



cutting through complexity

KPMG Strategy & Operations (S&O)

LA LOGISTICA DEL FUTURO

I nuovi paradigmi della competitività

Milano, 19 Ottobre 2015



1

Setting the Course for Growth
CEO Perspectives - The growth imperative in a more competitive environment

2

Digital disruption

3

Evidenze dal campo sui progetti di logistica

4

Innovation

5

Evidence-based HR
The bridge between your people and delivering business strategy

1. Setting the Course for Growth: CEO Perspectives

Greater confidence about prospects for growth in the next three years

- Last year, KPMG in the US published the first edition of ***Setting the Course for Growth: CEO Perspectives***, a survey of 400 US CEOs providing extensive insights on what they saw ahead for the economy and their organizations – not just in the next quarter or six month period, but over the coming three years.
- This year, we are broadening and deepening our study by surveying three times as many chief executives, and seeking responses from around the globe.
- We have surveyed over 1,200 chief executives from many of the world's largest and most complex companies, and obtained in-depth perspectives from a number of them on the major issues facing the global economy over the next three years — **everything from cyber security and regulation to growth and hiring expectations.**
- The findings provide powerful insights into the thinking and strategies that will shape business decisions for years to come.



Global CEOs told us that they are more optimistic about what lies ahead, with a majority expressing greater confidence about prospects for growth in the next three years, and fewer than one-in-ten feeling less confident

1. Setting the Course for Growth: CEO Perspectives

Key findings of CEO Perspectives



62% CEOs are optimistic on the economy:

Sixty-two percent of CEOs are more confident than last year on the growth prospects for the global economy over the next three years, with only 6 percent less confident.



89% Aggressive growth strategies

prevail: Asked to identify their organizational priorities for the next three years, the greatest number of CEOs identified developing new growth strategies and geographic expansion as top priorities. Thirty-seven percent categorize their growth strategies as very aggressive and 52 percent as moderately aggressive.



47% Capital targeted for geographic

expansion: Geographic expansion is the top priority for capital investment over the next three years for CEOs. Significant capital will be devoted to expanding into foreign markets, say 47 percent of CEOs.



41% Mix of both organic and inorganic

growth: A growing number see an acquisition in the future. Nearly half of CEOs (48%) expect an acquisition will change their firms' capital structure in the next three years.



54% Optimistic on company performance:

Asked about prospects for growth for their organizations over the next year, 54 percent are more confident than they were last year and only 13 percent are less confident than last year.

Ottimismo

Crescita

Acquisizioni

1. Setting the Course for Growth: CEO Perspectives

Key findings of CEO Perspectives – cont'd



30% Growing
appetite for risk:

Thirty percent of CEOs feel that they are not taking enough risk as it relates to their growth strategy. Sixty-five percent said they are taking the right amount of risk, with only 5 percent stating



63% Regulatory
environment a top area

of concern: Global economic growth and the regulatory environment were far and away the biggest issues CEOs identified as having the most impact on their companies. Tax regulation, followed by environmental regulation and corporate financial reporting were their top three regulatory concerns.



86% Customer
demand under

pressure: Eighty-six percent of CEOs are concerned about the loyalty of their customers. At the same time, technology is driving change in the way organizations interact with their clients. Two-thirds (66 percent) of CEOs are concerned about the relevance of their products and services and nearly three-quarters (72 percent) are struggling to keep up with new technologies.

**Customer Centric
Manage Risk
HR**



74% Competitive
environment gets

tougher: Seventy-four percent are concerned about new entrants disrupting their business model and 68 percent said that they are concerned about their competitors' ability to take business away.



78% Increasing
headcount:

CEOs are expecting to be in hiring mode through mid-2018.

1. Setting the Course for Growth: CEO Perspectives

Confidence diverges in global growth

Higher levels of confidence in terms of growth prospects over the next three years compared to the previous year

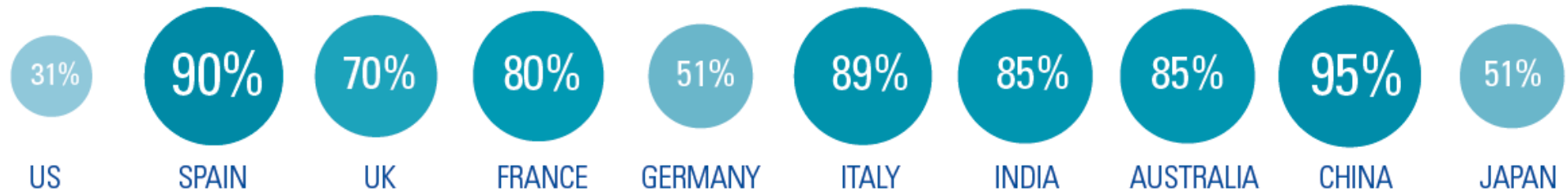


Source: 2015 KPMG CEO Outlook, May 2015

“With these survey results, we need to understand the baseline in the US is higher than the baseline in Europe and Japan. My longer-term view is that the US has come out of its recession in much stronger shape than Europe or Japan and it’s doing fine, actually.”

—Bill Robinson, KPMG in the UK’s Chief Economist

Percentage of CEOs who expressed more confidence for their own country’s prospects for growth over the next three years compared to the previous year



Source: 2015 KPMG CEO Outlook, May 2015

1. Setting the Course for Growth: CEO Perspectives

The tougher operating environment

The top four concerns raised by CEOs in this survey were:

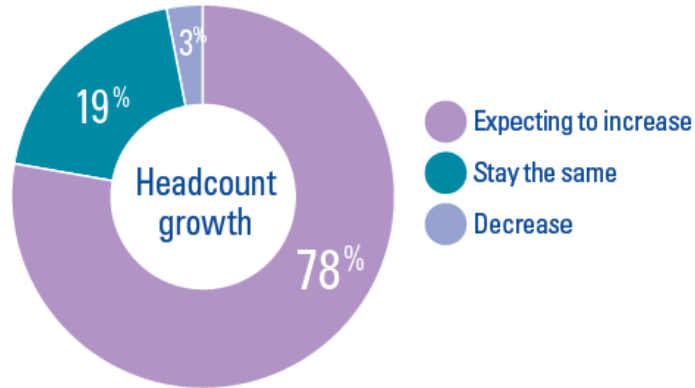
...new entrants disrupting our business model	74%
...keeping current with new technologies	72%
...competitors' ability to take business away from our organization	68%
...my company's products/services relevance three years from now	66%

Source: 2015 KPMG CEO Outlook, May 2015

1. Setting the Course for Growth: CEO Perspectives

Re-talenting to meet the skill gap

Do you expect your organization's headcount to change over the next three years?



Source: 2015 KPMG CEO Outlook, May 2015

About 30% of CEOs expect a talent gap in the next three years, what can be done to get the right talent in place to drive business success?

- **Understanding your talent needs.**
- **Predict your business' future.**
- **Look at industry trends that will influence your business**
- **Consider how you will make your revenues and profits.**
- **Forecast your talent needs (skills – number).**
- **Determine how best to borrow or buy those skills.**

How can CEOs maximize their talent to serve the needs of their organization?

