

# **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. Shipping Times	Total Shipping 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 :

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