

# Sales & Operations Planning Trends



Summary Results | October 2017

# Survey Summary

- ▶ **Between May and September, 2017, Gatepoint Research invited selected executives to participate in a survey themed Sales & Operations Planning Trends.**
- ▶ **Candidates were invited via email and 100 executives have participated to date.**
- ▶ **Management levels represented are predominantly supply chain and operations senior decision makers: 25% are VPs, 51% are Directors, and 24% are Managers.**
- ▶ **Survey participants represent firms from a wide variety of industries including manufacturing (primary, general and high tech), healthcare, wholesale and retail trade, business services, utilities, media, mining, construction, telecom services, and transportation.**
- ▶ **Responders work for firms with a wide range of revenue levels:**
  - **78% work in Fortune 1000 companies with revenues over \$1.5 billion;**
  - **8% work in Mid-Market to Large firms whose revenues are between \$250 million and \$1.5 billion;**
  - **14% work in Small companies with less than \$250 in revenues**
- ▶ **100% of responders participated voluntarily; none were engaged using telemarketing.**

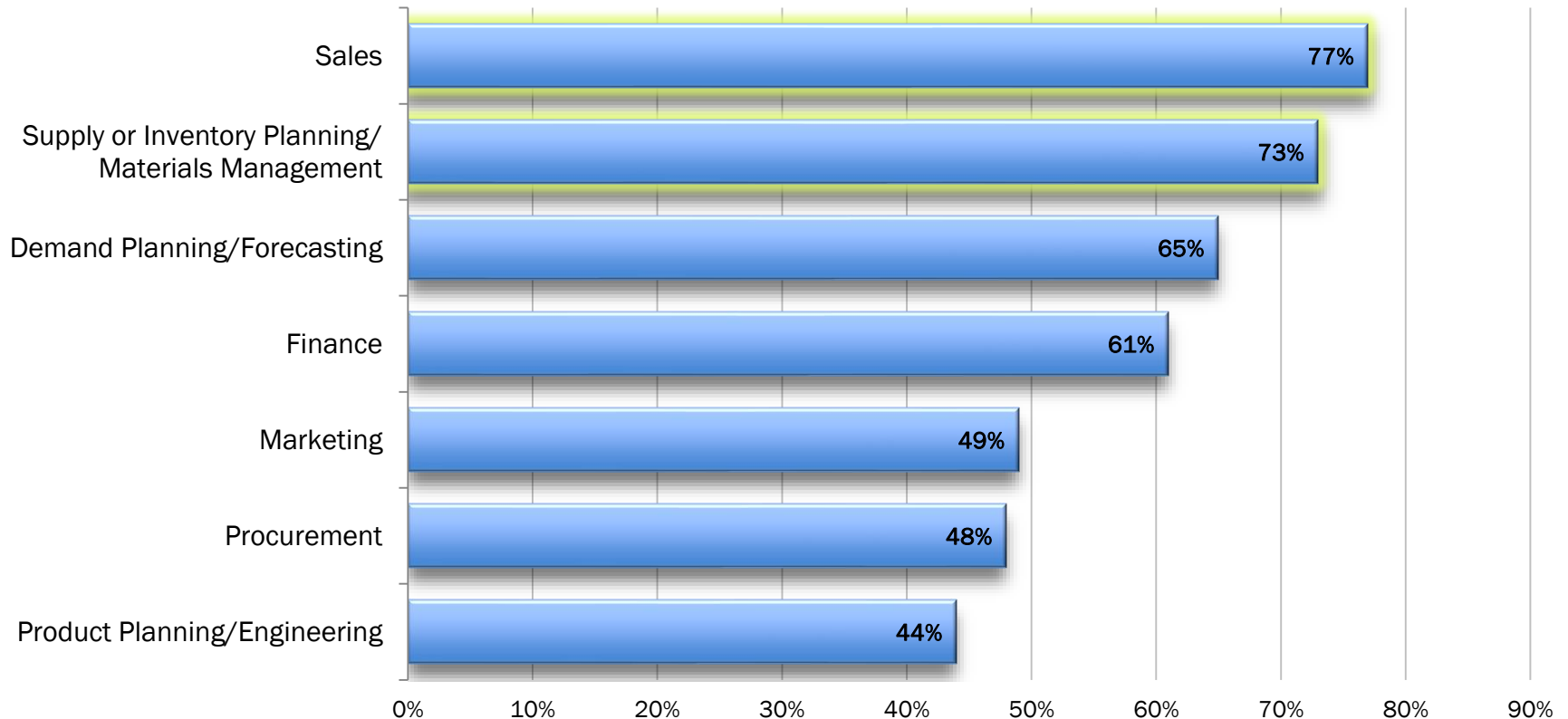
# Executive Overview

The Sales and Operations (S&OP) process requires cross-functional collaboration and planning. It also requires accurate and timely data to support the right decisions for supply and demand planning. But are companies getting the right level of data and collaboration from internal and external sources and stakeholders to ensure a strong process?

