How Nestlé is using real-time visibility to manage supply chain disruptions

Introduction – Challenges & Goals

Historically, Nestlé's transport operations and carrier management have been decentralized, with various countries and business units being responsible for tendering, contracting, and daily operations. This has resulted in several challenges such as duplication of efforts, varying prices and service levels, and lack of visibility. Nestlé therefore made a concerted effort to optimize transportation with real-time visibility a critical capability to realizing major improvements such as decreasing cost, reducing CO_2 emissions, improving service-levels, and optimizing internal operations.

Specifically, Nestlé has been aiming to:

- Reduce transportation costs across Europe
- Enhance environmental sustainability through CO_2 emissions reduction
- Improve management of carrier landscape & quality of service
- Increase customer satisfaction through proactive information & real-time visibility

Solution – The Approach

How Nestlé stays ahead with real-time visibility

Centrally coordinating transport management and rolling out Transporeon Visibility Hub was the first big step. The ready-to-use cloud-based solution and quick onboarding of the most important carriers allowed Nestlé to quickly unlock the benefits of real-time visibility.

Predictive ETA information and live tracking of trucks, which are shown in the control tower, are only two examples of features that immediately generated value and enabled Nestlé to gain an overview of its transport network in real-time.

The following real-time visibility features are particularly helpful at achieving its goals:

- Predictive ETAs & real-time statuses of individual transports to make data-driven decisions
- Holistic overview of all transport activity to optimize transport operations across Europe at a glance
- Smart dashboard to focus on exceptions that need attention
- Reporting & analytics to gain insights on aspects such as quality of service, carrier performance, or CO_2 emissions

Not only does real-time visibility help Nestlé to optimize standard processes and operations, it also provides insights that Nestlé's supply chain needs in order to react to any kind of situation in a flexible and informed way, especially in times of disruption.

The importance of supply chain visibility in times of disruption

A significant example of a major supply chain disruption is the impact of the COVID-19 pandemic. The required restrictions to combat COVID-19 on public gatherings and individual travel in addition to increased border controls and closures have impacted cargo flows while curbing the spread of the virus. Moreover, both consumer demand and demand for commercial transportation

Customer: Nestlé
Nestlé is the world's largest food and beverage company. Headquartered in Vevey, Vaud, Switzerland, the corporation is present in 187 countries and has more than 2,000 brands ranging from global icons to local favorites.

> "Thanks to Nestlé's valuable inputs and constant feedback, we were able to rapidly deploy various new features including tailored analyses and meaningful insights into the current European transport situation. We are happy that we are able to help Nestlé keep truck oversight of its fast-changing situation, making it easier to take informed decisions and be in control."
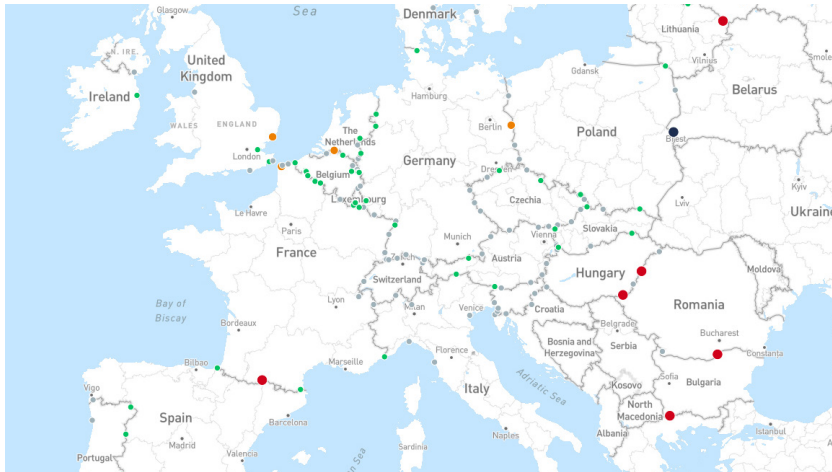
Alexander Leidinger
Director of Customer Operations at Transporeon Visibility Hub

shifted rapidly, driven by the increasing lockdown of businesses in various industries and the restriction of social activities. All of this, of course, is also impacted the supply of cargo capacity. Nestlé quickly understood the seriousness of the situation and utilized real-time visibility in various ways to remain in control, even during this significant disruption:

Results

Transporeon Visibility Hub enabled Nestlé to minimize the impact of uncertainty and react quickly to volatile conditions – experienced during Black Swan events such as the disruption caused by the COVID-19 pandemic. It is providing the necessary foundation for Nestlé to better drive operational decisions and to achieve long-term, strategic goals such as the more flexible and efficient use of transport capacities.

Specifically, the following results have been measured so far:

- Improved service levels and customer satisfaction

- Decrease in manual operational resources needed to identify and handle transport journeys

- Increased stability of the supply chain (enabling Nestlé to react more flexible and resilient in times of disruption)

- Improved supply-chain efficiency, including environmental sustainability, based on visibility

* After realizing the impact our data had and how much it helped Nestlé, we decided to share these learnings to also help the general public. Therefore we published the aggregated information we had on border crossing times of trucks, so that anyone who had a practical use for it could access it for free. A team achievement that reached over 300,000 users in only one week and was largely possible due to Nestlé's feedback.

- Focus on data & facts: At first, the pace and volatility of the situation caused uncertainty among the staff but it was quickly curtailed by focusing attention on exceptions that could be identified using real-time data & predictive insights

- Understand stops & wait times: The disruptions lead to longer dwell times, congestions at crucial points such as ports, and irregular stops due to lockdowns, were better understood with clear visualizations and analyses

- Consider border disruptions: Closures and uncertain situations at border crossings made planning and execution difficult. Actual wait times at borders derived from Transporeon Visibility Hub real-time and predictive data helped to (re-)plan transports.*

About Transporeon Visibility Hub

Transporeon Visibility Hub provides global end-to-end visibility for your business. Through accurate ETA and on-time arrival data Transporeon helps to track deliveries, support inventory management, create valuable OTIF reports, and much more. This is achieved through the prediction engine that augments incoming raw telemetry, map and weather data with powerful machine learning algorithms to provide proactive alerts on any shipment delays.

Transporeon goes a step further in using this real-time visibility data to power a wider range of services and modules through the Transportation Management Platform. Our growing range of products e.g. Carbon Visibility, Time Slot Management, Real Time Yard Management, My Network Insights work harmoniously to increase efficiency throughout the full lifecycle of visibility activities.

To learn more, visit www.transporeon.com

"The Transporeon Visibility Hub truck border crossing times map is used by thousands of professionals in the industry. I am sure it will help create the necessary visibility, drive better operational decisions and contribute to addressing congestions. All this is required to ensure product availability on the shelf despite the challenges of COVID-19."

Sergiy Yablonskiy
Senior Product Manager for Transportation at Nestlé