

"Digitization of the supply chain enables the customer promise to be met".

As the French leader in Transport Management System (TMS) solutions, <u>DDS</u> offers its customers complete digitalisation of transport flows. Jérôme Bour, the company's CEO, explains.

What is the state of digitisation of the supply chain?

The situation is quite contrasting. On the one hand, digitalisation has made good progress in the context of the company's internal processes: management of production, warehouses, etc. On the other hand, as regards relations with external parties (suppliers, customers, and therefore the transport link), the level of digitalisation remains fairly low. On the other hand, as regards relations with external stakeholders (suppliers, customers, and therefore the transport link), the level of digitalisation remains fairly low.

What do we achieve with digitalisation that we could not achieve without it?

There are three main areas where digitalisation will be particularly beneficial to companies: The first is delivering on the customer promise. To achieve this goal, a company must coordinate the actions of a whole range of players, from suppliers to the entire delivery chain. This coordination must be based on the digital tool without which there can be no improvement in this

The second area is that digital solutions will reduce costs across the chain and improve operational productivity. The second area is that digital solutions will help to reduce costs across the entire chain and improve operational productivity. Finally, the third area is the reduction of

the environmental footprint. In order to reduce the environmental footprint, it is necessary to be able to measure it. Hence the need for indicators. Hence the usefulness of digital tools that will also serve to <u>reduce carbon emissions</u>. The classic case is the implementation of a modal shift policy for transport. Digital tools will be able to implement it and systematically shift shipments to the most desirable modes. Finally, I would add the following point. In economic contexts, such as

the one we know today, digital is a natural ally for the resilience of companies.

A possible recession is announced for 2023. Do you think this could slow down business investment in this area?

I don't think so. The three areas we have just discussed are fundamental issues for companies that have an obligation to respond to them. Moreover, in a period of recession and lower margins, the potential for savings in the supply chain made possible by digital tools is necessarily welcome. Under these conditions, there will be no slowdown in investment in this area. On the contrary, there are many opportunities for savings, since entire areas of the supply chain are still not very digital and the ROI resulting from digitisation is very high.



For example, with transport management solutions.

Only a third of companies are equipped with them today. Yet these solutions, which allow to automate transport chains, offer ROI of less than 6 months, and therefore very fast.

Innovation means R&D. What role does it play at DDS?

It is at the heart of our strategy. Overall, the supply chain is a very innovative subject, constantly marked by both business and technological innovations. I am thinking in particular of artificial intelligence, which brings real gains. Depending on the year, we devote 15 to 20% of our turnover to R&D. Today, our scalable solutions are mainly used in SaaS mode. So our customers expect them to be used over time. This is clearly an element of differentiation on the market that allows us to propose innovative offers adapted to the functional needs of each customer.