

GenAI for Supply Chain: A Beginner's Guide



GenAI has been a ubiquitous topic of conversation over the past six months, but when it comes to the actual implementation, details are surprisingly sparse.

How are supply chain and procurement professionals approaching the work of implementing GenAI, and what advice do they have for those just starting the journey?

One-Minute Insights:

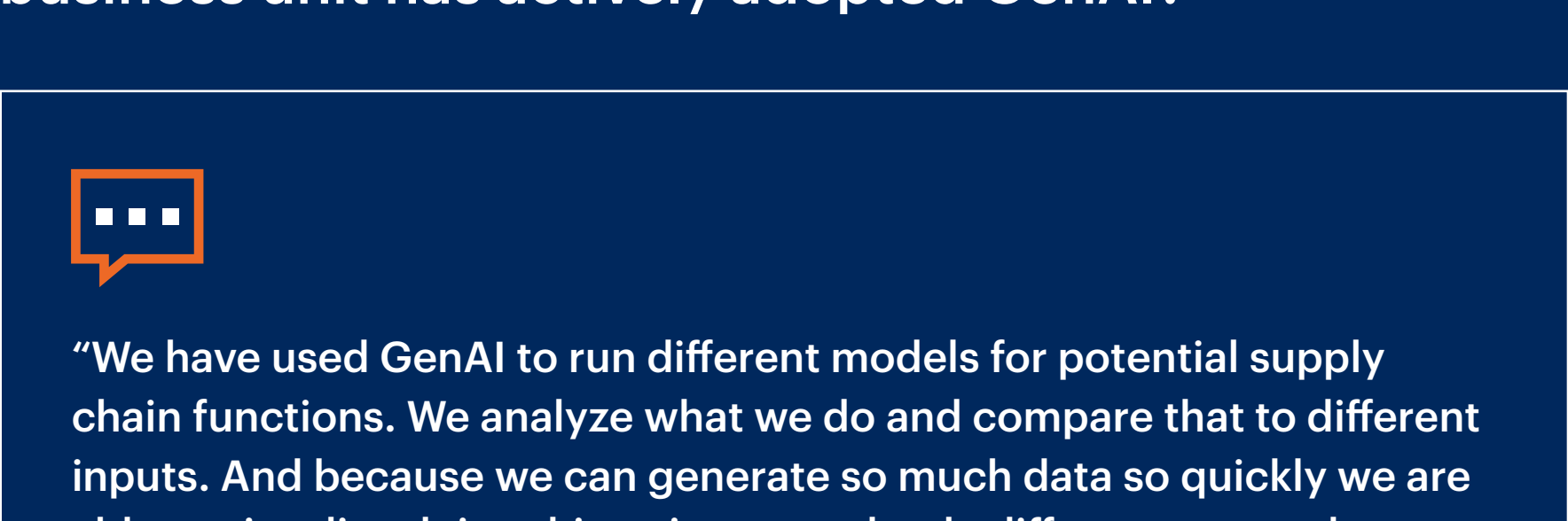
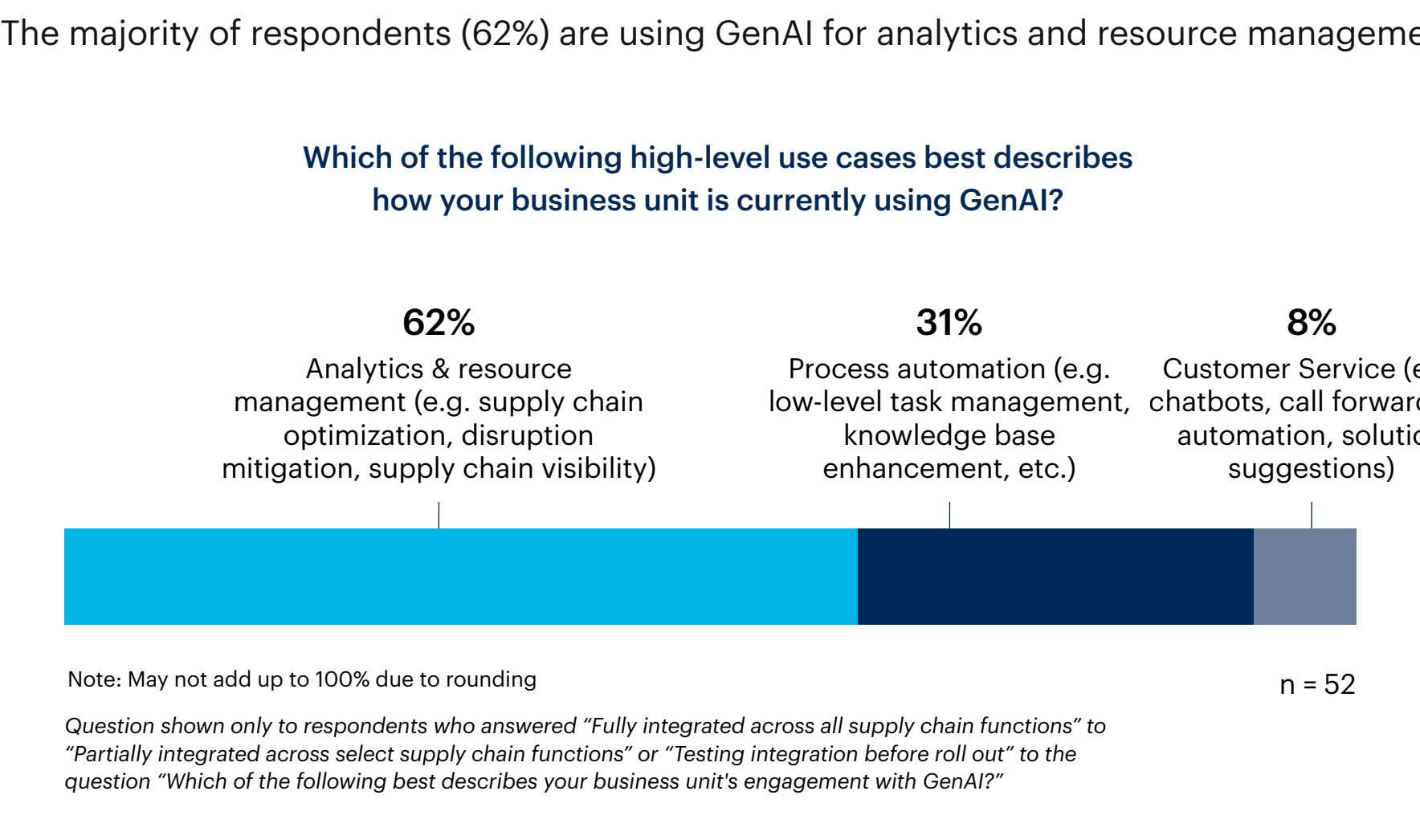
- You're not as far behind as you think: many organizations are still integrating GenAI, and most have been using it for less than six months
- Many hands make light work: consider leveraging the power of cross-team Center of Excellence to support your GenAI roll out
- The devil is in the details: respondents say unrealistic expectations and unclear goals are the primary cause of roadblocks
- You don't have to do it alone: many are turning to third party vendors for the GenAI tools they need

