

Introduction. Why a Branded Supply Chain?

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This is not a book about sustainability, or at least not only about sustainability. This is not a book about the supply chain, or at least not only about the supply chain. This is not a book about branding, or at least not only about branding. This book is about building brands with a positive effect as well as business sense; it's about the need to contaminate languages and perspectives to survive in a turbulent environment. This book is not normative, as academic books usually are in dictating what companies should do. This book is rather descriptive and inductive; it is compiled on the basis of the empirical evidence collected by the authors. This book is about making two worlds so very far apart work together: the brand and supply chain.

The book is structured as follows.

1. **BRANDING SUSTAINABILITY BEYOND GREEN. What are we talking about?**

Chapter one lays the foundation for the book, explaining why the global quest for greater relevance, transparency and accountability coming from a broad base of stakeholders makes the supply chain an integral component of the company's brand promise. We also discuss how sustainability, now a well-worn and over-generalized term, has had to evolve, via corporate social responsibility, into ESG policy moving from a perspective of compliance to a source of competitive differentiation and opportunity linked to performance.

2. THE BRAND. How to move from promise to purpose?

In Chapter two, we discuss how the field of brand management is offering new approaches and perspectives, going beyond the role of brands as cultural symbols and seeing them as activists and agents of social change. The era of hyper-connectivity and transparency has resulted in the progressive “blurring” and “broadening” of branding audiences to include stakeholders who were not consistently targeted in the past. Brands should start from their purpose, the reason they exist, and at the same time strive for their ultimate goal toward a better future. ESG is about people and a purpose that works is also about people. So, we discuss how successful brands display an approach that moves from customer centrality to people centrality. People are the employees who should be considered the best advocate of the brand, followed by consumers who enable the brand to live and suppliers within the supply chain who allow products to come to life. Suppliers should be increasingly selected and kept in the business not only for their performance, but also because they help the organization to reach its long-term purpose. A first best case in the direction of building a brand narrative that is credible, responsible, and shared within the brand ecosystem is De Beers’ Building Forever sustainability framework to incorporate ESGs in the entire supply chain.

3. INVESTING WITH PURPOSE. Is your brand attractive for responsible investors?

Investors and creditors are progressively becoming game changers, more than consumers and regulators. Chapter three deep dives into responsible investing and helps the reader become familiar with the most relevant indicators and metrics. We discuss how ESG reporting and benchmarking are still in their infancy, similar to what happened to financial reporting before the introduction of stock market supervising authorities. Lack of standardization in the type and way that various ESG metrics are reported by firms or in the standards that third-party rating agencies use has so far resulted in a lack of transparency and difficulties in rewarding good ESG performance. The need for a global and compulsory approach to ESG, with effective monitoring and mechanisms for sanctioning noncompliance, is testified by the largest corporates, which are calling on their governments

to prioritize in the agenda for new legislation sustainability targets – such as carbon footprint, “climate change” targets, transparency, and traceability of raw materials or ingredients. The situation is changing fast, and we discuss how the ecosystem of ESG ranking initiatives is evolving.

4. THE SUPPLY CHAIN DECODED. Do you know your supply chain? How is it structured? Is it vulnerable?

Chapter four is about supply chain terminology and issues for non-supply chain experts. We illustrate how global supply chains are defined and affected by disruptive forces such as globalization and digital transformation. We elaborate the concept of supply chain risks, discussing different categories of risks that companies should first be aware of, then be able to mitigate. *Care and Check* should become the mantra behind all companies' actions in this area.

A key success factor for any leader within a supply chain is to give support to its strategic suppliers, also increasing their opportunities to access finance for both working capital and capex at a competitive cost, thus sustaining their overall competitiveness. We will discuss the emerging perspective of supply chain finance as a strategic tool available to companies for supporting their branded supply chain.

