every operational activity fine-tuned to deliver maximum output. The effort put in establishing enterprise-wide planning systems are no less than any other industries. But whenever there is discussion on topics like end-to-end visibility, data sharing across silos and real-time response capabilities, we find challenges in the systems. Before we go further, we need to understand the reasons.

Legacy Enterprise Systems

Most of the enterprise systems are built on technologies which are 20 years old. We consider them as base and look for upgrades which is time consuming.

The market forces are changing at a very high pace and traditional planning is not designed to counter that. Consumer behaviors are changing rapidly and so are expectations. They want hyper personalized experience with customized products and localized execution with ability to buy, collect and return anywhere and anytime.

Changing Consumer Behaviors and Market Forces

Siloed Planning

Today's CPG planning operates within classical silo definitions of planning (Demand planning, inventory optimization, replenishment planning, production planning, material planning, transportation planning, order fulfilment etc.) which are sequential in nature. In the current scenario dynamics are quickly changing, so concurrent planning is the need of the hour.

Lack of Advanced Analytics Capabilities

Current planning landscape doesn't have unique combination of advanced analytical capabilities, scalability to handle big data and expertise to turn big data into insights for decision making.

Lack of Scenario-based Planning

Every small or big disruption or risk generates multiple scenarios and today's business has various objectives, basis which decision needs to be made. The current planning system lacks the capacity of handling scenario-based planning with objectives related to cost, revenue, service level etc.

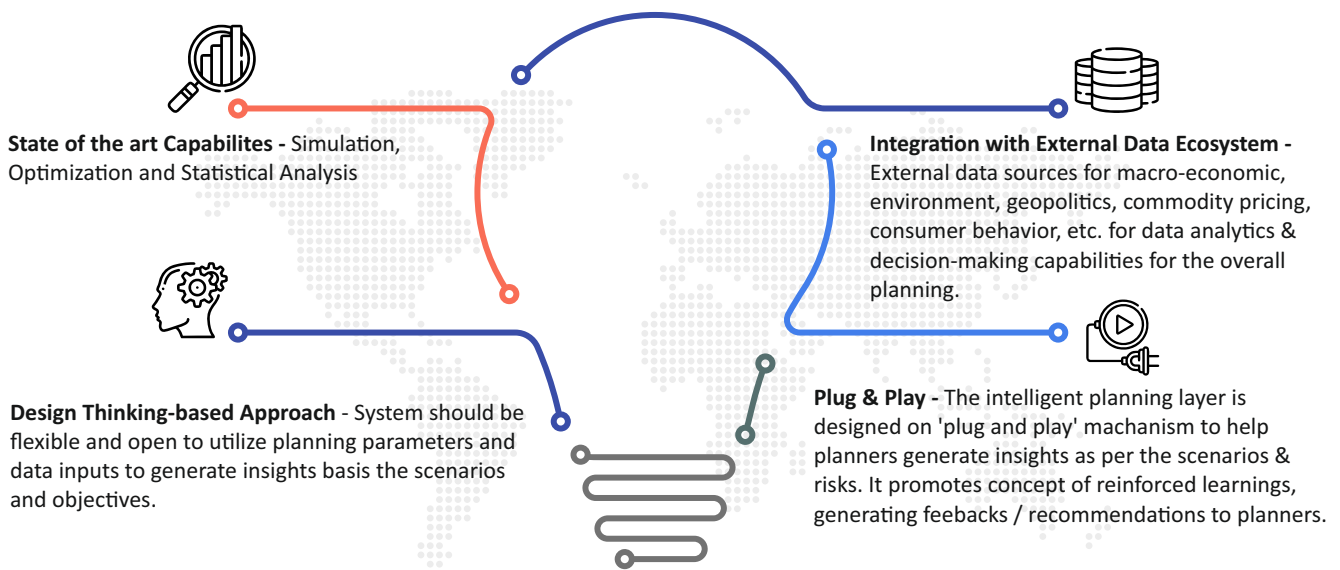
Lack of Agility & Connectedness

Traditional planning systems process deterministic input parameters and provide specific outputs. We are living in a world where planning system should recognize change in parameter sets, recommend what parameters need to be changed, alert planner of the changes and provide final recommendations.

Transform from Reacting to Orchestrating with Intelligent Planning

In the past 5 years, planning has gone from Reacting to Anticipating to somewhat Collaborating. They still need to cover the journey from Collaborating to Orchestrating which means flexible and value driven management processes and planning which enable completely demand-driven supply chain strategy. The question remains how do we achieve this?