Data collection: August 24, 2023 - September 12, 2023

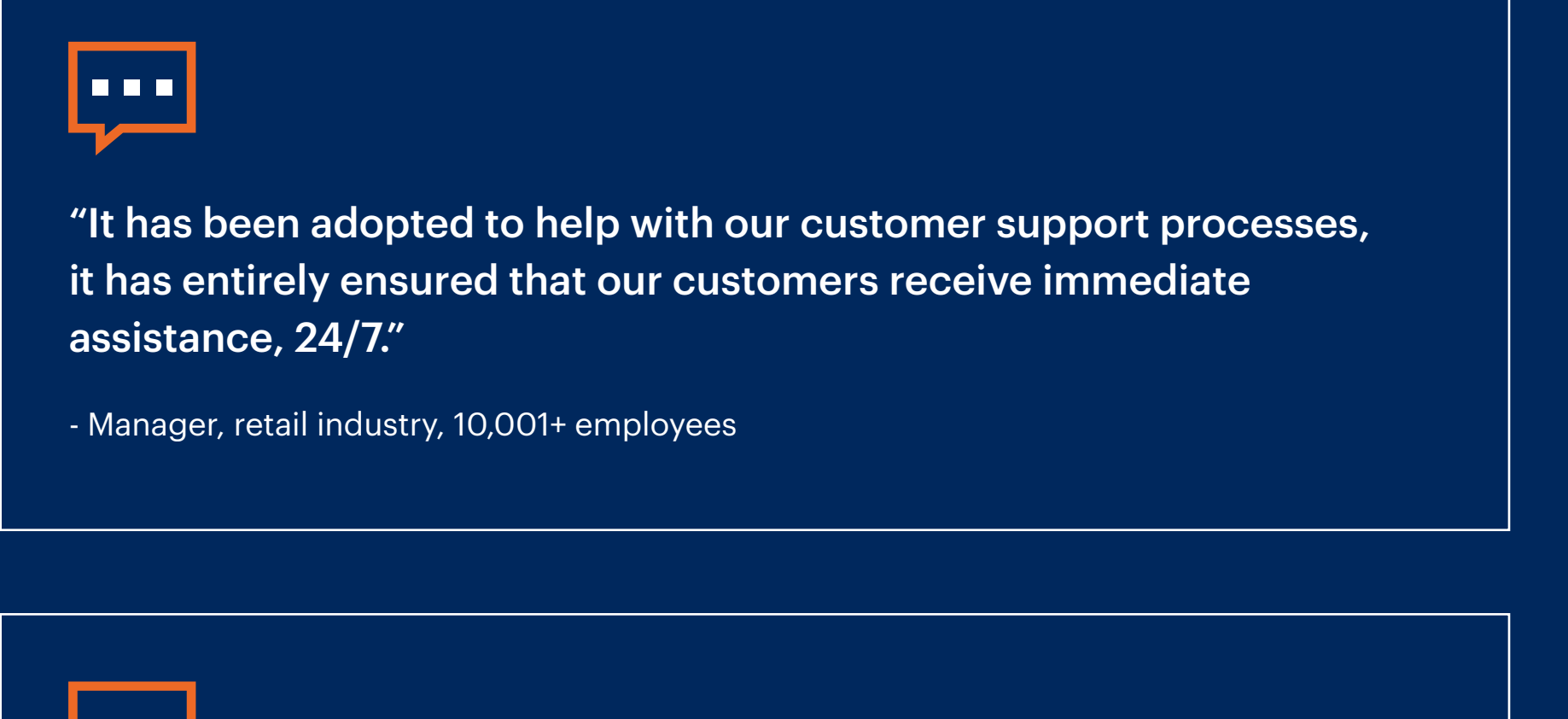
Respondents: 69 Supply Chain and Procurement professionals who have visibility into their organizations GenAI implementation processes

While GenAI is a hot topic in Supply Chain, few organizations have a mature implementation

While only 16% of respondents have fully integrated GenAI across supply chain functions, 45% have it at least partially integrated.



The majority of respondents (62%) are using GenAI for analytics and resource management.

