



RISK RESET

# Manufacturing Pulse Survey 2025

How manufacturing leaders are approaching supply  
chain resilience in an age of increasing complexity

# EXECUTIVE SUMMARY

**The manufacturing sector is navigating a period of intense disruption, driven by digital transformation, increasingly complex supply chain risks, and regulatory uncertainty. Data is a key enabler for business improvement opportunities, both in production as well as digital business processes such as third-party risk management (TPRM).**

This survey of 2,000 senior supply chain and procurement professionals across five key markets reveals that manufacturers are increasingly focused on resilience, automation, and AI adoption but face persistent barriers to progress.

We learn that regulatory changes such as tariffs and sanctions are now seen as structural challenges, not temporary hurdles. Meanwhile, supply chains are becoming more multi-tiered and globally dispersed, yet visibility beyond Tier 1 remains limited. Manufacturers are looking to transform their approach to key processes to mitigate these risks, increase efficiencies and corresponding production output, while also minimising the cost of labour and resource input. However, data quality and integration issues are undermining innovation, with many firms unable to make informed decisions or fully leverage AI.

In response, manufacturers are prioritising nearshoring, digital transformation, and strategic investments in data and automation. However, ethical sourcing and ESG remain underdeveloped areas of risk management, leaving firms exposed to reputational and compliance threats. As companies look ahead to 2026, the challenges of today – regulatory risk, supplier dependency, and poor data confidence – are expected to persist.



Investments in data and automation are no longer optional for manufacturers, they are essential to establishing transparency across business partners. This transparency forms the foundation for the data-driven processes manufacturers need to effectively navigate regulatory complexity and supply chain disruptions. Without trusted, integrated data, resilience and agility remain out of reach.”

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# KEY TAKEAWAYS



## 01 REGULATORY CHANGES AND OPERATIONAL PRESSURES ARE DOMINANT CHALLENGES

Manufacturers cite tariffs and sanctions as their biggest supply chain issue, and most expect regulations to remain a top risk in 2026. Operational issues such as supplier-specific risks and data quality are consuming the attention of supply chain leaders, leaving less time for strategic imperatives like overall resilience.

## 02 NEARSHORING WILL ACCELERATE IN THE MID TO LONG TERM

Global sourcing is no longer the default. 62% of firms plan to localise most or all their supply chains to improve resilience and reduce exposure to global shocks, yet only 8% plan to do this in the next 12 months. This shift demands reconfiguration of supplier networks and logistics and is a longer-term strategy.

## 03 COMPLEX SUPPLY CHAINS AND POOR VISIBILITY ARE CAUSING ISSUES FOR MANUFACTURERS

While supply chains are growing in depth and complexity, around a quarter of manufacturing firms only monitor direct suppliers and a further third monitor tiers 1 and 2. Visibility drops significantly beyond Tier-3, and the percentage of manufacturers monitoring 4 or more tiers is only 18%. Increased complexity is causing issues in areas like quality control, increase costs and delays in product delivery with 97% of manufacturers reporting to have faced negative impacts of some kind, regardless of their sourcing strategy.

## 04 ETHICAL OVERSIGHT IS UNDERDEVELOPED

Only 24% of manufacturers have data on modern slavery in their supply chains, and ESG investment remains a lower priority compared to financial compliance and understanding other supply chain risks which are more pressing day-to-day.

## 05 DATA CONFIDENCE IS LOW, AND INNOVATION IS STALLING BUT DATA-DRIVEN LEADERS WILL SHOW THE WAY FORWARD

Just 36% of firms feel they can make informed decisions with their current data, and 44% have experienced failed AI projects due to poor data quality. However, the subset of manufacturers that are combining strategic supply chain improvement with advanced technologies also prioritise visibility and overall resilience – showing strong interdependencies between technology adoption and strategic maturity.

## 06 MANUFACTURERS SET 2026 AGENDA: AI, RESILIENCE, AND COST EFFICIENCIES EXPECTED AMID ONGOING RISKS

Manufacturing procurement teams are prioritising internal AI adoption, supply chain resilience, and cost reduction in 2026, driven by persistent regulatory and supplier challenges. Key concerns remain regulatory changes, supplier dependency, and the uncertain impact of AI.

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## SECTION 01

# REGULATORY CHANGES CITED AS THE TOP CHALLENGE BY THE MANUFACTURING INDUSTRY

## Regulatory change tops procurement challenges, with resilience and supplier risk close behind

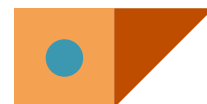
33% of manufacturing procurement leaders say their biggest obstacle over the past year has been regulatory changes such as tariffs and sanctions.

This is followed closely by managing overall supply chain resilience (reported by 31%), dependency on critical suppliers (25%), uncertainty over AI adoption (23%), and insufficient data quality (22%).

Other challenges of note are lack of visibility beyond Tier-1 suppliers and poor insight into company linkages between third parties. Manufacturers are also struggling with the impact of geopolitical conflict and macroeconomic factors.