This survey asks respondents to report:

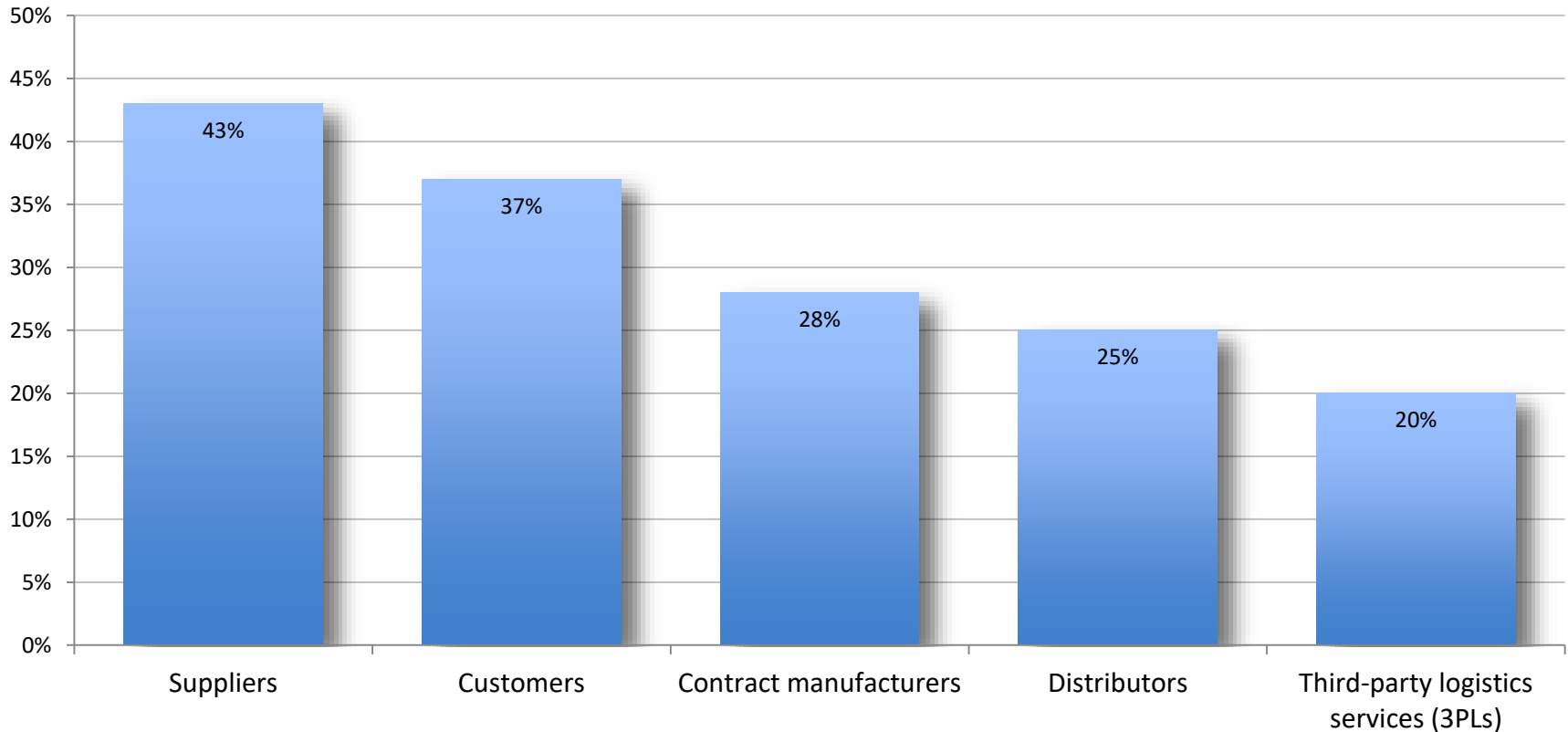
- ▶ Which departments or stakeholders participate regularly in their S&OP process?
- ▶ What is the status of their current S&OP process, and how do they incorporate data in the process?
- ▶ Does their S&OP process inform and enable their supply chain?
- ▶ What challenges do they face in their S&OP process?
- ▶ What capabilities are they considering to help them improve their S&OP process and meet supply chain management goals?