- **Motivated people to capitalize on their skills.**
- **The new generation wants**
 - **sense of meaning at work and more feedback.**
 - **very different career path, more variety and out-of-the-box experiences, rather than simply progressing up the ladder.**
- **Need to really understand their people— what do they want and need to feel good about coming to work—and then give it to them.**
- **It may be simplistic, but fully engaging people on all levels (rational, emotional and decision- making) will prove invaluable in developing and retaining the specific skills your business needs today and tomorrow.**

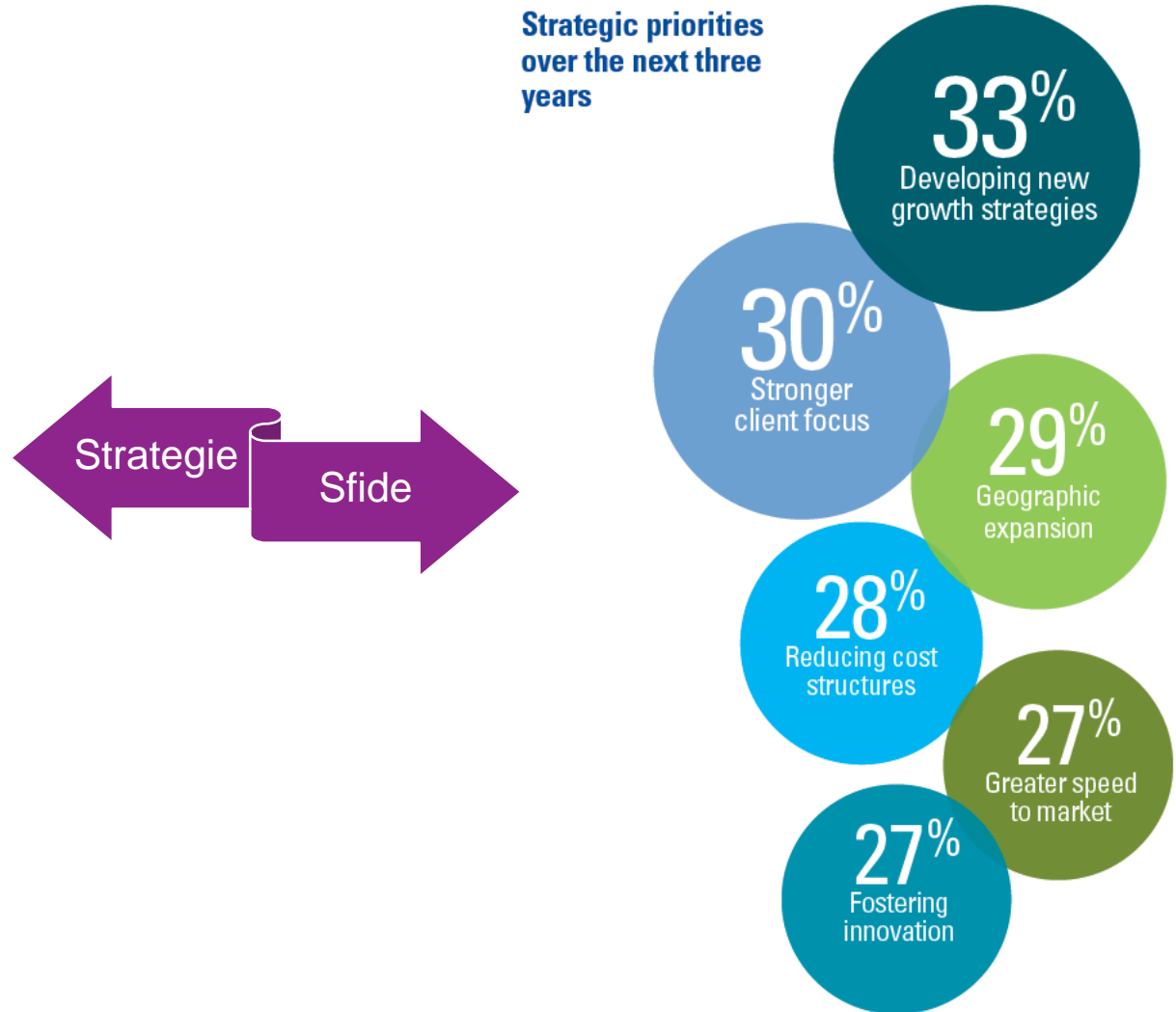
1. Setting the Course for Growth: CEO Perspectives

Aggressive growth imperative

The most critical challenges CEOs expect to face over the next three years



Strategic priorities over the next three years



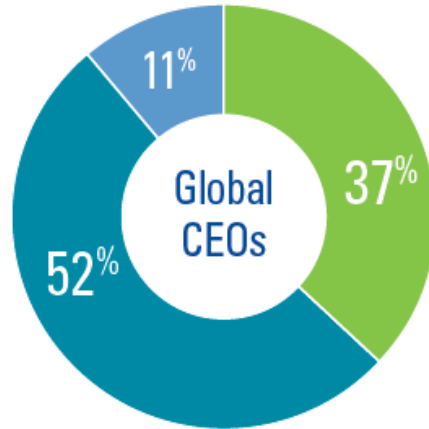
Source: 2015 KPMG CEO Outlook, May 2015

1. Setting the Course for Growth: CEO Perspectives

Aggressive growth imperative – cont'd

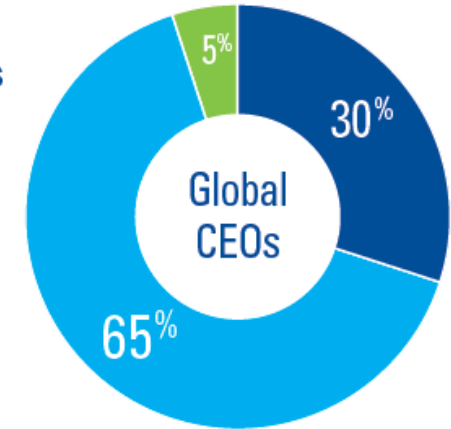
How would you categorize your overall growth strategy?

- Very aggressive
- Moderately aggressive
- Moderately conservative



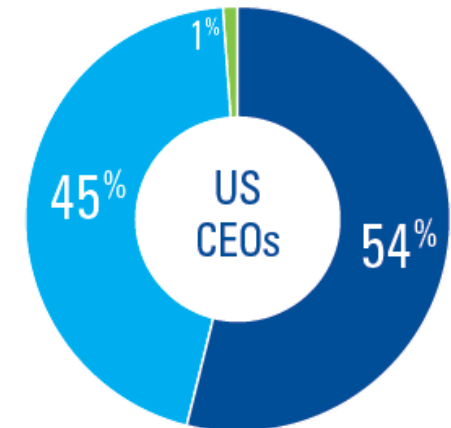
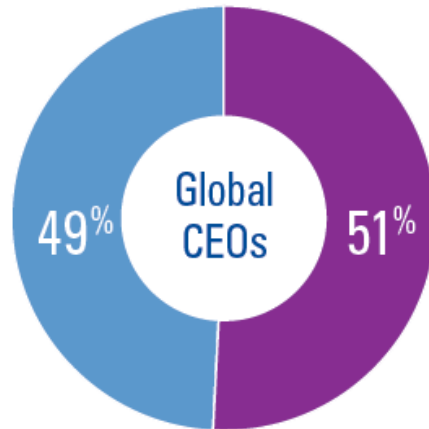
Which statement describes your risk profile as it relates to your growth strategy?

- Not enough risk
- Right amount of risk
- Too much risk



Which is the more important focus for your company's well-being over the next three years?

- Operational efficiencies
- Growth



Source: 2015 KPMG CEO Outlook, May 2015

1. Setting the Course for Growth: CEO Perspectives

Geographic expansion

Which of the following are you devoting significant capital to in the next three years?

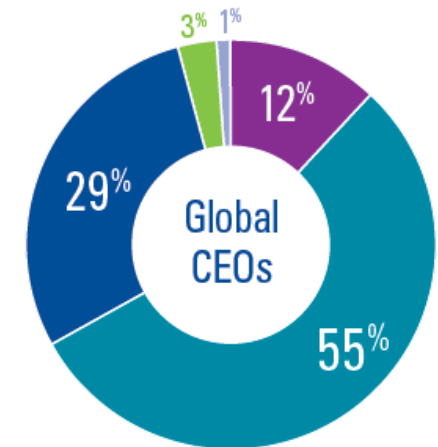
Geographic expansion outside the home country	47%
Advertising and marketing	39%
New product development	37%
Geographic expansion within home country	34%

Source: 2015 KPMG CEO Outlook, May 2015

“ Companies are selecting markets where they believe they have the best opportunity to achieve their financial and strategic goals. There is a more cohesive and better thought-through story than previously was the case at many companies.”

How do you expect your foreign revenue to change over the next three years?

