

# Move your technology supply chain to the fast lane

Set your business up for success in today's fast-paced era.  
Add speed to your logistics capabilities and go-to-market strategies.

**ALL THE WAY**





# Tomorrow is too late. Rethink speed to market today.

What this e-book covers:

- Executive summary
- Chapter 1:  
What technology manufacturers can expect from speed to market
- Chapter 2:  
The change in supply chain speed
- Chapter 3:  
Achieving speed to market from a supply chain perspective
- Chapter 4:  
How an integrator can help achieve speed to market
- Conclusion



# Executive summary

## Problem statement:

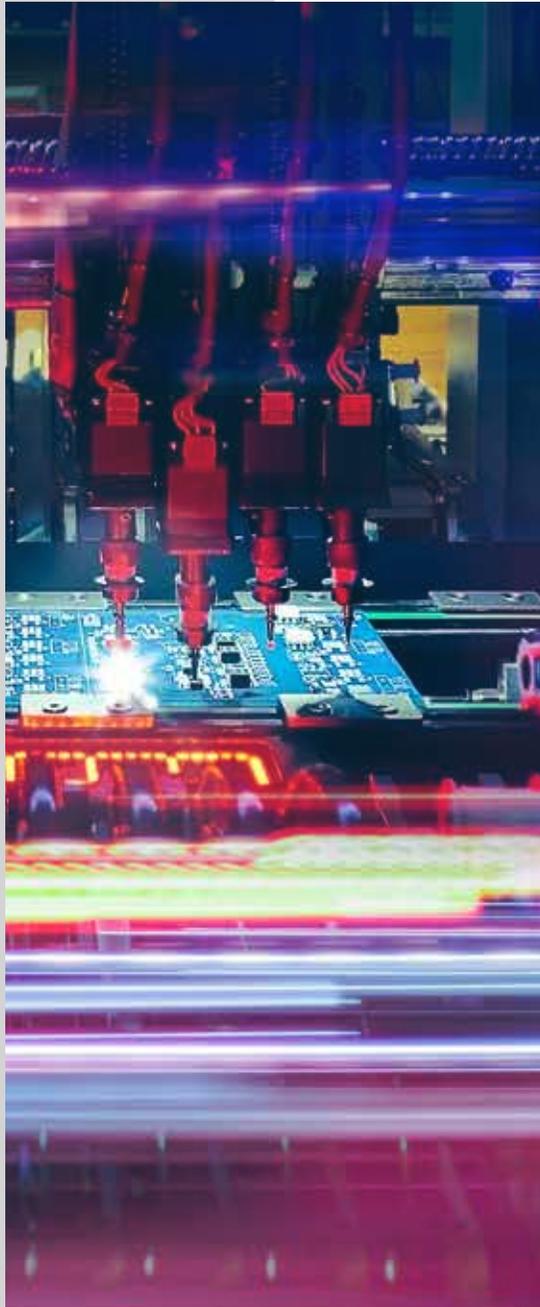
Fast innovators are more disruptive and often generate more sales. However, in today's fast-changing, consumer-driven world speed can be the biggest strength for tech companies or the hardest obstacle to overcome. For high-tech businesses, it doesn't matter how innovative a new product is if their supply chain isn't up to speed.

## Current scenario:

In a company's need for speed, it's the supply chains that draw the most heat. Over the last 24 months, the perception of supply chains has changed due to the Covid-19 pandemic. Whereas once they were thought of as merely cost centres, supply chains are now the talk of board-rooms. A fast supply chain that is resilient and agile has become a competitive advantage, as being able to get your goods to shelves quicker is essential for capturing market share.

## Proposed solution:

According to a recent survey, 79% of companies with high-performing supply chains achieve revenue growth superior to the average within their industries. Adopting an integrated approach to speed to market separates the leaders from the chasers with the right mix of flexible transportation solutions, complete visibility via digital tools and transparency at every step.



## Chapter 1

# What technology companies can expect from speed to market

Speed-to-market plays a key role in any manufacturing or technology business. However, it's a process that stretches all along the value chain, from production to distribution.

**It's a marathon, not a sprint.**

It's no surprise that companies, with an innovative method to reach customers, are highly trusted by their users. Undoubtedly, one of the contributing factors is speed to market and prompt deliveries. Take speed out of the equation, and the entire ecosystem and the trust buyers and sellers place in it falls apart.

### The importance of speed to market

#### A necessity for pacesetters

In highly competitive markets, where innovation happens on the daily, speed to market allows businesses to claim the spot of a frontrunner. Companies that build their strategy and supply chains for speed often gain first-mover advantages. The faster a product gets to market, the less likely it is to face competition at the start of its lifecycle.

