

# Supply Chain Cloud

## What does it mean?

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# Safe Harbor Statement

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# Supply Chains – Then and Now

## Old World (Traditional)

### Markets Transactional customer relationships

- Markets mostly in the developed world, brick-and-mortar main channel
- Natural resources taken for granted

### Talent Functional experts

- Happened to be in the profession
- Limited university programmes
- Business IT superior to home IT

### Supply Chains Factories at the centre

- Globalisation primarily meant low cost sourcing
- Lean and collaborative planning key practices
- Large batch-sizes for production, delivery etc..

## New World (Modern)

### Hyper Connected customer

- Global markets with localised needs, multiple channels
- Health, hunger and sustainability key megatrends

### Business leaders

- Becoming CEOs (Tim Cook, Mary Barra, Brian Krzanich)
- Harvard Business School ranked 4<sup>th</sup> for SCM
- Consumerisation of IT

### Factories at the end

- Globalisation leveraging local IP
- True partnerships (Leverage upstream and localise downstream)
- Small batch-sizes

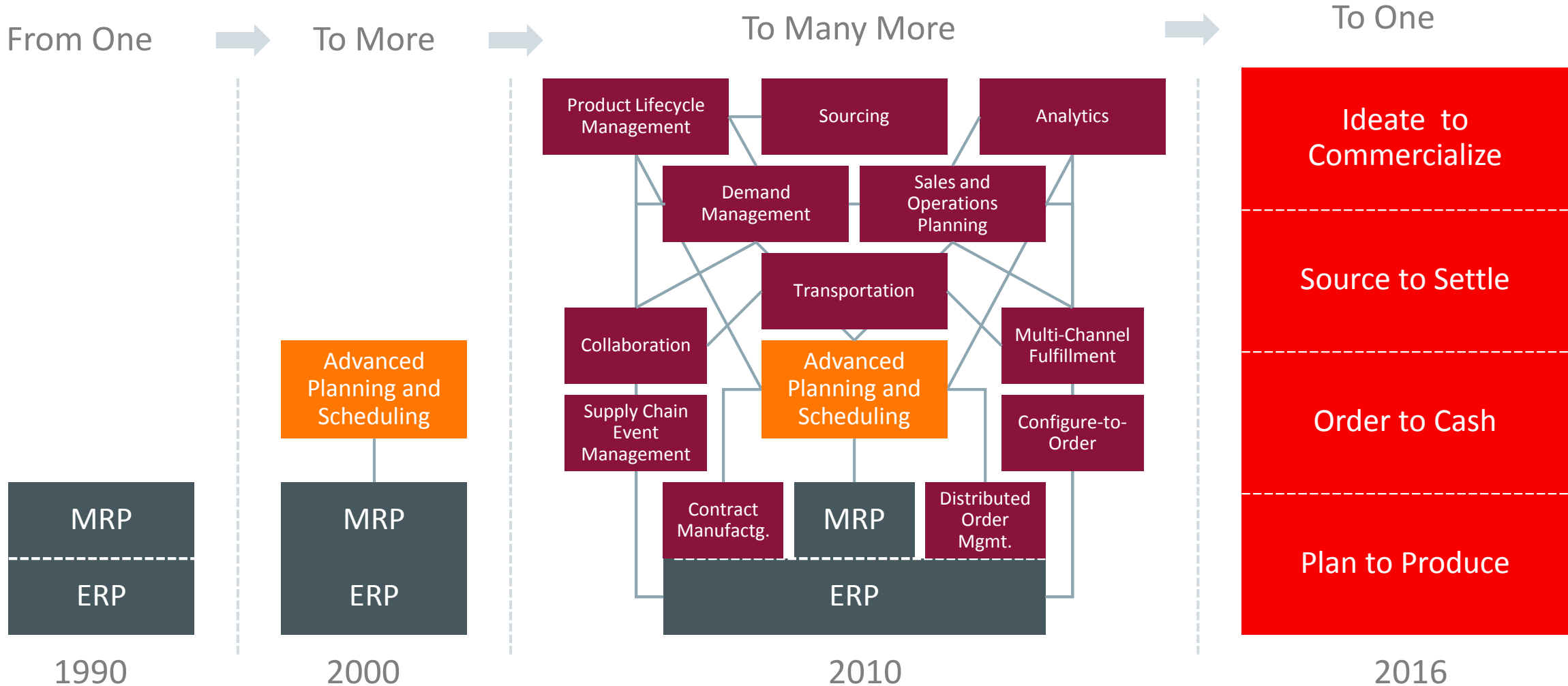
Technology is really critical to enable supply chains but

How has IT (Information Technology) evolved?

