

Successful companies in 2015 will be those that can adapt to the fast changing global environment, such as unstable currency markets, the fast growing global population and rising number of internet users, and make them work in their favour. This is according to Sumesh Rahavendra, Head of Marketing for DHL Express Sub Saharan Africa, who says that as the global economy continues to change, retailers, manufactures and other sectors are increasingly facing difficult, and sometimes unique, challenges that affect their supply chains.

- **Annual planning and reviewing:** This lays the foundation for an efficient supply chain as it assists business owners to see the bigger picture and enables them to be flexible in the face of changing business needs. Identify and assess all probable risk, no matter how improbable. It is equally important to review the past year to ascertain what affected their supply chain, and what can be improved upon to avoid unnecessary interruptions in the future. For example, the fluctuating fuel price directly influences delivery costs. It is therefore important to streamline delivery processes in order to stabilise costs and in turn, keep client tariffs stable. Another area is seasonal spikes in business, which may require additional resources. For example, retailers often experience a surge in sales over the festive season; putting effective solutions in place will avoid customer delay, and ultimately complaints.

- **Reverse logistics:** Often this is overlooked, however, effectively managing the flow of returned goods and packaging is key to reduce unexpected costs.

- **International supply chain management:** Trading across borders can present a number of challenges, unique to each country. In Africa, these include congestion in major cities, such as Lagos and Nairobi, customs inconsistencies about product classifications and duty and tax exemptions, which can lead to complex customs clearance processes, and a lack of air connectivity with just over 12% of cities served by just one flight a week. It is important to understand these challenges and make the necessary plans to circumvent potential delays.

"Businesses in Africa are under increasing pressure in the current economic climate to remain competitive, both locally and globally, and sometimes lack the ability to build resilient supply chains. Outsourcing logistics strategically can make a significant contribution to a business's profitability so make sure that you have the right partners who understand the global economy and more importantly, the intricacies of doing business with each individual African country, it's not a one size fits all approach," concludes Rahavendra.

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