**Q:** What are the biggest supply chain challenges your organisation has faced in the last year?

Challenge	% of respondents citing this as a challenge
Regulatory changes, i.e. Tariffs and Sanctions	33.4%
Managing overall Supply Chain resilience	30.9%
Dependency on critical suppliers	25.3%
If and how to implement AI into manufacturing processes	23.2%
Insufficient data and data quality	21.5%
Climate risk or sustainability	20.7%



## MARKET BREAKDOWN

- ▶ Manufacturers in the UK and the US are most likely to report the same concerns, vs those in the other markets. 45% of US firms and 42% in the UK named regulatory change as their top challenge. Comparatively, only a quarter or less of firms in Switzerland, Sweden and Germany reported struggling with this and were more likely to note overall supply chain resilience as their area of highest concern.
- ▶ Manufacturers in mainland Europe are most sensitive to modern slavery challenges in their supply chains, with 21% of Swedish firms, 19% of Swiss and 16% of German firms reporting this as a concern. Only 8% of firms in the US and UK feel the same.

## INDUSTRY SPOTLIGHT

- ▶ Firms in the general (39%), machinery (36%), construction (35%) and automotive (34%) sectors are most pressed by regulatory challenges.
- ▶ Chemical and FMCG firms are well below the average with only 23% of companies in these sectors noting regulations as a top challenge, and more likely to be worried about overall supply chain resilience.

When asked which of these challenges are the hardest to solve, regulatory changes again top the list with 17% of manufacturers responding this way. The top 5 challenges manufacturers are finding difficult to solve are:

1. Regulatory changes i.e. tariffs and sanctions
2. Managing overall supply chain resilience
3. Dependency on critical suppliers
4. Climate risk and sustainability
5. Insufficiency data and data quality

**These challenges are putting increasing strain on Manufacturing firms to understand their wider supplier networks, particularly in the last 12 months where pressure has increased by 53%.**

Despite this pressure, manufacturers are lacking data in important areas that would help them to understand their supplier networks better:

- ▶ Only 38% of manufacturers report having data on the impact of tariffs on third parties
- ▶ Just 34% have screening information needed to understand wider compliance issues (such as sanctions, political exposure and watch lists), and 30% can fully understand ownership
- ▶ Less than a third (32%) have data on the impact of macroeconomic risk on their third parties.





## SECTION 02

# SUPPLY CHAINS ARE SET FOR NEARSHORING

Manufacturers are looking to bring supply chains closer to home, and battling limited visibility and dependencies

### Nearshoring on the horizon, but in the longer term

43% of manufacturers surveyed in this research reported that most of their suppliers are based locally, within their own nation. This was especially pronounced in the US (61% reported this), and across core European countries at around 45%. In the UK only 22% of suppliers based in-country, but a further 50% are in nearby EU countries due to structural constraints.

In the last five years, over a third (34%) of the manufacturers surveyed have relied more heavily on local and regional suppliers.

This trend of is set to continue, as manufacturers are accelerating efforts to nearshore and localise their supply chains, driven by increased costs, complex regulations (including tariffs and sanctions) and the growing fragility of global supply networks.

**Now, 61% of manufacturers are looking to move more than half of their supply chains closer to home, with a further 26% looking to nearshore or localise around half of their supply chain. Despite this, only 8% say this is a priority in the next year, signalling it is a longer-term strategy and not a short-term switch.**

**Q:** What percentage of your supply chain are you looking to nearshore or localise?

Percentage of supply chain looking to nearshore or localise	% of respondents
All of it (100%)	4.7%
High majority (76%-99%)	20.1%
Majority (51%-75%)	36.7%
Around half (50%)	25.7%
Minority (26%-49%)	9.8%
Small minority (1%-25%)	2.6%
None (0%)	0.6%

#### MARKET BREAKDOWN

- ▶ Switzerland and Sweden have the highest percentage of manufacturers looking to nearshore or localise the majority (half or more) of their supply chains.
- ▶ In the US 10% of US firms plan to nearshore or localise their whole supply

#### INDUSTRY SPOTLIGHT

- ▶ The automotive industry is the exception out of all manufacturing subsectors, with a broader global footprint that is expected to continue.

## Understanding multi-tier supply chains

Global supply chains are increasingly multi-tiered as companies pursue cost savings and specialised capabilities. Not only that, but manufacturers are also sourcing a larger number of materials and components from multiple regions and suppliers.

In this research, we found 29% of firms have an average of three tiers in their supply chains, 17% manage four or more tiers, and 19% report a full multi-tier supply chain.

**Q:** How many tiers are in your average supply chain?

Total number of tiers in your average supply chain	% of manufacturing firms
Tier 1 only (Direct suppliers)	9.4%
Tier 2 suppliers	23.4%
Tier 3 suppliers	29.2%
4 or more tiers	16.7%
Full multi-tier supply chain, including raw material sources	19.4%

**Q:** How far down your supply chain do you actively monitor and ensure compliance with rules and regulations?

Tiers actively monitored for compliance with rules and regulations	% of manufacturing firms
Tier 1 only (Direct suppliers)	23.2%
Tier 2 suppliers	34.1%
Tier 3 suppliers	22.8%
4 or more tiers	7.2%
Full multi-tier supply chain, including raw material sources	10.9%
Other	0.8%

However, vulnerabilities are being created, due to a widespread lack of visibility beyond direct, or Tier 1, suppliers.

