

SOLUTION BRIEF

# Striking the Right Balance: The Power of Sub-tier Collaboration

Discover how true multi-tier supply collaboration drives agility, resilience, and innovation in high-tech and electronics manufacturing.

The need for collaborative visibility and planning has never been greater.

Even in today's digitally-interconnected yet globally-dispersed trade landscape, collaboration isn't easy – regardless of the size and depth of your value chain. It's burdened by managing many different contract manufacturers, slowed by a lack of visibility into sub-tier component suppliers, and constantly disrupted by shifting markets and global unrest. But collaboration has also become the pivot point for success in high-tech electronics.

According to the Gartner® 2023 Market Guide for Multi-enterprise Collaboration Networks, "Connecting, coordinating, collaborating, and executing on business processes that extend across multiple enterprises for joint value generation will allow supply chain organizations to drive resilience in times of disruption." That's because, for most companies, the supply chain isn't just part of their business – it is their business. And what companies need is more efficient and intelligent ways to bring it all together.

Sub-tier collaboration delivers more confidence and less risk across the electronics supply chain

Cultivating and strengthening supplier relationships can be a competitive advantage in today's marketplace, where brands face scarcity and intense competition for critical components. Deep collaboration and visibility across and into the sub-layers of component suppliers and production partners helps companies tap into supplier expertise, align objectives, and drive mutual success. By sharing critical data, insights, and forecasts, they can improve planning accuracy, optimize inventory levels, and enhance overall supply chain performance to support revenue and market-share goals.

By integrating multi-tier collaboration into their risk management strategies, companies can proactively identify vulnerabilities, develop contingency plans, and mitigate the impact of disruptions. The ability to visualize supply chain dependencies and track supplier performance in real-time ensures a swift response and recovery.

In the next section we use a real-world business example from the high-tech industry to highlight how multi-tier supply planning and collaboration across a global network of partners can help harness the power of your supply chain and deliver a competitive edge.

## Streamlining collaboration in the high-tech industry

When this tech-device brand began to experience eroding margins, they established a strategy to significantly improve their supply chain visibility and efficiency through automation and end-to-end supply chain collaboration.

However, this wasn't easy. After all, manufacturing and selling a diverse range of business, consumer, and mobile electronics involves cultivating relationships and working with more than 5,000 supply chain partners (including suppliers, logistics providers, retailers, and customers), all resulting in more than two million transactions annually.

The company recognized that fully-automated upstream and downstream collaboration on inventory, forecast, and orders meant there was an opportunity to take their supply chain management to the next level and establish full partnerships across tiers. This expanded their end-to-end control and visibility. And combining supply and demand signals enabled their planning team to build the most feasible supply plan and set it in motion at any point.

On the upstream side, the deeper collaboration presented new strategies and opportunities to become more agile and efficient. By deploying vendor-managed inventory and replenishment capabilities, the company optimized inventory levels across suppliers and local market channels, significantly reducing excess, aging, and obsolete stock. Beyond this synergy, the brand owner identified three-way trading and buy-sell opportunities that increased supply assurance while simultaneously generating a new revenue stream.

With over 90% of their business and partners connected, the company can now meet its goal of a more collaborative, efficient, and resilient supply chain that supports improved margins for the business.

## Empowering your network to do more

The benefits of multi-tier collaborative visibility are shared by high-tech brands, contract manufacturers, and component suppliers. The brands get more out of their supply chain partner network than simply connectivity. Multi-tier supply collaboration supplements the cycle of planning, forecasting, and order execution, with coordinated solutions to the most pressing challenges the high-tech industry faces. By increasing supply chain confidence through deep, sub-tier collaboration, companies can take advantage of opportunities to significantly reduce supply chain risk and improve supply readiness and availability. This is why collaborative, multi-tier supply chains have become a strategic imperative for organizations seeking to compete effectively in today's volatile markets. Harnessing the power of multi-tier collaboration is no longer an option, but a necessity in today's rapidly-evolving business landscape, supporting the growth and success of companies in the global marketplace.

### Learn More

Watch our on-demand webinar: The Brass Tacks of Digitizing the Extended Supply Chain

## About e2open

E2open is the connected supply chain software platform that enables the world's largest companies to transform the way they make, move, and sell goods and services. With the broadest cloud-native global platform purpose-built for modern supply chains, e2open connects more than 500,000 manufacturing, logistics, channel, and distribution partners as one multi-enterprise network tracking over 18 billion transactions annually. Our SaaS platform anticipates disruptions and opportunities to help companies improve efficiency, reduce waste, and operate sustainably. Moving as one.™ Learn More: [www.e2open.com](http://www.e2open.com).

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