

This webinar will start shortly

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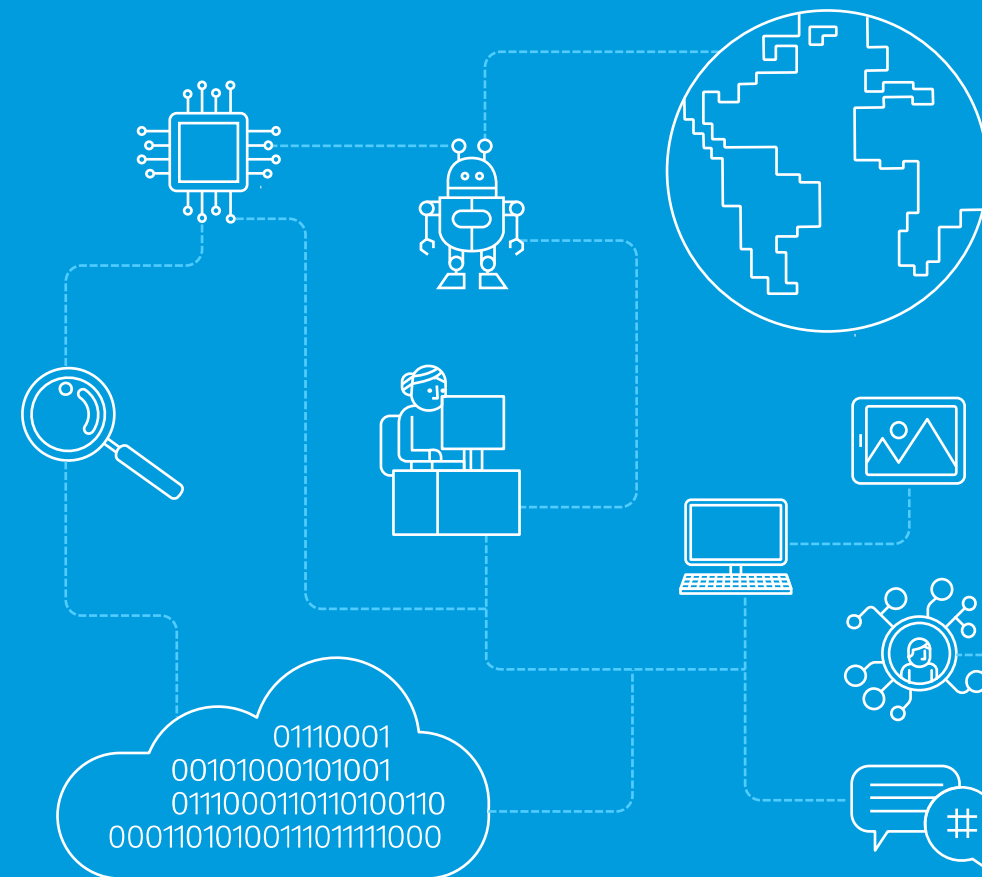
<https://www.rsmuk.com/what-we-offer/industries/manufacturing/food-and-drink>



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Building an AI Strategy

Harnessing data in food and drink



Stuart McCallum

RSM Partner
Head of Food and Drink

LinkedIn profile:



RSM Internationally



120+
countries

64,000
people

6th
largest globally

830
offices



RSM in the UK

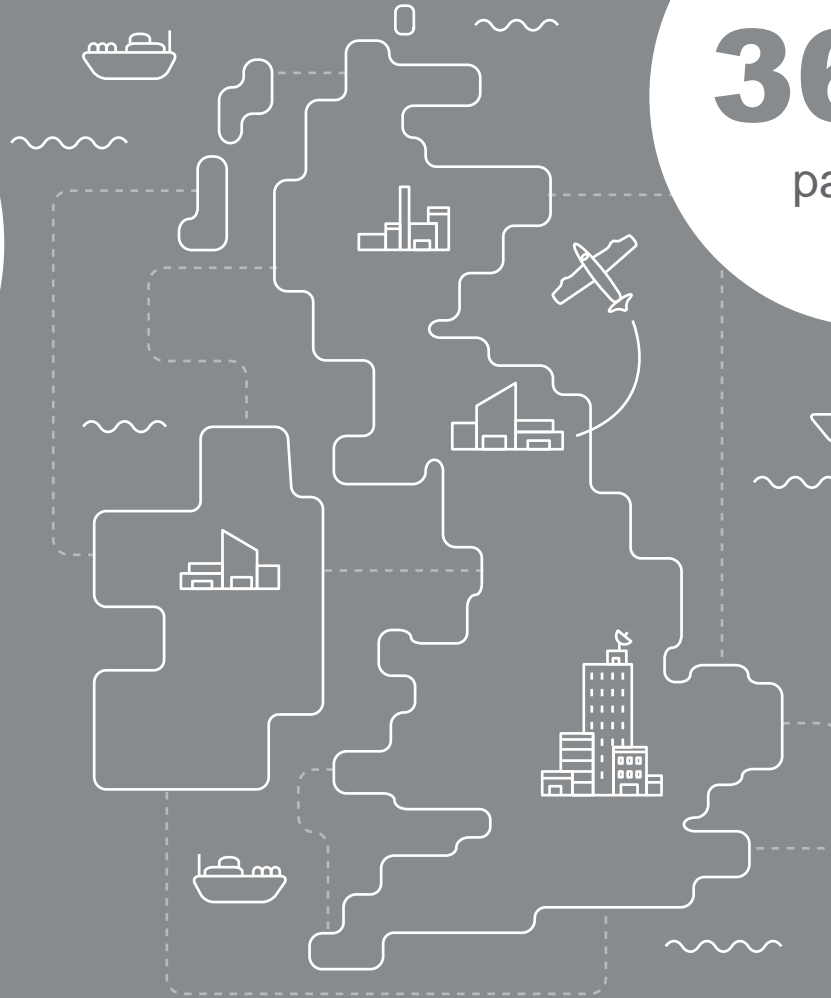


4,700+
people

360+
partners

30
locations

>£486m
fee income



WHAT'S THE OUTLOOK FOR OUR FOOD AND DRINK CLIENTS?