How do I consume IT to help me innovate?

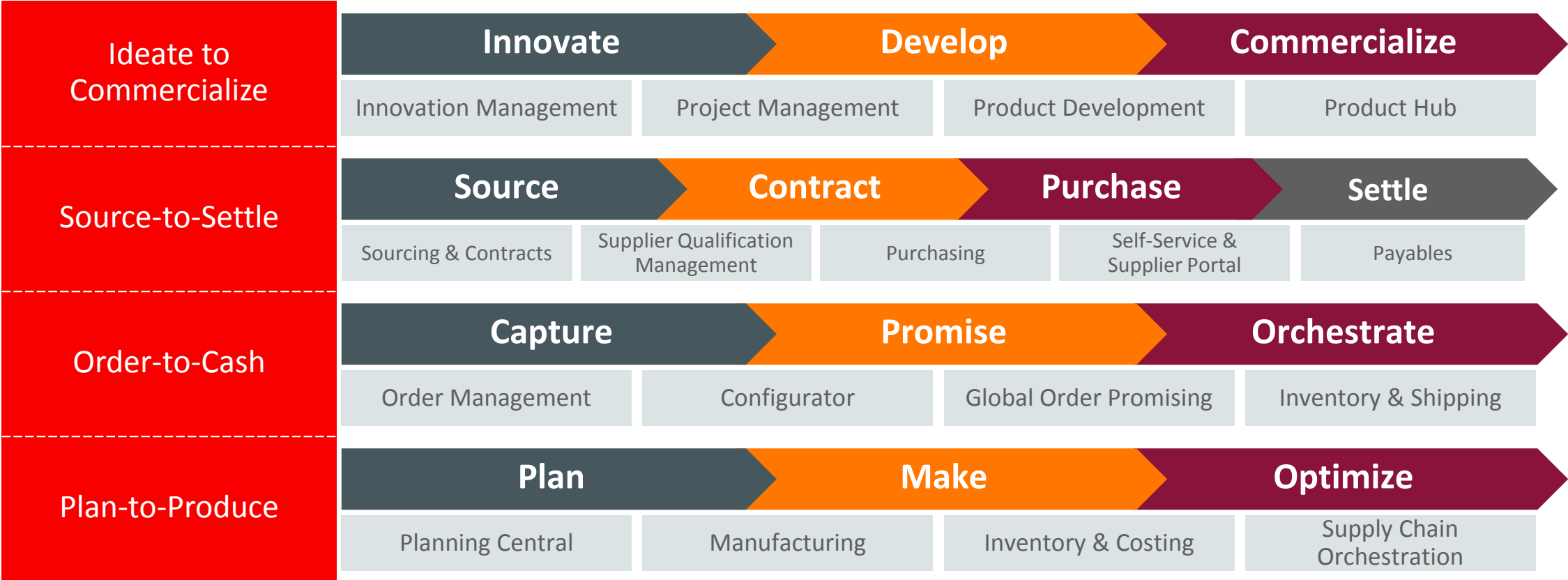
# Evolution of Supply Chain IT

## From Increasing Complexity ...



# Evolution of Supply Chain IT

... to a Broader, Simpler Footprint





# Choices?



Keep patching like Terminal 1



Build Modern Infrastructure like Terminal 5



# New IT Consumption Model – Subscription i.e. Cloud

## Old World (Traditional)

### The way you buy

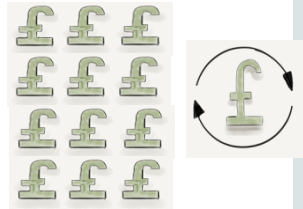
- Owned / Perpetual
- Annual support / increase
- Upfront / 3<sup>rd</sup> of cost i.e. hardware / tech



## New World (Modern)

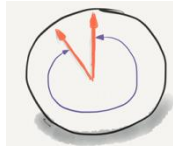
### The way you buy

- Subscription / Periodic
- Business process driven
- Inc. hardware / upgrade / support etc.