# Which internal stakeholders/functions participate regularly in your Sales & Operations Planning (S&OP) process?



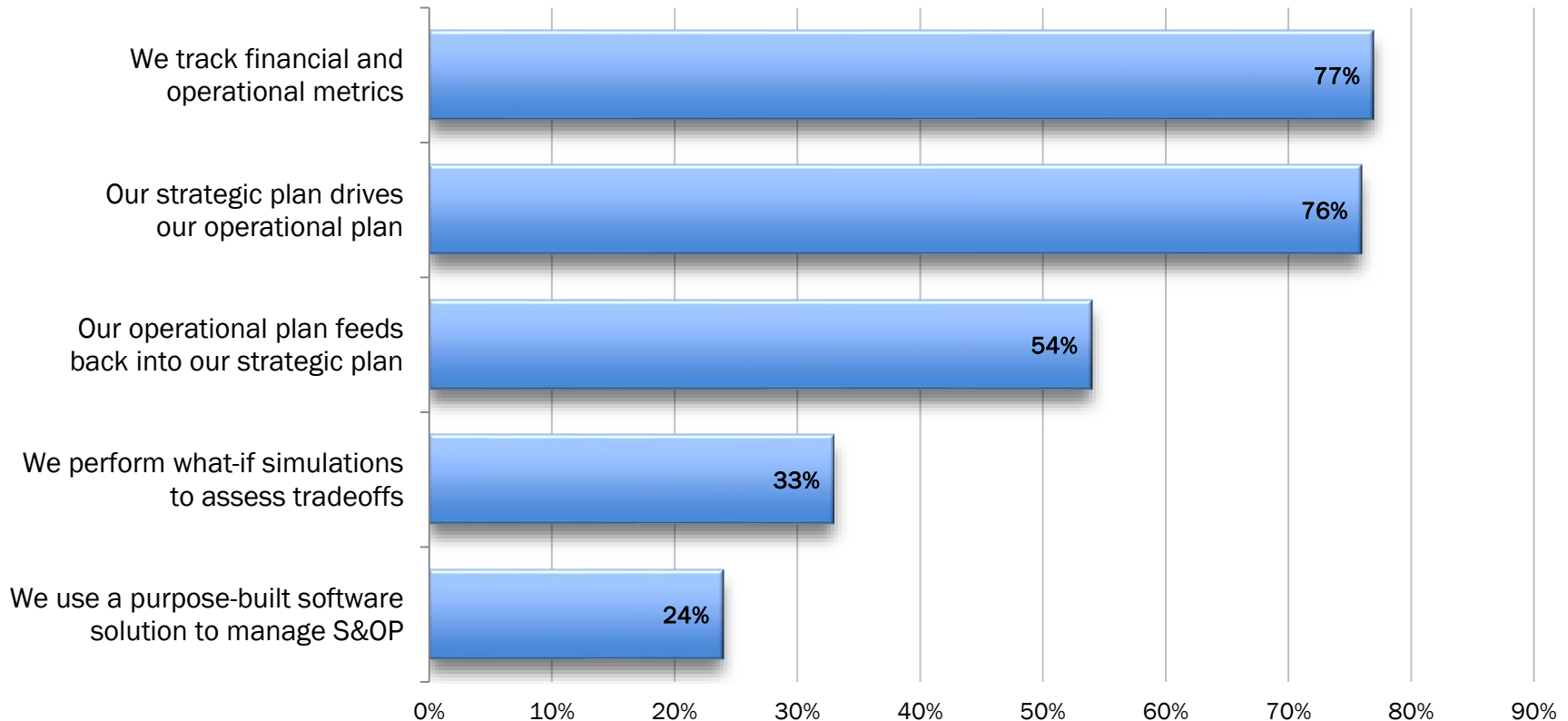
The sales organization, along with stakeholders who manage supply/inventory planning and materials management, participate most regularly in the S&OP process. Respondents say stakeholders who manage demand planning/forecasting (65%) and finance (61%) are regularly present in the process, too.

# Which external stakeholders/functions participate regularly in your S&OP process?



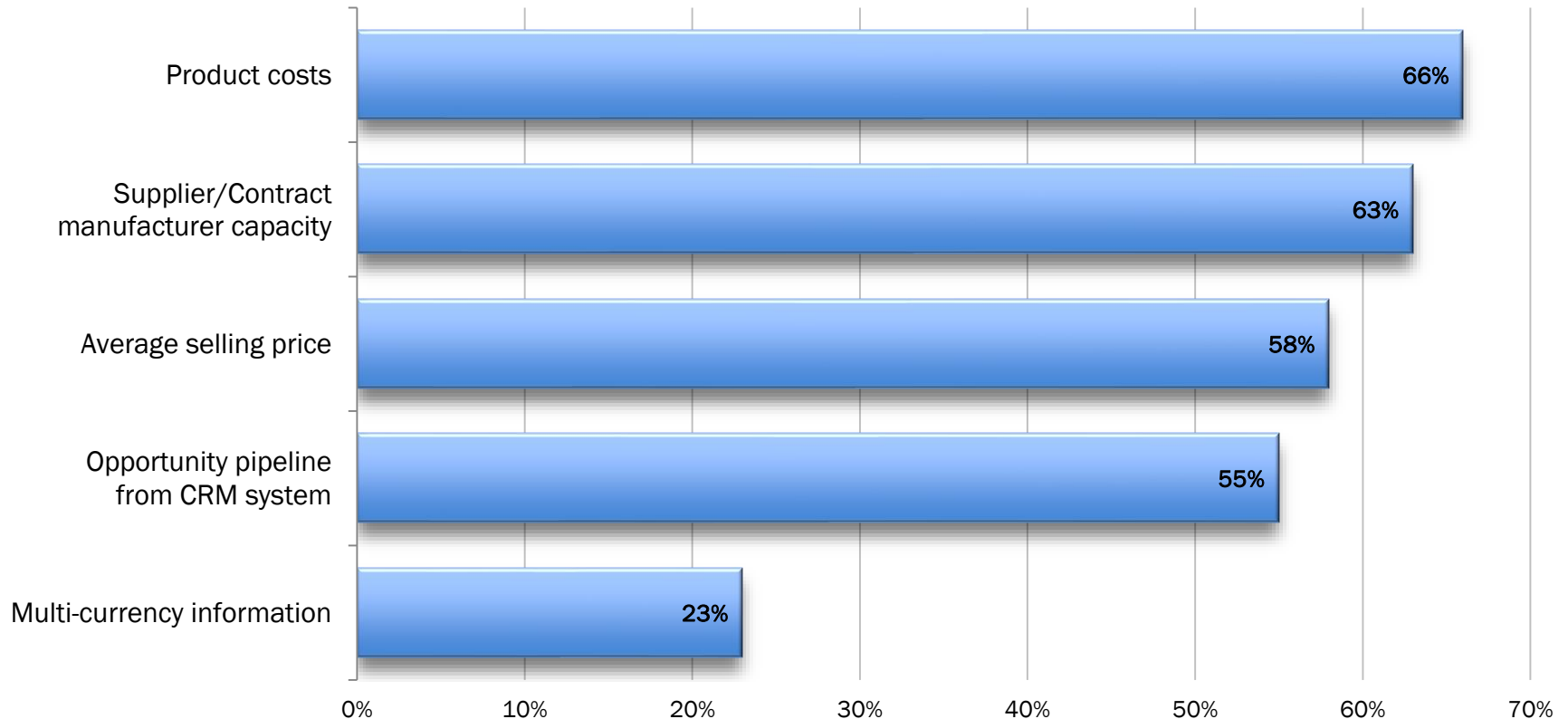
**Suppliers are the most significant external participants in respondents' S&OP process, say 43%. More than a third (37%) identify customers as regular participants, and 28% say that contract manufacturers have regular roles in the process, too.**

