



Reduce International Supply Chain Friction

How International Importers Can Digitally Manage Their Purchase Orders in a highly Analog Supply Chain World

BY FOCUSING ON THE
FINAL STAGES OF AN
ORDER (KNOWN AS THE
FINAL MILE), IMPORTERS
ARE SIMPLY EXPEDITING
THE PROBLEM.

The Challenge

International importers are struggling to meet customer expectations as a result of lost data and a lack of end-to-end Purchase Order (PO) visibility.

Importers today have to coordinate across multiple departments, teams, 3rd parties, and government agencies across every layer of the supply chain – from product planning, to buying & procurement, through to moving goods to destination and beyond.

With demanding customer expectations layering additional complexities onto an already complex set of processes and system requirements, many importers lack a way to bring all people, processes, and data together onto a single centralized platform to ensure cohesion every step of the way.

What starts off as a digital Purchase Order sent to a vendor or supplier, is often printed out and managed through analog channels, with communication around product specifications, quantities, and finish being managed through email and spreadsheets.

The Impact of Poor Purchase Order Control

When importers can't see updates and correspondence across their Purchase Orders, they miss out on opportunities to identify errors and mistakes that result in costly rework further down the line.

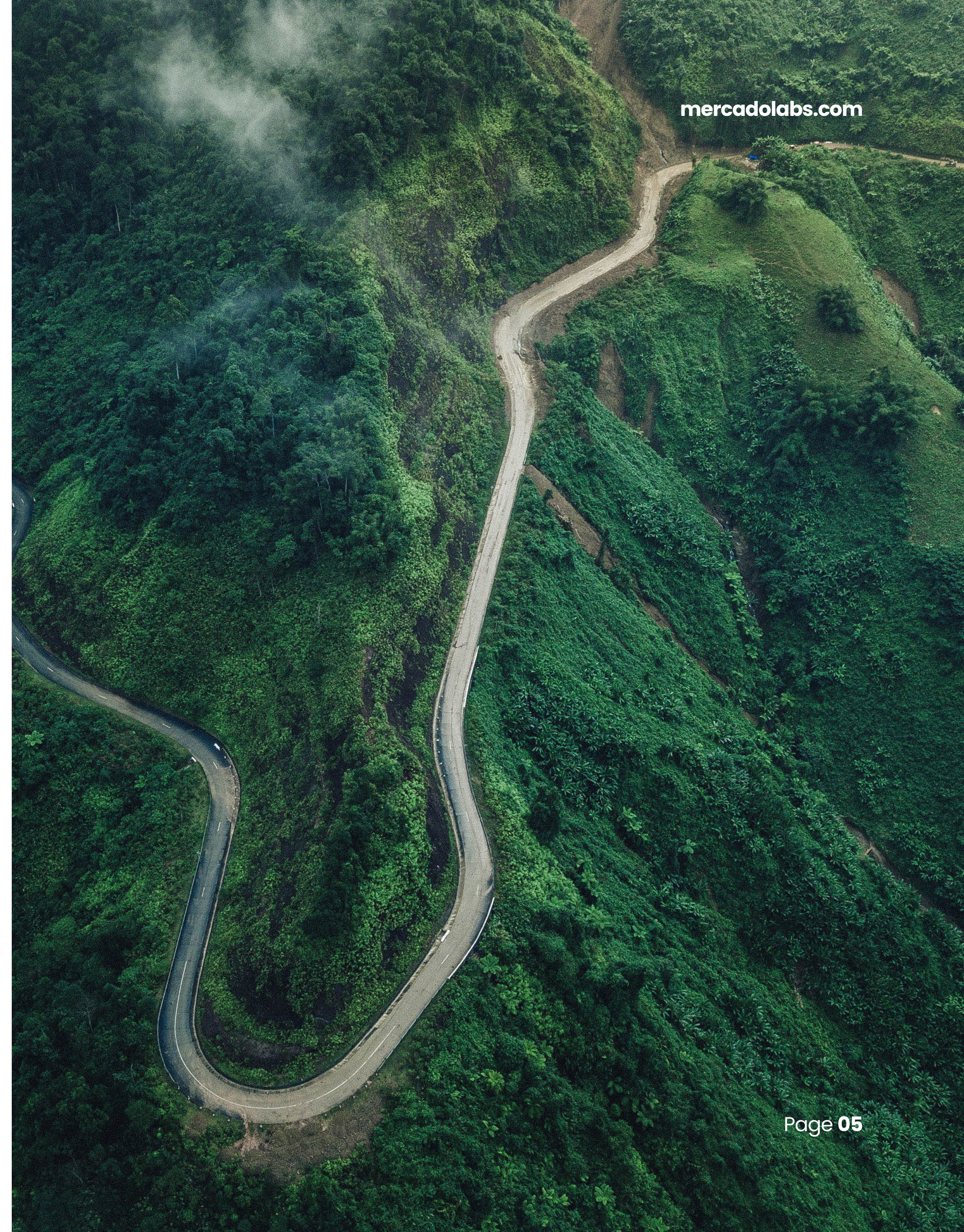
Common negative effects include:

- Inaccurate reflection of order expectation between Supplier and Buyer
- Lack of cohesive processes and tools to manage changes in real-time
- Limited to no visibility of what will be delivered at destination
- Lack of compliance with government and regulatory standards

The Root of the Problem

By focusing on the final stages of an order – known as the Final Mile – importers are simply expediting the problem. Incorrect orders delivered more efficiently still result in customers getting the wrong products, just more quickly! The issues actually occur way upstream during the first 120 days of an order lifecycle – known as the First Mile.

It's here that importers have the biggest chance to impact on what ends up at destination further down the supply chain. There are some clear areas that are causing many businesses to reassess the way they look at the First Mile.



A CHANGING GLOBAL LANDSCAPE

With recent global changes impacting the entire international supply chain, many importers are being forced to change the way they've operated for years. Having clear visibility of their Purchase Orders across the First Mile is no longer a nice to have; it's a must have. Those who don't risk:

- Over-promising and under-delivering to customers
- High levels of costly rework
- Higher cost of time and resource to manage the early stages

TECHNOLOGICAL ADVANCES IN THE FINAL MILE

Heavy investment in better Final Mile solutions has widened the gap between how products are manufactured and how they are delivered. With better ways to get products to warehouses, DCs, and in-store, many businesses realize a need to switch gears to:

- Prevent simply delivering incorrect inventory more efficiently.
- Lower risk of lost revenue through bad Purchase Order management.



RELIANCE ON EMAIL AND SPREADSHEETS

With no way to track and manage a Purchase Order across the supply chain digitally, most partners rely on email to collaborate with importers on orders, tracking agreed changes on spreadsheets held on local servers, creating:

- No single source of truth across Purchase Orders
- Reduce ability to identify issues as they arise
- Increased levels of miscommunication
- Blind spots where accurate, real-time data is unavailable

THE SOLUTION —————

BEING ABLE TO VIEW, MANAGE, AND
CONTROL ORDERS IN REAL-TIME IS NO
LONGER A NICE TO HAVE.

IT'S IMPERATIVE.

IMPORTERS LOOKING TO MAKE INVESTMENTS IN THE RIGHT PLACES
ARE TURNING TO TOOLS THAT NOT ONLY PROVIDE THE RIGHT
TECHNOLOGICAL CAPABILITIES FOR THEIR SUPPLY CHAIN OPERATIONS,
BUT THAT ALIGN WITH THEIR PROCESSES AND PEOPLE TOO.

A cloud-based International Supply Chain (ISC) platform like Mercado offers global importers the ability to seamlessly engage with 3rd parties involved in the end-to-end supply chain, regardless of where they sit geographically or which ERP, WMS, or other system they use.



Gain visibility across the extended supply chain at the lowest level

- Gain visibility and manage products at individual item/SKU level from source to delivery.
- Share and engage with data across partners (ERP, factory, forwarder, carrier, bank) in the cloud.
- Accurately predict and forecast delivery and respond to changing customer demand.

How to use a First Mile centered platform:

1. Collaborate with suppliers on a digital order, reflecting a single source of truth.
2. Automate manual processes and store relevant documentation against a Purchase Order.
3. Track inventory across identified WIP milestones and receive alerts to potential delays.
4. Manage order, receipt, and WIP status by exception, automatically.

The Value Mercado Brings

By centering all activities around a Purchase Order, international importers can greatly improve interactions across the upstream and downstream supply chain activities.

The benefits of improving the end-to-end visibility include the ability to:

1

Digitize order management

- Create, store, and manage all changes in the cloud, in real-time.
- Engage with partners across the supply chain, independent of system or tool.
- Better track and manage changes across the order lifecycle.

2

Reduce errors and rework costs

- Reduce risk from unforeseen errors caused by missed communications when using email and spreadsheets.
- Enhance communication between parties through centralised communication and document sharing.

3

Prepare for unforeseen change

- Create processes and standards that enhance agility in the event of unplanned issues.
- Proactively react to changes on-the-go, bringing third parties along every step of the way.
- Be nimble and ready to switch to Plan B in the event of an emergency.

4

Enhance compliance and meet regulatory requirements

- Improve transparency across all parties that touch the Purchase Order.
- Establish, track, and measure compliance requirements.
Build-in generic or specific milestones and alerts against a Purchase
- Order to ensure you remain compliant and adhere to standards.



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For more information, please get in touch
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