- Significantly greater
- Slightly greater
- No change
- Slightly lower
- No foreign revenue

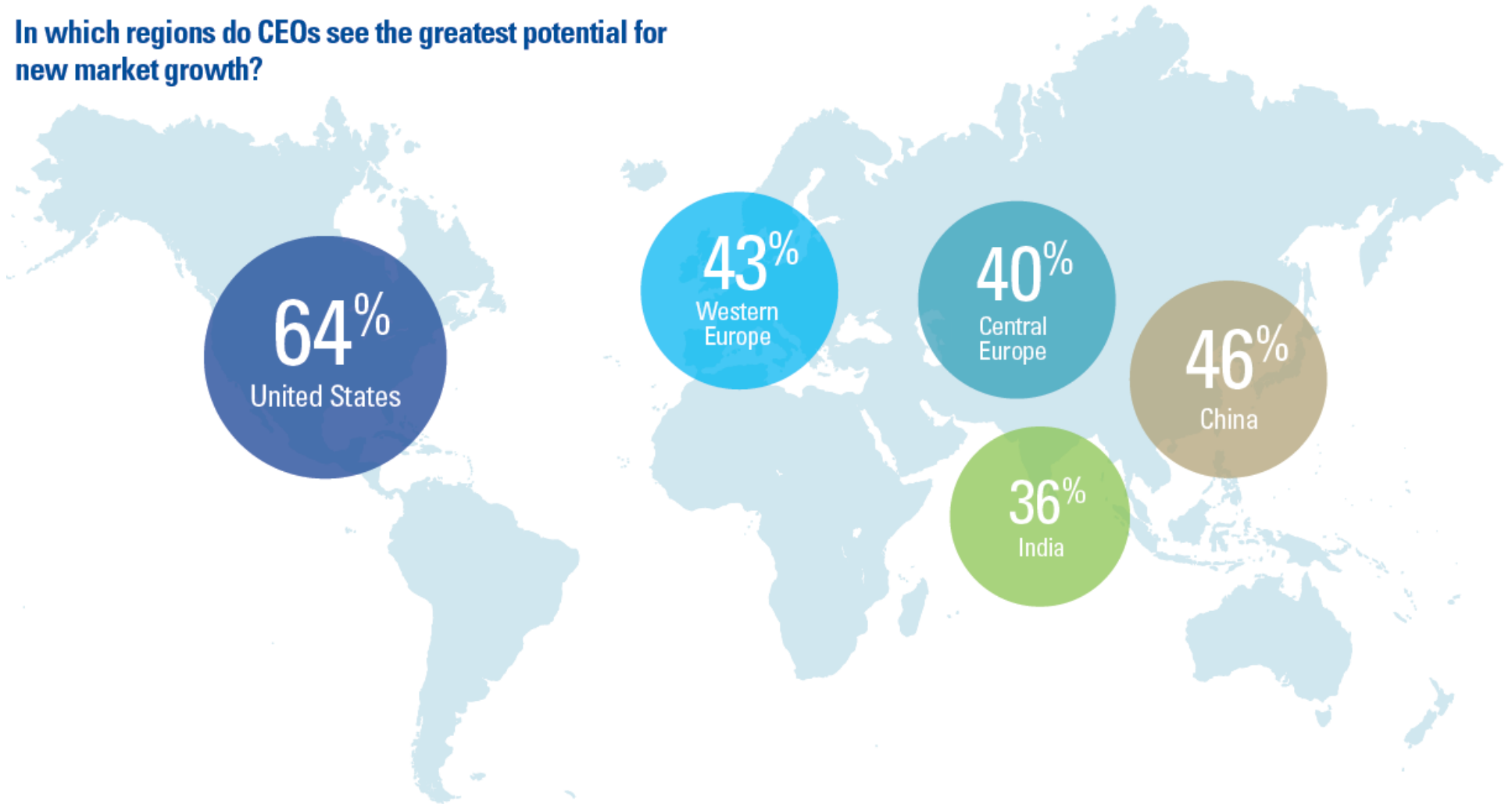


Source: 2015 KPMG CEO Outlook, May 2015

1. Setting the Course for Growth: CEO Perspectives

Geographic expansion – cont'd

In which regions do CEOs see the greatest potential for new market growth?

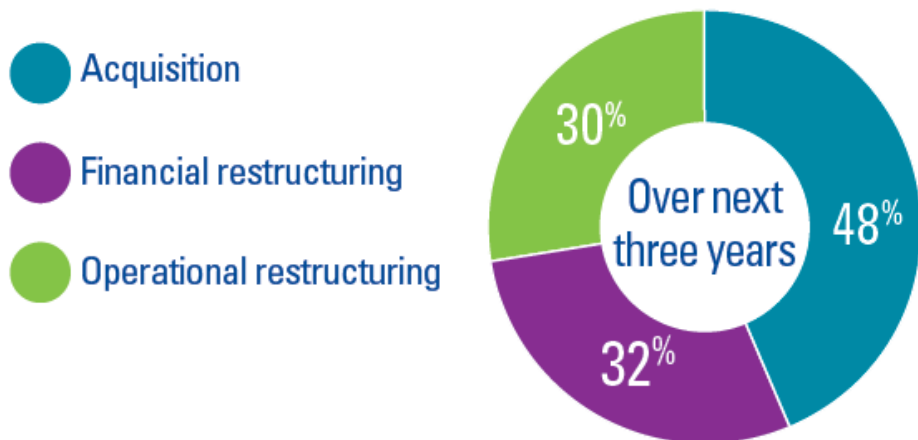


Source: 2015 KPMG CEO Outlook, May 2015

1. Setting the Course for Growth: CEO Perspectives

Inorganic growth rises in importance

How do you plan to change your organization's capital structure?



- Past period with significant cost-cutting and straightforward organic expansion.
- Inorganic growth is already a key focus with volumes returning to pre-crisis levels.
- Half of CEOs plan to grow their companies through acquisition
- Companies are under more pressure than ever before to deliver better
- Transformative engagements are taking place cross-border deals becoming the norm

Organic vs. inorganic growth over the next three years






Reasons for taking more risks with acquisitions

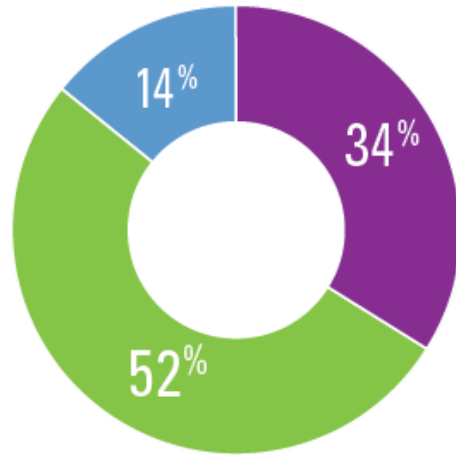
Confidence in structure of deal terms	54%
Confidence in economy	52%
Deal value realized post-integration	52%

1. Setting the Course for Growth: CEO Perspectives

Transformations taking place – Driving loyalty through innovation

How concerned are you about your customer's loyalty?

-  Extremely concerned
-  Somewhat concerned
-  Not concerned



Source: 2015 KPMG CEO Outlook, May 2015

How effective is your company using D&A to improve performance?



Are you becoming a more data-driven organization?