THE CURRENT CHALLENGES



- Health
- Price rises
- Consumer confidence
- Exports
- Food security

THE ECONOMIC OUTLOOK



- Inflation
- Interest rates
- Back to economic growth
- Political risks



Contents

▶ **01** Transforming your business for the future

▶ **02** Driving value from data

▶ **03** Navigating risks

▶ **04** Key pillars of an AI strategy

Intros



Sarah Belsham

Partner, Data Analytics & Insights, Business Consulting

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Sarah has over 25 years of experience in delivering technology and digital transformation programmes. Sarah is responsible for RSM's data, analytics and insights consulting services as well as leading the firm's Data and Analytics Innovation Programme. She understands the challenges faced by organisations trying to drive value from their data assets, including implementing effective AI tools, and develops data strategies that align to business and digital strategies.



Shakie Kawuyu

Director, Advance Analytics, Business Consulting

shakie.kawuyu@rsmuk.com

Shakie leads our Advanced Data Analytics practice and has over 20 years of experience in data analytics specialising in the use of data analytics and AI in solving complex business problems. He has helped businesses on operational and technology risk issues, where better information and data can be leveraged to identify insights, control gaps, drive results. He has most recently focused on embedding AI to the auditing of key business processes and controls.

01

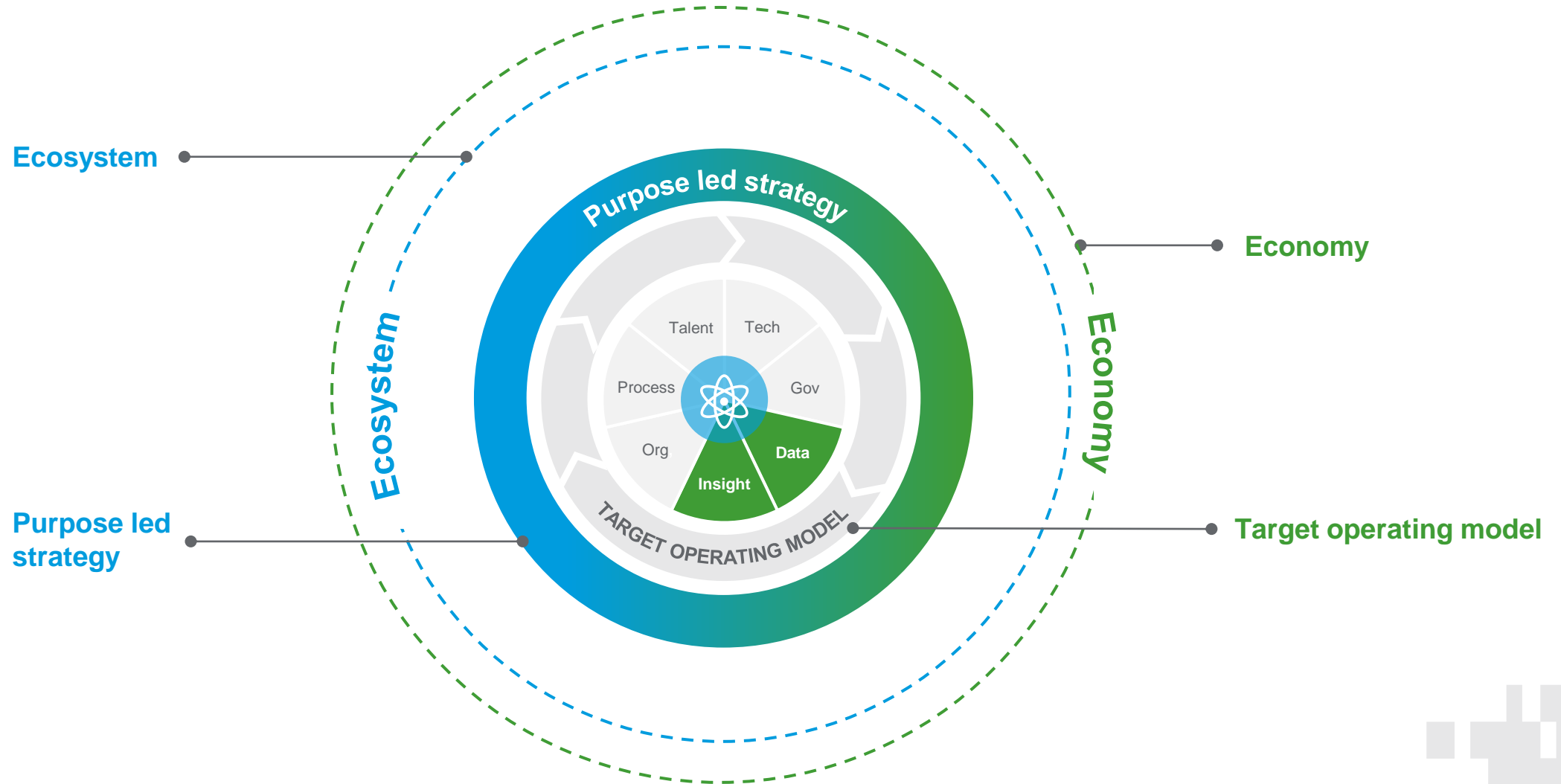
**Transforming
your business
for the future**

Using data to drive business evolution

In recent years the amount of data being generated by organisations has grown exponentially and with it so too has the number of opportunities to gain insight and drive value from that data.