# Which of the following statements are true about your current S&OP process?



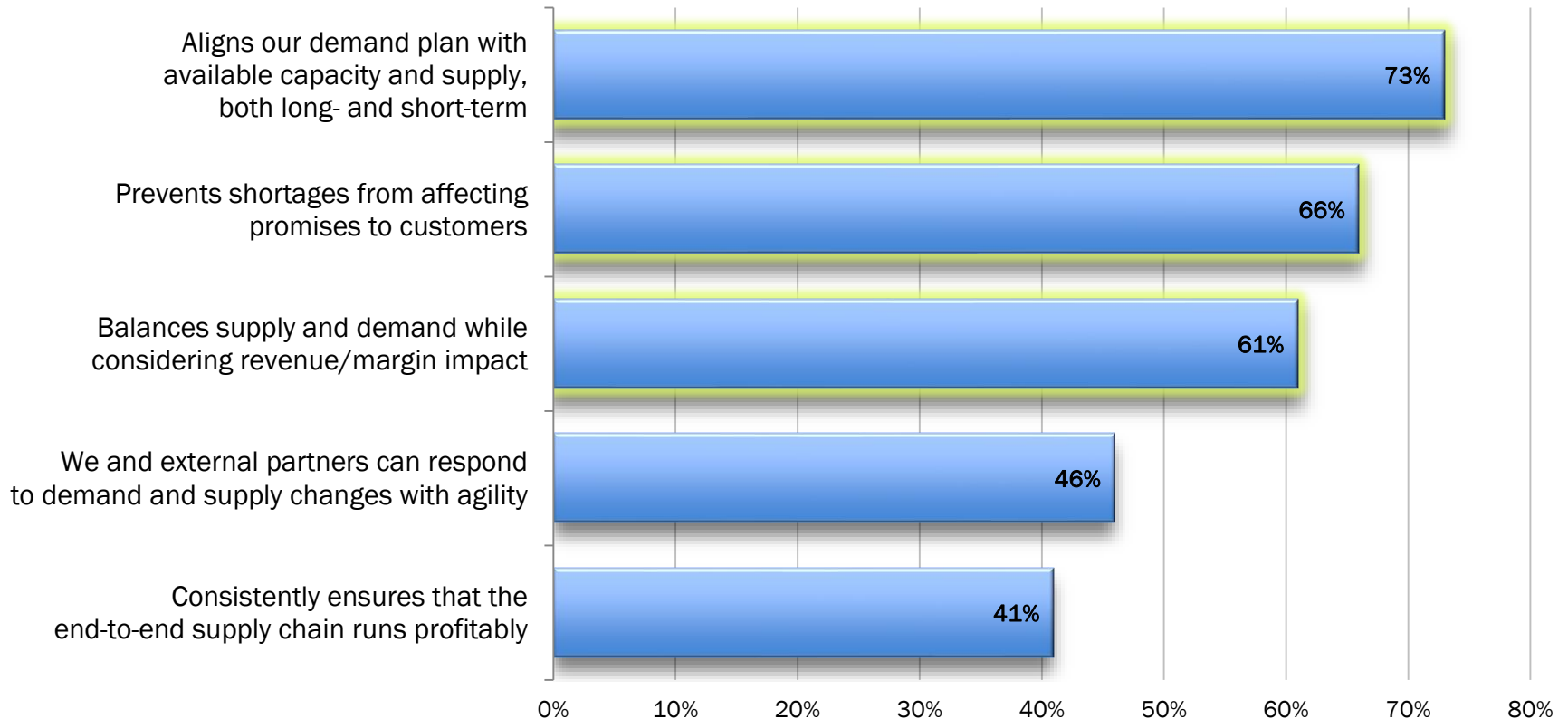
**77% of respondents confirm that they track financial and operational metrics in the S&OP process, and nearly as many say their organization's strategic plan drives the operational S&OP plan. Over half say their operational plan feeds back into the strategic plan.**

# Which data do you incorporate into your current S&OP process?



**These are the four most significant data points that respondents incorporate into their current S&OP process: 66% say the use product costs; 63% use supplier or contract manufacturer capacity data; 58% use average selling price; 55% use the CRM opportunity pipeline.**