Most manufacturers don't actively monitor suppliers' compliance with rules and regulations in all tiers. The share of respondents monitoring suppliers as far as Tier 4 or beyond is 18%. Although this is a slight YoY increase (compared to a study by the Business Continuity Institute (BCI) and Zurich in 2024, which noted 17.1% of organisations analysing this far down the supply chain).

This limited oversight leaves the sector exposed to hidden risks like quality control issues and ethical problems originating from deeper in the chain and is a major barrier to building resilient and transparent supply chains.

The most commonly reported reason for not going deeper into supply chain tiers is mostly down to lack of data and information. 39% of manufacturers claim this is the case, and it's felt particularly in the UK (41%) and US (47%).

#### INDUSTRY SPOTLIGHT

- ▶ 22% of chemical firms monitor this full network, vs only 8% of FMCG firms.
- ▶ Healthcare/pharmaceutical (66%) and general manufacturers (64%) are most likely to only monitor the first 2 tiers of suppliers vs the average of 57%.

### Challenges with poor visibility

The consequences of this limited oversight are clear: In total, 97% of firms have faced issues that impact their resilience, because of complex supply chains. 31% of businesses report quality control issues, 29% face delivery delays, and increased costs, and 25% struggle with reduced visibility.

Adding to the strain, 25% of leaders cite dependency on single or limited suppliers as a recurring problem, while 22% point to communication breakdowns across tiers as a cause of disruption.





## EXPERT COMMENTARY

“In today’s manufacturing landscape, supply chains are no longer linear or simple, they are multi-tiered ecosystems spanning multiple geographies and supplier layers. While Tier 1 suppliers (direct partners) are typically well-managed, the real complexity and risk lie deeper in Tier 2, Tier 3, and beyond, where visibility sharply declines. This limited oversight revealed in this study exposes firms to hidden vulnerabilities – from ethical sourcing issues to operational disruptions – that can cascade upstream and impact brand reputation, cost, and continuity. Transparency in Tier-N requires a risk-based approach to identify the most relevant goods or subsectors to further investigate.

To overcome the lack of data, which is contributing to the level of visibility required, manufacturers must invest in digital traceability tools, foster supplier transparency, and build resilience through multi-tier risk management. Understanding and managing multi-tier supply chains is no longer optional, it’s a strategic imperative for operational excellence, regulatory compliance, and long-term competitiveness.”

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**Q:** What issues have you faced because of complex supply chains?

Issue faced as a result of complex supply chains	% that responded they have faced this issue
Quality control issues	31.0%
Increased operational costs	29.1%
Delays in product delivery	28.9%
Inventory management challenges	26.3%
Dependency on single or limited suppliers	25.1%
Reduced supply chain visibility	25.0%
Data integration and system compatibility issues	24.6%
Increased complexity in risk assessments	23.3%
Unexpected failures because of unknown dependencies between suppliers	22.4%
Communication breakdowns across tiers	21.5%
Supplier non-compliance	20.7%

With all of this in mind, it's not surprising that nearshoring is emerging as a key strategy to simplify operations, improve visibility, and reduce exposure to global shocks.

To combat these challenges, rather than increase their visibility into supplier risk, manufacturers are

backing up their projects with 'second sources' or alternative suppliers. 87% of manufacturers build safeguarding into half or more of their projects by doing so, including 10% doing this for all projects.

Q: How many projects are backed up by "second sources" in the supply chain?	
Backed up by 'second sources'	% of respondents that back up this many projects
All projects	10.0%
Most projects	45.9%
Around half	30.8%
Minority of projects	12.40%
No projects	1.0%



## EXPERT COMMENTARY

"Poor visibility across multi-tier supply chains is emerging as a critical vulnerability in manufacturing operations. Despite increasing complexity, many firms still lack insight beyond their Tier 1 suppliers, and the consequences are tangible.

With 97% of firms experiencing disruptions due to supply chain complexity, the need for deeper visibility is urgent. Yet, instead of expanding transparency, many manufacturers are opting for redundancy strategies.

This reactive approach, while helpful, is not a substitute for longer-term proactive visibility. To build truly resilient supply chains, manufacturers must invest in multi-tier data integration, supplier collaboration, and digital traceability tools that illuminate the full network — from raw materials to final assembly – at least for the most crucial goods or products."

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## SECTION 03

# TOPICAL ISSUES IMPACTING MANUFACTURING SUPPLY CHAINS

Manufacturers face dual pressures: tariffs and sanctions dominate compliance focus while ethical oversight remains critically underdeveloped

### Deeper dive into regulatory changes

Regulatory changes, particularly tariffs and sanctions, have become a persistent and long-term challenge for the manufacturing sector. No longer seen as temporary hurdles, these issues are a structural

component of the global economy that many companies find difficult to solve. The data shows that the impact and difficulty of these challenges vary significantly by both region and company size.