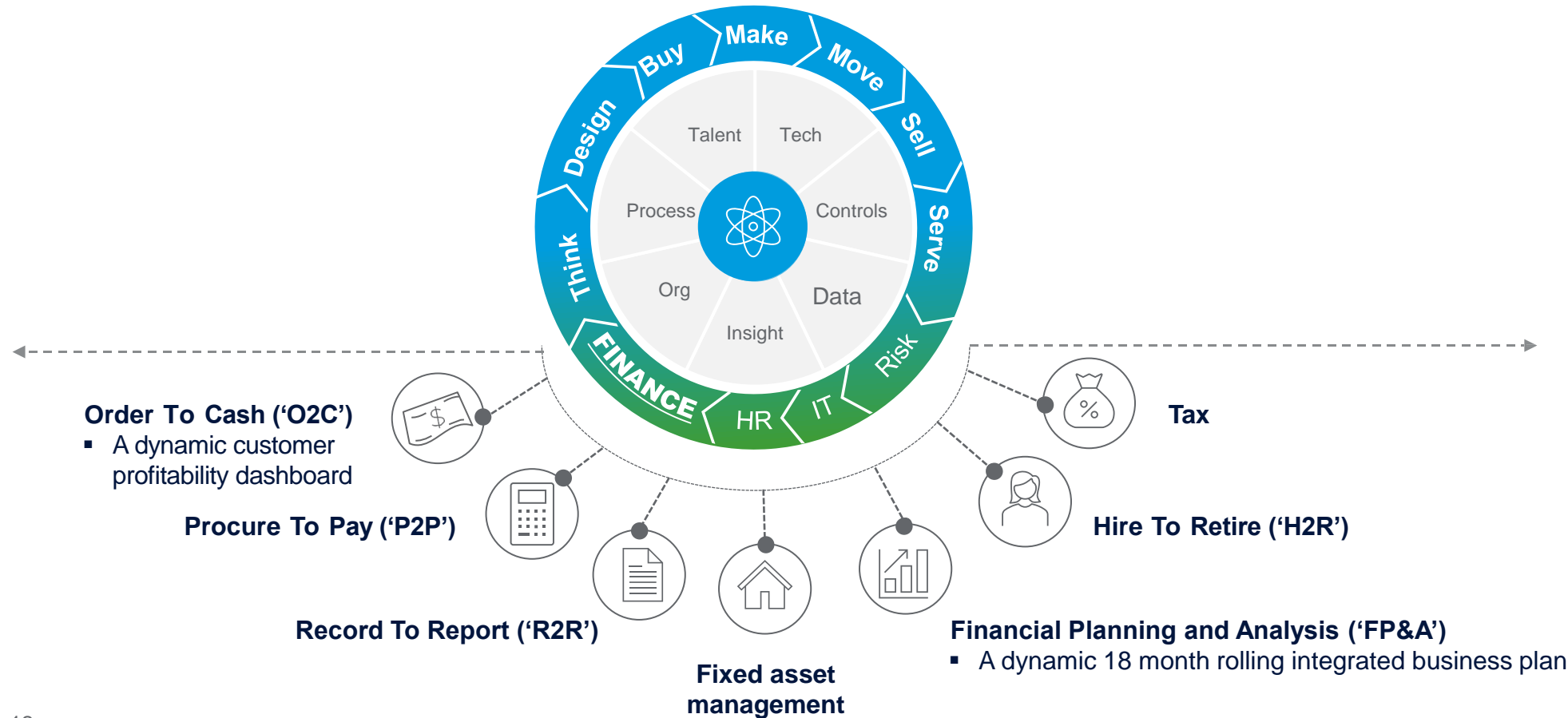


Strategic framework for evolving your business



Developing data led capabilities

A focus on value-driven processes, with their key performance drivers, is critical to achieving the target operating model.