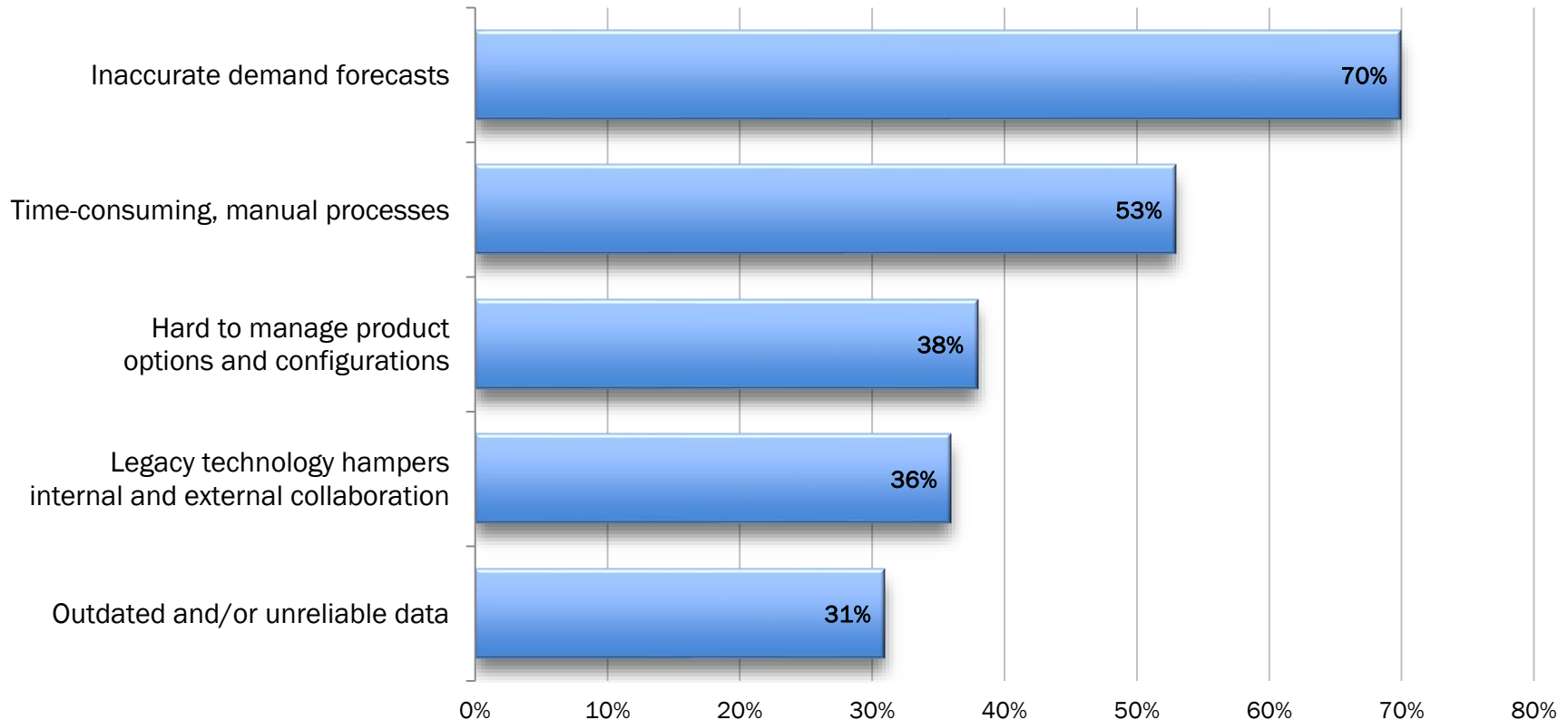
# How does your S&OP process enable your supply chain?



**The S&OP process enables 73% of respondents to align the long- and short-term demand plan with capacity and supply. The S&OP process prevents customer-affecting shortages for two thirds of those surveyed, and 61% say it keeps supply and demand in balance while considering financial impact.**

