

# Insights on Supply Chain Transformation that Drives Adaptability, Sustainability, and Performance



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TraceLink

“How was your year 2020?”



Home office



Walkies



New hobbies



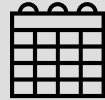
Toilet paper

# The study results are based on more than 1,000 interviews with Supply chain and C-level executives



## Regional coverage

28 countries across Europe, North America, Asia Pacific, Middle East and Africa and Latin America



## Study dates

November 2023 to February 2024



## Companies featured



## Interviews

1,011 respondents  
C-Level and 2<sup>nd</sup> line management



## Survey methods

Online and telephone interviews



## Target companies

Six key industrial sectors

1

Supply chain executives expect **disruptive trends to intensify** as the decade continues

2

Supply chains are **undergoing a metamorphosis** in response to these trends.

- Leaders of major industries – from automotive to retail – say they feel **enormous pressure to adapt**
- The most successful transformations are characterised by **end-to-end approaches**
- Yet, only a minority—PwC’s industry Champions—are actively reinventing supply chains from end to end to make them more adaptable, sustainable and cognitive
- These leaders are taking a more purposeful, deliberate approach that includes having a clear vision, roadmap and goals, as well as resource capacity and staff buy-in to make the transformation happen

# Supply chains currently face severe disruptions on all fronts – we have distilled these major disruptive forces into six key trends

Increasing frequency of severe supply chain disruptions

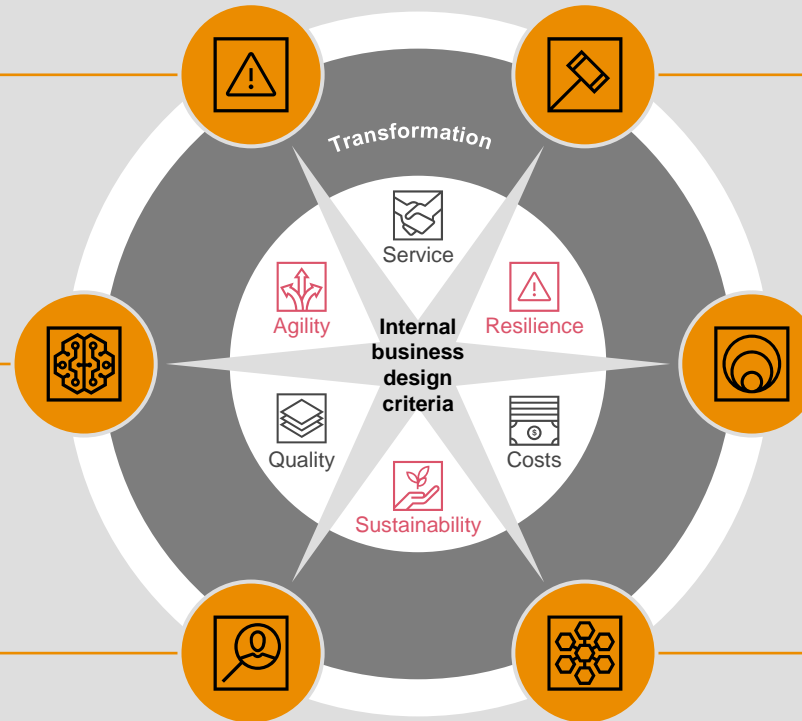
Evolving technological advances

Growing talent and workforce scarcity<sup>1</sup>

Expanding ESG compliance

Rising competition of fully-integrated ecosystems

Increasing need to support new business models<sup>1</sup>



■ Traditional decision-making drivers ■ Additional decision-making drivers

<sup>1</sup> Not in focus today..  
Reinventing supply chains 2030  
PwC

# To overcome severe threats, companies are building more collaborative, transparent and resilient supply chains

## Geopolitical

- Middle East conflict
- Russia-Ukraine conflict
- Cyberattacks
- German Supply Chain Act
- China-Taiwan conflict
- US-China trade war
- Sanctions
- Pandemics