#### Key stats:

- ▶ 33% of respondents cited 'Regulatory changes, i.e. Tariffs and Sanctions' as a major supply chain challenge in the last 12 months and only 38% have data on the impact of tariffs on third parties.
- ▶ 31% of companies believe these regulatory changes will be among their biggest risks in 2026.
- ▶ 17% of companies identified regulatory changes as the "most difficult to solve" among their supply chain challenges.
- ▶ 45% of US companies and 42% of UK companies cited regulatory changes as a top challenge.



## ESG and Modern slavery

Despite growing awareness of ethical sourcing, the manufacturing industry has a critical and dangerous blind spot when it comes to human rights. Most companies lack the necessary data to monitor their supply chains for modern slavery, leaving them highly exposed to significant legal and reputational risks. This “ethical data deficit” is particularly concerning as companies appear to be prioritising more immediate,

financially driven compliance issues over the difficult-to-track problem of human trafficking.

Human rights typically fall under the banner of ‘ESG’ when it comes to risk management, and the wider environmental and sustainability impact tends to hold more focus – however, it’s important that manufacturers address and proactively manage risks across all areas.

### Key stats:

- ▶ Only 24% of respondents have data on modern slavery or human trafficking in their supply chains.
- ▶ Only 14% believe this will be their biggest risk in 2026, the lowest of all options.
- ▶ Although 45% of manufacturers told us they currently invest in ESG and sustainability data, and a further 42% plan to in the next 12 months, over half of the manufacturers surveyed plan to prioritise investments in supplier performance and compliance data instead.
- ▶ Only 36% say their business has shifted to more sustainable and ethical sourcing over the last 5 years.



## EXPERT COMMENTARY

“Manufacturers are increasingly navigating a dual landscape of regulatory pressure and ethical risk, both of which are reshaping supply chain strategy. Tariffs and sanctions have evolved from temporary disruptions into structural challenges that present a major issue.

While compliance with financial and trade regulations is prioritised, ethical oversight remains critically underdeveloped. Only 24% of companies have visibility into modern slavery risks, and just 14% consider it a major future threat, despite growing legal and reputational exposure.

The imbalance between financial compliance and ethical responsibility reflects a broader challenge: manufacturers are focusing on what’s measurable and immediate, while overlooking deeper, harder-to-track risks. To build resilient and responsible supply chains, firms must expand their risk lens to include human rights, ESG, and sustainability, supported by robust data and cross-tier transparency.”

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## SECTION 04

# LOW CONFIDENCE IN USING DATA TO DRIVE DECISIONS

### Data deficiencies and manual processes hold back manufacturing innovation and informed decision-making

The manufacturing sector is grappling with a significant lack of confidence in its own data, a problem stemming from a heavy reliance on manual processes. Only 36% of the manufacturers we surveyed say they can currently make informed business decisions with their existing data, leaving 64% feeling unable to do so.

The stats are similar when it comes to other key business processes with at least two thirds feeling unable to complete tasks with their data in its current form:

- ▶ Finding and capitalising on opportunities for growth: 73% feel their data won't help them find new customers, 70% can't track return on investment and 68% are lacking data that would enable them to identify the best markets to sell into.
- ▶ Supply chain resilience: 70% don't feel able to find alternative suppliers with their current data should issues arise, and 65% can't use it to identify supply chain efficiencies.

#### MARKET BREAKDOWN

This issue varies by region, with some countries reporting much higher levels of poor management and data distrust than others:

- ▶ Switzerland comes out on top when it comes to poor data management, 61% have siloed information. However, 63% of Swiss manufacturing firms also claim to have a 360-degree view of third parties in place, shared across the business.
- ▶ The US is most likely to have duplicate data in several systems (58%)
- ▶ • At least 59% of manufacturers in the UK, US and Germany report to trust their data. Conversely, 55% of manufacturers surveyed in Sweden and Switzerland lack data confidence.



**Q:** What, if anything, do you feel unable to do with your organisation's data in its current form?

Task	% that feel they are unable to do the task with their current data
Find new customers	73.2%
Prove return on investment on projects/products	70.3%
Find alternative suppliers	69.8%
Identify the best markets to sell into	68.5%
Generate real-time reports and dashboards	67.5%
Track performance against key objectives	66.5%
Forecast future trends or demand	65.9%
Identify supply chain inefficiencies	64.6%
Make informed business decisions	64.3%

This lack of confidence in data to tackle the business challenges above appears to be driven by several issues, but particularly the inability to find the right data and issues with trust. In this research we learn that 54% of manufacturers have duplicate data in several systems, and 51% feel their data is siloed in disparate tools and systems across the organisations. 41% claim they distrust the data they use for supply chain operations.

Promisingly, just over half (56%) of firms have implemented a 360-degree view on business partners, including customers and suppliers, across all business functions. However, the remaining 46% still struggle to share and access this information.

## Hindering innovation and efficiency

Data issues are hindering innovation in the sector. 44% of companies have seen AI projects fail due to poor data quality. 59% of manufacturers surveyed reported that their data sets had increased due to AI – making it more important than ever to invest in the correct tools and processes to manage this data and harness these insights effectively.

At the process level, 43% have adopted technology and automation in the last 12 months, however its use is still limited; around a third of firms say their key decision-making processes are mostly or completely manual. Only one in 10 report their key decision-making processes are completely automated.

