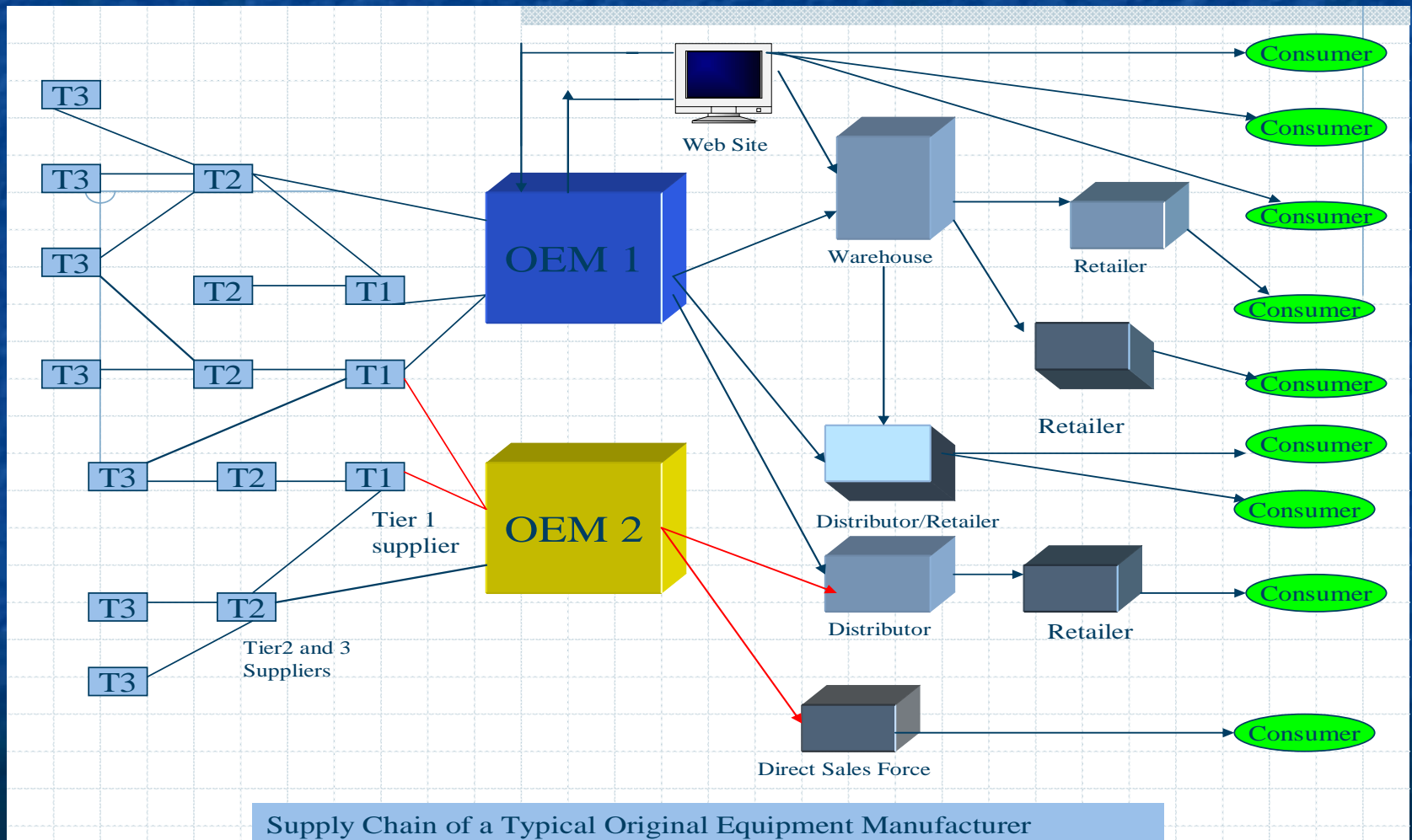


STRATEGIC IT DEPLOYMENT IN THE AUTOMOBILE INDUSTRY

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The Supply Chain of An Industry



