

# How B2B Integration Drives Superior Supply Chain Performance

## Business Initiatives

Exploiting new markets and customer segments across multiple sales channels to increase revenues is the number one priority of manufacturers worldwide.



**70%**

of companies understand there is no space for informal, unstructured information exchange processes, or at the opposite extreme, processes that are too hierarchical.

## The Barriers

Companies understand that to serve customers efficiently, exchanging information electronically across the supply chain is key.



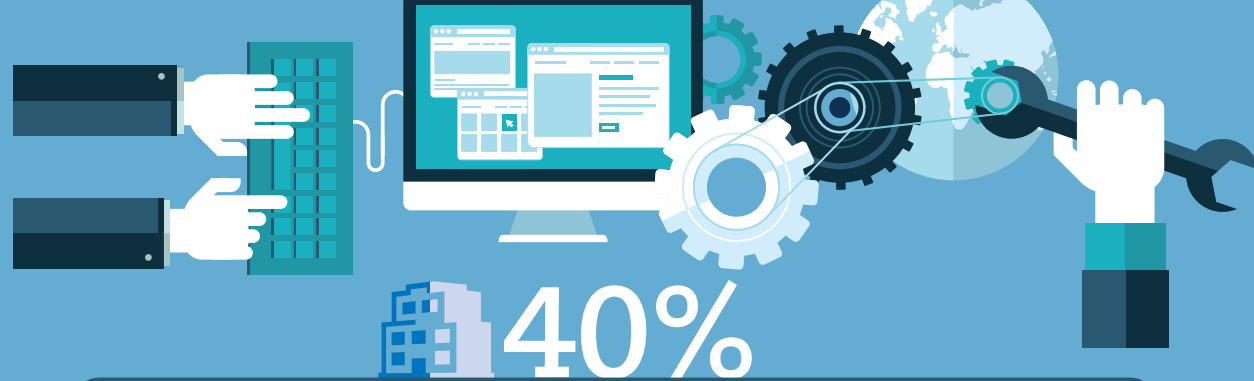
of companies can be defined as "high adopters" of electronic information exchange processes, which is a much lower penetration than is typically expected.



of companies regard competing IT projects such as ERP to be the key barrier to adopting B2B integration processes.

## The Technology

To manage more complex information processes, manufacturers will need to adopt technologies that collaboratively supports rather than inhibits the flow of information across the supply chain.



of companies in the next three years will implement technologies to support collaborative, shared and synchronous execution of projects.

## Key Findings

### Supply Chain Statistics

**51%**

High Tech companies can process an invoice in under one hour

**87%**

Automotive companies take up to four days to respond to an unexpected event which impacts customer orders

**84%**

CPG companies have an average customer order delivery time of less than 7 days

**97%**

CPG companies have an average time to market of less than 120 days

**99%**

High Tech companies perform up to two inventory turns per month

**82%**

Automotive companies deliver greater than 95% perfect orders

### Country Level Statistics

**62%**

US companies trade electronically with more than 50% of their TPs

**71%**

German companies trade electronically with less than 50% of their TPs

**57%**

South Korean companies said that supply chain complexity was a key barrier to B2B adoption

**27%**

Chinese companies trade electronically with more than 50% of their TPs

**80%**

Japanese companies said that inventory reduction was a key benefit of B2B integration

### B2B Adoption Level Statistics

**67%**

Automotive companies exchange information collaboratively and in real time

**79%**

High Tech companies exchange B2B transactions electronically

**42%**

CPG companies trade electronically with less than 25% of their trading partners

**58%**

High tech companies said that B2B adoption had reduced their procurement costs

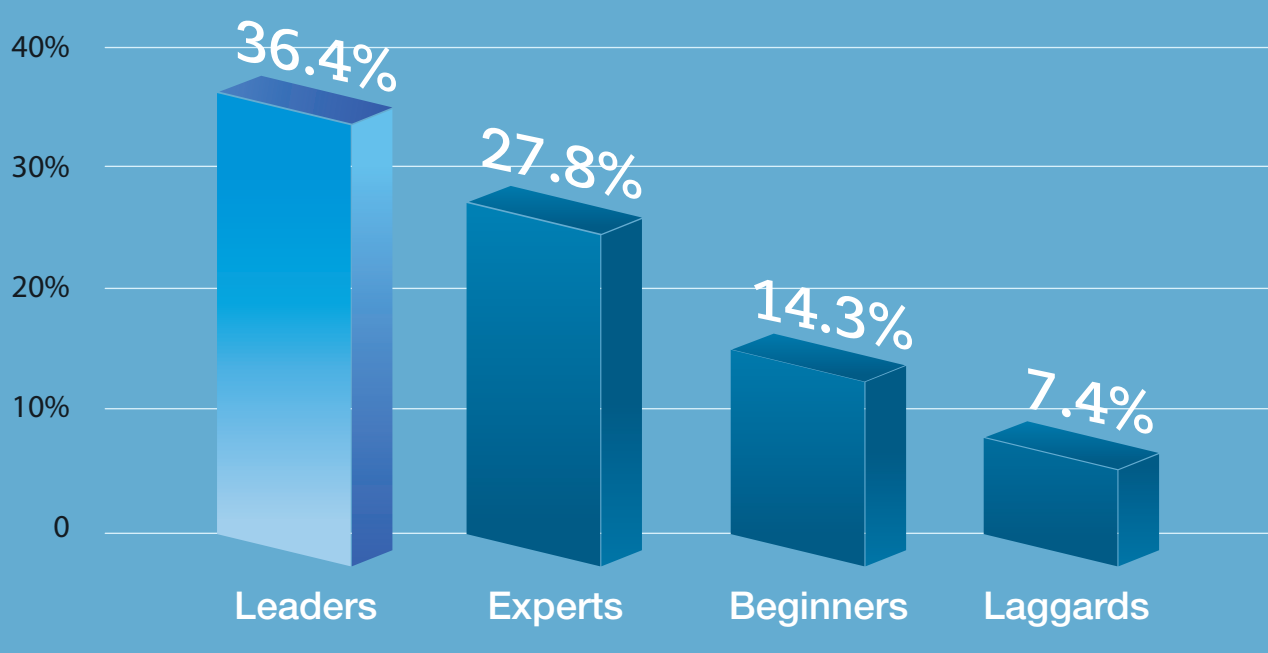
**49%**

CPG companies said that their customers are driving new B2B projects

## What Leaders Do Differently Compared To Laggards

The role of B2B in achieving superior supply chain performance

IDC research demonstrate that leaders in Supply Chain Management use more of a collaborative, shared and synchronous execution of processes (cloud based collaborative tools and social technologies).



In summary, advanced B2B integration technologies constitute a key tool for Supply Chain leaders to improve supply chain performance.

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