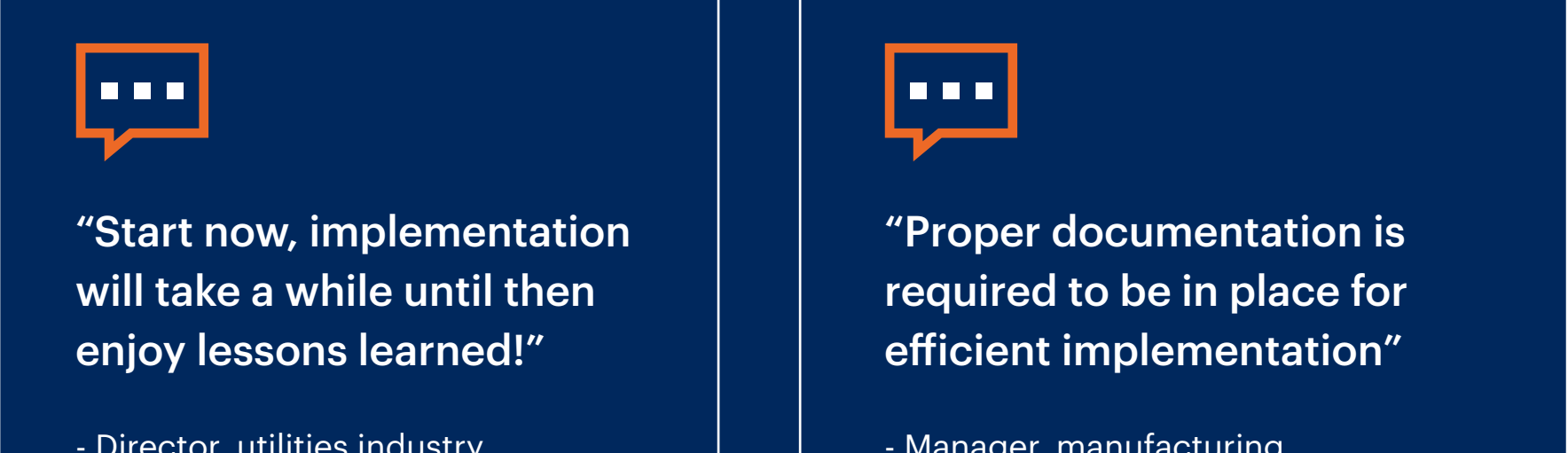
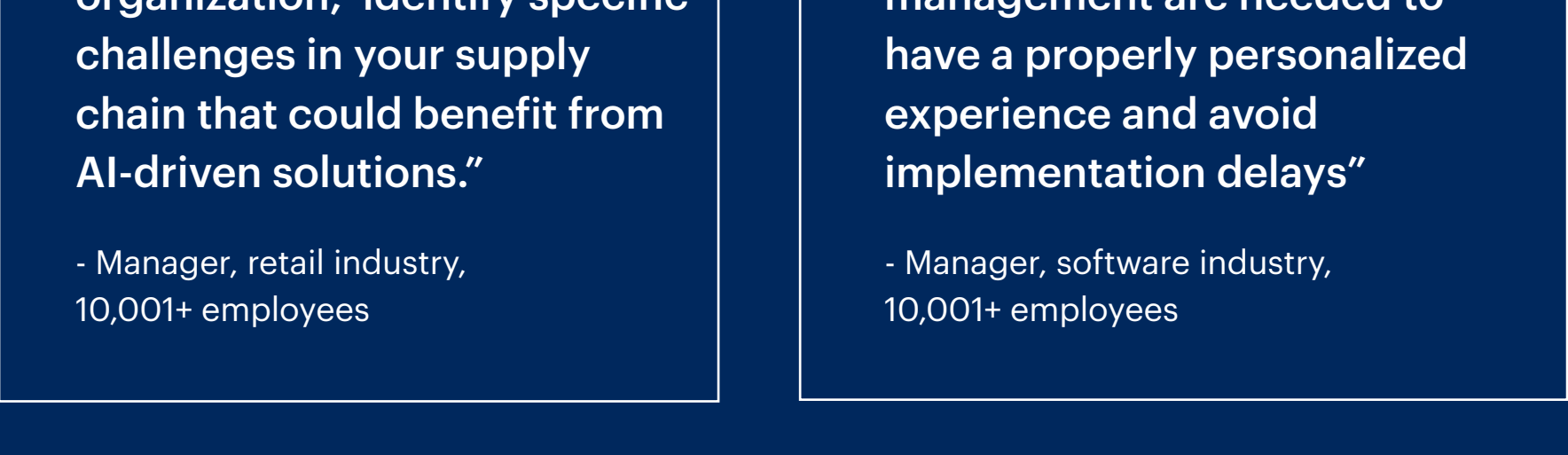
