

# **Supply Chain Executive Performance Report**

\_ This report provides a detailed analysis of the supply chain performance based on the provided dashboard data and key performance indicators (KPIs).

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This report provides a comprehensive analysis of the company's supply chain performance, covering supplier reliability, product quality, logistics efficiency, and customer sales distribution.

The data reveals a total revenue of \$2.05 billion from 30,000 orders, with a significant defect rate of 17.28% and an average lead time of 10.75 days.

## # Key Performance Indicators (KPIs) at a Glance :

Matric	Value
Total Revenue	\$2.05 Billon
Total orders	30,000
Average Lead Time	10.75 Days
Total Passed Inspections	25,000(82,72%)

## # Detailed Analysis & Actionable Insights :

### 1) Supplier Performance & Sourcing:

Findings:

- Top Suppliers by Lead Time:

Global Supplies Inc., SupplyHub , and Prime Distributors are the main partners .

- **Critical Quality Issue:**

Global Supplies Inc. is the weakest link in the supply chain, exhibiting the highest defect rates across multiple product categories:

- Electronics: 22.08%
- Home: 21.82%
- Clothing: 21.60%

## **# Insights & Recommendations:**

- **Immediate Action Required:**

Initiate a quality review and improvement program with Global Supplies Inc.. Consider diversifying sourcing for high-defect product categories (Electronics, Home, Clothing) to mitigate risk.

- **Supplier Strategy:**

Leverage relationships with FastTrack Ltd. and SupplyHub (assuming their defect rates are lower) for more critical components or products.

<b>Sum of Revenue Generated</b>	<b>Defact Rate</b>	<b>Total Orders</b>	<b>Average of lead times</b>	<b>Supplier Name</b>
\$399.98M	21.03%	5,907	10.82	Global supplies Inc.
\$412.86M	19.03%	6,047	10.76	SupplyHub
\$410.75M	9.93%	5,983	10.75	Prime Distributors
\$410.85M	20.82%	6,070	10.70	Fast track Ltd.
\$411.88M	15.57%	5,993	10.70	Megacrop

## **2) Manufacturing & Quality Control :**

Findings:

- The defect rate has fluctuated over the year, peaking in January (18.55%) and hitting a low in February (15.62%). There is no consistent downward trend.
- Defect rates are consistently high across all product types, with Electronics (17.55%) and Clothing (17.54%) being the most problematic.

### **Insights & Recommendations:**

- **Process Improvement:**

Investigate the root causes of the high and fluctuating defect rates. The lack of improvement suggests systemic issues in manufacturing or initial quality checks.

- **Category Focus:**

Prioritize quality control efforts and revised standards for the Electronics and Clothing product lines.

### 3) Shipping & Logistics

#### Findings:

- **Carrier Usage:**

Shipping volume is evenly distributed among carriers (UPS, Aramex, FedEx, DHL, USPS), each handling ~6,000 orders.

Shipping carrier	Total Orders	Avg. Shapping Times	Total Shapping Costs
FedEx	6,033	4.88	\$ 0.51M
DHL	5,952	4.33	\$0.42M
USP	6,044	4.45	\$0.37M
Aramex	6,035	4.73	\$0.34M
USPS	5,936	4.48	\$0.25M

- **Cost vs. Speed:**

FedEx is the most expensive carrier (\$0.51M total cost) but does not offer the fastest shipping (4.45 days, second to UPS's 4.33 days). UPS offers the best balance of speed and cost.

- **Shipping by Location:**

China has the highest total shipping cost (\$474K), which correlates with it also having the highest number of orders.

## **Insights & Recommendations:**

- **Cost Optimization:**

Re-negotiate contracts with FedEx or shift a portion of its volume to UPS to leverage their better speed-to-cost ratio.



- **Logistics Planning:**

The high shipping cost to/from China should be analyzed further to see if it is justified by higher sales margins or if alternative logistics models are needed.

#### **4)Customer & Sales Analysis**

Findings:

- **Geographic Distribution:**

Sales are remarkably balanced across the five key regions: China, USA, Egypt, India, and Germany, each generating between \$403M and \$415M in revenue.

- **Customer Demographics:**

The Adult demographic is the most profitable, generating \$1.44 billion (70% of total revenue). Teens and Seniors account for the remainder.

- **Product Performance by Demographic:**

Adults drive significant revenue in all categories, particularly in Electronics and Clothing.

## **Insights & Recommendations:**

- **Marketing Focus:**

Marketing and promotional budgets should be heavily skewed towards acquiring and retaining Adult customers, as they are the primary revenue drivers.

- **Inventory & Product Development:**

Sales and inventory planning should reflect the strong, balanced global demand. Product development for the Adult segment should be a top priority.

## # Overall Conclusion & Strategic Priorities :

Priority Level	Strategic Focus Area	Recommended Action
HIGH	Supplier Quality Management	Address the critically high defect rates from Global Supplies Inc. through audits, penalties, or sourcing diversification.
HIGH	Quality Control Process	Implement root cause analysis to drive down the overall defect rate of 17.28%, focusing on Electronics and Clothing
MEDIUM	Logistics Cost Optimization	Optimize carrier mix by reducing reliance on FedEx for non-critical shipments and leveraging UPS for better value.
MEDIUM	Customer-Centric Strategy	Double down on marketing and product development for the high-value Adult customer demographic.
LOW	Lead Time	Reduction While 10.75 days is acceptable, explore opportunities with top suppliers to reduce lead times for increased agility.