

# The 2 Types of SUPPLY CHAINS

**Your supply chain decisions can make or break your business.** Great supply chain strategy delivers a competitive edge, helping your entire operation run more smoothly and efficiently. How can you optimize your supply chain strategy? Focus on the numbers. Data-driven supply chains make the difference.

*"Manufacturers spend on average 60% of the price of their final product on purchased inputs, so differences in the quality and nimbleness of their supply chains can make or break a manufacturer's ability to compete."*  
—Economics & Statistics Administration, US Department of Commerce

## REACTIVE Supply Chain Strategy

## DATA-DRIVEN Supply Chain Strategy

**40% of companies** don't use statistical modeling to plan for future demand



Best practices and new technologies can lead to a **17% improvement** in forecast accuracy

Uncertain demand requires capital to be tied up in reserve inventory



Data-driven supply chains reduce safety stock requirements by **27%**

Operational improvements based on guesswork or imitating competitors



A data-driven approach helps even best-in-class manufacturing operations find new ways to improve efficiency

Customer service and on-time delivery dependent on guesswork



Better data improves outbound logistics and increases on-time delivery by **4%**.

Frequent, unexpected changes in supply and demand require rapid, disruptive responses



Data collection makes seamless supply chain integration possible, allowing smooth, predictive adaptation

Costs **3-5% more**



**69%** of companies that invest in the supply chain report profits (EBIT margin) well above

Thriving in today's competitive marketplace requires taking a good look at how data can help your manufacturing operation. Want to take the next step? **The SMS Group can help.**

The SMS Group is a team of data collection and integration experts—our passion is bringing clarity to your business. With 25 years' experience helping manufacturers around the world, we're excited to help you discover what data can do for your supply chain. Contact us on our [website](#) or call **937-498-2700**.



#### Sources:

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