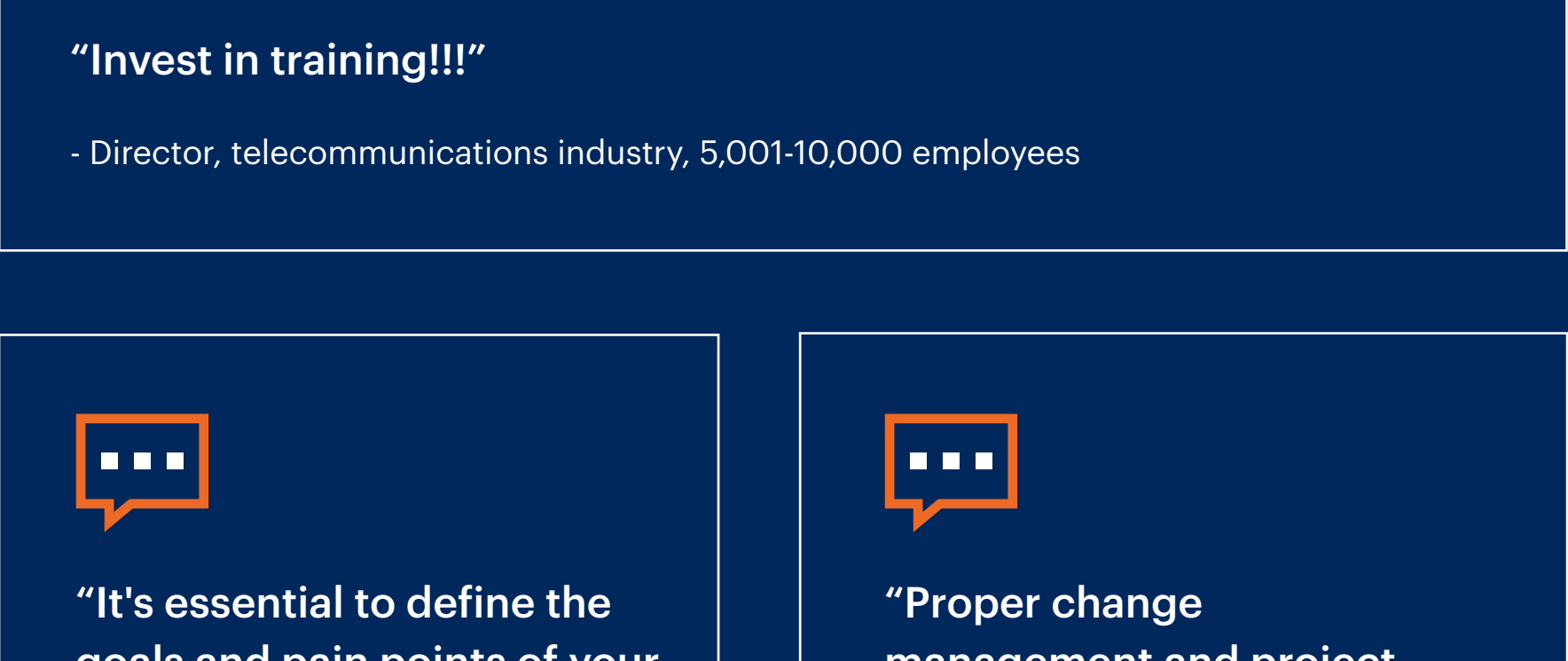


