

STRATEGIC ANALYSIS

Pain points in today's market

Digital transformation

| 1. DISCONNECTED DATA SILOS

30%

Revenue Loss Annually

The Struggle: Independent legacy software creates isolated islands of knowledge. Factory floor data fails to sync with ERP or Supply Chain systems.

⚠ **Companies lose \$7.8M annually in lost productivity due to data fragmentation.**

✅ **Solution:** Implement a Unified Data Fabric (SAP S/4HANA or Dynamics 365) to integrate IoT sensors directly into business logic.

 Data Silos Visualization

2. INACCURATE DEMAND FORECASTING

The Struggle: Historical data fails to account for 2026's volatile consumer shifts and climate-driven supply shocks.




↓ **Poor forecasting results in billions lost to Stockouts and Overstocking waste.**

📊 **Solution:** AI-driven Predictive Analytics ingest "outside-in" data to sharpen forecast accuracy by **20-50%**.



3. HIGH COST OF TRACEABILITY



-  **FSMA 204 Struggle:** Moving from paper-based logs to full digital audit trails for "farm-to-fork" compliance.
-  **Brand Catastrophe:** Manual recall processes take weeks; a single error triggers massive legal fines.
-  **Blockchain Solution:** QR-code integration reduces recall response times by 90%.

4. RETROFITTING LEGACY EQUIPMENT

\$20K

Lost Production Per Hour

The Struggle: Analog machinery lacks Industry 4.0 connectivity. Maintenance remains reactive rather than predictive.

Fortune 500 manufacturers lose \$1.4 Trillion annually to unplanned downtime—an 11% revenue impact.

The Solution: Edge Computing & IoT Overlays. Install non-invasive smart sensors (vibration, heat) to stream data to predictive AI hubs.



Reactive

Predictive

Maintenance Cost Comparison

5. WORKFORCE RESISTANCE

- 🚧 70% of digital transformations fail at the frontline due to low worker adoption.
- 🕒 Workers view tech as "extra work" or surveillance, leading to fake data workarounds.
- 👂 **Human-Centric Solution:** Focus on labor-saving tools like voice-to-text reporting and automated vision inspection.

