

Illuminating  
the pathBUILDING RESILIENT AND EFFICIENT  
SUPPLY CHAINS IN THE CONSUMER  
PRODUCTS AND RETAIL INDUSTRYThe diversification and regionalization of  
supply chainsAlmost eight out of ten organizations today are investing in  
diversifying their supplier base

% OF ORGANIZATIONS WHO SAID, "WE ARE ACTIVELY INVESTING IN..."

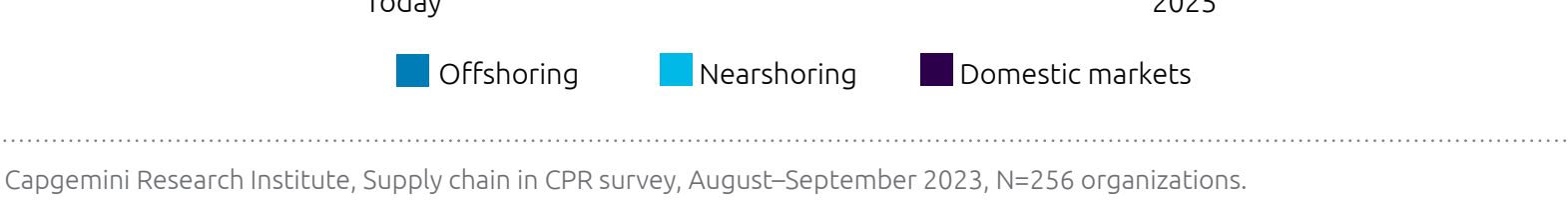


Source: Capgemini Research Institute, Supply chain in CPR survey, August–September 2023, N=300 organizations.

Nearshoring and domestic sourcing are expected to increase

Procurement from offshore locations is likely to fall by 7% in the next two years

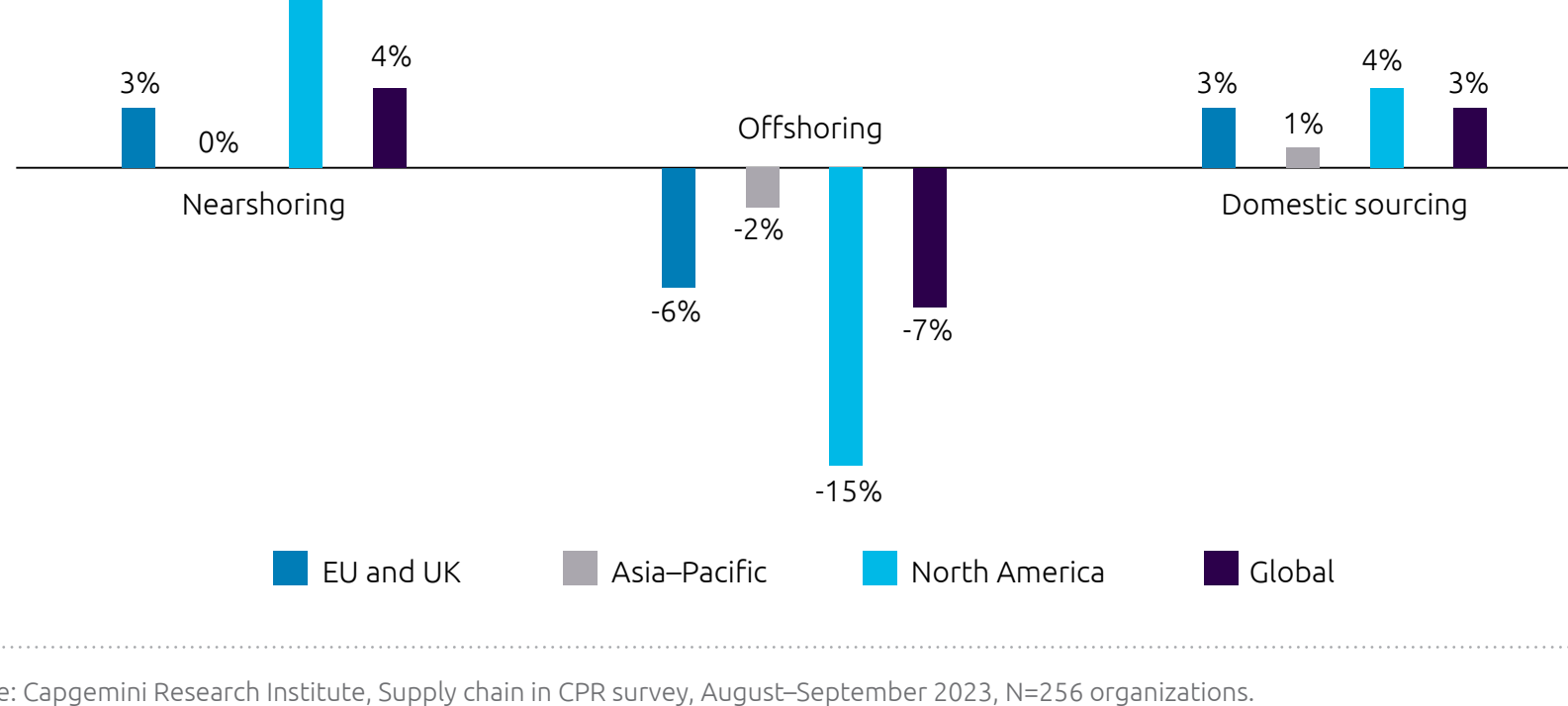
DISTRIBUTION OF PROCUREMENT, IN TERMS OF DOLLAR VALUE