Applications of analytics and AI

Perform tasks intelligently



**Predictive
analytics**



Classifying



**Anomaly
detection**

Create new content



Research

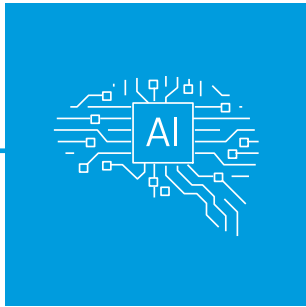


**Content
creation**



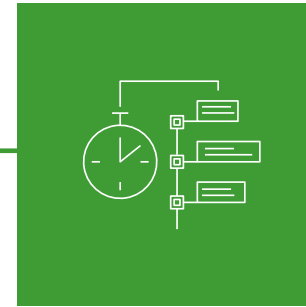
**Text
summarisation**

Impacts



Growing adoption

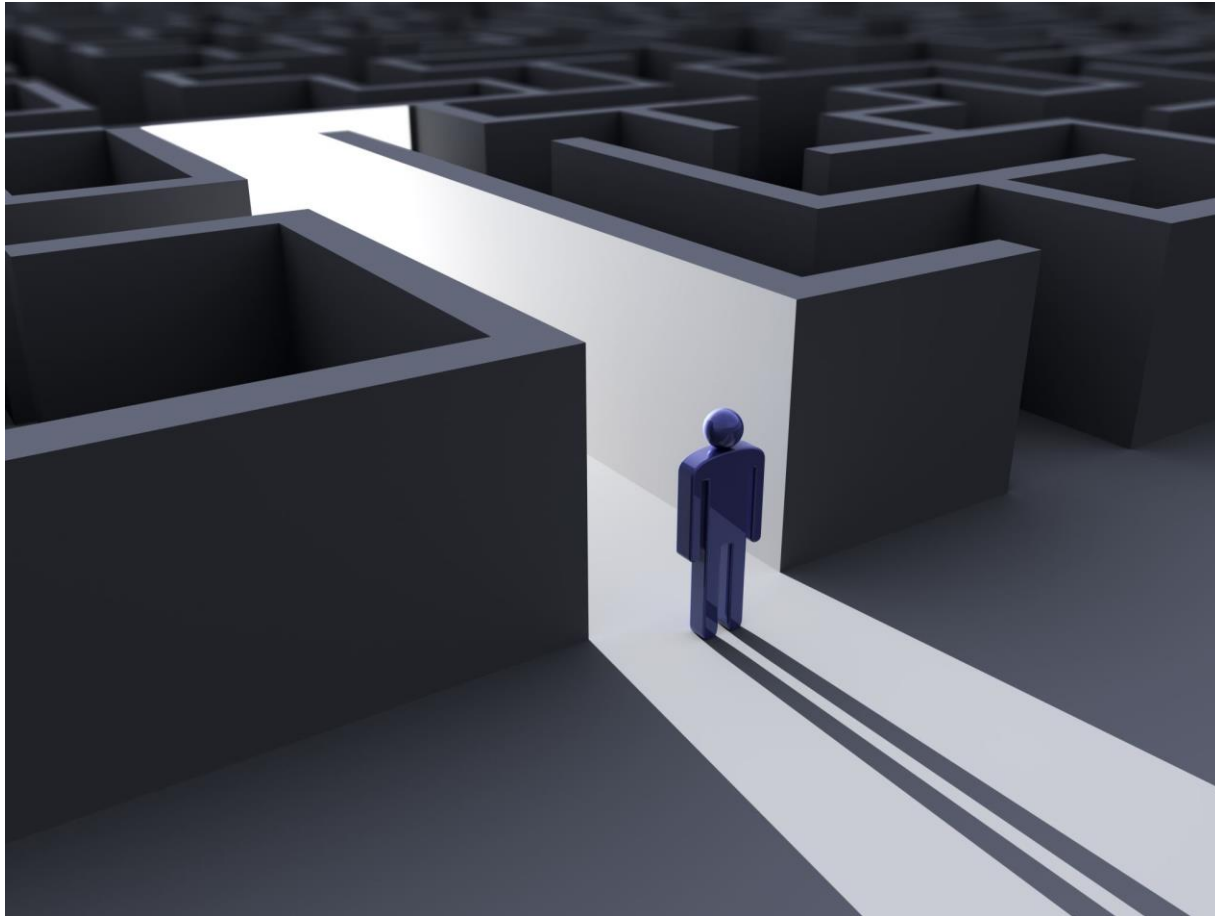
- Recent survey by the Capgemini Research Institute
- ~40% of food and beverage companies currently use AI in some form
- Many are exploring generative AI



Increased efficiencies

- AI technologies are optimising processes throughout the supply chain
- Enabling organisations to be proactive instead of reactive
- Increasing employee productivity

Poll question 1



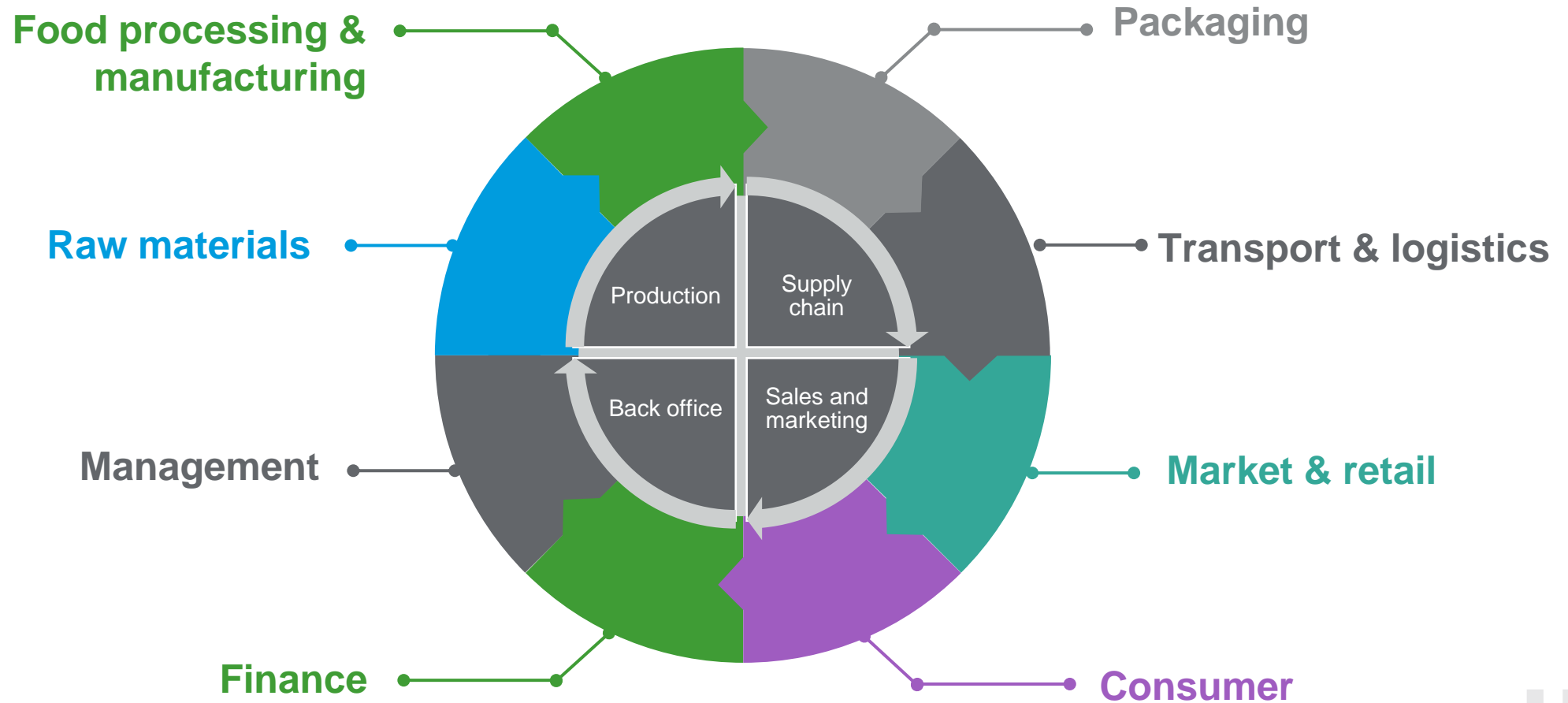
To what extent is your organisation using or planning to use AI?