47% said this needs improvement

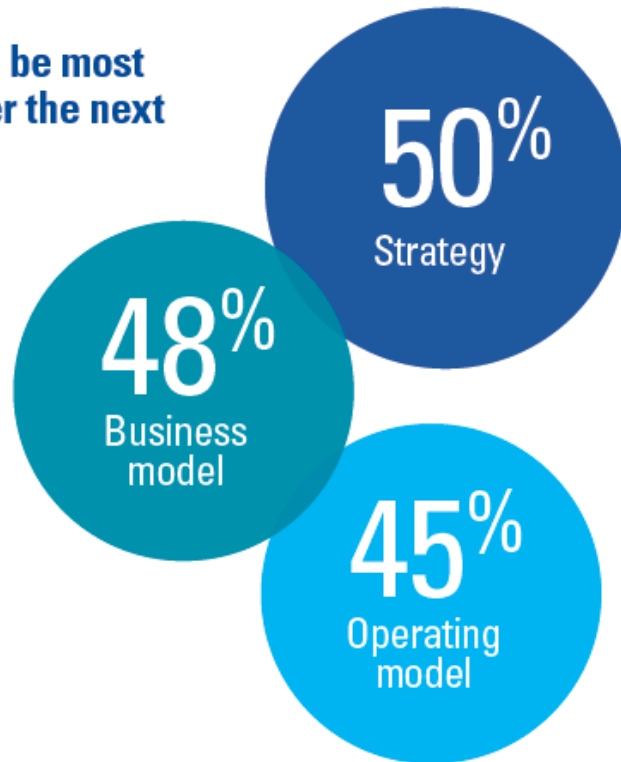
Top three barriers to innovation:

- 1) Rapidly changing customer dynamics
- 2) Unsure of which technologies will deliver the greatest return
- 3) Budget constraints

1. Setting the Course for Growth: CEO Perspectives

Strategy and Management – The power of alliances

What areas will be most transformed over the next three years?



Source: 2015 KPMG CEO Outlook, May 2015

The CEO should be saying: How do I create and manage an ecosystem and be seen as an orchestrator of end-to-end solutions for my customers?

Aggressive growth and influence the approach to alliances

- From a cost-preservation mode to focus on new markets, new products and delivering smarter solutions.
- No one organization can constantly deliver that in today's fast-changing environment.
- They have to partner with third parties that complement their core capabilities—this is mission critical.
- Alliances are not a replacement for organizational capabilities. Alliances differentiate an organization's core capabilities, and can lead to acquisitions.
- Alliance can help reduce the risk of a potential acquisition, as the two organizations figure out how to work together.
- Two essential reasons of partnerships/alliances succeed:
 - very strong strategic alignment between the two organizations and a clear definition of success.
 - very strong alignment of culture and values; common view on joint customer success, how to measure success and the value of the partnership.
- Business leaders issues globalization, disruptive technologies (e.g. cloud, big data, mobile and social) as well as the impact of regulatory change.
- Highly differentiated solutions to solve needs of their customers. Require bringing together multiple players working together in an ecosystem to deliver to customer needs.
- Alliances strategic component of business and business strategy, not a tactical set of relationships around the edges.
- CEOs and organizations increasingly focus on innovation, alliance partners—often viewed as market innovators and sources for ideas—can also be the source of additional insight into what's happening in the market.

1. Setting the Course for Growth: CEO Perspectives

Conclusions

- **Looking out on the next three years, CEOs plan to focus on more aggressive growth strategies**
- **Heavy impact by the still uncertain global economic growth and the regulatory environment.**
- **Growth in this tough new environment will require new strategies, new tools and new thinking**

1. Growth needs to be carefully calibrated with risk taking.

The fact that CEOs describe their strategies as aggressive, and at the same time state they are not taking enough risks as it relates to growth, points to the lack of sophisticated risk-management practices. There may be more room for growth once such processes are put in place.

2. Consumer demand needs to drive transformations

Customer loyalty is top of CEOs' mind. Since last year, CEOs have become much more concerned about new entrants disrupting their business models. The main effect these new entrants have had on all companies is how they connect with customers. As a result, companies from all industries need to stay competitive by upgrading their connectivity with customers, even if their products or services stay the same.

3. Regulations need to be approached as a potential for competitive advantage. Growth and the intensity of regulatory environment are correlated.

While last year it was regulatory that was ranked as the most impactful issue on business, this year, CEOs view global economic growth and regulations as the top two issues, underscoring the correlation between the two areas. The importance of regulatory is now having a pan-industry effect, as CEOs from many industries report increased compliance requirements.

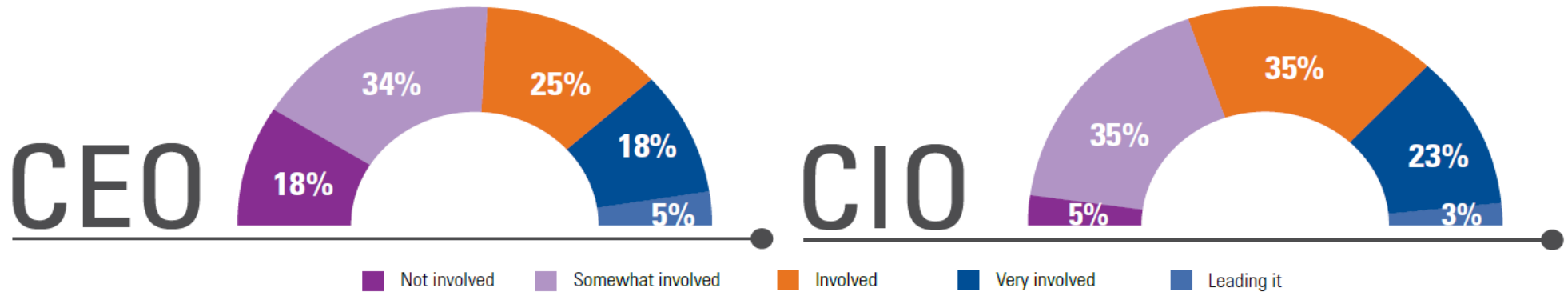
4. The pressure on CEOs to deliver results is intensifying

Secular changes in many industries mean business leaders must evolve or transform business models to stay relevant. No one has the luxury of thinking in terms of decades. CEOs must find ways to accelerate implementation much earlier in the strategy development process.

2. Digital disruption

Digitalizzazione

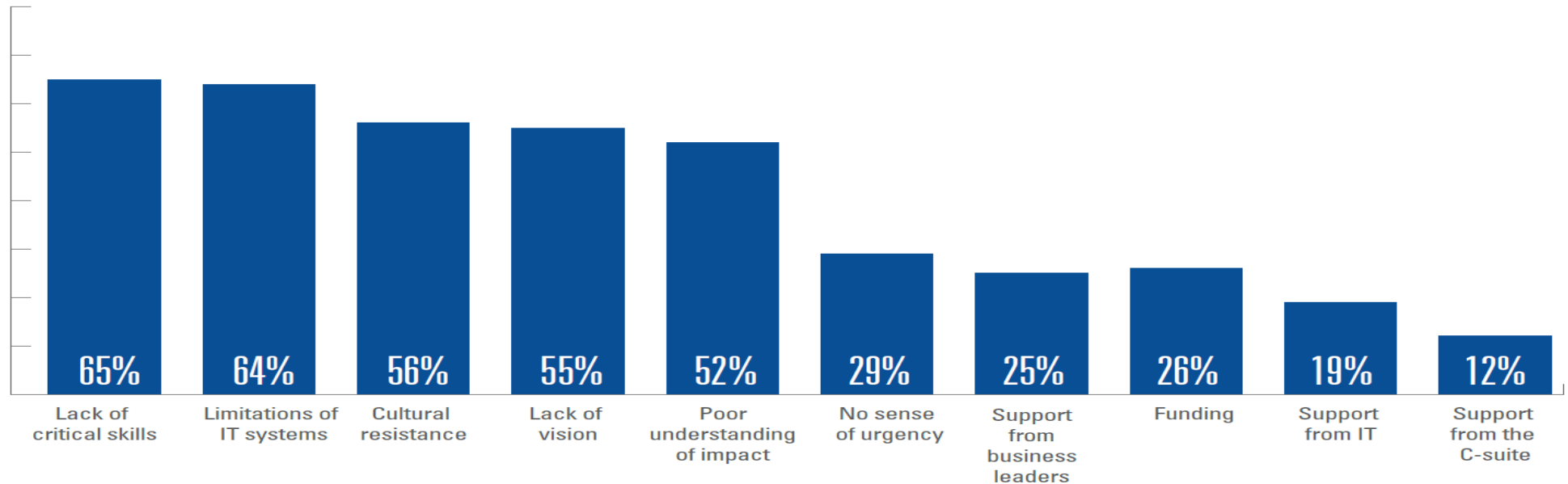
If your client has a digital business strategy, how involved is the CIO and CEO in formulating and/or executing it?



