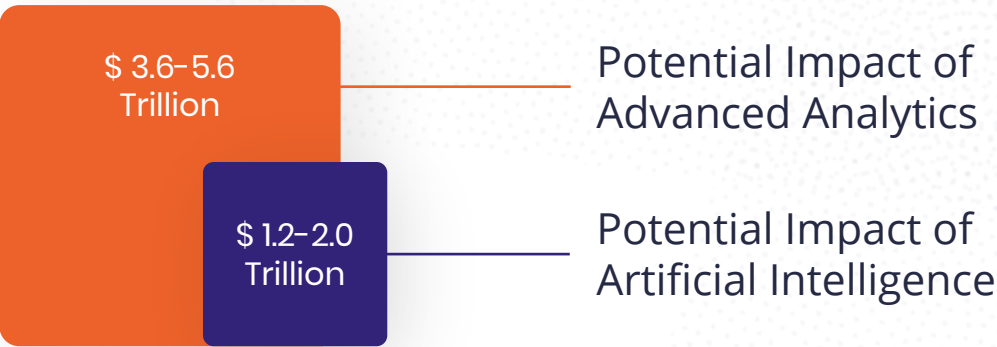


#007 : Artificial Intelligence in Supply Chain Planning : Part 1/3

Potential of AI in Supply Chains



Artificial Intelligence enables Synchronized Planning, which is more dynamic, flexible and efficient.

Changes in Supply Chain Planning

Linear Supply Chains -----> **Interconnected Digital Supply Networks**

Sequential Planning -----> **Synchronized Planning**

Sequential planning is the traditional way of supply chain planning where, data flows from downstream to upstream but not in real time to enable supply planning. Real demand information may not be known to the upstream stages.

Synchronized planning generally describes a state in which a constant flow of data from throughout the supply network enables organizations to accurately plan activities to match actual demand.

Why Synchronized Planning?

Fragmentation of Production

As production becomes more interconnected and global, planning should consider procurement and inventory demands of multiple physical locations.

Shifting Customer Expectation

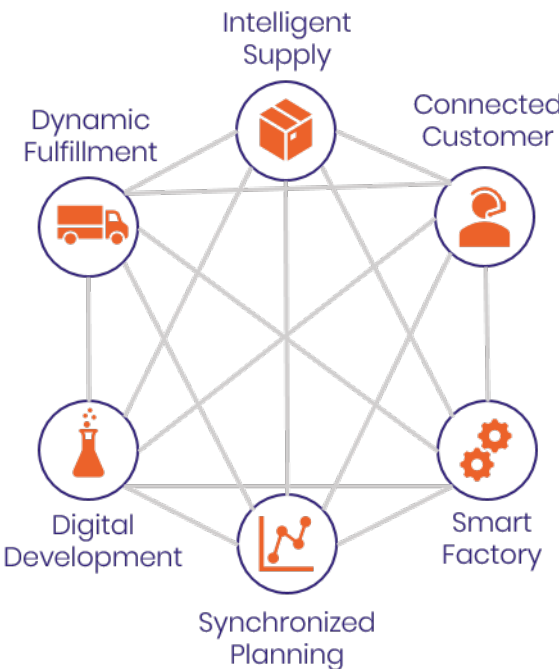
Customers increasingly expect more individualized products and services. They also expect them at faster pace across multiple channels on their path to purchase. This shift to a “unit of one” could fundamentally change what it means to predict demand.

Greater Cost Pressure

High pressures all around – on margins, from investors, along with higher levels of industry consolidation – appear to be driving the need to deliver lower-cost planning capabilities and optimized costs across the supply networks.

New Technology and Data Sources

Advanced technologies, more powerful computing capabilities, and a wealth of data from connected systems and external data sources allow organizations to streamline operations, anticipate market shifts, improve service, and encourage growth.



Up Next > Part 2/3 : Exactly How Supply Chain Planning is Done using Artificial Intelligence?