One paradigm shift, that has started in CPG planning, is adoption of intelligent planning which will run horizontal to the tenets of traditional planning silos. There has been an introduction of dynamic planning layer over and above current planning which exhibits capabilities of cross functional planning, and fast decision making. This layer validates 'scenarios' and what-ifs with business objectives and goals in mind. With that context, following things need to be done by CPG organizations:



Intelligent Planning Brings Agility, Flexibility & Real-time Connectedness in Planning

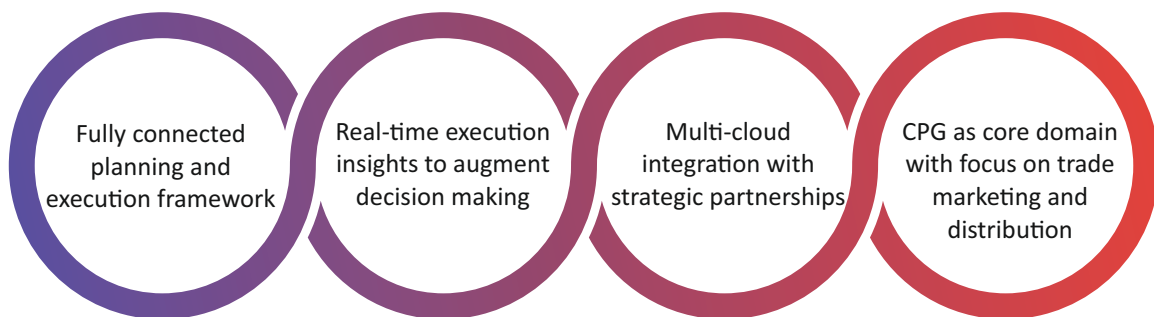
To summarize it all, today's intelligent planning layer is no more compartmentalized and can get fast deployed, can adapt, and integrate. Today's Intelligent Planning solution enables the following:

- Provides end to end visibility and right control mechanism
- Manages agile decision making and promotes continuous planning
- Develops a personalized and flexible approach – The planning control will be cross businesses but will have in depth segmented structure basis product, market, manufacturing unit and planner specific
- Creates base for continuous process of improvement and achieving maturity – We can utilize techniques of simulation, optimization and other statistical analysis and mature the design and analytics from current diagnostic & descriptive to predictive, prescriptive, and cognitive using right techniques

ITC Infotech with its strong and deep CPG domain knowledge, system integration and strategic partnerships, has helped global fortune 500 companies in CPG industry to build intelligent and connected planning systems. ITC Infotech's differentiated E-Cubed framework driven 'Intelligent Planning and Execution' solution brings:

- Substantial improvement in planning accuracy
- Measurable reduction in planning cycle time
- Ready-to-use planning templates available across planning activities
- Seamless integration across the layers of planning process: Strategic, Operational and S&OP

Our success tenets include



Our Differentiators: Through Our E-Cubed Framework

EFFICIENCY	EXPERIENCE	EFFECTIVENESS
<p>Cost reduction and productivity</p> <ul style="list-style-type: none"> • Around 30% faster cycle time, brought in by integration of Bots across planning areas. • CoE model to provide Planning-As-A-Service and ensure efficient resource utilization for any kind of implementation 	<p>Greater operability and ease of use</p> <ul style="list-style-type: none"> • Reduced planning effort through ready-to-use models and templates across the planning process 	<p>Better adaptability and response through processes and automation</p> <ul style="list-style-type: none"> • Seamless and integrated Strategic, operational and S&OP planning process enables faster tracking of and response to business environment changes. • Approximately 20% improvement in planning accuracy • Outcome based pricing

ITC Infotech's Intelligent Planning solution encompasses major use cases across CPG business landscape, and includes Trade and Commercial Planning, Sales performance and Incentive compensation, Demand Planning, Scenario based Sales and Operations planning, Work force planning and Demand driven supply chain planning.



Author Details

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About ITC Infotech

ITC Infotech is a leading global technology services and solutions provider, led by Business and Technology Consulting. ITC Infotech provides Business-friendly Solutions to help clients succeed and be future-ready, by seamlessly bringing together digital expertise, strong industry specific alliances and the unique ability to leverage deep domain expertise from ITC Group businesses. The company provides technology solutions and services to enterprises across industries such as Banking & Financial Services, Healthcare, Manufacturing, Consumer Goods, Travel and Hospitality, through a combination of traditional and newer business models, as a long-term sustainable partner.

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