Source: Capgemini Research Institute, Supply chain in CPR survey, August–September 2023, N=256 organizations.

North America is expected to reduce offshoring by 15% while increasing  
nearshoring by 9%

EXPECTED % CHANGE IN PROCUREMENT LOCATION (BY DOLLAR VALUE), 2025 COMPARED TO 2023



Source: Capgemini Research Institute, Supply chain in CPR survey, August–September 2023, N=256 organizations.

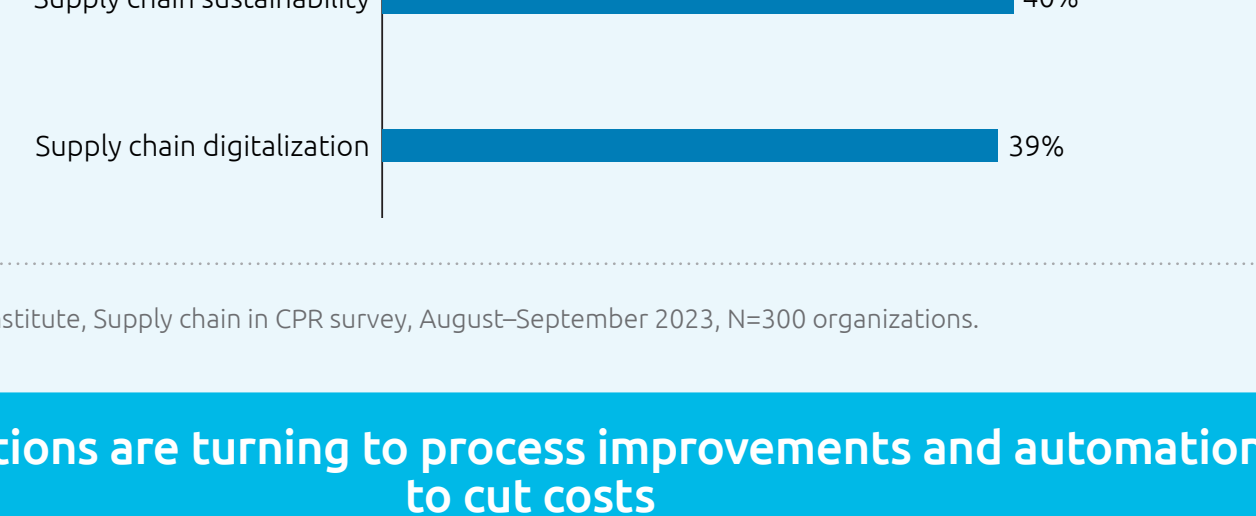
## Why cost efficiencies are back on the agenda

Macro-economic uncertainty and supply chain volatility increased  
costs and reduced marginsPERCENTAGE OF RESPONDENTS AGREEING THAT THE FOLLOWING IS A CHALLENGE TO THEIR  
ORGANIZATION

Source: Capgemini Research Institute, Supply chain in CPR survey, August–September 2023, N=300 organizations.

