Mindtree

MOTIF Mindtree On-Time In-Full Solution

Consumer Packaged Goods Companies are losing millions of dollars when they don't have to. As retailers take a more aggressive approach to streamlining the supply chain with the new On-Time In-Full initiative (OTIF), manufacturers are being forced to comply or pay the price. Under OTIF, any shipments deemed late, early, or improperly packed may trigger a hefty fine. Walmart's no exception stance holds suppliers accountable to required OTIF performance goals as high as 95%. For most CPG companies, compliance requires a new level of analytics to identify which and where orders put them at risk. MOTIF, Mindtree's OTIF solution, does just that.

Penalties...fines, and that's just the beginning. Walmart was the first to implement financial penalties for suppliers who fail to meet OTIF delivery goals. Many other retailers are now following Walmart's lead in the quest to reduce out-of-stocks (OOS). However, the OTIF penalty is not the total cost of problematic deliveries. The actual cost of OTIF is the penalty + lost sales when the product is not on the shelf. Why penalize suppliers who do their best to ensure high on-shelf availability (OSA)? Consumers are demanding that retailers make more product available at all points of purchase or risk consumers going elsewhere to buy desired product preferences. 100% OSA is the goal. Perfect order fulfillment has always been essential to the success of consumer goods manufacturers. In today's environment, it's taken on an even greater role now that suppliers are penalized for strict OTIF goals set by the retailer.

Consumer Goods manufacturers need to reduce or even eliminate OTIF penalties but it can be a daunting task because of the complexity in identifying where voids and inefficiencies exist. Looking at history only tells you what's happened in the past. Mindtree's solution for Perfect Order Fulfilment and OTIF compliance goes well beyond a look in the rear view mirror. It is a problem solving solution that enables rapid identification of risks and bottlenecks by leveraging proven predictive Machine Learning (ML) models to drive operational improvements.

Understanding where bottlenecks occur from the time an order is placed to the time it reaches the retailer distribution center is essential to improving OTIF scores. Mindtree's Machine Learning Engine identifies patterns and potential inefficiencies each step in the logistics and the delivery process. We call it 'Track & Trace'.

CARRIER LOAD READY ACTUAL ORDER RECEIVED PICK UP **RETAILER DC** TENDERING DATE/TIME (LRDT) mm шШ **On-Time** In-Full SCHEDULING LANE **RETAILER DC** LOAD COMPLETE IN TRANSIT IN STOCK ASSIGNED APPT

Here's an example:

Mindtree's OTIF solution (called MOTIF) is a cloud based platform. We track deliveries and identify voids from the moment an order is received to the time of purchase at the store. This gives our customers complete insight into where bottlenecks exist in the entire chain and goes further by understanding the effect of on-shelf availability. Our ML models were developed and fine-tuned to address each step in the chain so that our customers get the results they need for continuous improvement. In addition, Mindtree's cloud based OTIF solution (MOTIF) is near real time so we can catch and fix issues before they become costly penalties and lost sales.

Mindtree is committing significant resources toward this initiative, including offering a MOTIF industry accelerator package on SAP Leonardo. This latest component of Mindtree's advanced analytics platform is designed to help companies in the consumer products and manufacturing industries keep pace with the increasing requirements around order fulfillment and avoid the expensive fines and penalties associated with supply chain issues. Why pay penalties when you don't have to?

ABOUT MINDTREE

Mindtree [NSE: MINDTREE] is a global technology consulting and services company, helping enterprises marry scale with agility to achieve competitive advantage. "Born digital," in 1999 and now a Larsen & Toubro Group Company, Mindtree applies its deep domain knowledge to 350+ enterprise client engagements to break down silos, make sense of digital complexity and bring new initiatives to market faster. We enable IT to move at the speed of business, leveraging emerging technologies and the efficiencies of Continuous Delivery to spur business innovation. Operating in more than 15 countries across the world, we're consistently regarded as one of the best places to work, embodied every day by our winning culture made up of 21,000 entrepreneurial, collaborative and dedicated "Mindtree Minds."