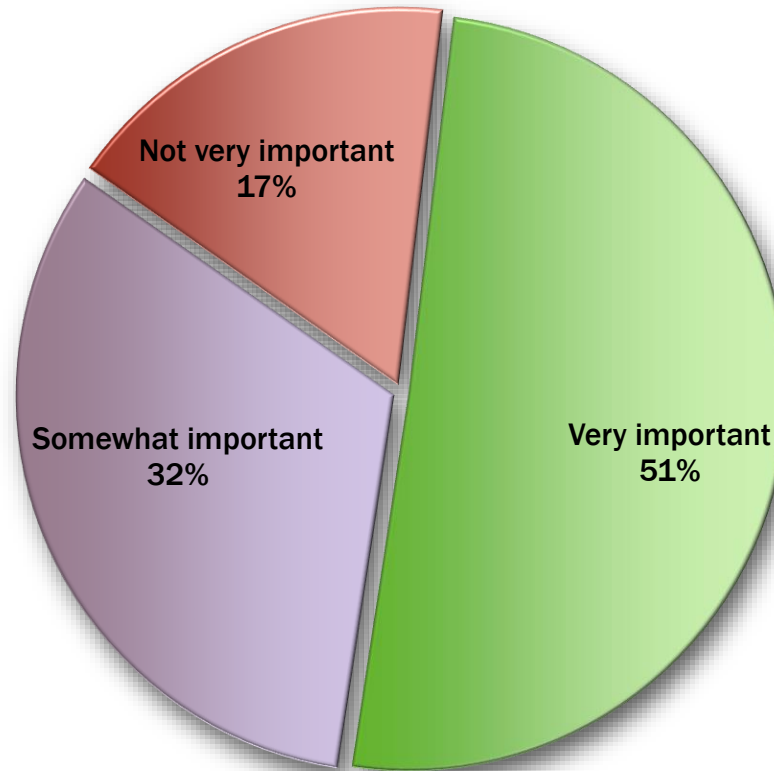


# What challenges do you encounter related to your S&OP process?



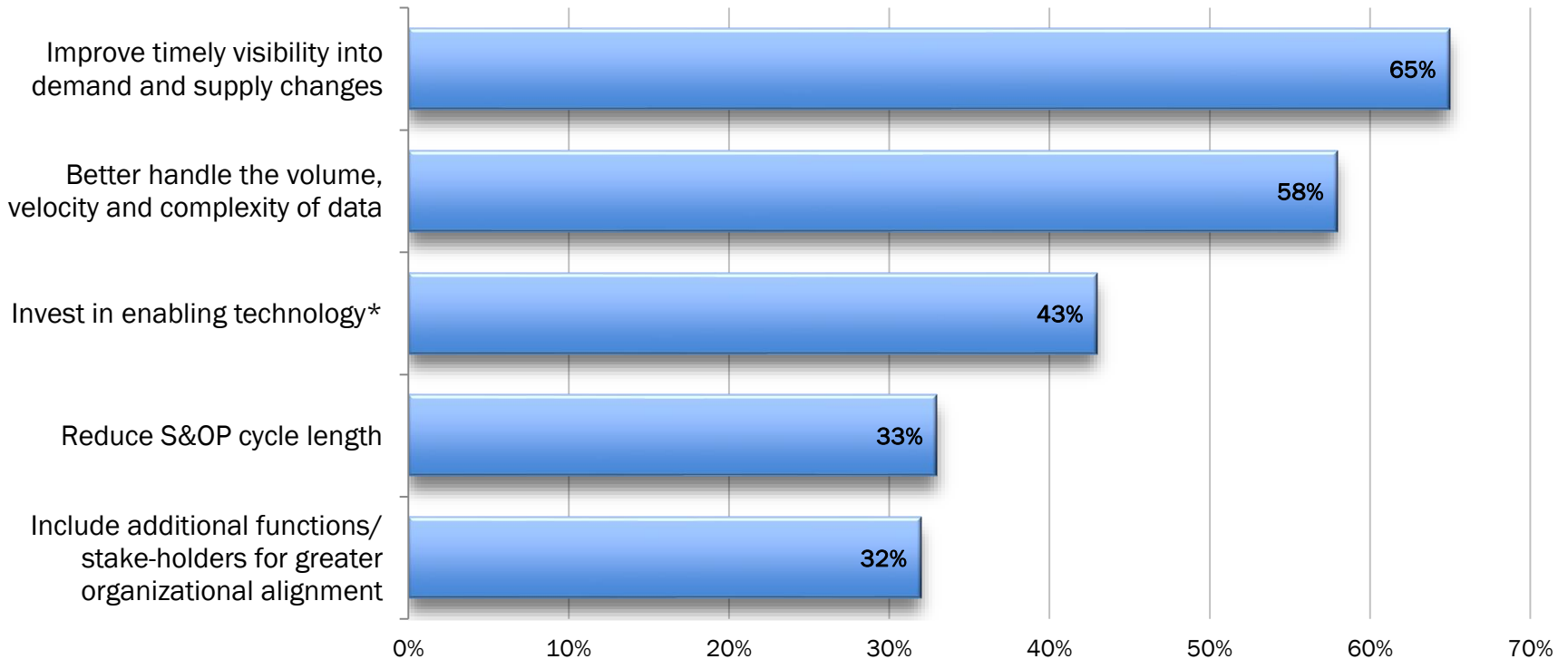
**The S&OP process depends on high quality forecast data, yet inaccurate demand forecasts are the primary challenge for 70% of those surveyed. More than half of respondents cite the burden of time-consuming, manual processes (53%).**

# How important is it to improve the design of your S&OP process to better support your supply chain?



The vast majority of respondents deem the design of the S&OP process important to the support of the supply chain, with more than half of all those surveyed qualifying it as “very important”.

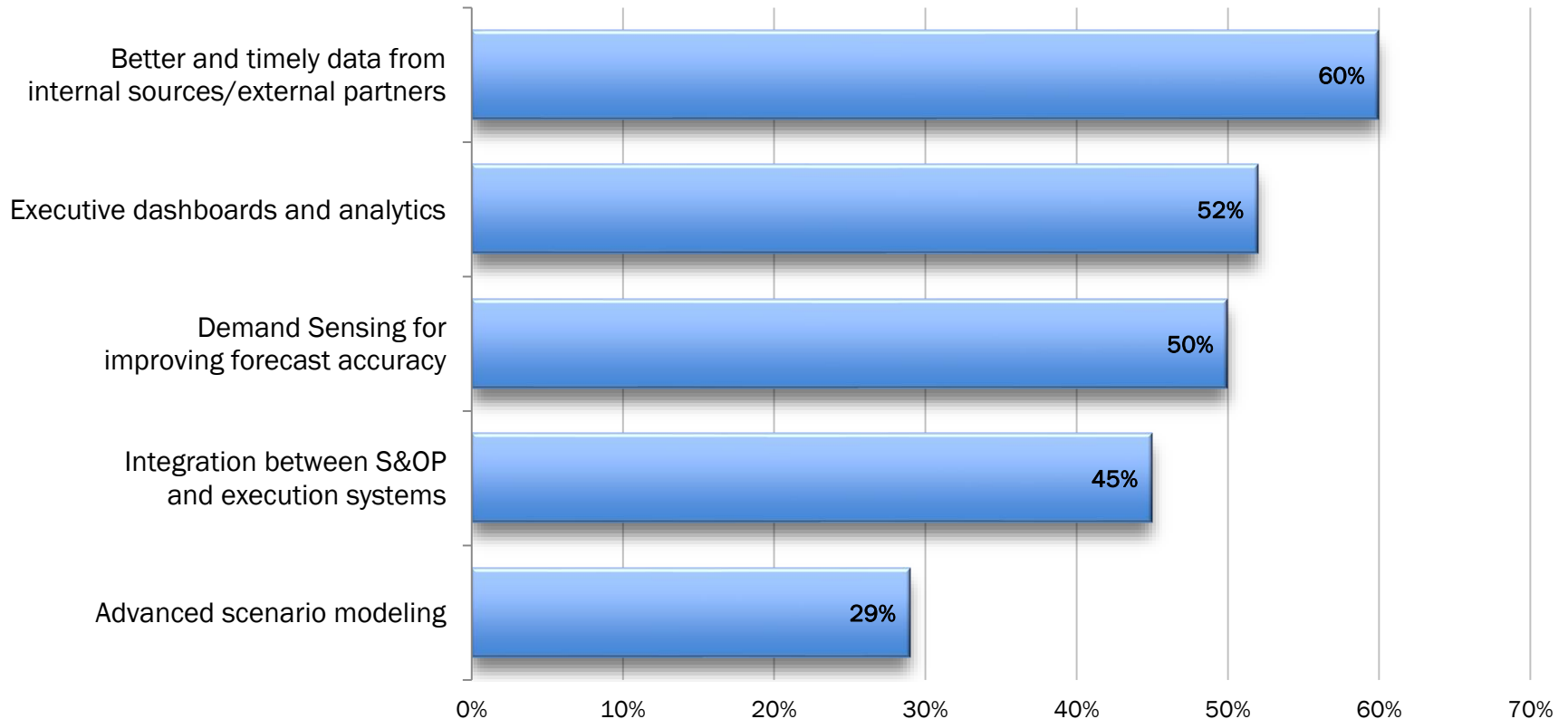
# What are your goals for improving the S&OP process in the next 1 to 2 years?



