



# SUPPLY CHAIN EXCELLENCE contributing towards BRAND BUILDING

*In an era as fiercely competitive as ours, entrepreneurs aim to build a brand that is valued and remembered. Ensuring customer satisfaction and loyalty seems to be the only way to achieve it. In this feature, we unravel the contribution of the uncharted territory of supply chain excellence in building a brand.*

➤ **Karvi Rana**



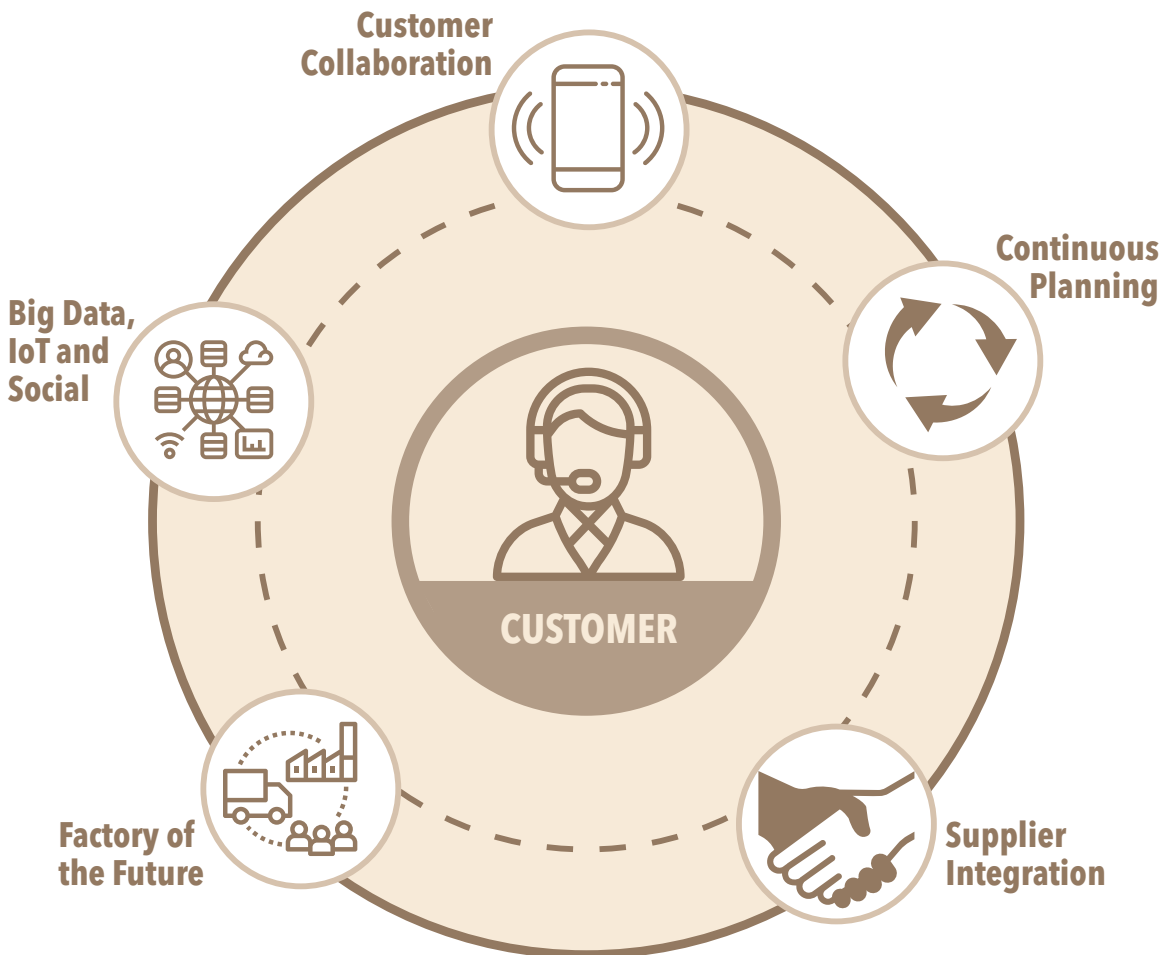
The flip of business hierarchy has made customers the kings. Every brand, in a bid to secure a competitive edge in the market, works on giving the best to its customers. According to reports by BluJay, “Over the next five years, customer experience will overtake price and product as the number one brand differentiator. Also, 9/10 organisations will be expected to compete primarily on the basis of customer experience.”

However, it is only a well-designed and well-integrated supply chain which can enable brands to meet and satisfy the needs and demands of customers. Dr Seema Narera, General Manager-

supply chain, TATA Starbucks offers her two cents on the importance of supply chain and strict time management. She says, “To deliver the required product or service at the right time, right place in the right condition, supply chain plays a very crucial role. As the supply value chain becomes more and more responsive to customer demand, taste and preferences, brands are able to better respond to the ever changing and versatile customer segments.” Thus, an agile supply chain serves as the building block of any brand.