Supply chains are renewing their focus on cost optimization

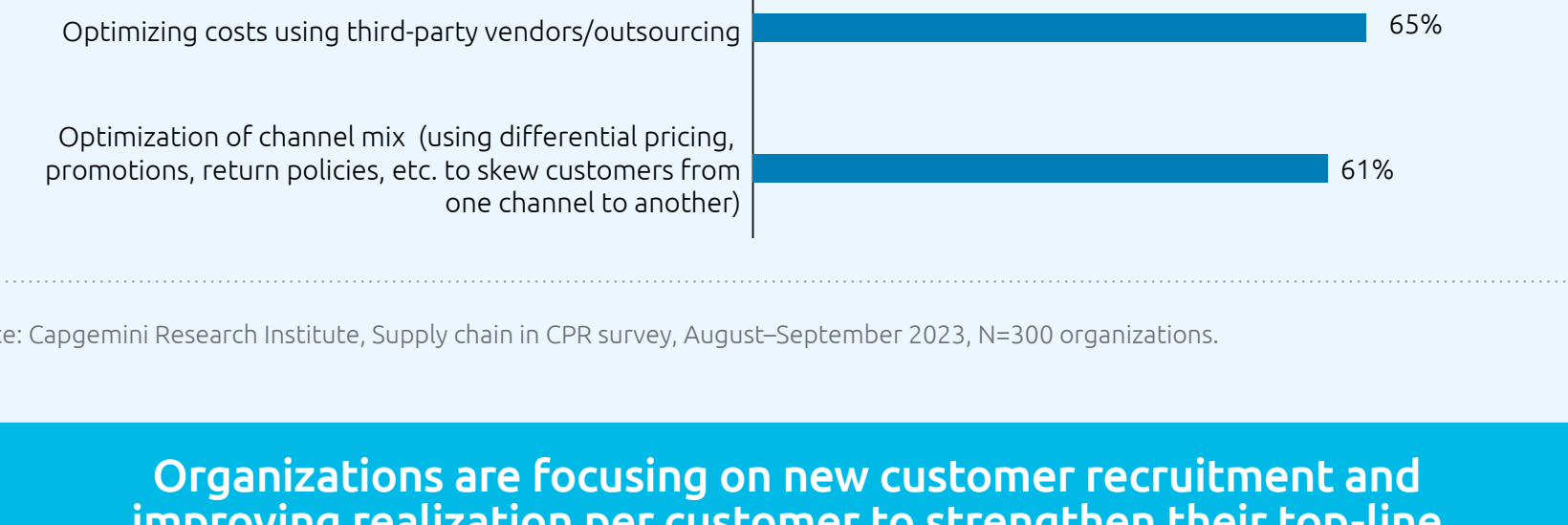
Cost efficiency is highest on the agenda for the next 1 to 1.5 years

WHICH OF THE FOLLOWING SUPPLY CHAIN AREAS ARE YOU LIKELY TO INCREASE FOCUS ON IN THE NEXT  
12–18 MONTHS?

Source: Capgemini Research Institute, Supply chain in CPR survey, August–September 2023, N=300 organizations.