### Prioritising consumers' needs

The global consumer electronics market (excluding North America) achieved sales growth of USD 42.8 billion in the first half of 2021 – an 18% year-on-year increase<sup>1</sup>. In 2018, there was an average of 2.1 devices and connections per person in Asia-Pacific, which is expected to rise to 3.1 devices by 2023<sup>2</sup>. This increase marks a continuation of the growth trend that began in 2020, prompted by lockdowns and a greater focus on entertainment, security and chores at home.

### An impact on different industries

Speed to market in tech has far-reaching impacts on other industries. The global semiconductor shortages forced almost every business that relies on microchips to re-examine their existing supply chain plans. Companies are constantly monitoring the next availability of semiconductors and accelerating their supply chain's speed to meet factory floor deadlines and go to market faster.<sup>3</sup>

### Growing and keeping brand loyalty

Recently, prices of some electronics like TVs have been steadily rising as a direct result of the global semiconductor crunch, testing customer loyalties towards certain brands. Speed to market can help hold consumer loyalties. By employing a flexible and fast supply chain, companies can ensure products are available in the markets with the highest demands when the product is available.<sup>4</sup>



References:

<sup>1</sup><https://www2.deloitte.com/us/en/pages/operations/articles/supply-chain-leadership.html>   <sup>2</sup><https://www.gfk.com/press/global-consumer-electronics-market-on-the-up-or-showing-signs-of-saturation>  
<sup>3</sup><https://www.cisco.com/c/en/us/solutions/collateral/executive-perspectives/annual-internet-report/white-paper-c11-741490.pdf>   <sup>4</sup><https://www.wired.com/story/chip-shortage-electronics-prices-tvs-displays/>



## Chapter 2

# The change in expectations from supply chain speed

Over the past 24 months, global supply chain disruptions, combined with increasing **consumer demand for fast delivery**, has changed the definition of 'speed to market'.

The definition of speed to market from 10 years ago has changed for both consumers and companies and will continue to evolve. Take the case of consumers in the United States (US). According to a survey run in 2020, 65% of US consumers expected goods to reach them within 2-3 days. However, only 29% of the companies surveyed forecast that they could reach that speed goal by 2022.<sup>5</sup>

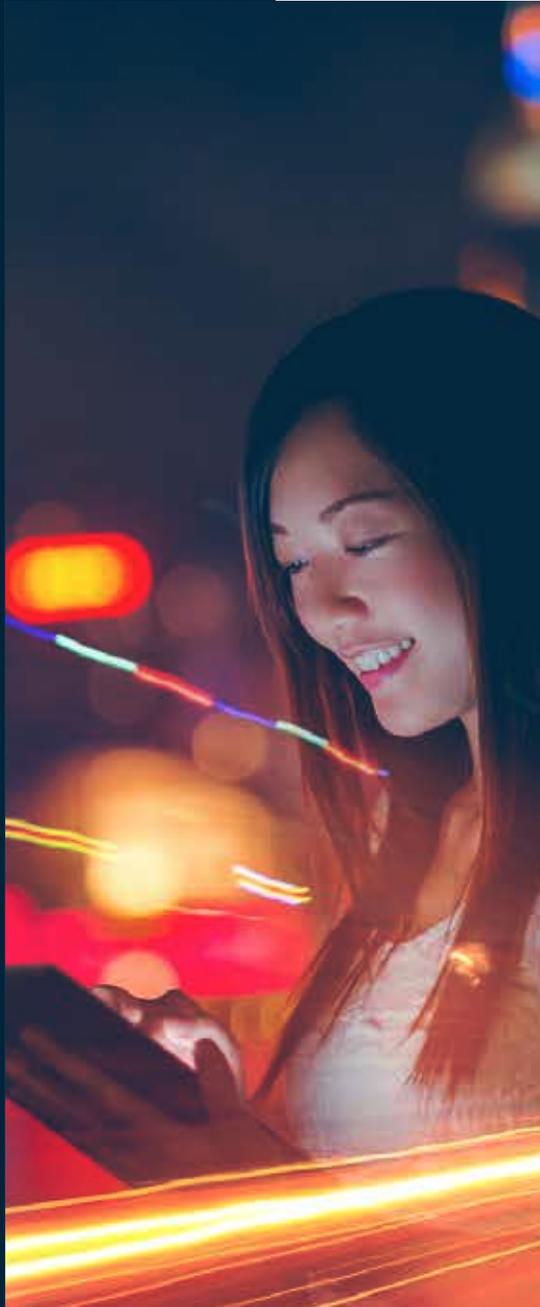
Demand spikes during lockdowns for electronics, plus the shortage of raw materials, forced companies to re-examine the speed of their supply chains. Manufacturers could no longer rely on the standardised process of launching and distributing products with little room for flexibility.