**Q:** How manual or automated are the following key decision-making / processes?

Process	Manual (mostly or all)	Automated (mostly or all)
Customer Risk Assessments	33.9%	35.5%
Supplier Risk Assessments	33.7%	34.5%
Supplier Onboarding	35.0%	34.5%
Prospecting & Marketing	33.8%	34.5%
Customer retention	35.4%	33.2%

## Reliance on internal data, lags in technology adoption

When it comes to technology and data investments to support these processes and help increase efficiency, there is still some way to go. Only half of the manufacturers surveyed are enhancing their data with insights from third-party data providers, and may be missing out on additional insights that could help establish resilient supply chains and consequently can provide a competitive advantage.

Just 33% are investing in unified/cloud data platforms allowing integrations with multiple data sources and strong analytical capabilities.

Q: To what level, if at all, has your business invested in data and technology to support key processes?	
Data and technology usage	% of respondents that have invested to support key processes
Use internal data and make it flow across systems	54.4%
Use of third-party data providers, combining them with internal data and make it flow across systems	49.8%
Using modern Unified/cloud data platform (i.e. cloud data warehouse or lakehouse) and integrations including enhanced analytical capabilities	33.1%
Not at all - Only use internal data and legacy systems	7.9%
No projects	1.0%

## Shifts in investment

To overcome these barriers and better understand their supply chains, manufacturers are currently making strategic investments in data in the following areas:

- ▶ logistics and transportation data (52%)
- ▶ supplier performance and compliance data (51%)
- ▶ Real-time inventory visibility (50%)

Over the next 12 months, manufacturers expect to shift towards predictive and sustainability-related insights, with the following data types prioritised for investment:

- ▶ demand forecasting (43%)
- ▶ ESG data (42%)
- ▶ real-time inventory tracking data (41%)

To leverage this data for informed decision-making, the right technology and data management processes are required to be put in place. This way, cross-departmental information sharing and more profound analysis can be completed, enabling entity-wide scalable benefits.





## SECTION 05

# TOP PRIORITIES AND CONCERNS FOR 2026

## Manufacturers prioritise resilience, AI, and cost efficiency as regulatory risks and supplier challenges persist into 2026

In response to the challenges and impacts they have faced over the past 12 months, this research highlights that the top priority for manufacturing procurement teams will be the internal use of AI and improving supply chain resilience.

When asked about their priorities for 2026, manufacturers told us they will be focusing on the following areas (in order of most looking to prioritise):

1. Internal use of AI
2. Improving supply chain resilience
3. Reducing operational costs
4. Investing in supply chain technology and automation
5. Enhancing supply chain visibility and traceability.

Despite more than half of the manufacturers surveyed reportedly looking to nearshore or localise 61% of their supply chain, this appears to be a long-term strategy with only 8% saying this is a priority in the next 12 months.

## Continuing concerns

Looking further ahead to 2026, leaders expect their main concerns to remain the same, showing that the challenges and learnings over the last few years will remain central to procurement's future strategy.

The top 5 concerns going into 2026 were reported as:

1. Regulatory changes
2. Continued concerns about resilience
3. Data quality
4. Dependency on critical suppliers
5. Uncertain impact of AI adoption



## MARKET BREAKDOWN

- ▶ Despite US tariffs, only 7% of US firms say they will be prioritising local and nearshoring in 2026. Instead, 14% of German firms likely to prioritise this in the next 12 months.
- ▶ Manufacturers in Switzerland are most focused on enhancing supply chain visibility and traceability (21%) but only 12% are looking to prioritise improving their supply chain resilience.
- ▶ Priorities that include technology and data are key for firms in the UK and US.
- ▶ Manufacturers in EU countries are most likely to prioritise increasing sustainability and reducing their carbon footprint – perhaps down to the regulations they are impacted by (i.e. Germany Supply Chain Act).

## INDUSTRY SPOTLIGHT

- ▶ Of all the industry sectors that responded to the survey, FMCG companies are placing the highest priority on enhancing visibility and traceability in their supply chains in the next 12 months (21%).
- ▶ 24% pharmaceutical and healthcare manufacturers will be investing in technology and automation and 16% in the internal use of AI to support supply chain operations. They are the least likely to prioritise getting more value from their existing investments (at only 12%) suggesting they may be lagging and looking to catch up with transformation initiatives.
- ▶ Just 10% of chemical manufacturers will be prioritising increasing their sustainability credentials vs the average of 14%.



## EXPERT COMMENTARY

“Manufacturers are facing a critical barrier to innovation and operational agility: low confidence in their own data. This lack of trust extends across core functions, from forecasting demand to identifying supply chain inefficiencies. The root causes are clear: duplication, siloes and poor quality data, which has already led to AI project failures in 44% of firms. Many manufacturers lack the platforms and integration capabilities needed to turn data into insight.

To unlock the full potential of data-driven decision-making, manufacturers must shift from fragmented legacy systems to unified, scalable data architectures. This includes automating core processes, investing in cloud platforms with real-time analytics, and establishing data governance frameworks to ensure trust and accessibility. Without these foundational changes, data will remain an underutilised asset, and strategic decisions will continue to be made in the dark.”