Organizations are turning to process improvements and automation  
to cut costs

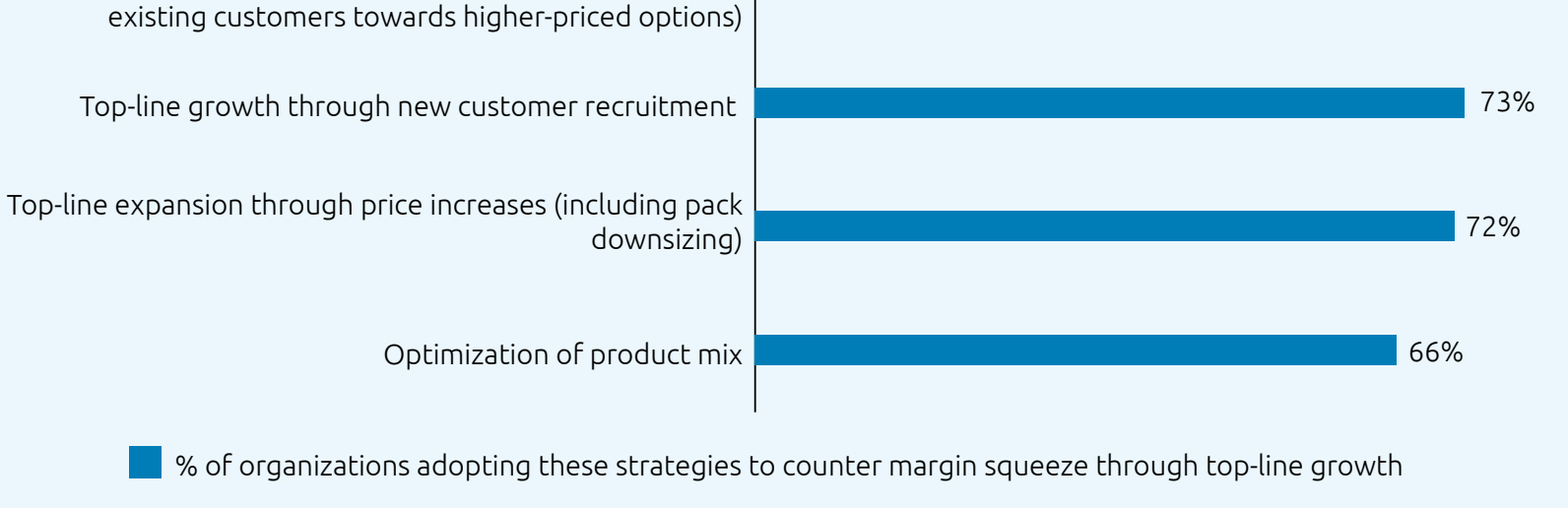
% OF ORGANIZATIONS WHO HAVE IMPLEMENTED THESE STRATEGIES



Source: Capgemini Research Institute, Supply chain in CPR survey, August–September 2023, N=300 organizations.

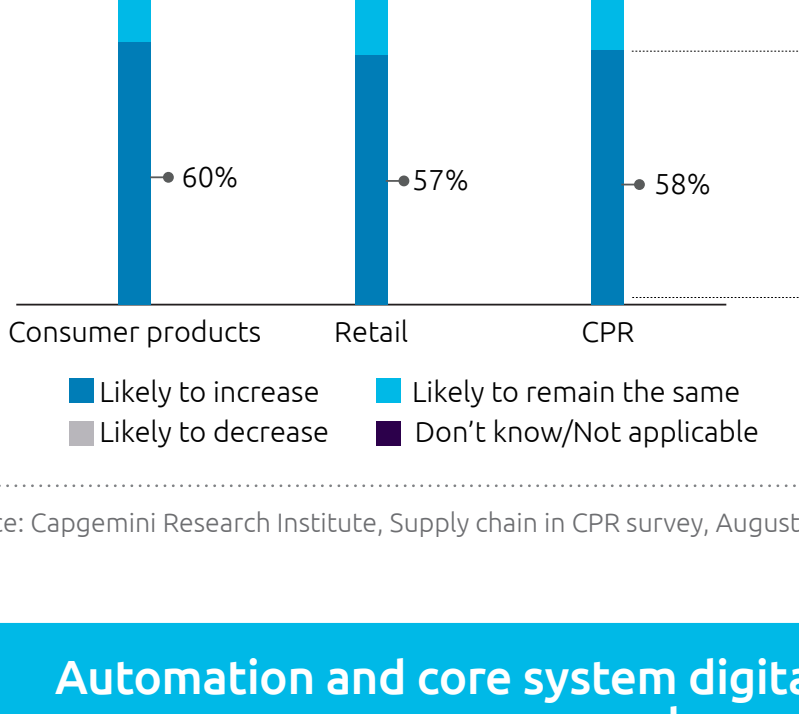
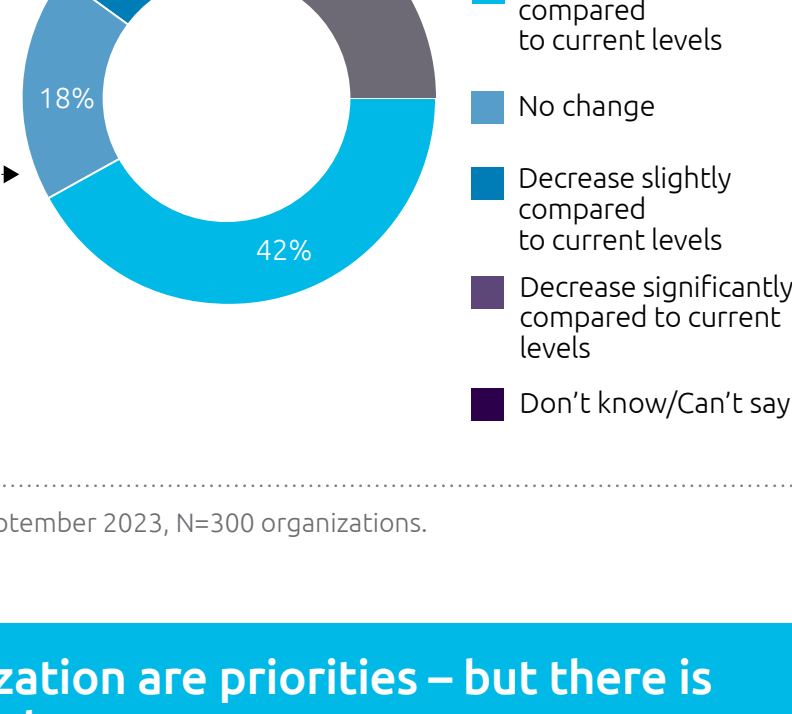
Organizations are focusing on new customer recruitment and  
improving realization per customer to strengthen their top-line

