

Success story – Consumer goods

# How BAT and 4flow transformed a multi-tier supply chain in Bangladesh



## Customer: British American Tobacco (BAT)

- > Global leader in the tobacco industry
- > Operations in over 180 markets
- > Annual revenues exceeding £25 billion

## Project scope

Analysis and optimization of BAT's multi-tier leaf supply network in Bangladesh

# Optimizing the leaf supply network from farm to factory

British American Tobacco (BAT), a global leader in the tobacco industry with operations in over 180 markets and annual revenues exceeding £25 billion, counts Bangladesh as one of its most strategic regions. Holding 80% market share, BAT's footprint there includes 50,000 farmers, nearly 100 buying points, and multiple processing locations.

Despite this scale, BAT's multi-tier leaf logistics network—stretching from farms to factories—faces significant challenges: demand volatility, seasonal harvest fluctuations and inefficiencies in warehouse resource allocation, transport utilization, and operational planning.

To address these challenges, BAT partnered with 4flow to optimize its logistics network through a proven three-phase approach: performing an as-is network analysis, creating a greenfield design and delivering an optimized network blueprint.

The collaboration aimed to reduce costs, boost efficiency, and build operational resilience in the face of Bangladesh's unique constraints.

## Phase 1: Laying the groundwork: a comprehensive as-is analysis

The project began with a comprehensive as-is network analysis, where 4flow and BAT jointly built an end-to-end database encompassing farmers, green leaf and price leaf warehouses, processing centers, and factories. Leveraging

4flow's state-of-the-art network modeling tools, the team achieved full volume and cost transparency across all supply chain tiers. This detailed visibility uncovered hidden inefficiencies and laid the groundwork for optimization.

Analyzing this data, the team identified clear improvement opportunities - including optimized transport routes, improved warehouse capacity allocation, increased resource utilization, and streamlined buying and handling processes.

## Phases 2 and 3: Delivering an optimized network blueprint based on greenfield design

Next came the greenfield design phase. During this phase, 4flow applied zero-based planning principles and advanced optimization tools to model an ideal logistics network based on forecasted demand. This theoretical design outlined the optimized warehouse configuration and transportation plan aligned with BAT's long-term supply chain objectives.

Finally, in the optimized network blueprint phase, practical constraints such as existing warehouse leases and regional infrastructure limitations were integrated into the greenfield model. Through a series of collaborative workshops with BAT stakeholders, 4flow delivered a future-state network blueprint that balanced resource efficiency with operational feasibility.

To support smooth execution, the team also provided actionable recommendations, including dynamic routing algorithms and a phased rollout plan.

### Sustainable results

In just three months, the project delivered measurable results – achieving a 24% reduction in end-to-end logistics costs through network consolidation and structural optimization, while also enhancing operational stability and transparency.

"4flow's expertise was instrumental in optimizing our complex leaf logistics network in Bangladesh," said Swad Us

Sami, BAT Bangladesh Project Lead. "Their structured three-phase approach, combined with deep supply chain expertise and a highly collaborative partnership, helped us develop a design that is both practical and transformative. The solution not only delivers significant cost savings but also aligns perfectly with our long-term strategic objectives for the region."

## Results



Optimized network design within 3 months



24% reduction in end-to-end logistics costs



Improved network transparency and operational stability

**"4flow's expertise was instrumental in optimizing our complex leaf logistics network in Bangladesh."**

**Swad Us Sami,**  
BAT Bangladesh Project Lead

# About 4flow

4flow is a leading provider of supply chain consulting, software and fourth-party logistics (4PL) services. With more than 1300 team members, 4flow is a global partner for its customers at more than 25 locations in Europe, Asia, North America, and South America. 4flow completes more than 300 projects a year in cooperation with customers on 5 continents, in more than 40 different countries and regions. 4flow is headquartered in Berlin, Germany.

## 20+

offices in Europe, Asia and the Americas

## 1300+

team members globally

## 400+

customers globally

## 300+

projects annually around the world