**Ripening Brand Value through Supply chain excellence**

While marketing is still considered to be the driving point of any brand, it can't be the only aspect





of building a successful brand. The right products, persuasive communication, effective customer service and efficient delivery channels etc. serve as the pillars of any brand.

Vikash Khatri, Founder, Aviral Consulting thinks, that in an organisation, multiple functions are knit closely in the process of building a brand and an integrated supply chain plays a central and pivotal role that impacts the Brand in several ways, such as:

- Better production of Products
- Helps in achieving on-time or early deliveries
- Lowers down the logistics cost
- Gives a better consumer experience leading to
- A lifetime of customer value and loyalty

Mr Khatri also remarks how a brand can garner a negative impression by not keeping

up to a customer's needs and expectations. In his words: "Missed commitments, late deliveries, damaged products, delayed production, or a lack of competitive capabilities may impact very negatively on the brand".

### Customer Loyalty

With the passage of time, the need to build customer loyalty has become a dire necessity. Mr Khatri believes that "it is one of the key purposes of branding to enhance customer lifetime value, not to make single sale transaction".

The long-drawn process of earning customer loyalty starts from providing a better customer experience; and it can only be nurtured by meeting consumer needs of product performance in a consistent manner without any unpleasant surprises.

According to Rakesh Sinha, Head - Global Supply Chain,

Manufacturing and Information Technology, Godrej Consumer Products Limited, "Consumers expect high levels of availability and freshness. However, maintaining it at a consistently high level requires an agile and consumer-centric supply chain, which is both re-



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### Rakesh Sinha

Head - Global Supply Chain, Manufacturing and Information Technology, Godrej Consumer Products Limited

flexive and dynamic to meet the demand and supply requirements."

To meet the requirements of customers, companies often outsource various activities such as deliveries, to improve efficiency, reduce costs, focus more on core competencies and improve their innovation capabilities. Dr Seema



believes, "It offers an added advantage when brands outsource transactional, non-value adding activities to other players and focus their energy on delivering what is valued by their customers. It also offers more flexibility to brands in terms of managing their capacity, responding to demand

and provide less customisation possibilities.

Mr Sinha says, "Customer loyalty can be built if a third-party delivery partner operates on the twin principles of flexibility and fast response. The difficulty arises when delivery partners are less flexible and slower in response."

**Supply Chain Excellence Driving Customer Loyalty**

Obtaining supply chain excellence results in building customer loyalty. Many supply chain businesses are constantly investing and adapting to different technologies and methods to drive continuous improvements and take their brands ahead of competition by meeting the needs and demands of the consumers.

Out of the many aspects by which companies can expect and drive customer loyalty through supply chain excellence, Real time visibility remains at the top as per the report by BluJay; while the other aspects include- timely deliveries, Proactive notifications, BI/Machine learning etc.

**Real time Visibilities:**

Customers now demand multiple product availability and immediate fulfillment. With real time visibility a company is able to cater to customers' want of knowing orders manufacturing as well as shipping status. Also, it gives one the



insights of inventory demand and shipment, making it easier for companies to respond to customers.

**Timely Delivery:**

Early or timely delivery is the second most desired aspect by customers, says a report by BluJay. Customers desire to choose when and where they want their products.

**Proactive Notification:**

Proactive notifications saves the customer their time and efforts to open the app and look for their shipment status after every few hours. The regular notification on delivery status makes customers feel regularly connected with the shipper and their product, making them a little less worried about their products.



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**Dr Seema Narera**

General Manager - Supply Chain, Starbucks

fluctuations or seasonal spikes when product movement is done through 3PL providers.

However, depending on factors like product category, brand promise and value chain of product or service outsourcing of activities can sometimes turn out to be ugly



### **Easy Returns:**

The change in the demands of customer satisfaction doesn't stop at product delivery. They

want to have easy and hassle-free returns- which is also one of the reasons why people are moving more towards Ecommerce web-sites. They provide them with satisfactory post-product delivery services and gain their loyalty.

### **Align supply chain with brand message:**

It is very important to evaluate a supply chain and make sure it matches the brand message and standards that one has promised to its customers.

### **BI/Machine learning:**

Despite not being beneficial to the consumers directly, BI/Machine learning eases the pain in businesses and thus is being invested on. The use of Business Intelligence and Machine learning helps an organization understand customer sentiments

and feedbacks. It offers white-space analysis for sales and can recommend immediate action on opportunities further helping in serving customers better.

### **Conclusion**

While good marketing, convenience, quality and service have always ranked at the top of the table for businesses, the time has come to prioritise customer loyalty by recognising its manifold benefits. To go forth with this, companies now serve to work and invest on building everlasting relationships with customers and to make every touchpoint memorable. By making the presence of the brand felt and remembered through customer loyalty, Supply Chain Excellence remains the cornerstone of Brand Building in today's time and age. 📧

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