## The change in speed for consumers

### More convenient purchases

Technological advances have been reshaping how consumers buy products and services. We can now shop from the convenience of our armchairs and bedrooms. The number of people buying products on their phones has skyrocketed over the last decade, particularly in Asia. Malaysia, South Korea and Taiwan had some of the highest percentages of weekly online shoppers using a mobile phone.<sup>5</sup>

References:  
<sup>5</sup><https://www.statista.com/statistics/1228429/retailers-delivery-speeds-united-states/>



## The high of the buy

Over the past decade, consumers have increasingly craved innovative technology, so they can be up to date on the latest gadgets and be early adopters. The advent of social media platforms and influencers has also led to technology being completely entangled in our lives, with apps like Instagram, WhatsApp or WeChat becoming verbs in our day-to-day vocabularies.<sup>7</sup>

## Choice vs Speed

While tech and retail companies offer faster delivery options, customer expectations have changed since the pandemic began. Alongside speed, customers are choosing when and how to receive their orders. Businesses must work to be more efficient in providing real-time updates and accurate delivery information.<sup>8</sup>

## The change in speed for companies

### An ever-changing consumer

The pandemic has reshaped the way consumers shop, with about 63% of consumers saying they changed the types of brands they buy during this period. The increase in digital channels has also accelerated shoppers' needs for speed and convenience. This disruptive change in behaviour have added more pressure on tech companies to better understand their target groups.<sup>9</sup>

### More emphasis on logistics

A modern day supply chain needs to be smart, efficient and highly responsive. A connected supply chain with collaboration across the entire system can expect, detect and immediately act upon any disruption before it affects the end customer. Meanwhile, an intelligent supply chain can improve efficiency and help add more efficiency through better visibility, planning and execution.

### An increasingly digital world

Digital platforms can accelerate connections and information exchanges between departments, processes and data across the value chain. This way, a tech manufacturer's quality and regulatory teams can better integrate and automate data and workflows throughout the entire product life cycle.<sup>10</sup>

#### References:

<sup>7</sup><https://time.com/4821597/psychology-why-want-gadgets-iphone/> <sup>8</sup><https://www.theguardian.com/retail-reimagined/2022/jan/13/delivery-has-become-a-competitive-differentiator-timeliness-is-essential-in-e-commerce>

<sup>9</sup><https://assets-eu-01.kc-usercontent.com/44bc0180-e274-014f-61b99-e5fc8ab7f759/2a37586f-3fbd-484b-8bc1-2ab431478bd9/CMO%20survey%202020.pdf>

<sup>10</sup><https://www.gartner.com/en/newsroom/press-releases/2022-02-07-gartner-predicts-25-percent-of-people-will-spend-at-least-one-hour-per-day-in-the-metaverse-by-2026>



## Chapter 3

# Achieving speed to market from a **supply chain** perspective

Speed to market can be a powerful competitive advantage for companies in the technology sector and help them **achieve growth by shortening innovation and product development cycles.**

The speed of supply chain has a significant effect on profitability. According to a recent survey, 79% of companies with high-performing supply chains achieve revenue growth superior to the average within their industries. In recent years, supply chain speed is not just an objective that tech companies aim to achieve as a part of their go-to-market plans, but also an integral part of the industry's core values.<sup>11</sup>

For innovators, there are two perspectives to speed: the time taken to develop new products and updates; and the time taken to deliver them to the market and end-users. Some tech companies might be forced to focus on one or the other. However, by making speed to market a part of their logistics' DNA, manufacturers and brand owners may not have to choose.

By having a reliable and visible supply chain with an 'always on' speed to market strategy, companies can concentrate on their core business of developing products and leave the logistics in the hands of trusted partners.

References:  
<sup>11</sup>(PDF) Effects of supply chain agility on profitability (researchgate.net)

## Features of a superior logistics process:

### Resilience against disruptions

Global factory productivity lost momentum across 2020 and 2021 as the ongoing Covid-19 pandemic-disrupted supply chains. Last August, China's factory activity shrank for the first time in nearly 15 months as lockdowns, supply chain bottlenecks and high raw material prices affected on output.