\*e.g., demand sensing, supply planning, inventory optimization

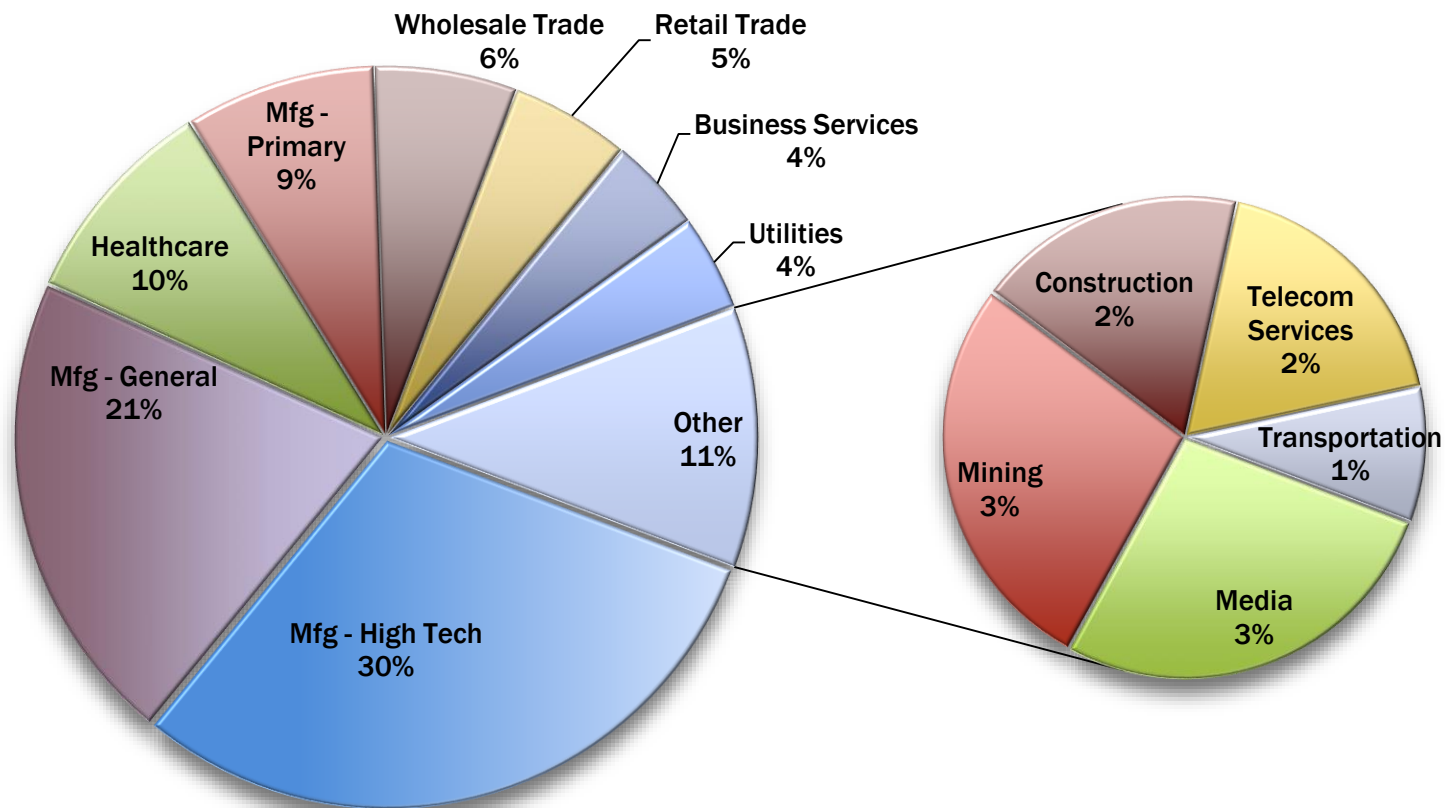
**Respondents say that improving the S&OP process is centered on data availability and use. 65% need visibility to demand and supply changes more quickly. 58% have set goals to better handle the volume, velocity and complexity of data.**

# What capabilities are you considering for improving your supply chain management landscape within the next 1 to 2 years?