STRATEGIES BEING IMPLEMENTED BY ORGANIZATIONS TO IMPROVE THEIR TOP-LINE INCLUDE



% of organizations adopting these strategies to counter margin squeeze through top-line growth

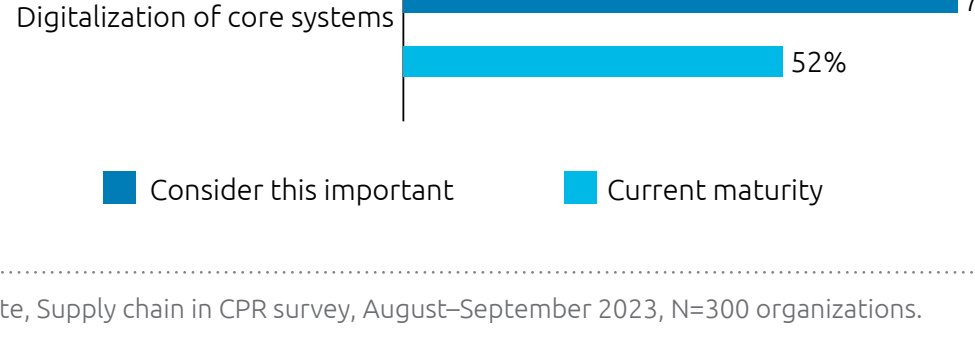
Source: Capgemini Research Institute, Supply chain in CPR survey, August–September 2023, N=300 organizations.

The renewed role of digitalization to realize  
cost and revenue objectives58% of organizations are likely to increase their investments in supply chain in  
the next 12–18 monthsIN THE NEXT 12–18 MONTHS, IS YOUR  
ORGANIZATION PLANNING TO INCREASE/DECREASE  
INVESTMENTS IN SUPPLY CHAIN?FOCUS ON SUPPLY CHAIN DIGITALIZATION IN  
THE NEXT 12–18 MONTHS

Source: Capgemini Research Institute, Supply chain in CPR survey, August–September 2023, N=300 organizations.