## Economical

- Higher energy costs
- Changing interest rates
- Exchange risk
- High inflation
- Resource shortage
- Consumer spend
- Chip and semiconductor shortage



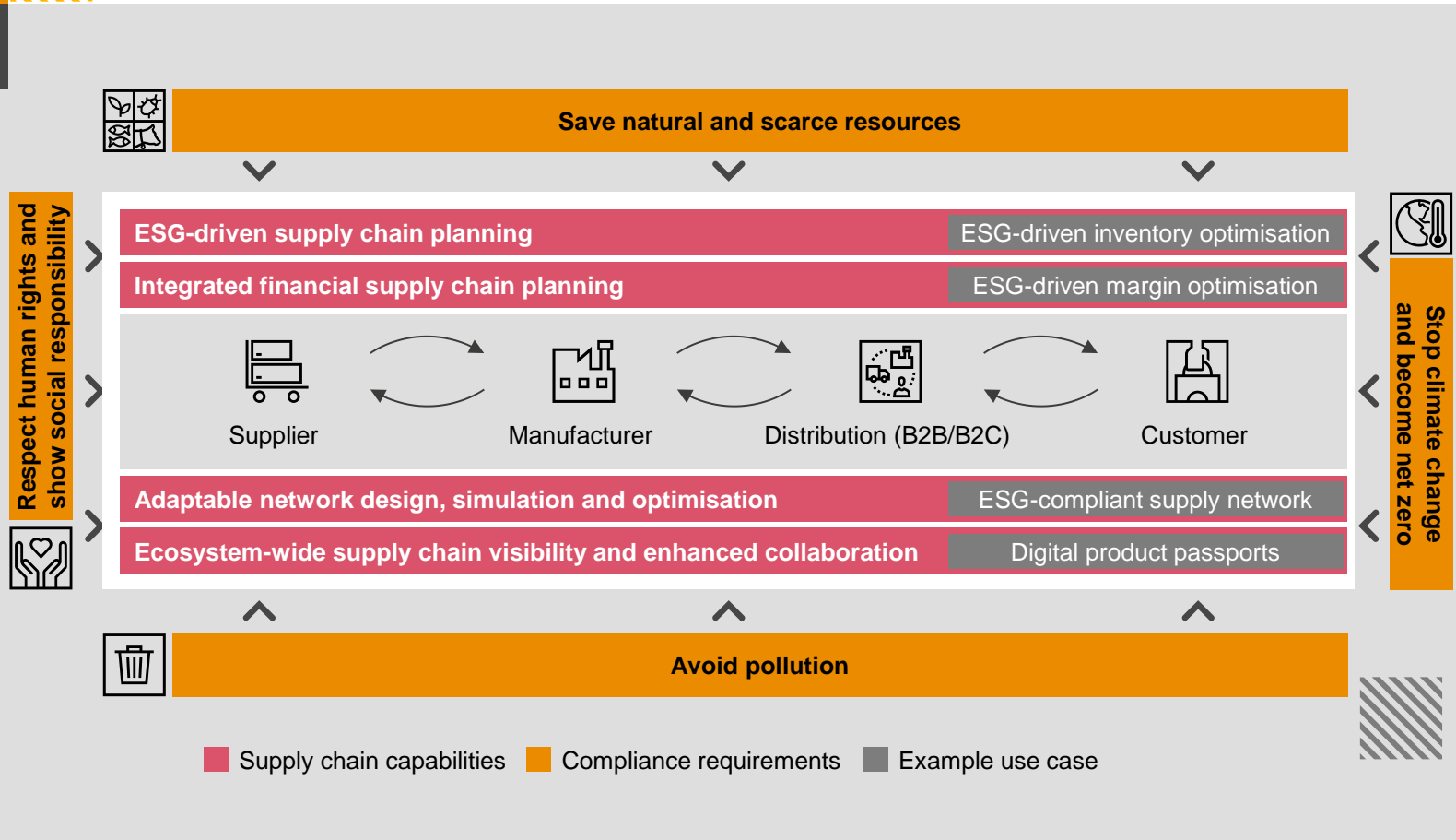
## Environmental

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Rapid climate change</li> <li>• Energy crisis</li> <li>• Capital market expectations</li> <li>• Growing legal requirements</li> </ul> | <ul style="list-style-type: none"> <li>• Natural disasters</li> <li>• Lack of visibility</li> <li>• Resource shortage</li> <li>• Change customer demands</li> </ul> |
|--|---|