- a) We are actively using AI
- b) We have not yet implemented AI but are considering it
- c) We have no immediate plans to do so

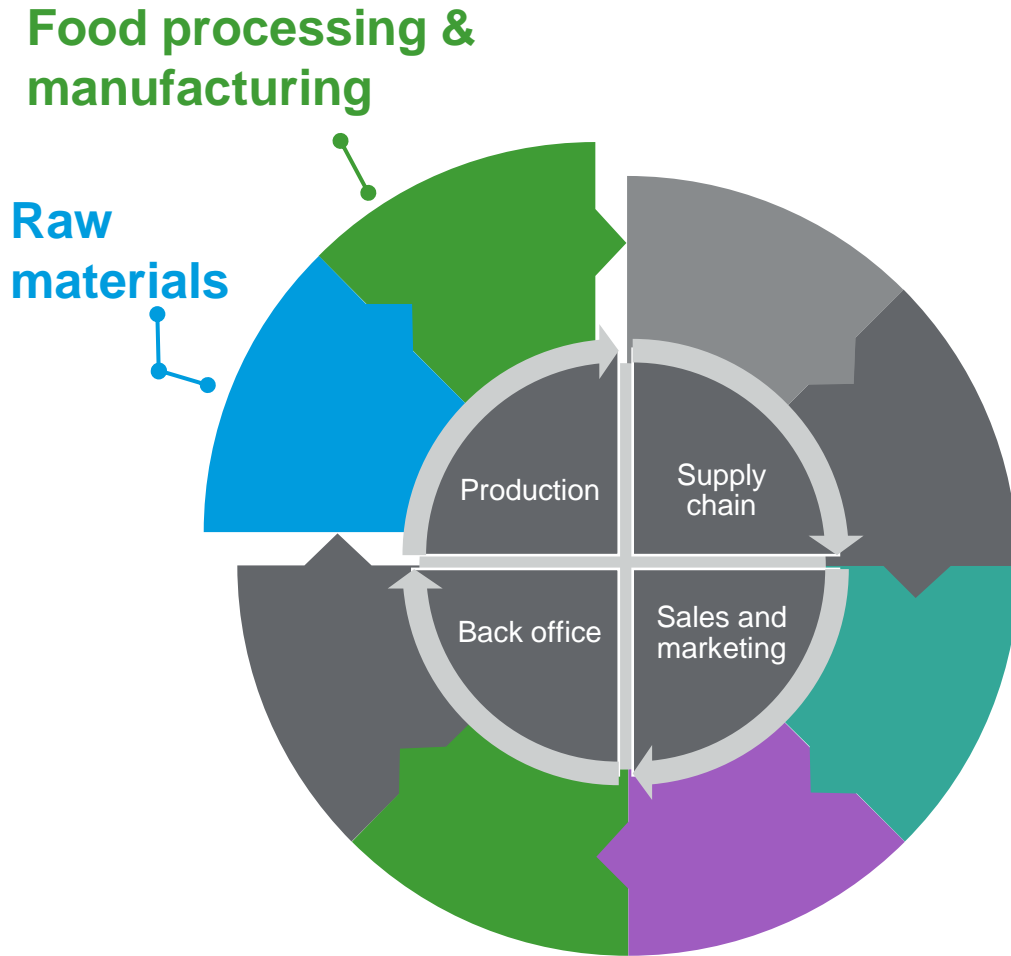
02

**Driving value
from data**

Your value chain



Production



Raw materials



Procuring raw materials efficiently while maintaining quality and cost effectiveness

- Supplier recommendations engine
- AI enabled supplier performance management
- Understanding environmental impact