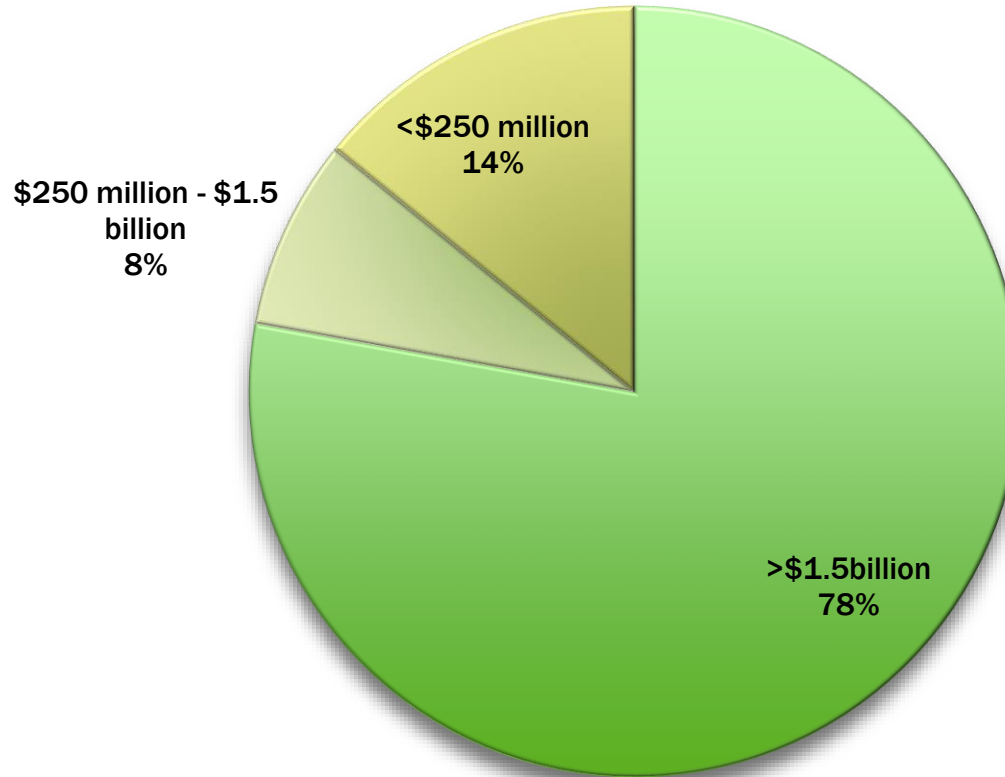
Improvements to supply chain management also hinges on data – better and more timely data from all sources, say 60% of respondents. 52% are considering the addition of executive dashboards and analytics in the next year or two.

# Profile of Responders: Industry Sectors



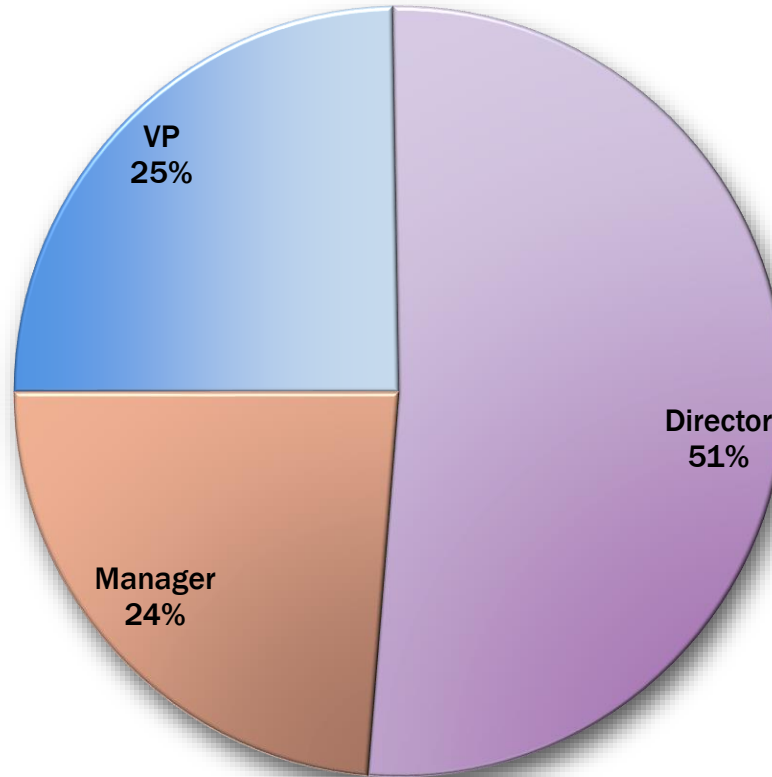
Responders represent a wide variety of industries.

## Profile of Responders: Revenue



**78% of those surveyed work in Fortune 1000 companies with revenues over \$1.5 billion.**

## Profile of Responders: Job Level



**76% of those surveyed hold director or executive level positions in their organizations.**



**E2open is the one place, in the cloud, to run your supply chain, powered by the world's largest direct business network and a broad portfolio of next generation solutions.**

**E2open Sales & Operations Planning (S&OP) aligns consensus demand forecasts, constrained supply plans and financial plans to engage all stakeholders (internal and external) in the strategic planning process and ensure that critical decisions are data-driven and timely. The result is a unified plan that meets corporate objectives for customer service, profitable growth and working capital investments in inventory.**

**S&OP Resources:**

- White Paper     [Integrated Business Planning: Powering Agility in a Volatile World](#)
- Case Study     [Driving End-to-End Supply Chain Planning at HP](#)
- Solution Brief   [E2open S&OP](#)

[Learn more at: www.e2open.com/solutions/sales-and-operations-planning](http://www.e2open.com/solutions/sales-and-operations-planning)