Can you briefly describe one of the ways your business unit has actively adopted GenAI?

- "We have used GenAI to run different models for potential supply chain functions. We analyze what we do and compare that to different inputs. And because we can generate so much data so quickly we are able to visualize doing things in a completely different way and see the true cost and time impact it would have on service."
 - Manager, consumer goods industry, <1,001 employees
- "It has been adopted to help with our customer support processes, it has entirely ensured that our customers receive immediate assistance, 24/7."
 - Manager, retail industry, 10,001+ employees
- "Supplier network optimization and proposing the best supply options"
 - Director, utilities industry, 10,001+ employees
- "Understanding of consumption patterns to help create structures for refurbishment of raw materials and goods."
 - C-suite, finance, banking and insurance industry, 10,001+ employees
- "Data collection and preparation, generating forecast scenarios, risk assessment with scenarios generated"
 - Manager, finance, banking and insurance industry, 10,001+ employees

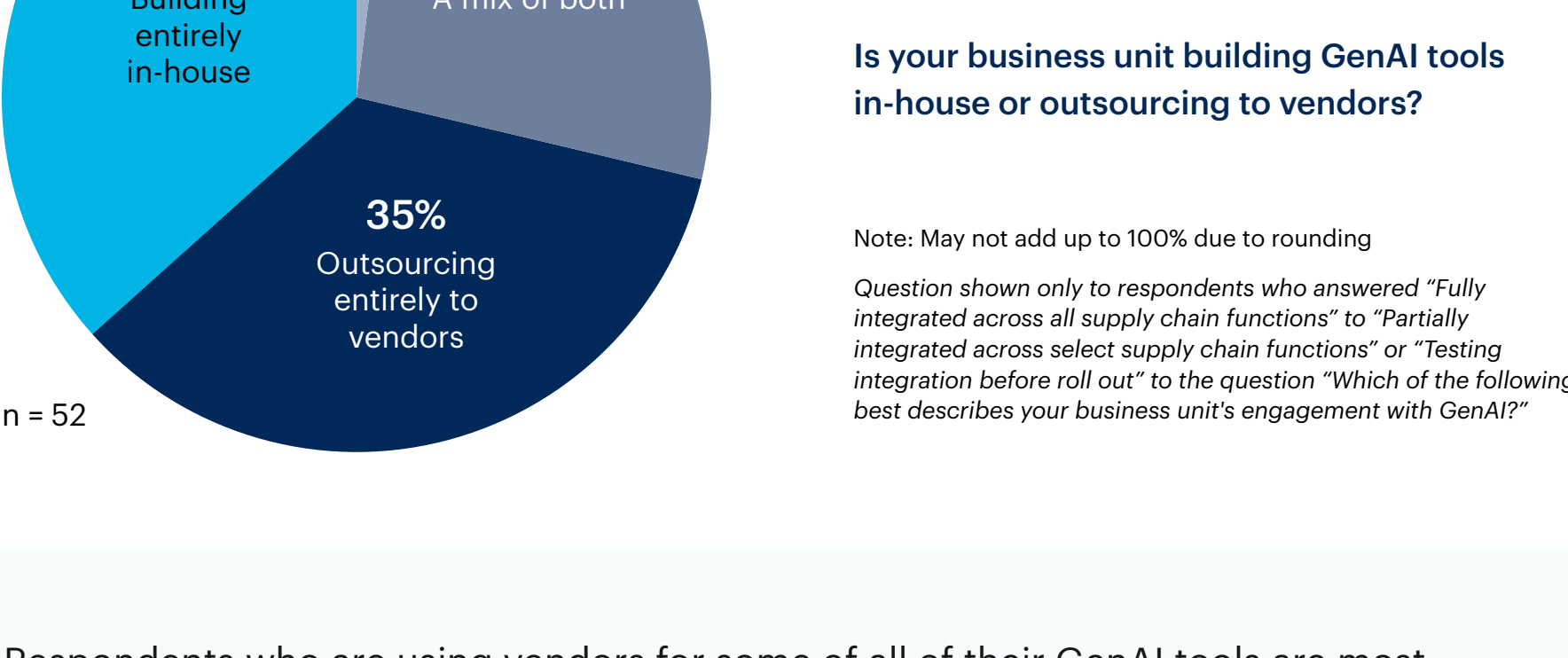
Bringing together the Supply Chain, IT and InfoSec teams in a cross-departmental Center-of-Excellence is a popular way to manage the GenAI roll out process

More than two-thirds of respondents (69%) say they leveraged a cross-departmental team or Center of Excellence for their GenAI roll out.



Respondents advise setting clear goals, and implementing robust training and change management to ensure GenAI success

When asked what roadblocks they'd advise others to watch out for, respondents most commonly selected unrealistic expectations (58%), rushing implementation (38%) and a lack of clear objectives (37%).



What advice would you give to a supply chain team on where to start with their GenAI implementation?