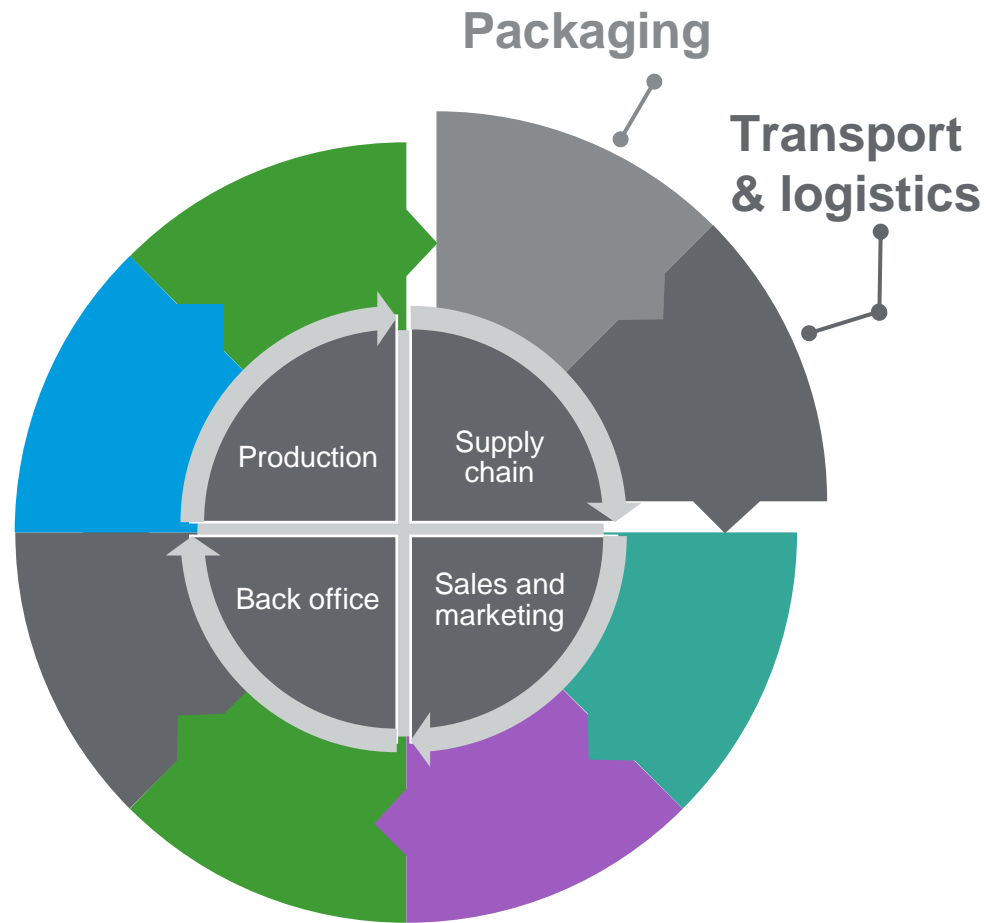
Food processing & manufacturing



Developing recipes that balance taste, nutrition and cost

- Ingredient substitution
- Flavour profiling
- Nutrient enhancement
- Waste reduction

Supply chain



Packaging

Creating packaging balancing functionality, aesthetics and sustainability



- Customised packaging
- Eco-friendly materials
- Optimal shape and size

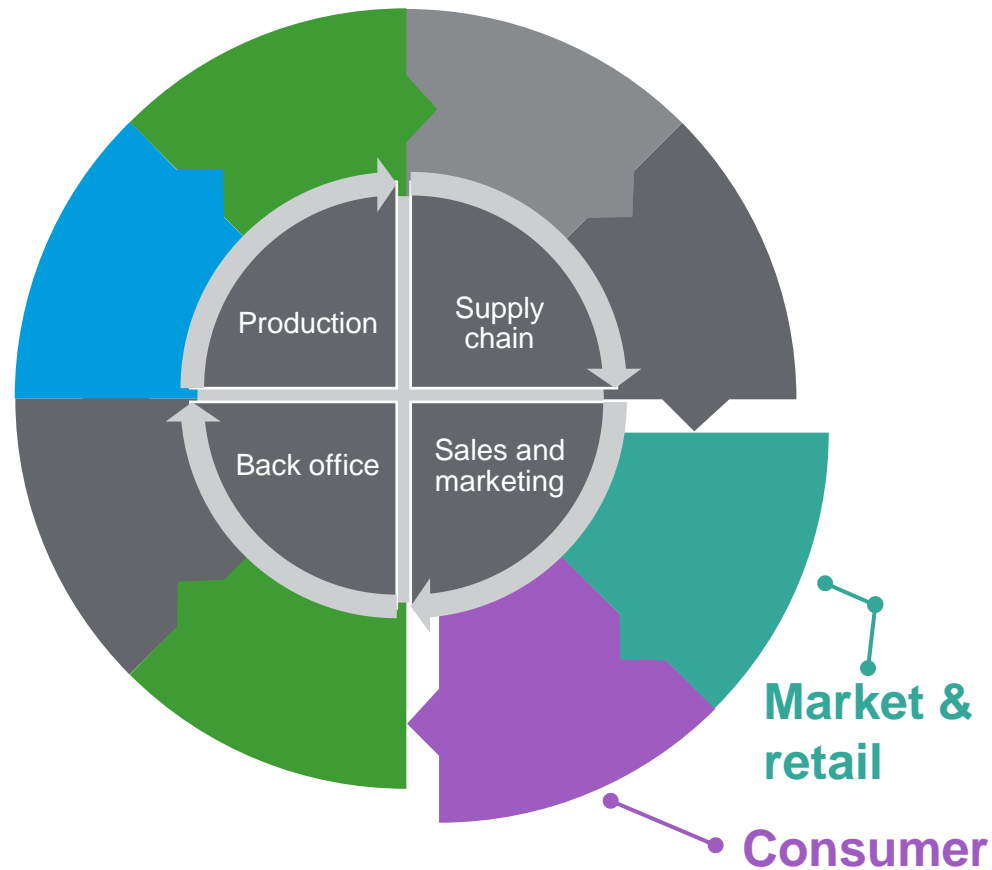
Transport & logistics

AI powered demand forecasting & route optimisation



- Safety stock levels
- Warehouse optimisation
- Analysing real time traffic data, weather conditions data to predict most efficient routes
- Identification of supply chain pain points