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# CONCLUSION & STRATEGIC RECOMMENDATIONS

Manufacturers are under mounting pressure to adapt to a volatile global landscape. Regulatory complexity, supplier risk, and data fragmentation are eroding operational efficiency and innovation. While digital transformation has been in focus for many years, and nearshoring is gaining traction, foundational weaknesses – particularly in data quality and ethical oversight – threaten to undermine progress.

To remain competitive and resilient, manufacturers must move beyond reactive strategies and invest in integrated, transparent, and ethically sound supply chain practices. The next 12–24 months will be critical in determining which firms can successfully navigate this transformation.

Our strategic recommendations for manufacturing firms are as follows:

## 1 Elevate multi-tier supply chain visibility to a board-level priority

Manufacturers must shift from reactive operations to a proactive strategy which starts at the highest levels – for example investing in tools and partnerships that enable monitoring of lower supply chain tiers as a foundation for building a resilience strategy. Manufacturers also need to create strategies for handling disruptions in lower tiers, for example second sources and building up stock-levels.

## 2 Invest in tools that enable end-to-end supply-chain transparency

Develop agile frameworks, and invest in digital infrastructure and data, to monitor and respond to evolving tariffs, sanctions, geopolitical shifts and other areas of risk across the full end-to-end supply chain.

## 3 Accelerate digital transformation and innovation initiatives

Focus on automating manual processes like supplier onboarding and risk assessments to drive operational efficiencies. Ensure data infrastructure is robust enough to support strategic and AI initiatives; for example by consolidating siloed systems, eliminating duplicates, and adopting cloud-based platforms to support real-time decision-making.

## 4 Embed ESG and ethical sourcing into risk strategy

Prioritise human rights and sustainability data alongside financial compliance to mitigate reputational and legal risks.

## 5 Reconfigure supplier networks to align with regional sourcing trends

Understand what can be localised, vs what makes more sense to move offshore, by balancing costs, risks and complexities of different sourcing locations.

## 6 Develop talent and resources

The landscape is changing, and talent needs to be developed in order to better understand deep-tier supply chain management, new sourcing models, and new technologies. People are just as important as the technology and processes needed to make strategic changes.



## CASE STUDIES

# HOW AUTOMATION AND TRUSTED DATA DRIVE SUPPLY CHAIN RESILIENCE

## 01 Large global exporter cuts compliance screening time in half

### CHALLENGE

A large exporter with a global customer base needed realised their manual compliance processes couldn't scale. With 89 processing facilities and offices in 38 countries (in some of which required data was difficult to source), growing AML and KYC regulations meant this customer needed to automate their risk management processes.

### SOLUTION

The customer built on their existing use of the Dun & Bradstreet D-U-N-S number, which already allowed them to verify the identity of their third parties and enrich records with additional data points. They chose a web-based solution that enables risk parameters to be defined according to risk policy and can automatically assess third parties during onboarding. The solution is integrated with UBO registers, sanctions lists, watch lists and more.

Data is pulled from Dun & Bradstreet's Data Cloud, comprising information on over 600 million entities worldwide. Furthermore, because the data is 'living' and updated every day, monitoring is set up and alerts sent to the exporter if a third party's compliance status changes or regulations are updated.

### OUTCOMES

By working with Dun & Bradstreet and adopting this web-based solutions, this customer is now able to fulfil compliance requirements in half the time it previously took them.

- ▶ Cut compliance screening time in half
- ▶ Reduced false positives needing attention by 80%
- ▶ Gained a deeper understanding of who they are really doing business with and can better safeguard their reputation

## 02 Enterprise transformation starts with data: a holistic business partner view in industrial practice

### CHALLENGE

This customer wanted to unify and understand their entire business partner ecosystem – customers, suppliers, and prospects – through structured enterprise master data. This initiative laid the groundwork for strategic decision-making, operational efficiencies, and scalable AI adoption across corporate functions.

They were using over 30 ERP systems, 40+ non-ERP systems and their 15+ million business partner records were scattered across their CRM, SCM and other local databases. This fragmentation led to an incomplete view of customers and suppliers, redundant efforts across departments, missed opportunities and hidden risks.

### SOLUTION

The customer built a Unified Business Partner View, with a centralised Master Data Platform consolidating business partner records into a central data warehouse using Snowflake, integrating internal ERP and CRM data, external reference data from Dun & Bradstreet, and AI-powered name matching algorithms to resolve duplicates and link entities.

This provided the foundation for a 360 understanding of business partners, based on Dun & Bradstreet's data on corporate hierarchies, organisational structures, key contacts and buying centres.

The customer also introduced a unique Company ID to unify all identifiers, based on the Dun & Bradstreet D-U-N-S number. This enabled a seamless integration across systems and departments and provided easy access to enriched data via data products (e.g. financials, risk scores, market insights).