As short-term stoppages to global supply chains are expected to continue until the second half of 2022, speed in the supply chain can enable tech producers to deliver on their commitments even during disruptions. An effective supply chain with faster communication and speed between factories and distribution centres minimizes 'fire-fighting' situation in the future. Supply chain partners with expertise in managing the entire supply chain can manage the movement of raw materials, link them to production sites and offer fast, flexible solutions in case of any stoppage.<sup>12 13</sup>

### Agility during contingencies

Supply chain agility allows companies to react more quickly and more effectively to market changes and other uncertainties. A 2017 survey of over 200 logistics managers and staff showed that the agility of a supply chain to any bottleneck has a significant effect on profitability. However, being agile doesn't only mean being the fastest to find a solution during contingencies<sup>14</sup>.

Logistics service providers who are truly agile are, above all, extremely efficient with their backup solutions, keeping in mind the cost and scale of customers' business plans. Agility in the supply chain also ensures customers have an alternative service and space allocation to recover and keep goods moving. A good logistics partner should offer a mix of different transportation modes, including ocean, air freight, trucking and intercontinental rail, along with supporting services like warehousing, storage and customs for contingency schedule management.



#### References:

<sup>12</sup><https://home.kpmg/xx/en/home/insights/2021/12/six-key-trends-impacting-global-supply-chains-in-2022.html#:~:text=In%202022%2C%20you%20should%20expect,and%20visibility%20into%20secure%20supply>

<sup>13</sup><https://www.deloitte.com/us/en/pages/operations/articles/supply-chain-leadership.html>

<sup>14</sup><https://www.g2.com/articles/supply-chain-statistics>

## Visibility through digitisation

Digitisation of supply chains can also add speed, which, in turn, powers resilience and agility. On average, companies that aggressively digitise their supply chains can expect to boost annual growth by 3.2% – the largest increase from digitising any business area. Moreover, companies that apply digital transformation to both technology and speed of operations benefit more than others.<sup>15</sup>

Logistics service providers must be able to offer advanced technologies that can add greater integrity and visibility to secure supply chains. This in turn can make them far more receptive to counter disruptions and better equipped to predict variability between local and global supply chains. An increasing number of businesses are looking to improve their logistics capability through cognitive planning and AI-driven predictive analytics. In 2022, companies across industries are also focusing on improving visibility to collect data in real time from across the value chain.<sup>16</sup>

## Prediction and marketing advice

A change in user behaviour can change the dynamics of the market, with speed now being critical to leverage the opportunity presented by these fluctuations. Understanding these opportunities is critical to forecast how fast the supply chain can contribute to the process.

Not all tech companies have the same product release cycle. Semiconductor makers like AMD have a 2-year cycle, while phone maker Apple follows a 3-year process. Logistics partners must also understand their customers' go-to-market strategies and devise supply chain solutions that synchronise with their plans. Partners need to lay down the approach and the ability for a supply chain to achieve speed as needed.<sup>17</sup>



### References:

<sup>15</sup><https://www.mckinsey.com/business-functions/operations/our-insights/digital-transformation-raising-supply-chain-performance-to-new-levels#:~:text=The%20same%20McKinsey%20research%20suggests,revenue%20growth%20by%203%20percent.>

<sup>16</sup><https://pxlrv.com/blog/tick-tock/>

<sup>17</sup><https://pubmed.ncbi.nlm.nih.gov/11985539/>



## Chapter 4

# How an [integrator](#) can help achieve speed to market

Supply chain integration's impact on time-to-market can be significant which makes the argument that integrated logistics should be top-of-mind for decision makers. In today's global economy, it separates the [leaders from the chasers](#).

In complex markets and disrupted supply chains, logistics integrators have the upper hand. Partnering with a logistics integrator can help achieve speed to market during an initial launch, predict demand spikes, and bring better visibility into the operations of diverse suppliers and manufacturers.

### What an integrator adds to your business:

#### Agility when you need it

With disruptions continuing to be the norm as we head further into 2022, an integrator can help improve speed at any stage to make up for uncontrollable delays at other stages of the supply chain.

One of the most practical options is to find the right partner who has the right infrastructure in the markets you want to target. An integrator also has the technology and ability to integrate the added value of a 2, 3, or 4PL service over a single platform and point of contact. Integrated platforms allow for different modes of transportation (Ocean, air freight, rail, road and barge), warehouse management, customs services and other value added services under one umbrella.

Learn more about integrated [transportation services](#) and [warehousing solutions](#).

## Complete visibility with digitization

Integrated logistics is not just about covering the entire process, it's also being able to make track changes in any block of the chain and any location. This advantage is powered by visibility in the supply chain to achieve quicker response to any demand changes. A global integrator is also able to offer integral solutions for the tech and electronics industry including demand and inventory analysis, control tower facilities and virtual supply chain management (SCM). They can deliver tailored solutions that provide visibility in product movement and management throughout the value chain - a key in achieving speed to market.