- "Figure out what are your long-term goals that you want to achieve with the use of GenAI, study how it aligns with your current goals."
 - Director, retail industry, 10,001+ employees
- "It's important to keep an open mind and be willing to learn what AI models can teach you. You might go in with very specific goals but I promise if you have an open mind you will see new avenues open up that you did not initially envision."
 - Manager, consumer goods industry, <1,001 employees

- "Invest in training!!!"
 - Director, telecommunications industry, 5,001-10,000 employees

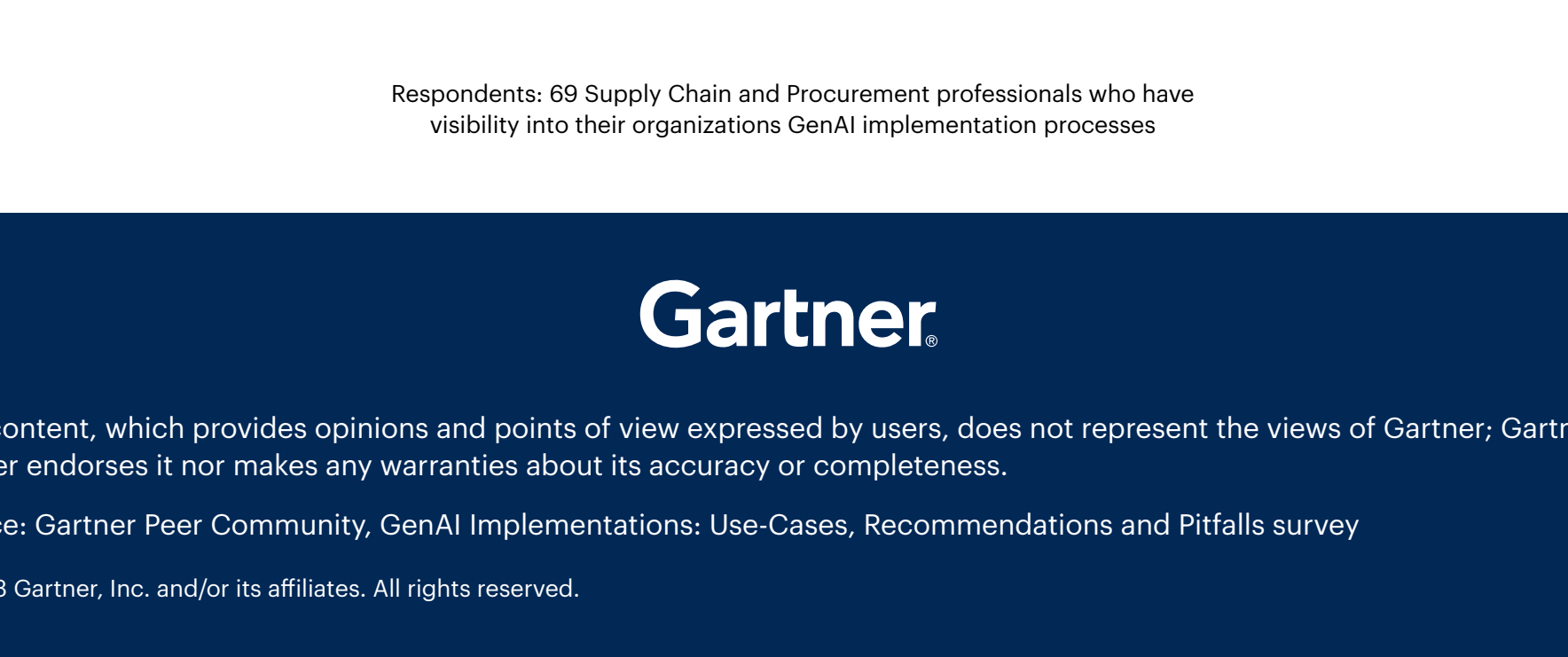
- "It's essential to define the goals and pain points of your organization, identify specific challenges in your supply chain that could benefit from AI-driven solutions."
 - Manager, retail industry, 10,001+ employees

- "Proper change management and project management are needed to have a properly personalized experience and avoid implementation delays"
 - Manager, software industry, 10,001+ employees

- "Start now, implementation will take a while until then enjoy lessons learned!"
 - Director, utilities industry, 10,001+ employees

- "Proper documentation is required to be in place for efficient implementation"
 - Manager, manufacturing industry, 10,001+ employees

Many organizations are turning to third-party vendors for their analytics and resource management GenAI tools



Respondents who are using vendors for some of all of their GenAI tools are most commonly turning to them for analytics and resource management (75%) and process automation (56%).

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Respondent Breakdown

Region

Job Level

Company Size

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