SUPPLY CHAIN LIFE CYCLE STAGES AND ACTIVITIES

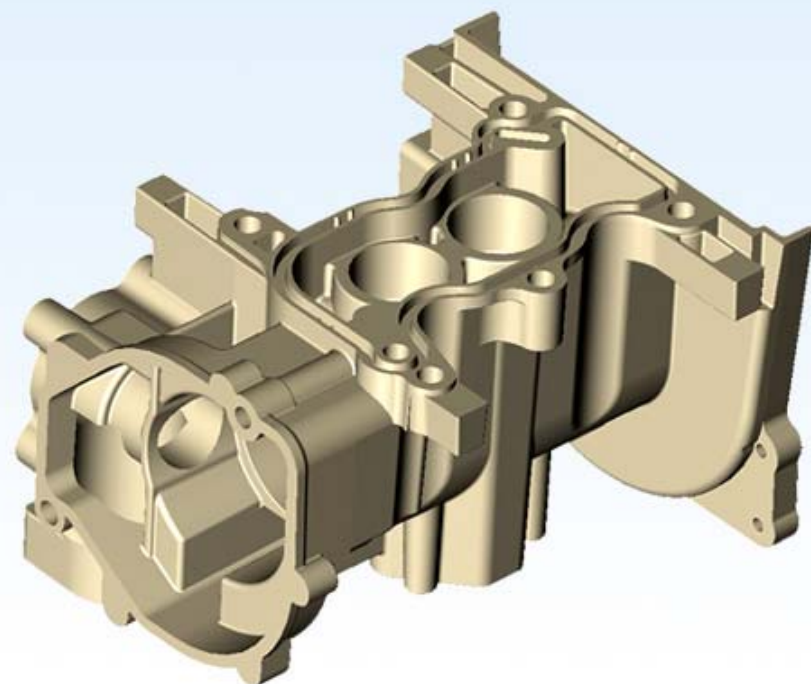
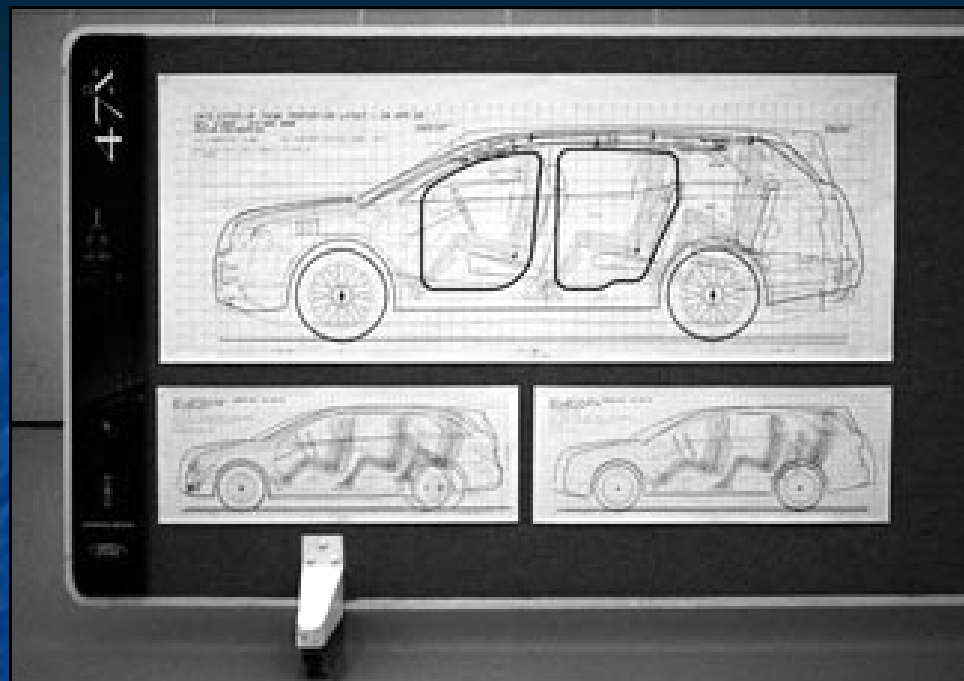
- Product-related Activities
 - Product Design
 - Manufacturing
 - Product Life-Cycle Management
- Logistics-related Activities
 - Demand Planning
 - Supply Planning
 - Fulfillment

