

PRESS RELEASE

Stress test for supply chains - Market Study Logistics 2021 published

Which disruptions caused the greatest impact on the supply chains of companies in different industries? And how do they adapt their supply chain organization accordingly? This is what a study by the GEMIT Institute of the Niederrhein University of Applied Sciences in cooperation with the contract logistics service provider Simon Hegele found out. The results of the "Market Study Logistics 2021" are now available to be downloaded.

Karlsruhe, June 29, 2021: The "Market Study Logistics 2021", conducted by the GEMIT Institute of the Niederrhein University of Applied Sciences and the Simon Hegele Group, provides an intensive insight into the impact of various disruptions on supply chains and paints a picture of how companies intend to make their supply chains more resilient in the future. Over 200 company representatives from the fields of mechanical and plant engineering, pharmaceutical and healthcare, IT, high-tech and electrical engineering, and automotive industries answered the survey.

Massive supply chain disruptions

Both, the Covid 19 pandemic and the Brexit, international punitive tariffs and trade barriers as well as the new Supply Chain Act and industry-led trends have shaken supply chains since the beginning of last year. More than 60 percent of participants were negatively impacted by disruptions mentioned. The Covid 19 pandemic in particular, was the supply chains' "game changer" for 36 percent. The consequences? Most respondents are affected severely. For example, 45 percent said they were unable to meet customer demand in time or even at all. According to the survey other major problems are caused by supply bottlenecks in logistics and supplier capacities combined with enormously increasing prices. This was confirmed by around 62 percent of participants.

Measures to build resilient supply chains

To ensure that supply chains are more robustly positioned against such disruptions in the future, around 36 percent of participants are responding to the events with increased local or regional sourcing. Just as many are planning to expand logistics capacities within Germany and even far-reaching changes in the depth of value adding processes are being considered. Thus, the balance of in- and outsourcing is shifting in both, production and logistics. In particular regarding logistics services, 20 percent of the companies surveyed are planning to increase outsourcing.

Prof. Dr.-Ing. habil. Holger Beckmann, Head of GEMIT Institute at Niederrhein University of Applied Sciences, about the study results: "Of course, the market has felt the tremors in the supply chains. The study, and especially the insights into the adapted logistics strategies, show us: the effects will be visible for years to come. At the same time, the positive results are that such disruptions caused supply chain experts to rethink, promising a sustainably positive development in terms of resilience and robustness."

Stefan Ulrich, CEO of the Simon Hegele Group, can see the outlined developments in everyday business: "Supply chains have rarely been subject to such a stress test as of the beginning of last year. Companies from all industries have used this test to draw valuable conclusions about how their respective supply chains need to be positioned for the future. In particular, the considerations for increased involvement of logistics experts and the

requirements regarding their performance and flexibility, can be confirmed by our practical experience through the customer inquiries addressed to us since the outbreak of the pandemic."

You can download the comprehensive study results [here](#). The copyright of the graphics is held by the GEMIT Institute of the Niederrhein University of Applied Sciences and the Simon Hegele Group.

About the data collection

The data, which the study is based on was obtained in April 2021 by means of an online questionnaire in which more than 200 company representatives from various industries took part. Around two-thirds of the respondents hold a management position. The results were evaluated by the company's industry (IT/high tech/electrical engineering, mechanical and plant engineering, pharmaceuticals and healthcare, automotive industry/suppliers) and by company size in terms of annual revenue.

About the Simon Hegele Group

The Simon Hegele Group is one of the most innovative service providers along complex supply chain processes. The principle "more than just logistics..." has been the driving force for the further development of the company group and its services for more than 100 years. Simon Hegele offers highly specialized value-added services tailored to the individual customer processes to customers from the healthcare, industry, IT and retail sectors at over 50 locations worldwide and supports them in focusing on their respective core competencies.

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