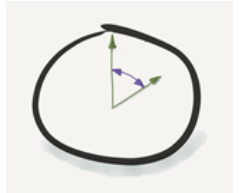
### Time to value

- > 2.7 years (average)
- 3<sup>rd</sup> party implemented / System integrators
- Customised / GAP analysis etc.



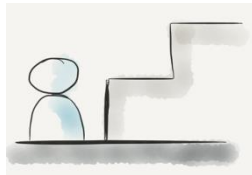
### Time to Value

- <18months
- **New build** / user interface / Extend
- New implementation (agile)
- Best practise



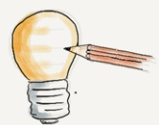
### Innovation Cycle

- Annual release (at best)
- Big / complex functional upgrades
- >4.5 years – Average functional upgrade



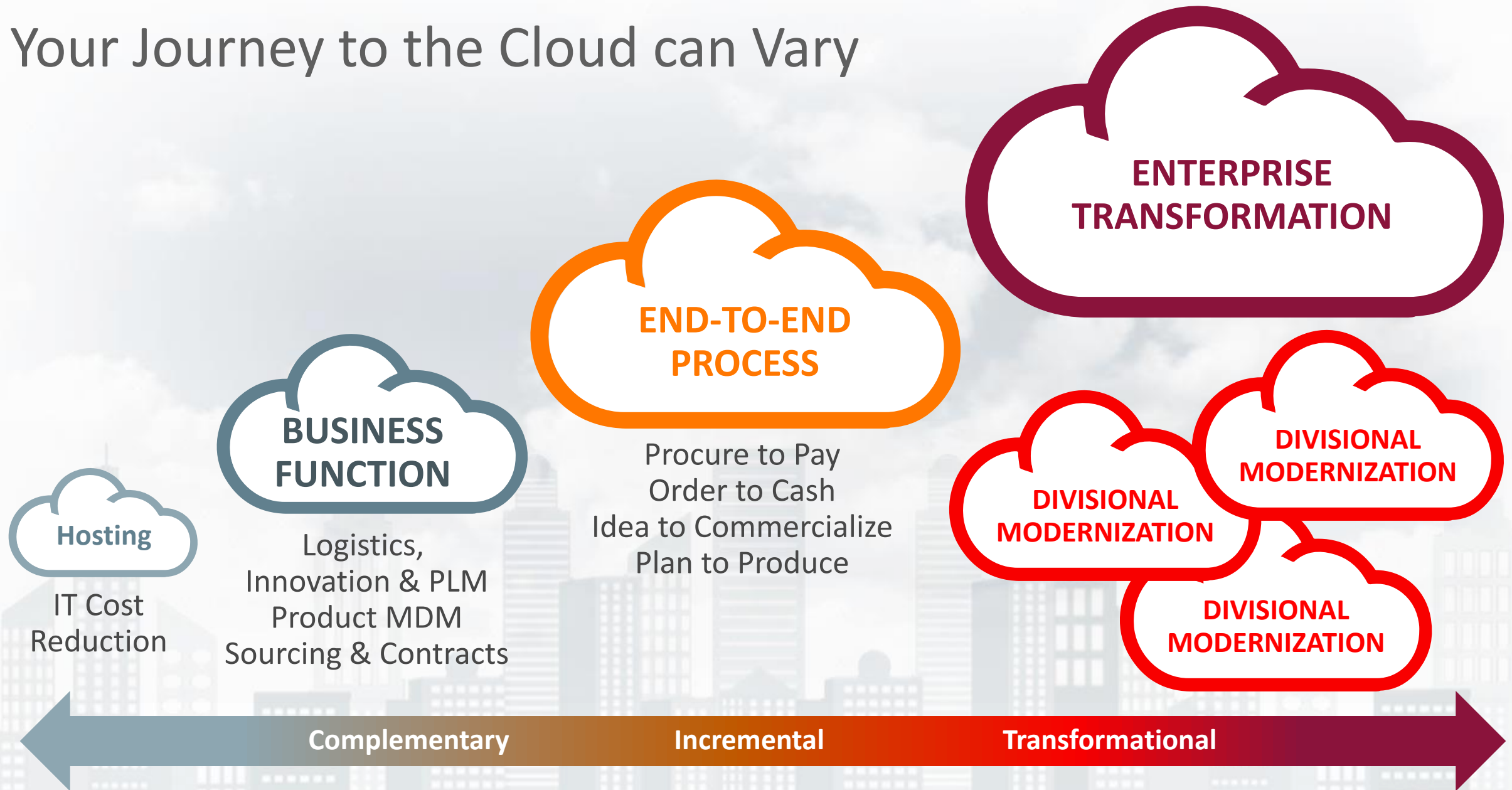
### Innovation Cycle

- X 2 upgrades per year (part of service)
- Customer success manager