- Traditional decision-making drivers
- Additional decision-making drivers

# To expand ESG compliance, companies must establish a holistic framework considering all relevant impacting factors



97%



of survey respondents from pharma & medtech industry believe **net-zero, circular and ESG principles in network design, simulation and optimisation** will have a significant short-term impact.

92%



of survey respondents from pharma & medtech industry consider including **ESG targets in tactical and operational planning** to be highly relevant over the next one to two years.

25%



of survey respondents from pharma & medtech industry said that **ecosystem-wide visibility and transparency** is a foundational capability for ensuring ESG compliance.

# Rising competition of fully integrated ecosystems is forcing companies to take action

30%

of survey respondents from pharma & medtech industry see **ecosystem-wide supply chain visibility and collaboration** as a key capability within a complete ecosystem environment.



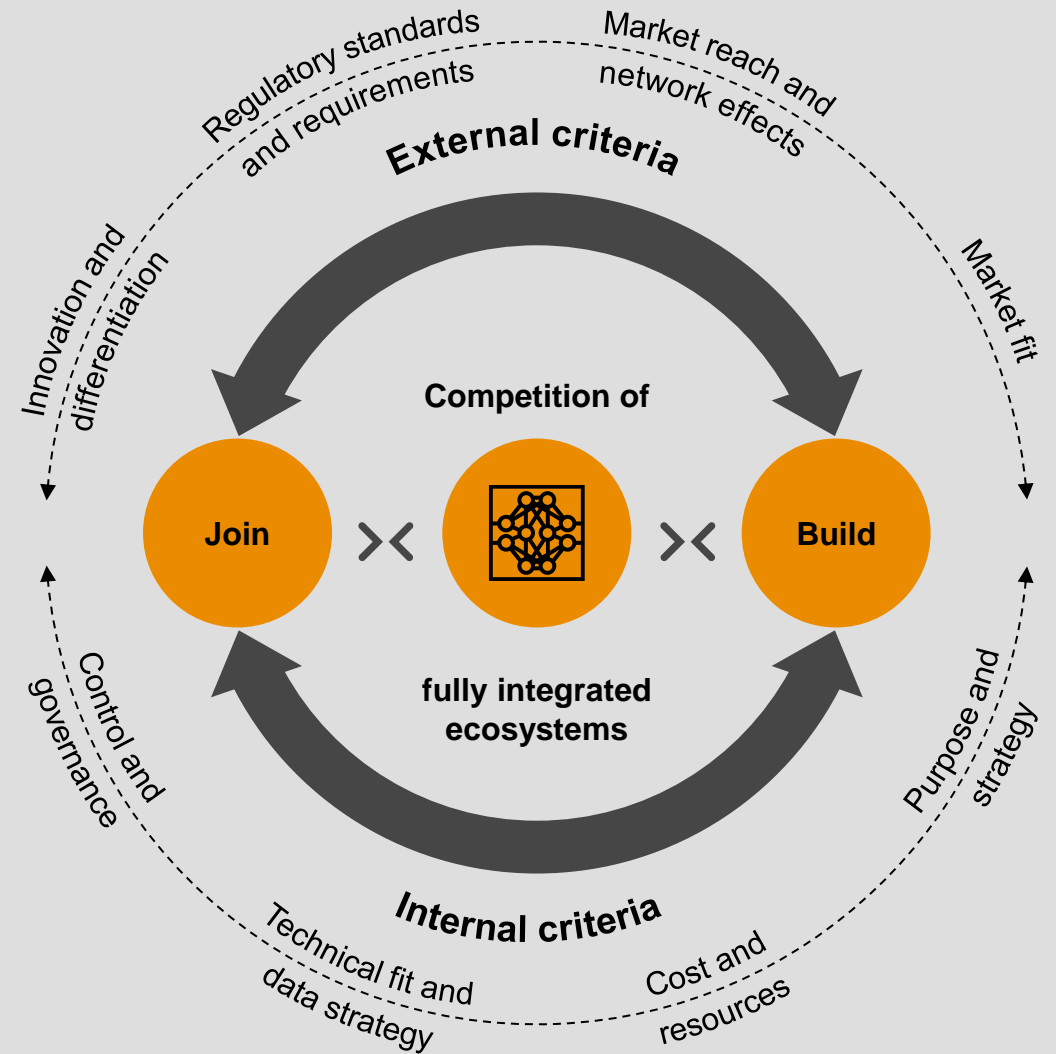
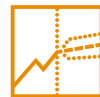
24%

