

# AEB releases GTM Agenda 2016 study results: **benefits of collaboration outweigh concerns**

- › Participants cite lower transport costs and accelerated supply chains as main benefits
- › Real-life collaboration is based primarily on IT platforms and adoption of industry standards

**C**ooperating closely with supply chain partners and working together to optimise workflows results in critical competitive advantages. This is the view of four out of five global trade and logistics experts (82.6%), according to latest research by software provider AEB and the University DHBW in Stuttgart (Germany). Their annual research series "GTM Agenda" sheds light on upcoming global trade management priorities with an additional focus topic each year. This year's study highlights "supply chain collaboration" and reflects responses from over 300 participants across various industry sectors. It is available free of charge at [www.aeb.com/gtm-study](http://www.aeb.com/gtm-study).

## **Expectations and benefits**

The main result logistics experts hope to achieve through collaboration is "optimised processes", which was cited by 87.3% of respondents. This result is closely followed by "knowledge gains" (83.7%) and "accelerated workflows along the supply chain" (81.3%). When it comes to actual benefits of supply chain collaboration, saving both time and money is crucial according to survey participants, who cited "lower transport costs" as the main

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benefit (31.7%), followed by "shorter lead times" (27.9%) and "fewer delays in customer shipments" (24.5%).

"The results show clear differences between expected and actual benefits of collaboration. A good example of this is the speed factor," notes Professor Dirk Hartel, Head of the Department of Business Administration Service Management at DHBW Stuttgart and co-author of the study. "It's clear that businesses recognise the benefits of collaboration in the supply chain, but many still do not exploit its full potential."

## **Collaboration partners and focus areas**

For over half of the study's participants, collaboration with customers (57%) and suppliers (55.4%) is already a reality. This type of collaboration also frequently extends to carriers and logistics service providers. Transportation is the most important field of collaboration, with 45% of

“Transportation is the most important field of collaboration, with 45% of respondents already working closely with partners and 26% planning to do so.”

respondents already working closely with partners and 26% planning to do so. Some 30% to 40% of respondents also work with other companies in the areas of inventory, forecasting, and order and capacity management.

### Collaboration methods and risks

Companies facilitate collaboration most frequently through IT platforms (58.5%) or by agreeing on industry standards (56.9%). The most commonly cited risks are “loss of control over data (71.1%) and “unclear responsibilities” (70.6%). Another frequent objection to collaboration is concern over potential cultural differences that might lead to

problems between collaborative partners (58.9%). About half of respondents (53.9%) also fear that close collaboration would not benefit both sides equally. However, those already collaborating with supply chain partners see it as a competitive advantage at an above average rate (87.2%).

### About the collaboration study

The study “Global Trade Management Agenda 2016 – Collaboration in the Supply Chain” is based on a cross-industry survey of 319 experts from the fields of logistics, global trade, and supply chain management. The participants work at companies of various

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sizes in different countries, with three-quarters of respondents (77.5%) holding decision-making positions as the head of a company, department, team, or project.

The large majority of respondents (90.5%) see supply chain collaboration as much more than just working together with other companies. “By our definition, collaboration encompasses the shared, cross-enterprise optimisation of processes,” explains Professor Hartel. “Real-world experience with supply chain collaboration seems to be largely positive,” adds Dr. Ulrich Lison, member of the Executive Board of AEB and the study’s other co-author. “But at the same time, businesses see risks in opening themselves up to others through this type of collaboration.”

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