

Add agility to your  
fast-changing  
FMCG supply chain

## Introduction

Delivering with speed is the biggest priority for businesses in the FMCG industry. Adapting to the constantly shifting landscape and changing consumer tastes takes a supply chain that can take proactive actions against challenges. Discover how Lead Logistics Solutions can help your FMCG supply chain become more resilient and agile.



# Processed food: more ingredients in the mix

Timely distribution is even more critical for the FMCG food sector, where shelf lives are short and delays extremely costly (not just from a financial point of view). FMCGs are particularly vulnerable to any kind of value chain disruptions because of their large number of perishable products. 29% of executives say this is a particular cause for concern.

The processed food and drinks sector blossomed during the height of the Covid pandemic, when people sought 'safer' packaged products that offered them perceived better hygiene. Now the market has opened up to an ever-growing range. As shopping habits shift, suppliers are adapting too. With more accurate forecasting and faster manufacturing, they can respond with different and exclusive products. But labour shortages, spiralling energy costs, and demand for lower prices, thanks to the 'cost of living' crises across Europe, meaning they also need to find more and more resource efficiencies.

Along with food safety and value, sustainability and health are moving higher up the agenda too, with people wanting to know much more about the food they're buying: where it comes from, what it contains if it's good for them. The move towards healthier, more natural options, can mean

products that perish faster, creating more pressure to optimise distribution.

While the rising interest in provenance, authenticity and near-sourcing adds more complexity, but can also boost agility. 29% of FMCGs already use local sourcing strategies, which can be a challenge for a global manufacturer to manage and can affect costs. But, on the flip side, gives them an alternative produce supply that's accessible when other routes are disrupted, as well as faster, less carbon-intensive deliveries to the shelf. An important consideration given consumer expectations for clear plans to achieve net zero emissions within the next two decades.

On top of all this, minimising food waste has become a priority, for consumers, retailers and producers, as we all become more aware of the impact of wasted resources on the climate. Of course, this is not just about the products themselves, but their raw ingredients too. Whether it's shipping coffee from Brazil or US hazelnuts to Europe, the right temperature throughout the journey is vital. The monetary cost of waste, as a result of delays or quality issues in transit, is high. The cost to the planet and to brand reputation potentially higher still.



A boom in direct to consumer is another trend that's having a significant impact on FMCG firms, making them behave more and more like retailers. Between 30% and 40% of manufacturers are likely to move to e-commerce in the next 10 years. However, it seems that only 23% have put in place any proactive scenario planning, with agreed protocols on how to respond to supply chain disruptions. And that's just one of the things the right logistics partner can deliver.

# A recipe for agility – partnership: Lead Logistics Solutions

We work with some of the world's most successful FMCG food firms as their trusted logistics partner, optimising inbound and outbound supply chains across Europe. Our Lead Logistics Solutions are providing a seamless, end-to-end service, we maximise the cost of goods and product availability while helping to reduce carbon footprint. In fact, logistics is one of the areas where companies can make the biggest difference environmentally, as 80% of greenhouse gas emissions in most consumer goods categories occurs in supply chains.



## 1 In-depth understanding

To us, true partnership is about getting right inside our customers' businesses to understand how they operate. Which means analysing objectives and the wider landscape, including mandatories, blockers and opportunities. It's this kind of understanding that helps us shape everything specifically for an individual customer, along with our specialist product knowledge and experience of working with complex organisational structures spread across different geographies. The companies we work with include FMCG giants, who need our support and collaboration to be successful not just from a commercial and food safety aspect, but by protecting their reputations as market leaders.

## 2 Integrated solutions

We understand how complex today's market is and how fragmented most supply chains are. That's why we offer more than just fulfilment with a few value-added extras; we combine the entire warehousing and distribution need, using efficient systems and processes that deliver far greater visibility, better measurements, and the opportunity to make continuous improvements.

An example of Lead Logistics. With this system, we can collect and process information from our customers' carriers and service providers. We can receive mono-reference conventional trucks from their factories and process all purchase and sales orders in our facilities. We can even bypass Distribution Centres at the destination and deliver direct to the retailer. Saving time and money and boosting customer service.

### 3 Full visibility

Real-time, end-to-end visibility puts our customers in control, empowering them to make the best decisions, fast. For example, responding quickly to changes in demand, switching transport modes to avoid a bottleneck, or tracking cargo all the way from the manufacturing unit to the end consumer. Our data-driven insights highlight inefficiencies and help with forecasting. While our integrated technology offers dashboard-based live reporting on everything from CO2 emissions to shipping orders to KPIs.

### 4 Endless options

There's never just one way. Our suite of mode-agnostic solutions and technologies offers total flexibility. Whether it's direct and smaller shipments, regionalisation, or flexible warehousing. We can deliver on sustainable criteria too, from local sourcing to eco-friendly fuel alternatives, to cold cargo solutions.

### 5 Total preparedness

We make sure our customers are ready for anything, with proactive scenario planning. This includes pre-agreed protocols for any given event and workflow automation, as well as defined critical milestones and performance metrics, streamlined approvals and escalation paths. With our Lead Logistics system, for example, we can fully customise these milestones. This means we can agree to specific critical elements with our customers, including the information that should trigger alerts; exception management processes; and decision criteria for data collection.



### 6 Intelligence and expertise

Agility is our default mindset. Proactive, responsive, and able to think laterally, we make recommendations based on our analysis of quality data, coupled with vast experience of multiple different sectors. Our expertise spans transportation, supply chain and logistics, financial services, digital solutions, and cold chain; in other words, the entire end-to-end solution.

Let's  
build resilience  
together