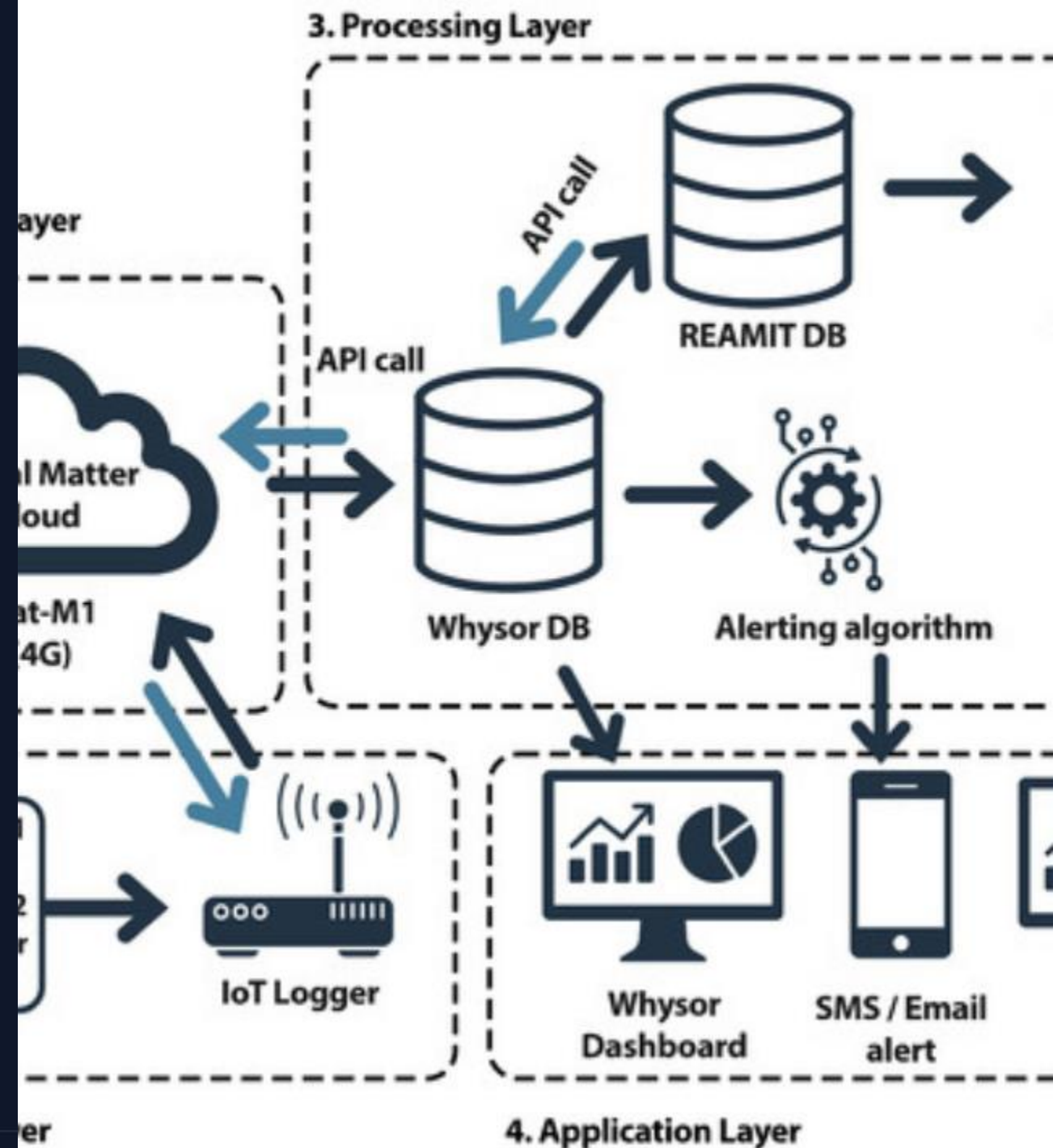


6. COLD CHAIN INTEGRITY GAPS

The Struggle: Monitoring temperature across logistics partners is notoriously hard in real-time. A 2-degree shift slashes shelf life.

Spoilage and quality degradation lead to high return rates and "silent" profit erosion.

5G IoT Tags: Real-time alerts reroute cargo automatically if cooling fails, preventing waste before it starts.



7. SCALING BEYOND PILOT PURGATORY

The Struggle: Successful pilots in one factory fail to scale across 50+ global sites with varying local infrastructures and languages.

Global Core, Local Flex Strategy:

Standardize cloud infrastructure globally.

Allow local plants to customize specific UI & KPIs.

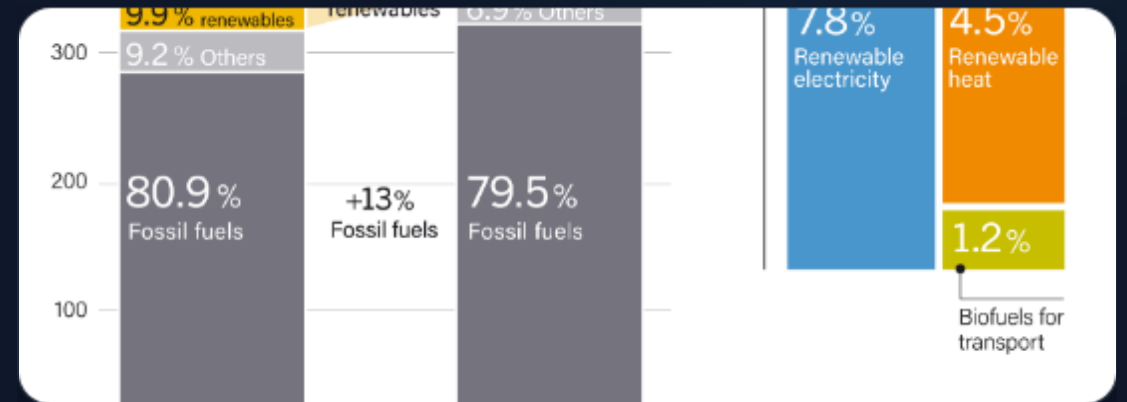
Achieve economies of scale to offset bespoke R&D.

3.7x

Pilot ROI

10.3x

Integrated Scale ROI



8. CYBERSECURITY OF CONNECTED PLANTS



82% Surge

Increase in ransomware attacks targeting food & ag-sectors in 2025.



Air-Gap Loss

Moving to the cloud exposes legacy PLCs to global threats.



Zero Trust

Isolate the production floor (OT) from the corporate Wi-Fi layer.



| 9. SKU COMPLEXITY & "THE LONG TAIL"



● Profitable (30%)

● Standard (45%)

● Zombie SKUs (25%)

The Struggle: Managing 5,000+ SKUs creates inventory bloat and hides capital in slow-moving items.

AI-Powered Portfolio Optimization: Machine learning identifies "Zombie SKUs" and automates rationalization, focusing on profitable velocity.



| 10. DIGITAL SUSTAINABILITY DEMANDS

Automated CO2e Calculation

Consumers in 2026 switch brands based on verified carbon data. Calculating footprint across the digital supply chain is no longer optional.



LCA Integration

Automated Life Cycle Assessment integrated into ERP for real-time reporting.



Gen Z Retention

Secure market share by proving eco-claims with immutable digital data.

QUESTIONS?

Transforming Pain Points into Competitive Advantage

STRATEGY | DATA | EXECUTION