### OUTCOMES

The customer achieved strong outcomes across many different business functions:

- ▶ Sales & Marketing: Identified white space in customer portfolios, enabled cross-selling and account-based marketing, and delivered 360° customer views for personalised engagement.
- ▶ Procurement & Supply Chain: Mapped global supplier relationships, assessed cluster risks and geopolitical dependencies, and optimised global spend visibility.
- ▶ Finance: Improved financial reporting accuracy, enabled group-level revenue analysis and reduced administrative overhead.
- ▶ AI Enablement: Provided clean, structured data for predictive analytics, intelligent automation and GenAI-driven sales and procurement use cases.

# ABOUT THE RESEARCH

## Objectives and Approach

Our aim was to understand how Manufacturing organisations are approaching risk and resilience, and their key priorities in the years to come.

Through primary research surveying 2,000 professionals across 5 key markets, we explored concerns, challenges and priorities in the following areas:

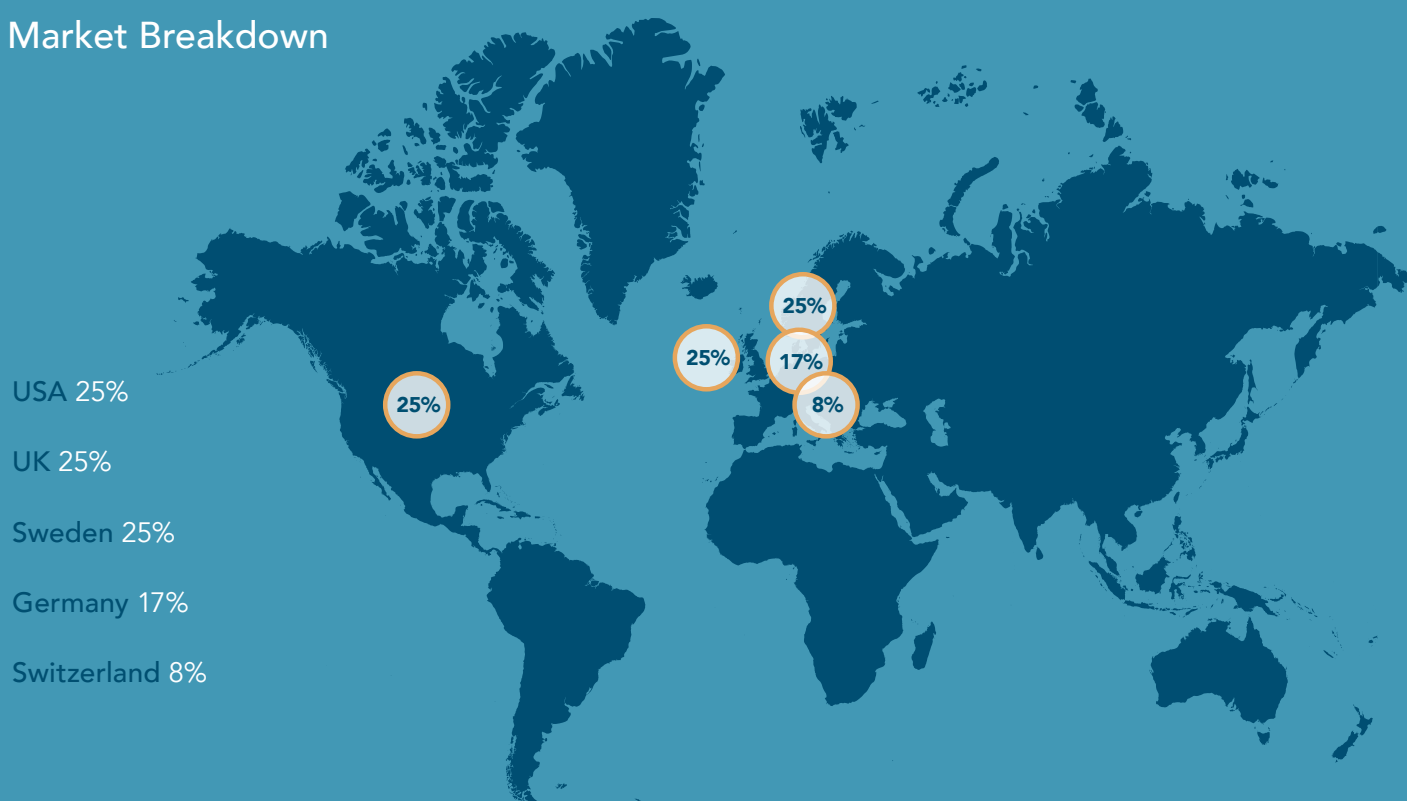
- ▶ Regulatory challenges
- ▶ Supply chain structures, visibility and challenges with supplier relationships

- ▶ Areas of priority and investment
- ▶ Data, AI and Automation

We partnered with independent research consultants, Censuswide to design and deliver the study which included responses from manufacturing companies of all sizes.

