



# Collaboration: *The Next Business Opportunity*

*WITH BREXIT LOOMING ON THE HORIZON, UK-BASED RETAILERS AND SUPPLIERS ARE INCREASINGLY HAVING TO THINK ON THEIR FEET. GREATER COLLABORATION, AS ESPOUSED BY ECR, CAN OFFER A HELPING HAND. ESM REPORTS.*

**W**hile retail is generally considered to be in a constant period of flux, UK-based retailers and suppliers have had to deal with more challenges than most – a collapse in the value of Sterling, a drop in consumer sentiment, and the ‘known unknowns’ presented by the forthcoming Brexit.

Collaboration has long been identified as a means to drive efficiency and instigate growth in the retail sector, arguably now more than ever, according to Wendy

Manning, vice president of customer logistics at Coca-Cola Enterprises, and Paul Dunne, supply chain director at Boots. The duo are the co-chairs of ECR UK, which in turn is managed by education and training charity IGD.

“You could say that Brexit has had a galvanising effect on the supply chain industry because of a shared need to address the challenges that will ultimately come,” says Dunne. “What they are, how they will show themselves – all that is still to be determined, but on many of the issues we will all be in it together.”

“What we’ve been trying to do as an ECR board is demystify Brexit as much as possible, so we’ve taken steps to get the relevant advice and expertise on a subject that is highly complex and quite difficult to interpret.”

## **Working Together**

Both have plenty of experience in terms of fostering greater collaboration in their respective businesses. At Coca-Cola, for example, Manning and her team were awarded the first ever ‘ECR Europe Award’ back in 2013, for their collaborative work with Tesco.

As she explains, the ability to share data in real-time and get visibility of data between supply chains has been an enabling force for collaboration in recent years.

“We’re also seeing different types of leaders and different cultures in organisa-



**Mindset** Boots' Paul Dunne is pleased to see how "open and curious" businesses are to collaboration

tions," she explains. "We talk about collaboration being a part of a business' DNA, cascading down from a business leader that feels comfortable about setting that direction. On the ECR board, that's the type of culture and environment we enable and encourage."

ECR believes it has an increasingly important part to play in terms of fostering such collaboration, as an "engaged group that is happy to have conversations about how to work together and how we can improve, as an industry, for the good of the shopper," Manning adds. "We're also a large group, with an influential range of diverse companies, covering a large part of the grocery retail market. So, if there's an issue, the likelihood is that the people from those organisations will be aware of it and will be talking about it."

Dunne agrees. "I'd almost go as far as to say that if you don't have a collaborative mindset, you probably won't succeed in a modern supply chain," he explains.

### Factors To Consider

At the same time, while the benefits of greater collaboration are plentiful, there is still an apprehension among many busi-

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**Wendy Manning**  
Coca-Cola Enterprises

nesses that embarking on collaborative ventures is like opening Pandora's Box; enabling other firms to see your company's secrets.

Having worked on both sides of the fence – prior to his role with Boots, he worked in senior supply chain roles at Birds Eye Iglo Foods and Campbell Soup company – Dunne says that one of the best things about how businesses collaborate is "how open and curious they are to the challenges faced by your collaborative partner. And that's both the retailer being respectful of a supplier's challenges and

vice versa. If you go into it with that mindset, you'll be successful."

ECR, he explains, "allows companies to take a bigger approach – you can view the collaboration for the longer term and for the greater good of the industry and the consumer, rather than a short-term win."

This manifests itself most vividly in a potential 'crisis' situation, he adds. "I've had examples before with competitors where there have been mechanical breakdowns at the competitor-end," he says, "and the two businesses have helped each other during those crises, with a view that would then be reciprocal at a later time. That's real collaboration, because it's supporting in a time of need and not taking advantage."

Coca-Cola's Manning says that businesses looking to collaborate should make sure they have the "right mindset and ambition. If you go in just to deliver for yourself then it's probably not going to work for you.

"But, if you go in with the right mindset and are open to looking at things in a different way, because you need to achieve something specific, then collaboration will be successful."

### The Long Game

Collaboration has been around almost as long as supply chain and logistics itself, and the pace of change has been slow, and at times frustrating. But moves towards greater transparency and flexibility, as well as the growth of blockchain, is leading to the creation of a supply chain environment that is no longer subject to the silos of yesteryear, and is more akin to a constantly-adapting apparatus, with collaboration at its heart.

"Ideally, in 10 years' time, we will have created supply chains which offer total flexibility for whatever and whenever a customer wants to buy or interact with a business," Dunne says, when asked about the future for collaborative supply chains.

"The data constraints we've had in the past will no longer exist, and the final test for us, from a supply chain point of view, will be to design physical execution that matches that changing customer demand." ■

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