Sales and marketing



Market & retail

Tailoring marketing efforts to individual consumers



- Customer segmentation
- Product recommendations
- Dynamic pricing

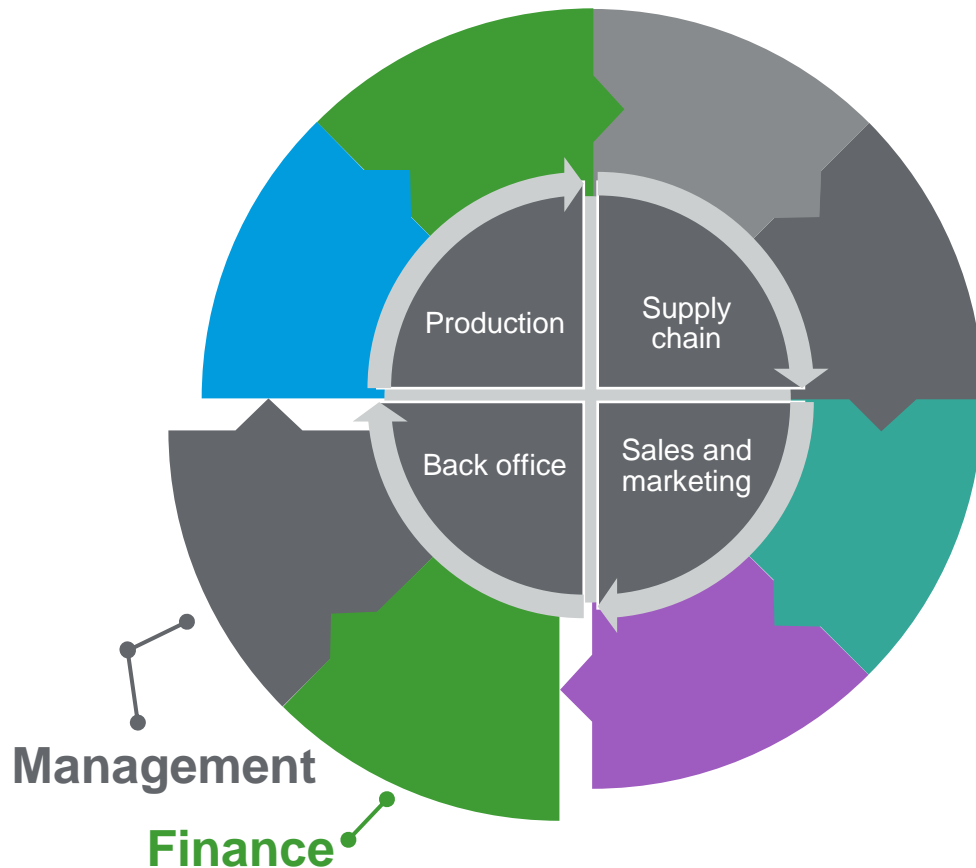
Consumer

Serving customers better



- AI powered chatbots to answer customer queries 24/7
- Analyse and track customer sentiments on brand from social media platforms
- Optimise menu options and personalised suggestions

Back office



Finance

Financial reporting and performance analysis



- Cost and profitability analysis
- Fraud detection
- Automation of routine processes
- Summarising / analysing contracts

Management

Management and compliance



- Review of regulatory documentation and summarisation of impact
- Employee scheduling and churn analysis
- Risk assessments
- Knowledge management agents (internal chatbots)

03

Navigating risks

Navigating risk

63% felt generative AI could be a threat to their business to at least some extent.

63%

Of that group, 45% felt that could be from competitors creating alternative business models threatening their own.

45%

47% said they had major concerns around data security and privacy arising from the use of generative AI.

47%

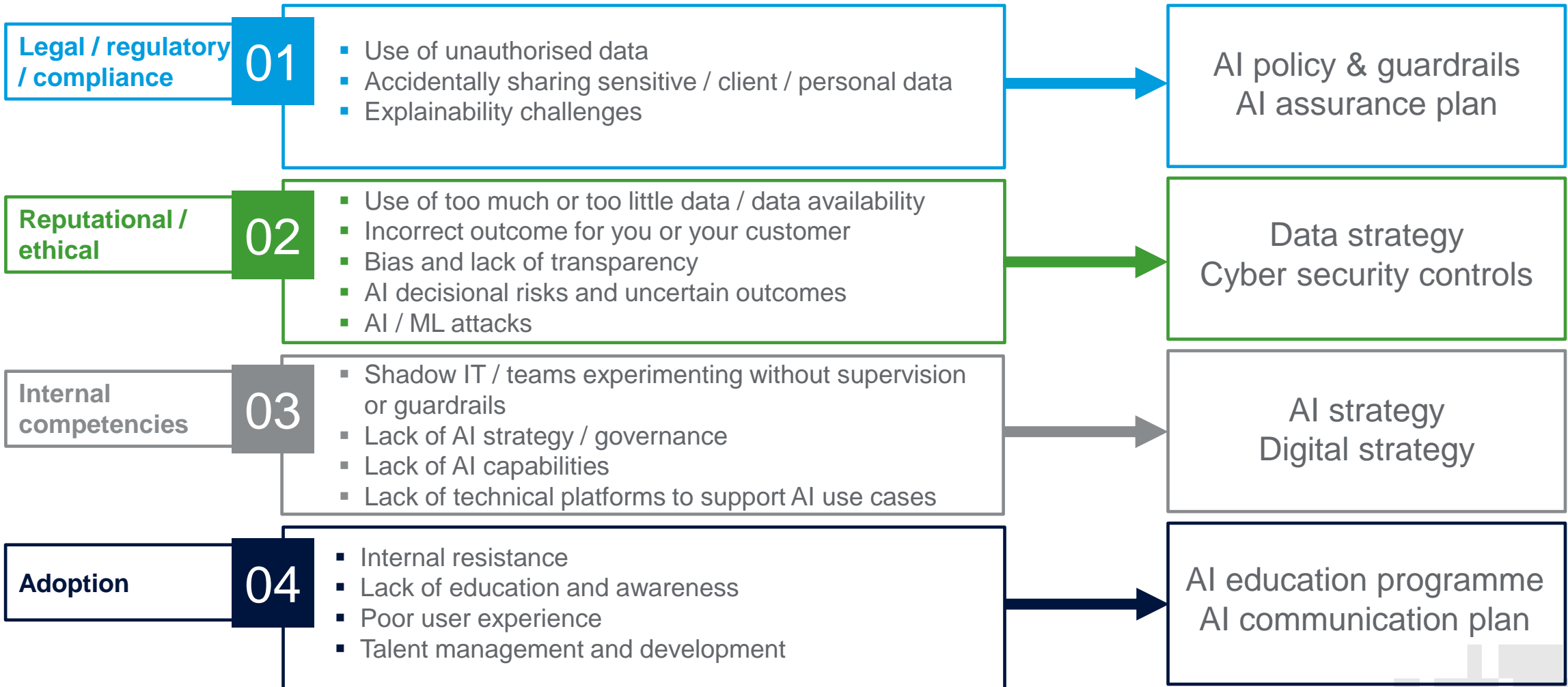
58% of businesses said they already have a generative AI policy in place.