What are the biggest challenges in responding to digital disruption?

(n=72)

Major Challenge

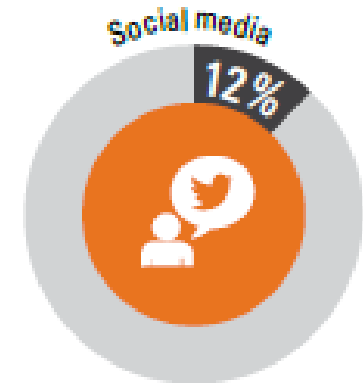
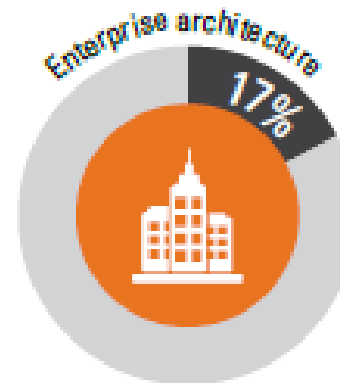
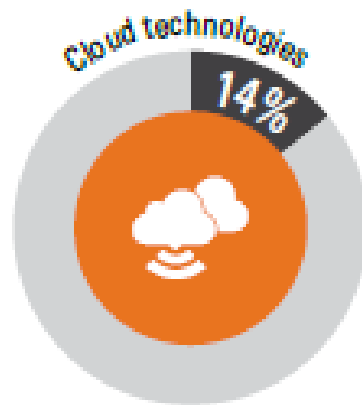
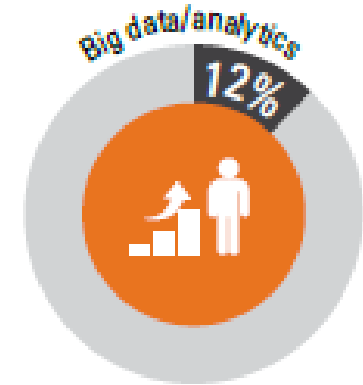
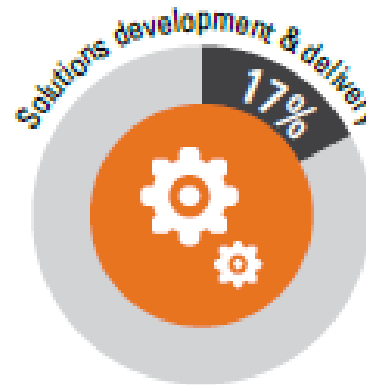
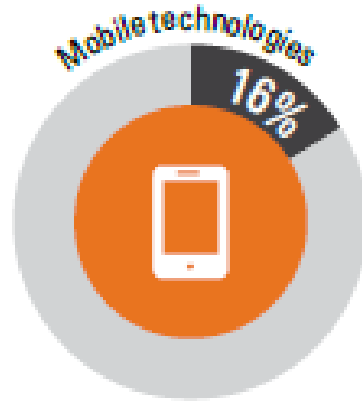
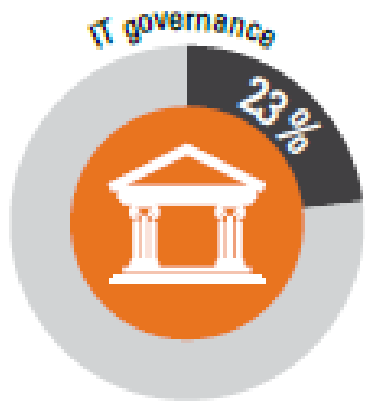


2. Digital disruption

Thriving disruption - capabilities

In the context of digital initiatives how would you rate your client's capabilities in the following areas? (n=76)

■ High – Very High



Source: KPMG Global CIO Advisory Pulse Survey 2014

2. Digital disruption

Thriving disruption – three actions

Develop a digital business strategy

- To optimize the value from their investments, clients need to develop a **digital business strategy** at the enterprise level with sub-strategies that account for varying needs across business units, geographies, functional area and for different classes of employees, customers and business partners.

Defining and driving the implementation of their digital business strategy

- By taking a more **active role in defining and driving the implementation of their digital business strategy**, CIOs can reduce risk and increase the likelihood of success.

Agile development processes

- Shift from 'big bang' projects to the use of **agile development processes**, which see IT and the business working together on discrete digital initiatives in an incubator or lab-type environment.
- This allows the organization to move ideas from design to testing to reality much more quickly.

3. Ricadute sulla gestione dei clienti e la logistica

Il customer centric sta avvicinando B2B e B2C



Mercato spinto da driver di efficienza e rifocalizzazione della value chain in ottica "customer centric"



Per essere competitivi nel B2B è **necessario approcciare il settore in maniera più ampia e sistemica**: ripensare le esigenze del cliente "business" per supportarlo nel percorso verso il mondo dei servizi "consumer"

RESHAPING BUSINESS/SECTOR VALUE CHAIN

1 Ripensamento del modello di Business attraverso servizi logistico-distributivo digitali integrati e personalizzati per settore

2 Evoluzione della logistica distributiva da elemento di costo a fattore di vantaggio competitivo nella value chain

3. Ricadute sulla gestione dei clienti e la logistica

Value Proposition e potenziali attori

RAZIONALIZZARE LA FILIERA LOGISTICA E DISTRIBUTIVA DEL SETTORE/CLIENTE A SOSTEGNO DELLA CRESCITA E DELLA COMPETITIVITÀ

attraverso:

a. GLI "ASSET" del provider

- Infrastrutture e Piattaforme Fisiche
 - Uffici/Filiali/Siti di prelievo
 - Centri di Consegna
 - Veicoli
 - Addetti
- Rete di recapito e raccolta capillare e sistemi di pagamento digitali e diffusi
- Possibilità di consegne differenziate (casa vs filiali)
- Partnership vettori aerei per cargo export
- Accordo internazionale per semplificazione transazioni doganali

b. Conoscenza dei settori

- Network e infrastrutture logistiche
- Spedizioni e flussi
- Servizi a valore per il produttore
- Servizi a valore per il consumatore

c. Ecosistema Digitale

- Infrastrutture e piattaforme digitali
- Tecnologie (web + mobile) + Distretti d'impresa = Ecosistemi digitali
- Multi-canalità

d. Offering Innovativo per il B2B_{2C}

3. Ricadute sulla gestione dei clienti e la logistica

Un nuovo modello per sviluppare il B2B2C

B2B | Produttori/Retailer

Integrare i flussi operativi di più produttori destinati a punti di consegna comuni.....

...**realizzando una piattaforma**

Digitale/Cloud - proprietaria o di rete – in grado di **offrire servizi logistici “on**

demand” economici ed efficienti

B2C | Consumatori

Permettere ai nostri Clienti Business di accedere ai Consumatori finali

integrandoli nell’ecosistema digitale della piattaforma (e relativi sistemi legati).