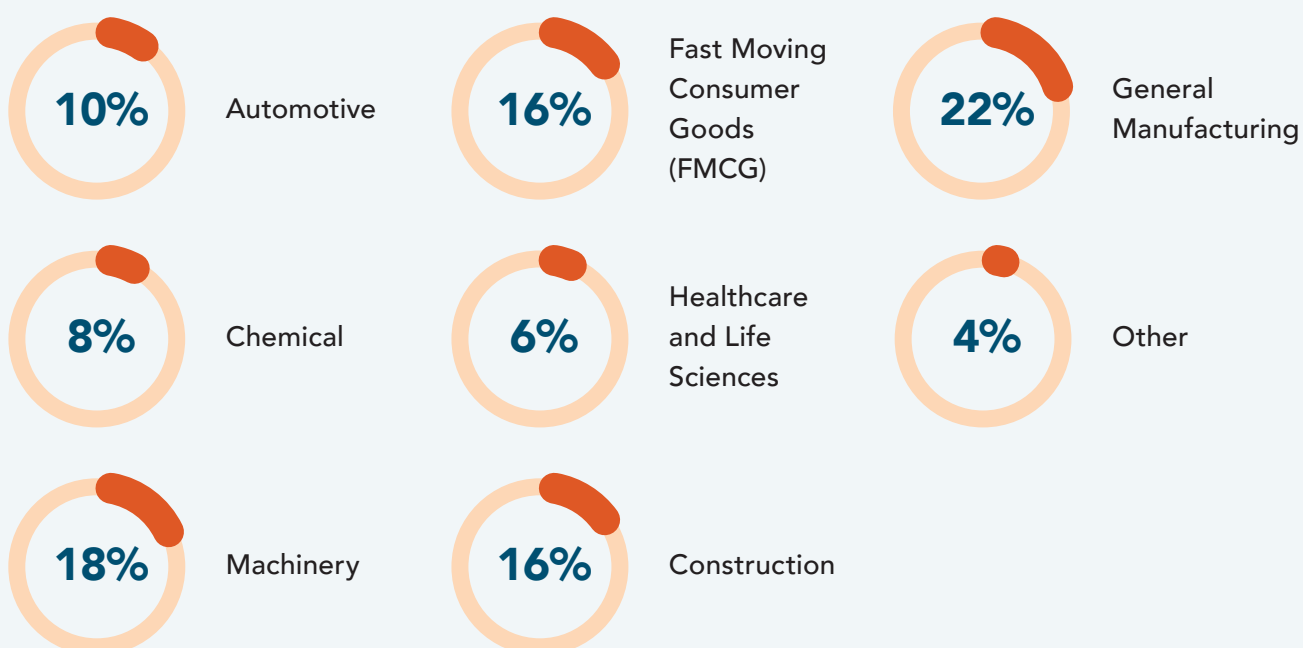
The senior professionals that responded in supply chain and procurement roles. Research was undertaken during August 2025.

## Market Breakdown

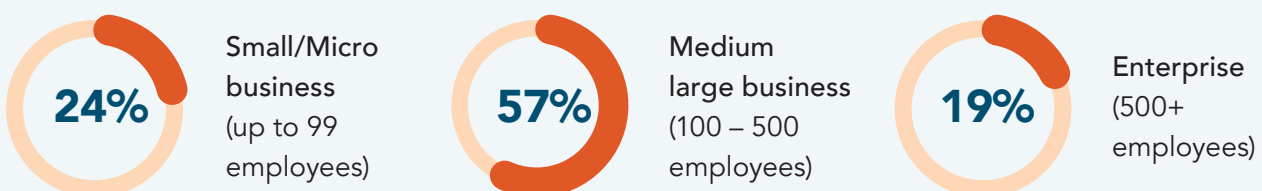




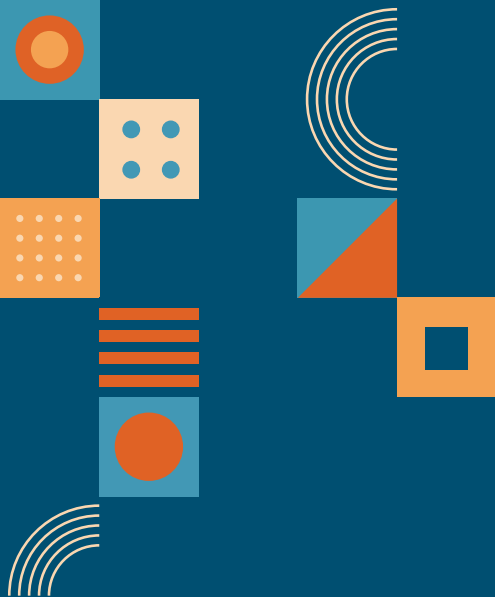
## Subsector Breakdown



## Company Size (By Employee)



Censuswide abides by and employs members of the Market Research Society and follows the MRS code of conduct and ESOMAR principles. Censuswide is also a member of the British Polling Council.



## CONTACT US

For more information about the research,  
or to request a chat with one of our experts  
about the findings of this survey, please  
email [hello@dnb.com](mailto:hello@dnb.com)



### ABOUT DUN & BRADSTREET

Dun & Bradstreet, a leading global provider of B2B data, insights and AI-driven platforms, helps organisations around the world grow and thrive. Dun & Bradstreet's Data Cloud fuels solutions and delivers insights that empower customers to grow revenue, increase margins, manage risk, and help stay compliant – even in changing times. Since 1841, companies of every size have relied on Dun & Bradstreet.

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