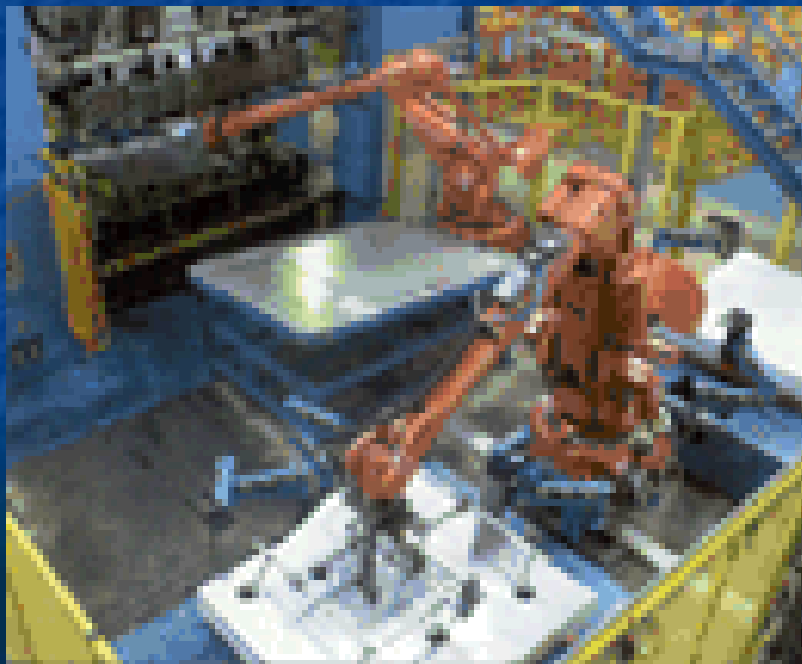
Supply Chain & Product Characteristics

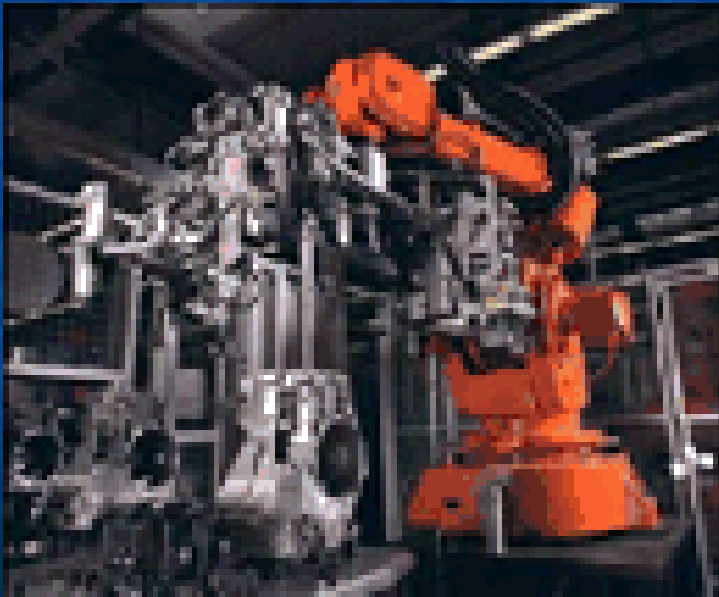
- Bitability of Product
- Cost Structure
- Information Intensity
- Vertical Supply Chain Collaboration
- Standardization Benefits
- Modularity of Product and Processes