5. MODELS OF SUPPLY CHAIN GOVERNANCE. Why are ecosystems the future of supply chains?

Being aware that the supply chain is often a black box for non-supply chain professionals, in Chapter five we propose a framework to understand how supply chains can be designed and managed. Based on the need for modularity and need for integration of activities, four supply chain models emerge: hierarchical, integrated, market-based and ecosystems. Despite being increasingly central to modern business and the future of supply chains, ecosystems are still poorly understood. This Chapter offers insights and examples of how an ecosystem strategy could work in industries other than information technology, where the ecosystem perspective has been applied so far. We discuss as insights the examples of a captive business ecosystem (the Hong Kong-based Li & Fung Group) and a macro, institutional ecosystem (the Italian Tanners' Association).

6. TOWARD THE AGE OF TRANSPARENCY. What does supply chain transparency really mean?

Through the years, the definition of transparency has evolved from a marginal question into a complex and multifaced issue with multiple meanings. Supply chain transparency is seen as a process, a journey according to the positioning and the reputation the brand intends to develop with stakeholders. Chapter six explores the concept of supply chain transparency and illustrates how the global regulations framework has recently been promoting transparency through mandatory regulations and voluntary initiatives, with a focus on fashion. With the case of VIRGO Platform, we also discuss how the blockchain technology can provide increased supply chain transparency, as well as reduced cost and risk across the supply chain. As a final insight, we present the case of an Italian company, Mutti, which has been able to always improve its economic and financial results while establishing a premium and responsible brand, among the most highly reputed in the preserved tomato industry, thanks to its branded supply chain approach.

7. THE BRANDED SUPPLY CHAIN NARRATIVE. How to build a supply chain narrative moving from “Care and Check” to “Proactivism”?

On the basis of all the evidence collected, Chapter 7 proposes a roadmap to improve the organizational culture and build an engaging narrative about the branded supply chain. The standard vision in branding is that the more the brand purpose and the brand promise are aligned to customers values and needs, the more value is created. Our vision factors in a new key element to the equation: the more the purpose and the brand promise are also aligned to how the supply chain is designed and managed, even greater is the value that may be generated, not only for the final consumer but also for all stakeholders. The brand strategy should inject its purpose into a compelling promise, at the same time redesigning front-end communication initiatives according to the different audiences. This cannot happen all at once. In our roadmap, we show how the Brand Supply Chain narrative usually moves from an initial stage of awareness and compliance (care and check) to the final phase of proactivism. As an insight, we present the case

of a proactive Italian brand in beauty, Davines, committed to spreading good social and environmental sustainability practices with employees, suppliers and the community of beauty professionals.

8. SALVATORE FERRAGAMO. Sustainable thinking along the supply chain

In Chapter 8, the Salvatore Ferragamo case presents the Branded Supply Chain journey undertaken by the company, making evident how Ferragamo has over time succeeded in blending its legacy values with the principles of sustainability and traceability.

9. LORO PIANA. The wonderful journey from row to rare

As an overall conclusion, Chapter 9 presents the detailed evidence of a Branded Supply Chain leader, Loro Piana, to wrap up all contents from purpose to supply chain narrative. Loro Piana's purpose is actioned through a strategy that sees all stakeholders, farmers, local communities, and nature itself as part of an ecosystem of excellence.

By reading this book, we believe students and managers alike will acquire a valuable and up-to-date perspective, merging once-distant languages and approaches with the support of simple and innovative conceptual frameworks. We authors come from different backgrounds: branding, supply chain, and finance. While writing the book and talking to companies, we faced the complexity of understanding different languages and adopting new points of view. We endeavor to contribute to breaking down the silos among functions and languages, and above all stimulate designers, brand managers and communication professionals to visit the factories, talk with workers and supply chain professionals, and translate value-creating activities in the area of sourcing, manufacturing and logistics into simple, emotional and engaging stories for all stakeholders. We hope that the "behind the scenes" will become "at the forefront", enriching the brand and the product stories with new and compelling contents.

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