Automation and core system digitalization are priorities – but there is  
a long way to go

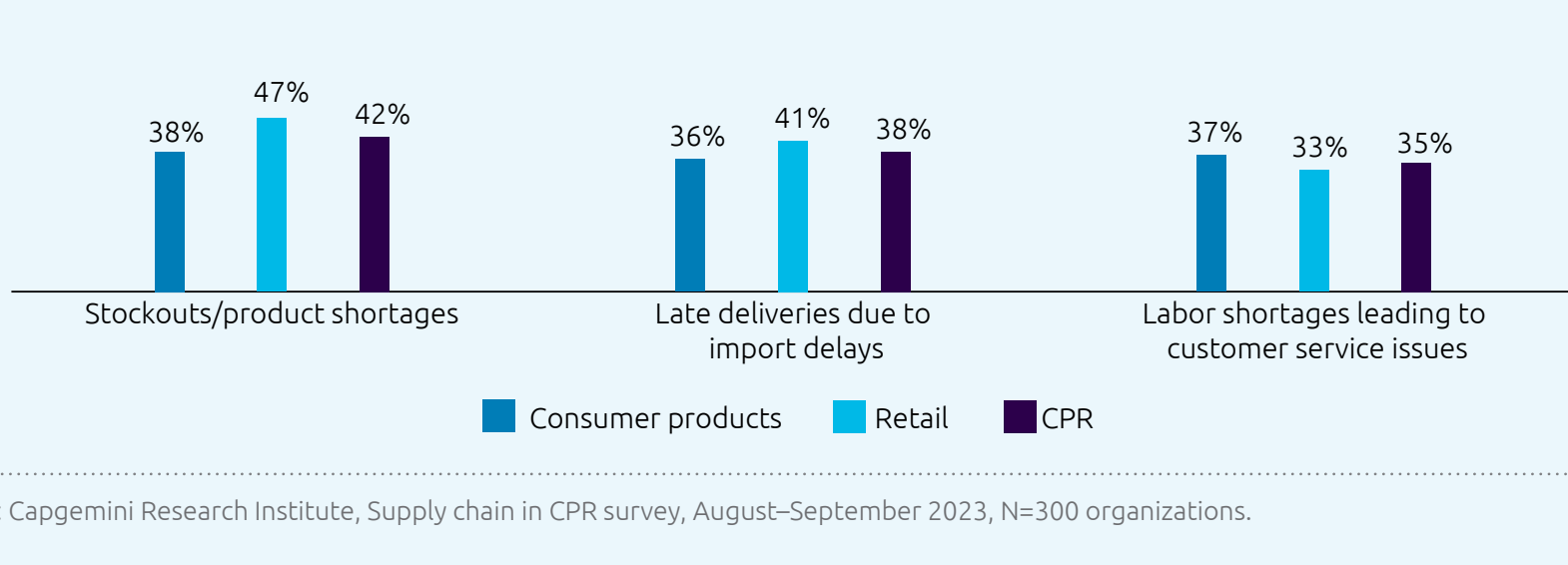
IMPORTANCE VS. CURRENT MATURITY



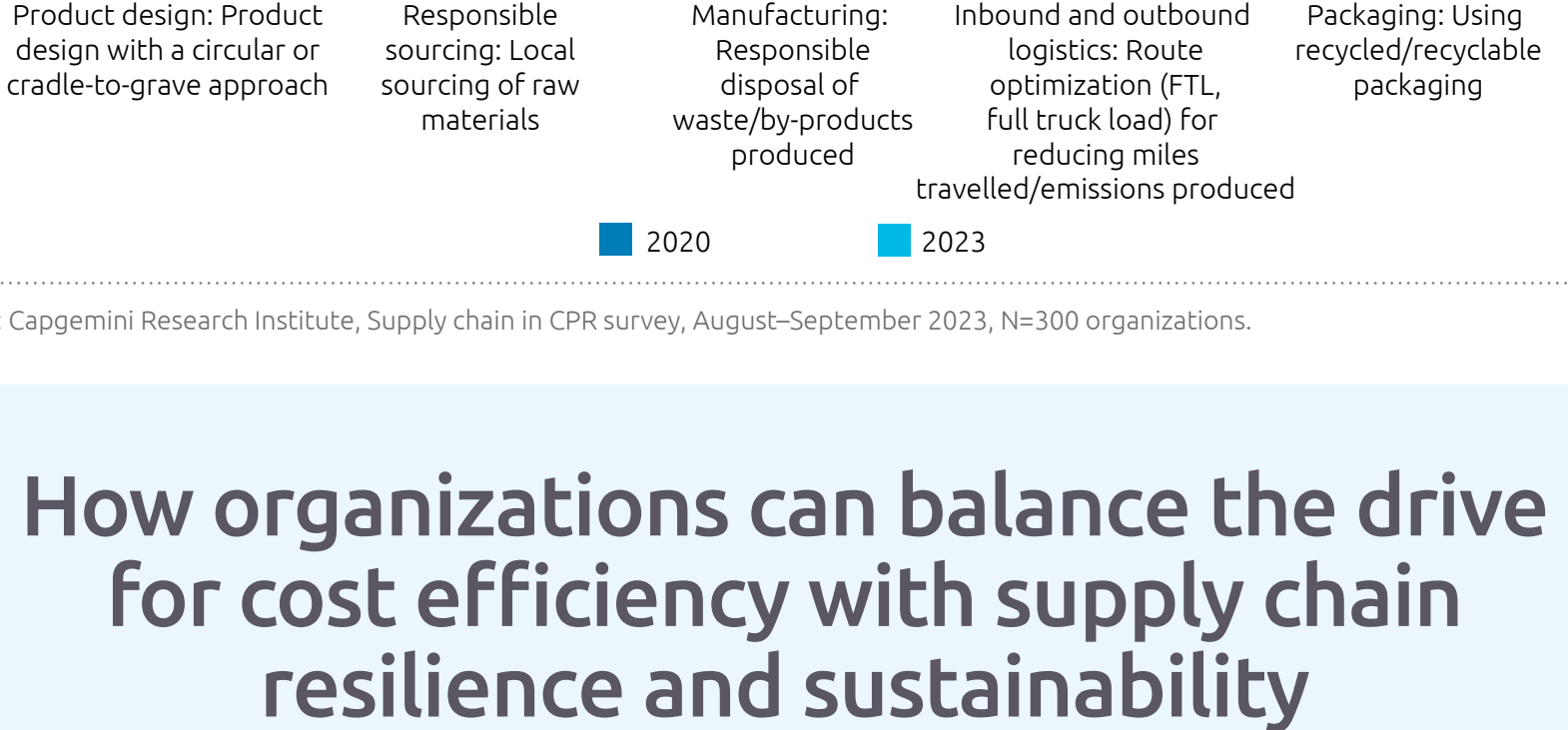
Source: Capgemini Research Institute, Supply chain in CPR survey, August–September 2023, N=300 organizations.

Almost one in two retail organizations  
anticipate stockouts during the 2023 holiday  
seasonStockouts/product shortages, late deliveries due to import delays and labor  
shortages leading to customer service issues are the top issues expected in 2023  
holiday season

TOP THREE ISSUES ORGANIZATIONS EXPECT TO ENCOUNTER DURING HOLIDAY SHOPPING DAYS



Source: Capgemini Research Institute, Supply chain in CPR survey, August–September 2023, N=300 organizations.

How sustainability is playing out in the  
supply chainLess than half have deployed large-scale sustainability initiatives across the  
value chainADOPTION OF SUPPLY CHAIN SUSTAINABILITY INITIATIVES IN THE FOLLOWING AREAS – USE CASES  
DEPLOYED AND SCALED

Source: Capgemini Research Institute, Supply chain in CPR survey, August–September 2023, N=300 organizations.

How organizations can balance the drive  
for cost efficiency with supply chain  
resilience and sustainabilityTo drive profitable growth, organizations need to balance cost efficiencies with  
resilience and sustainability and we suggest a few key areas to consider.Strengthen sustainable  
and circular economy  
practices

- Develop end-to-end traceability of the supply chain
- Reduce scope 2 emissions by monitoring electricity utilization, using renewable energy and recycled water
- Link supply chain sustainability efforts with cost reduction
- Increase recycling of used components to minimize usage of new raw materials

Balance cost efficiency  
with resilience and  
sustainability

- Use data and analytics to improve planning, fulfillment, and customer experience
- Improve collaboration within and outside by building visibility and transparency across the supply chain
- Reduce time and money spent on non-core products and processes
- Elevate the sourcing function to make it more strategic



Build holiday-readiness

- Optimize inventory using demand sensing and data sharing
- Localize supply network for holiday season to be more agile
- Consider alternative fulfillment options like micro-fulfillment centers

Source: Capgemini Research Institute analysis.

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