- Implementation success manager



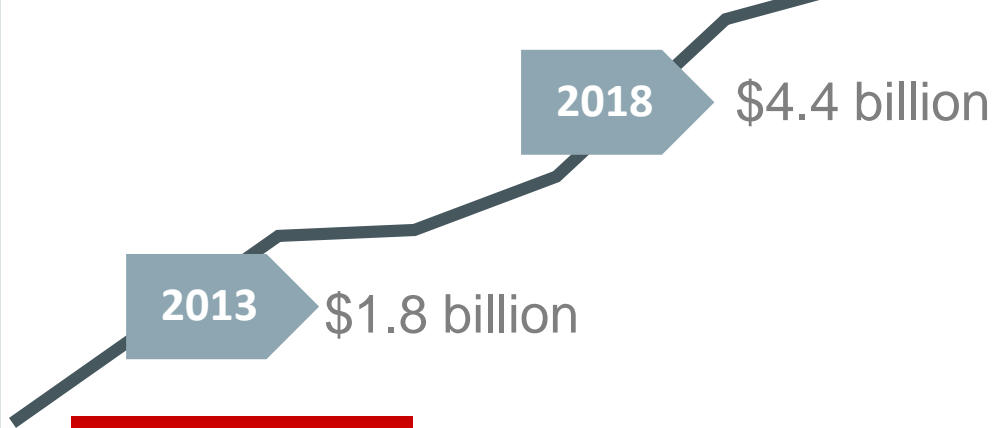


# Your Journey to the Cloud can Vary



# SCM Cloud Adoption

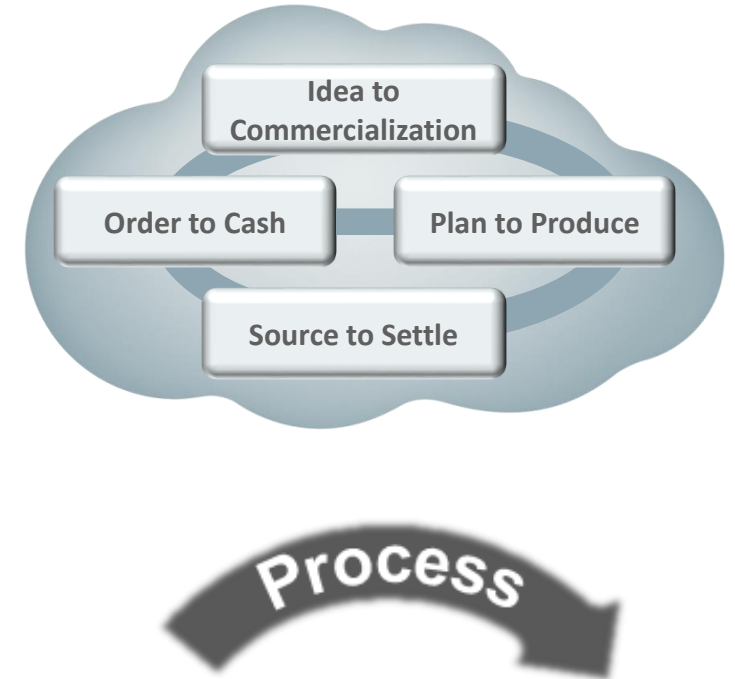
80% of organizations are already using or considering supply chain cloud



# Supply Chain Cloud - Summary

## Keep your IT current

- It is an era of hyper connected customer
- Supply chains are at the centre stage now and IT is key to enable them
- Cloud = New consumption model i.e. subscription



# Questions & Answers



# Integrated Cloud

## Applications & Platform Services

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