Abilitare servizi Mobile a valore aggiunto per il consumatore

Business to

Business to

Consumer

AMPLIARE LE POSSIBILITÀ DEI PRODUTTORI DI 'ACCORCIARE' LA FILIERA

(verso il cliente finale) per accedere a nuovi segmenti di mercato

AMPLIARE I SERVIZI OFFERTI AL CLIENTE BUSINESS (informazioni – comodità – scelta) per migliorare

l’esperienza di acquisto dei consumatori

3. Ricadute sulla gestione dei clienti e la logistica

Abilitatori del nuovo modello - processi customizzati per le filiere



La Gestione della Richiesta #1



- ✓ Conferma consegna / richiesta nuova consegna
- 📦 Creazione ritiro
- ⚠ Gestione anomalie
- 📄 Documentazione tecnica

Il Dashboard del Produttore: il pannello di controllo #2



La gestione di ritiro, consegna e tracking: Provider #3

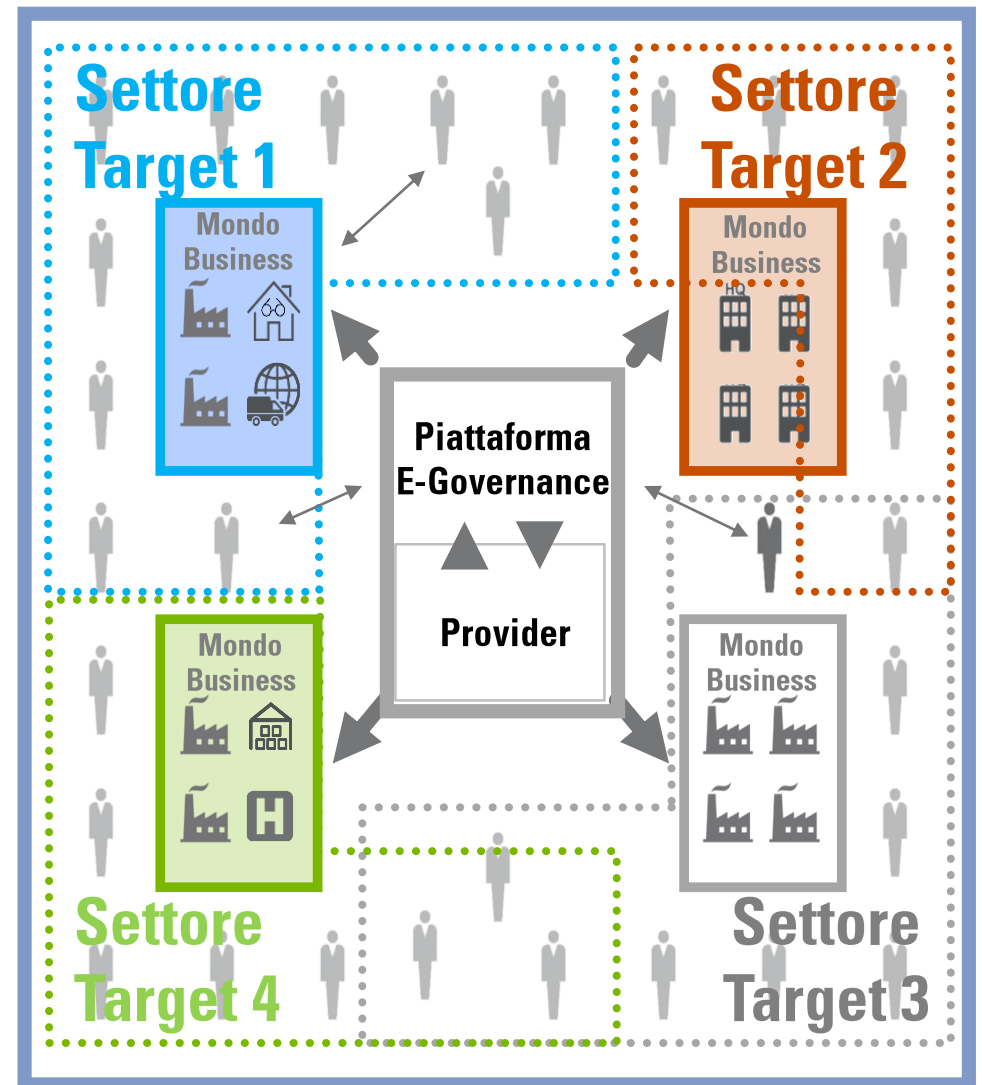


- 📄 Gestione DDT aggregati
- ✓ Presa in carico
- 📦 Barcod Unità di Trasporto
- 📄 Conferma Consegna

3. Ricadute sulla gestione dei clienti e la logistica

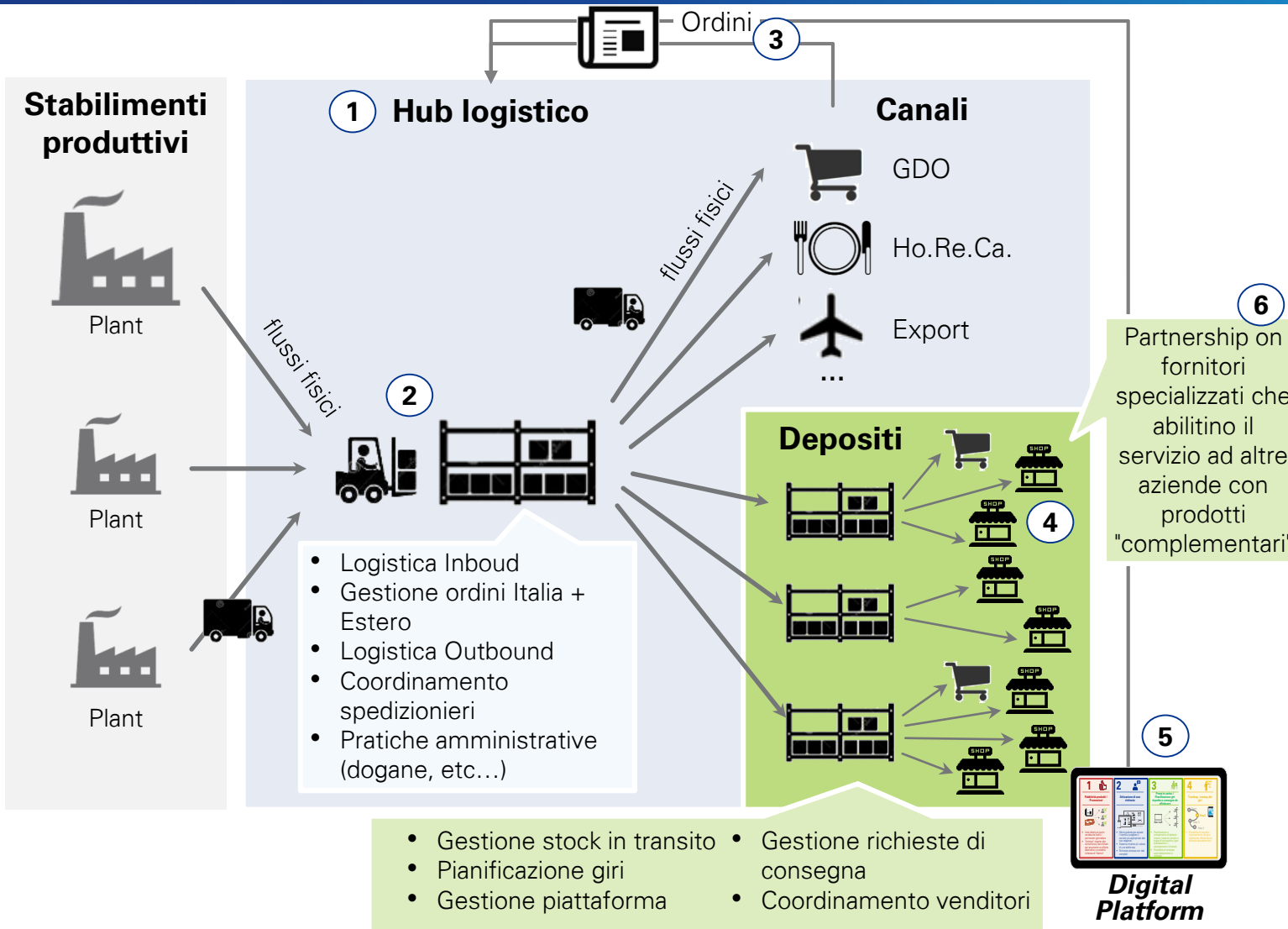
Abilitatori del nuovo modello - ecosistemi fisico-digitali integrati con gli asset

- **Focalizzazione Servizi offerti per INDUSTRY**, con approccio "business partner"
- **Integrazione "PLUG & PLAY" dei servizi digitali con i processi fisici**
- **Sviluppo di un ECOSISTEMA/ Piattaforma digitale** con un "DNA" comune e interfacce personalizzate
- **SCALING della soluzione** secondo un approccio customer centric (stesso cliente su più Industry)