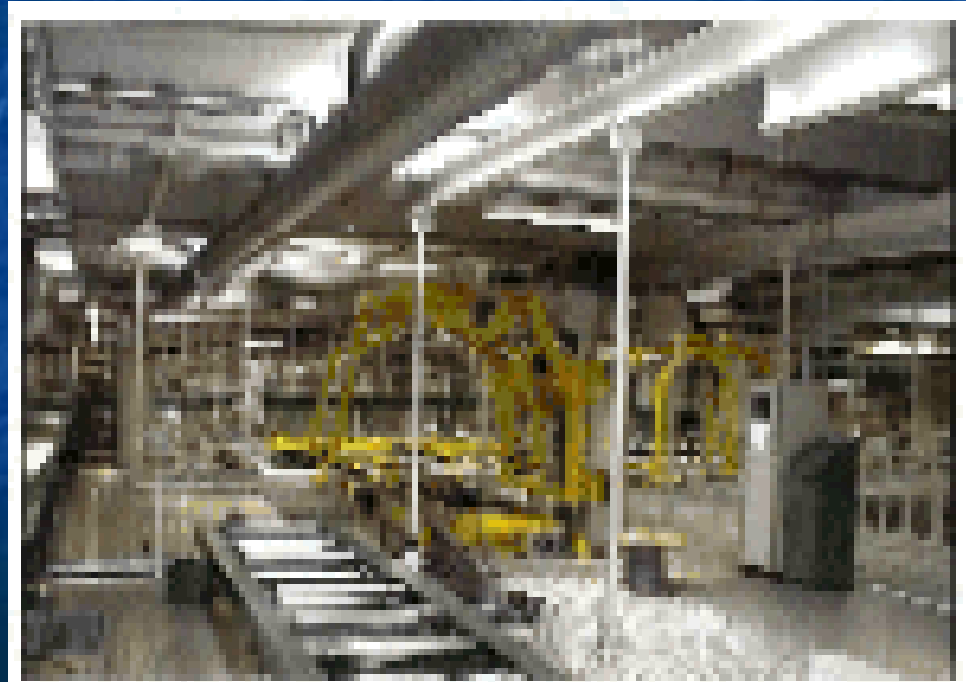
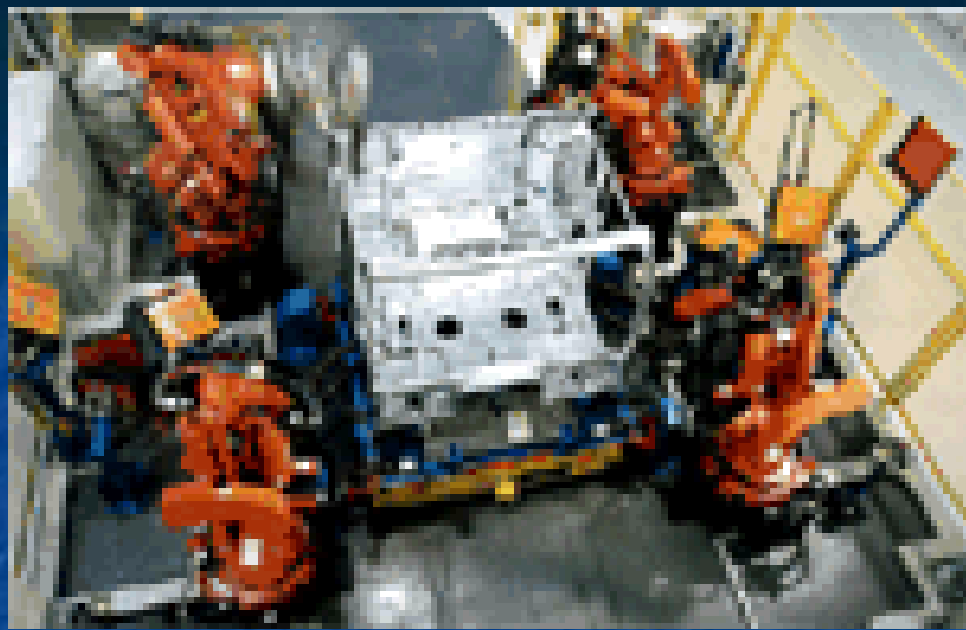
The Automobile Industry

- Supply capacity over demand, globally
- Design, quality, and cost are main drivers
 - Design: satisfying regional characteristics
 - Quality: a standard requirement/perception
 - Cost: Production and Logistics. Availability. Consumer preference.









The Automobile Industry		Supply Chain Life-Cycle					
		Product-related			Logistics-related		
		Product Design	Manufacturing	Product Life Cycle Management	Demand Planning	Supply Planning	Fulfillment
Supply Chain & Product Characteristics	Bitability of Product						
	Cost Structure						
	Information Intensity						
	Vertical Supply Chain Collaboration						
	Standardization Benefits						
	Modularity Of Product & Process						

The Automobile Industry SC and Product Characteristics

- Bitability: increasing electronic controls.
- Cost structure: capital intensive.
- Information intensity: very rich.
- Vertical SC collaboration: high opportunity.
- Standardization benefits: structural.
- Modularity: very high. Suitable for postponement strategy.

Strategic Opportunities

- Supply Chain Life Cycle Restructuring.
 - Reduction of Lead time. Increase SC flexibility.
 - Demand-Pull driven.
 - Complete re-structuring of the Product Process.
 - Focus on total supply chain effectiveness, not only manufacturing effectiveness.
- Engagement with consumers.
 - CRM with consumers regarding product information.
 - CRM with consumers in fulfillment process.
 - CRM with consumers in Product Design.