

#### 4. Driving data through supply chains

Like cost cutting, the supply chain is a priority for almost every company. More than nine in 10 companies in our survey are investing in supply chain improvement and operational excellence, so it doesn't differentiate. Additionally, those companies that say they are moving beyond just-in-time supply chain strategies are about as likely to be profitable growers as any other consumer products company.

However, supply chain data is an area where profitable growers stand out. They are much more likely to invest in data capabilities and want to share more data with consumers and partners. This data can help power smart labels to help consumers make better decisions and can help supply chain partners coordinate and optimize logistics. Companies with these capabilities are likely better positioned to meet tracking and traceability requirements. And it enables other capabilities, such as assessing supply chain carbon footprints (79%, +38 percentage points higher than all other companies) and monitoring and complying with ethical working practices (89%, +25 percentage points higher than all other companies). Examples from higher performers in our financial analysis include new product labeling systems incorporating carbon emissions, ocean acidification, and biodiversity—all enabled by supply chain data.

Supply chain data	Profitable growers	All others	Percentage point (pp) difference
Investing in increasing the level of transparency provided to consumers and other stakeholders	90%	46%	+44 pp
Investing in improving capabilities to safely share data with partners	76%	50%	+26 pp
Making a significant investment in collecting more detailed data from supply chains*	48%	21%	+27 pp

Based on Deloitte's analysis of executive interviews for the 2023 consumer products industry outlook. N = 53: Comparing responses of Significant and Moderate investment.

\*Compares only Significant investment.

More than nine in 10 companies in our survey are investing in supply chain improvement and operational excellence.