of survey respondents from pharma & medtech industry see a significant need to invest in **intelligent and self-driving supply chain planning and execution** capabilities.



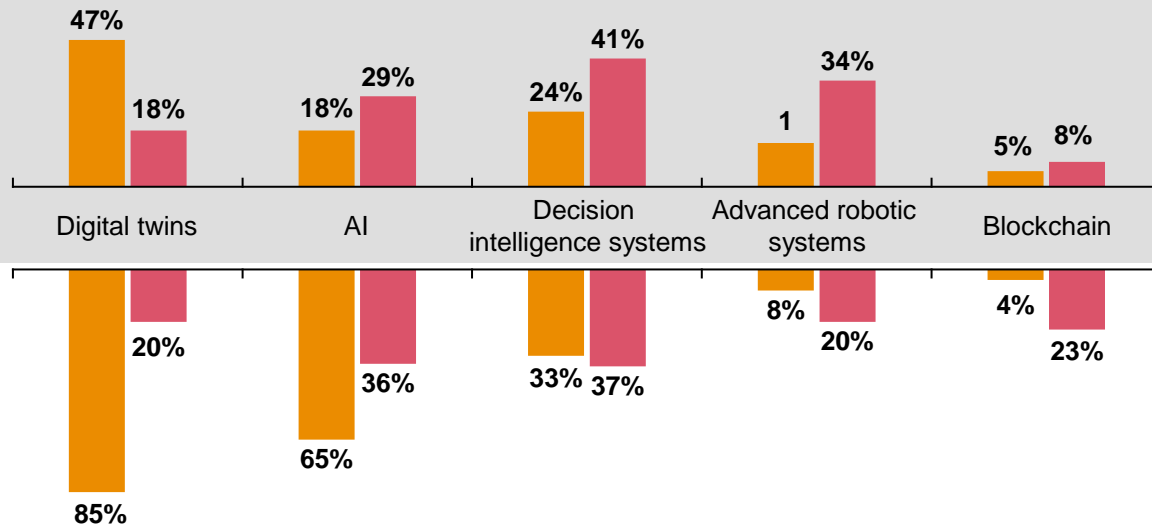
45%

of Champions said that **demand planning excellence** being an important capability for establishing or joining ecosystems



# Rapidly evolving technologies pose a threat to companies but also create new opportunities

## Pharmaceutical & MedTechs All surveyed companies



## Champions

■ High impact in the next 1–2 years
 ■ High impact by 2030

How would you evaluate the below listed technologies in terms of addressing the rated trends for your company? Base: 170 companies

## Takeaways

- 1
 Embracing rapidly changing technologies tops most agendas, as executives appreciate the benefits and the disruptive potential of technology.
  
- 2
 The most frequently mentioned disruptive technologies in supply chains were digital twins, AI, decision intelligence systems and advanced robotic systems.
  
- 3
 Instead of using technology to incrementally improve ways of working, companies should encourage cultures of experimentation to unleash the power of technology to innovate and master disruptive trends.





# Scan QR Code for more insights

**Reinventing supply chains 2030 -  
Towards an adaptable, sustainable and  
cognitive ecosystem**