3. Ricadute sulla gestione dei clienti e la logistica

Esempio di Framework del network logistico



Elementi chiave del Target Model

- Unico HUB di magazzino prodotti finiti** per servire in modo differenziato i diversi canali / mercati
- Utilizzo delle **prassi più avanzate per gestire la logistica interna ed il coordinamento delle spedizioni**
- Massimo sfruttamento delle **sinergie tra la gestione dell'ordine e le attività di pianificazione dei flussi logistici**
- Network deposito / giri ottimizzato** rispetto alla domanda in essere e alle sue possibili evoluzioni
- Digital Platform** per gestire prodotti e promozioni e raccogliere richieste di consegna
- Utilizzo degli asset per offrire, anche tramite il supporto di un provider esterno il **servizio "Logistica secondaria" ad altre aziende del settore**

3. Ricadute sulla gestione dei clienti e la logistica

Esempio di Piattaforma digitale a supporto dello sviluppo del Normal Trade

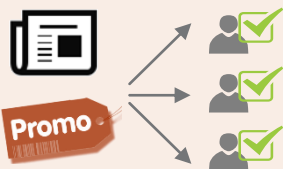


Plug & Play clienti (PdV) su piattaforma

1



Publicazione prodotti / Promozioni



- Pubblicazione su WEB per il punto vendita dei listini / promozioni giornaliere
- "Anticipo" rispetto alla concorrenza, benchmark per acquirente vs offerte alternative e possibile opportunità di confronto

2



Attivazione di una richiesta

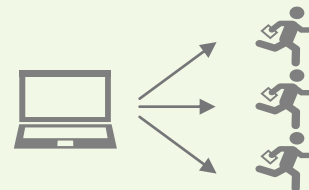


- Menù guidato per aiutare l'utente a scegliere il servizio più appropriato alle sue esigenze
- Sistema intuitivo più veloce di una telefonata
- Richieste emesse con dati completi

3



Presenza in carico / Pianificazione giri rispetto a consegne da effettuare

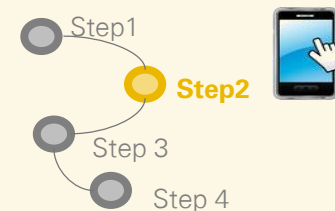


- Pianificazione e smistamento "adattiva" in funzione delle richieste ricevute (es. stop in Calabria)
- Possibili logiche di saturazione / geo localizzazione / accorpamento richieste

4



Tracking - tracing dei giri



- Possibilità di tracciare l'avanzamento del giro, verificando efficienza ed efficacia del venditore



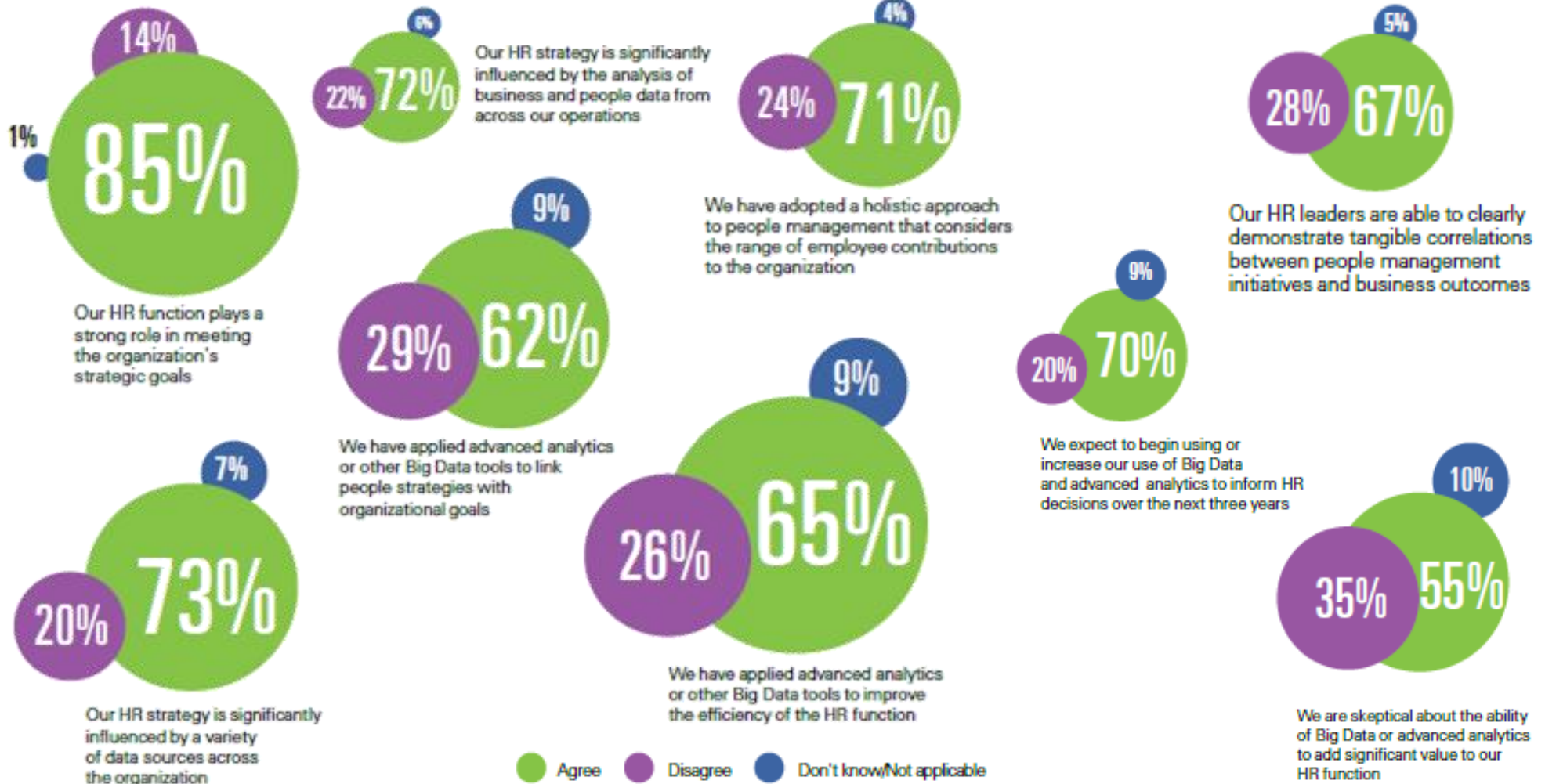
Fidelizzazione clienti



5. Evidence-based HR

Statements about organization's HR strategy

Do you agree or disagree with the following statements about your organization's HR strategy (percent of all respondents n=375)

