

Top 5 Reasons for GTM Technology

With the total volume of world merchandise trade expected to grow by 3.7% in 2019, more companies are looking across international borders to find and connect with trading partners, suppliers, and customers.⁶ That calls for a stronger, faster supply chain and a more strategic approach to global trade management (GTM).

What is global trade management?

GTM is defined as “the practice of streamlining the entire lifecycle of global trade across order, logistics, and settlement activities to significantly improve operational efficiencies and cash flows.” An effective GTM strategy requires a cross-functional, system-wide view of global trade. The goal is not simply avoiding penalties. Today’s GTM technology can serve as a strategic element to your overall supply chain that spans design, production, and sourcing.

Companies are now exploring how GTM technology can help them:

Increase supply chain velocity

Complete and accurate data makes a world of difference for supply chain speed. In one study, companies using GTM technology actually decreased the number of supply chain disruptions due to trade compliance errors by 4.29%.¹ With GTM technology, you can facilitate the flow of information throughout your supply chain and direct file with government agencies. That means fewer customs inspections and fewer delays at the border.

Design a tax-efficient supply chain

In order to design a tax-efficient supply chain, you need the right information at the start. When analyzing possible trade lanes, you should incorporate the impact of import and export controls, applicable country of origin rules, documentation requirements, and duty deferral and preferential treatment opportunities. That's where a GTM solution integrated with trade data can help. In fact, best-in-class companies that use GTM technology save a yearly average of 12.8% from sourcing decisions.⁵

Manage supply chain risk

In a recent study, 44% of respondents cited new laws and regulations as a top concern for their business, only below cyberattacks (55%) and telecommunications outages (54%).³ Today's GTM technology can help you stay up-to-date with emerging trade regulations, identify potential risks, evaluate suppliers, and issue corrective actions.

Achieve productivity gains

Across the board, companies are turning to automated solutions to increase productivity. Over 30% of companies believe that it is a strategic GTM priority to improve accuracy and productivity in the trade compliance department by streamlining processes and implementing new technology solutions.² This two-pronged benefit — getting more efficient while becoming more accurate — is what makes automation so compelling for the global trade industry.

Gain clarity and insight into overall supply chain performance

Every decision in your supply chain should be founded on high-quality data. Top performers agree. In Gartner's 2019 CIO outlook, 45% of companies planned to increase the investment into business intelligence and data analytics solutions.⁴ That's because gaining visibility across regions is one of the most fundamental challenges for global companies whose data is kept in disparate systems. GTM technology can collect data from multiple countries and sources to provide a single consolidated view of your global trade compliance activity. With that clarity and data insight, you can identify strategic opportunities for your overall supply chain.



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