Learn more about integrated visibility solutions like [TradeLens](#), [Control Tower](#) and [Supply Chain Management](#).

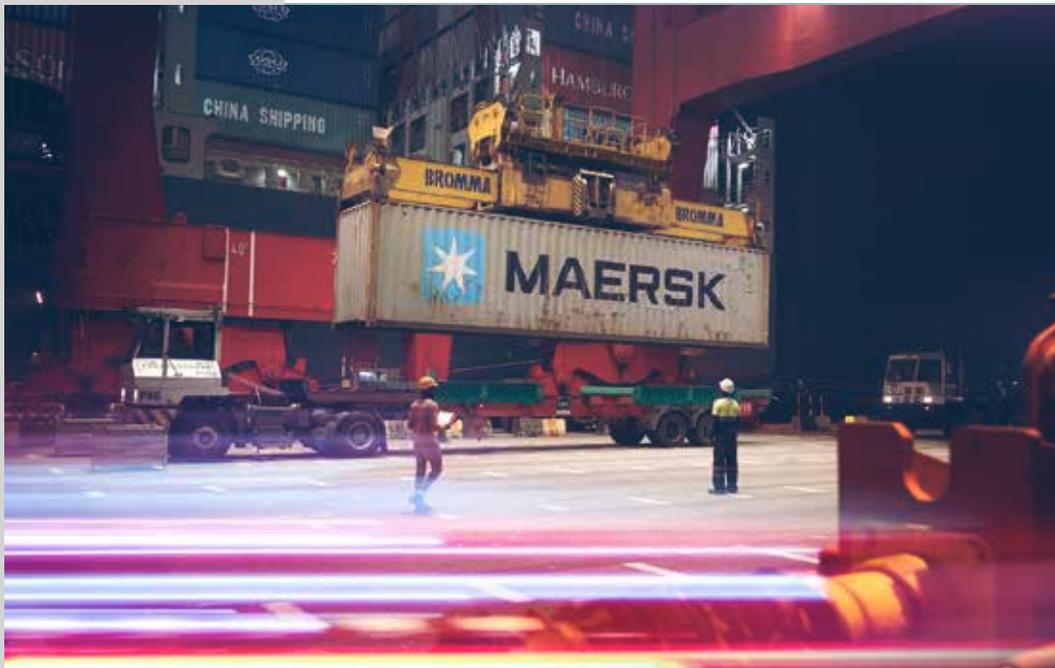
## Transparency and efficiency

Supply chain transparency requires companies to know what is happening upstream in the supply chain and to communicate this knowledge both internally and externally. While digitisation helps solve the issue, one of its frustrations is that not everyone in the supply chain speaks the same language. This leads to digitisation efforts happening in parts along the supply-chain. Partnering with an expert integrator is important to improve efficiency and optimise underlying assets to help mitigate costs. An integrator with the necessary digital strategy can align internal and external KPIs, capture and distribute useful data, as well as support proper decision making.

Learn more about increasing transparency using tools like [TradeLens](#) and [NeoNav](#).

## Real-time decision making at every stage

The global pandemic is reshaping production processes and supplier strategies. Tech companies are looking at new supply chain models or tweaking existing value chains. Having an integrated logistics partner helps optimise every step. The right partner can manage relationships with all active participants involved in the supply chain: transportation, storage, inventory control and traceability. Being involved in every step also gives them the knowledge and foresight to inform customers about delays and offer suggestions to overcome disruptions. An integrator's downstream capabilities can keep an eye on the expectations of end-users and accelerate the speed of deliveries or divert cargo movement to markets with greater demand.



# Conclusion

The technology and electronics industry continues to evolve and present new opportunities and challenges for manufacturers. In an age where consumers know exactly what they want and when they want it, tech companies and their logistics partners need to think differently about the fastest and nimblest way to reach the market. A key success factor in enabling this modern approach is having an integrated strategy that provides a step-wise solution to any given problem. Even though speed is the end goal, achieving it is a marathon, not a sprint.

Please feel free to get in touch with us for a free demonstration of our supply chain solutions. You can also talk to us about your specific business challenges as we help you access our services.

CONTACT US

Even amidst challenging circumstances, the right integration strategy can keep your business on track for further growth. Learn more about the 5 ways an integration strategy can set the tone for long-term success. Download the listicle from the link below.

DOWNLOAD LISTICLE

For more information, please visit our website:

<https://www.maersk.com/high-tech-supply-chain-integration>