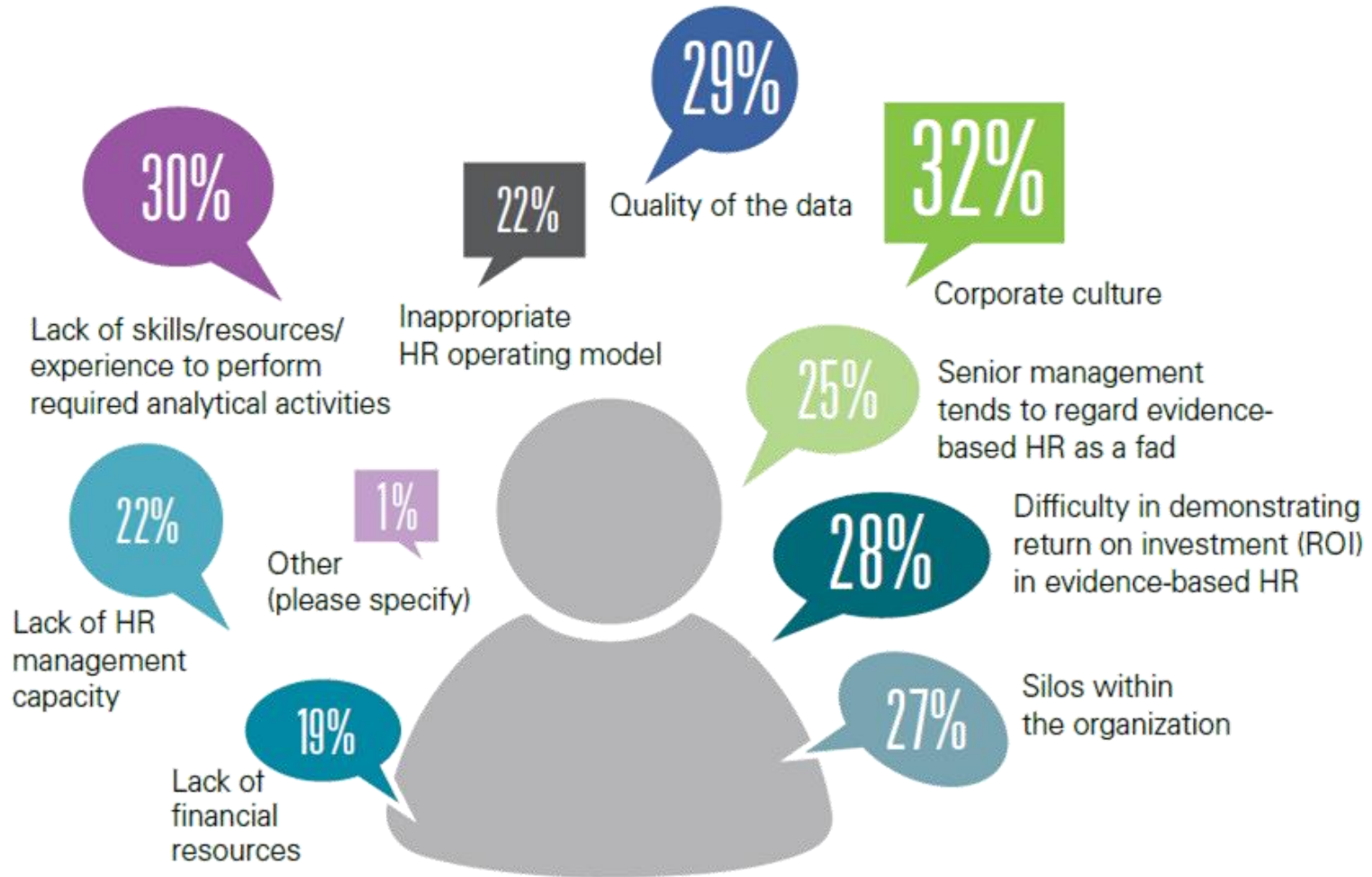


Source: Evidence Based HR: The bridge between your people and delivering business strategy, 2015

5. Evidence-based HR

Obstacle to the use of evidence in people management

Which of the following presents the biggest obstacle to the use of evidence in people management in your organization?



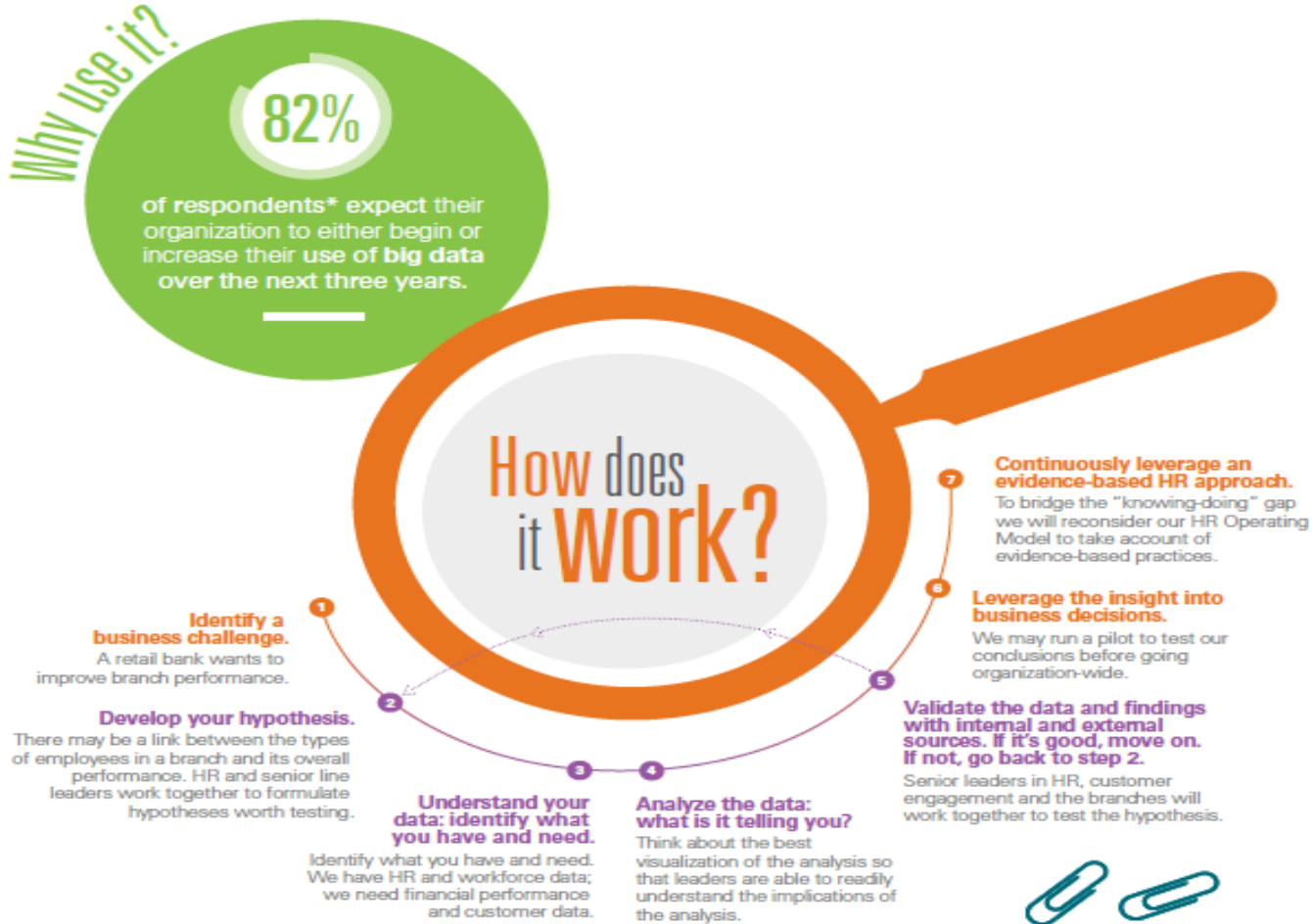
Source: Evidence Based HR: The bridge between your people and delivering business strategy, 2015

5. Evidence-based HR

The Case for Evidence-based HR

What is Evidence-Based HR?

Evidence-based HR uses data, analysis and research to understand the connection between people management practices and business outcomes such as profitability, customer satisfaction and quality.



5. Evidence-based HR

The Case for Evidence-based HR cont'd

How can I
implement it
successfully?

- 1 Get comfortable with data.**
Move beyond basic HR KPIs to data that can deliver predictive insights about the role of people in your business. To do this well, data scientists may be required to work within the HR function.
- 2 Hone your industry knowledge.**
HR is not generic nor is it industry agnostic. You must apply what you know from an HR perspective to your industry and the specific needs of your company. You'll need to know how to frame the questions that will direct and focus your analytical efforts.
- 3 Change the HR structure.**
HR should be reconfigured so that HR and management work together within an operating model that promotes evidence-based people management.

What **skills** are required?

- **Persuasive:** Aware of the importance of visualization of data analysis in order to lead the viewer to the required decisions. Able to tell a story with data using facts, opinion, anecdote and metaphor. Makes the analysis come to life
- **Questioning:** Able to frame hypotheses with business leaders. Doesn't need to be a data scientist, but will want access to someone with those skills.
- **Systems Thinker:** Capable of understanding how people drive value in the organization and can distinguish cause from effect, as well as able to interpret the downstream consequences of past, present and future interventions.
- **Creativity:** Ability to look at a problem in a variety of ways – including visualization. Understanding that answers exist outside of basic metrics. Being able to identify hidden internal/external variables impacting people and the organization. Asking questions outside the normal realm.



cutting through complexity

Grazie per l'attenzione