58%

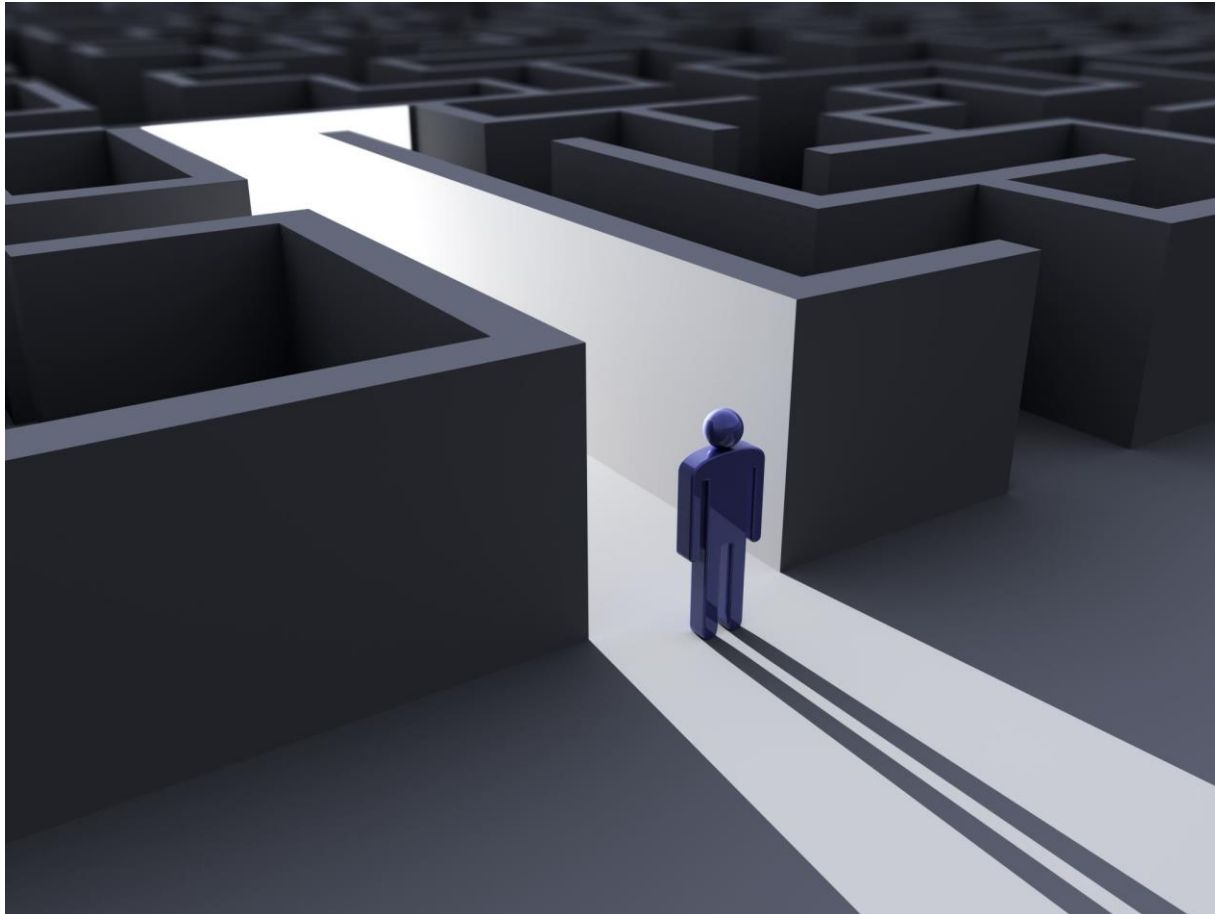
32% of businesses are in the process of putting a generative AI policy in place.

32%

AI and ML risks and how to mitigate against them



Poll question 2



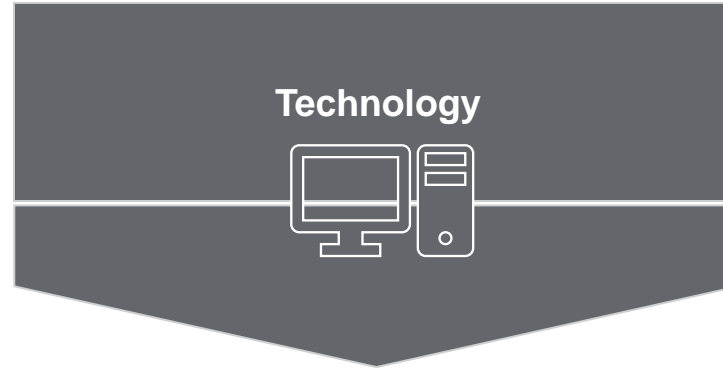
What is your biggest challenge in adopting AI?

- a) Lack of skilled personnel
- b) Data quality and availability
- c) Internal resistance to change
- d) Cost of implementation
- e) Integration with existing systems and processes
- f) Regulatory / compliance concerns

04

**Key pillars of an
AI strategy**

Common challenges



Siloed approach

Limited access to data sets

Poor quality data

Resistance to change

Constraints in existing tech

Lack of trust in data

The technology push

Complex ETL, unstructured data

Large volumes of data

Lack of data literacy

Siloed data

Data with no context

Key pillars of an AI strategy

Deployment of successful AI requires a clearly defined strategy underpinned by your vision for AI, concrete use cases and reliable data.

✓ **01 Purpose lead**

✓ **02 Use Cases**

✓ **03 Data**



✓ **04 Technology**

✓ **05 Org and talent**

✓ **06 Governance**

Thank you for attending

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