

# Advanced Store Replenishment



# Challenge: Achieving profit and merchandising objectives through optimal inventory and service levels

Today's retail companies are increasingly pressured to more profitably manage their largest financial asset – inventory. This goal requires retailers to minimize costs, decrease lost sales and improve customer service while reducing inventory investment and keeping shelves stocked with the right products. Successfully addressing these challenges while spurring buyer productivity requires the ability to accurately predict customer demand and make merchandising decisions that result in high service levels at the lowest inventory investment. In short, retailers must be able to determine accurate item-level seasonal forecasts and then use these forecasts to set profitable inventory policies that drive optimized ordering – maximizing customer service while minimizing all inventory costs.

## Solution: Optimizing inventory management at the store level

Backed by more than 25 years of experience and hundreds of successful implementations, Blue Yonder's advanced store replenishment is a proven, industry leading replenishment, forecasting and inventory optimization solution. By projecting sales and basing automatic replenishment orders on store/item selling histories, Blue Yonder's advanced store replenishment works within your existing organizational structure to create accurate demand forecasts and order projections as well as stable order patterns.

Using up to four years of selling history, the application integrates demand and lead-time forecasting with order policy and service level

## Key Benefits:

- Provides rapid implementation and return on investment payback
- Reduces inventory and increases turns through optimizing safety stock, creating optimal order quantities and integrating promotional buying – freeing available cash for new store openings
- Recovers lost sales and reduces lead time through producing more accurate forecasts, driving service levels and lead-time forecasting
- Improves buyer productivity through ease-of-use, automating manual processes and enabling exception management
- Supports all distribution models: Vendor-to-store, distribution center-to-store, flowthrough, cross-dock
- Features multiple forecasting algorithms, economic order cycle determination and profit simulation
- Offers push and pull replenishment
- Supports special order considerations: New store rollout and new items, promotional management, projections, truck/container/pallet/cube/case rounding, allocations
- Features mass setup and maintenance for simplicity and performance considerations for large data volumes

analysis. The result: accurate individual item demand forecasts and recommended orders that your buyers can quickly and confidently accept with minimal review.

And to ensure your forecasts are up to date and at the right level, Blue Yonder's advanced store replenishment supports daily demand profiles. Highly scalable, the solution can roll SKU forecasts up to item, region, category, department or other company groupings. Retailers of all sizes and varieties can handle their inventory forecasting and replenishment requirements – up to the most massive store/item combinations. You'll reduce inventory and labor costs, while increasing sales and decreasing out-of- stocks.

## Building profitable orders and enhancing productivity

Outperforming alternative solutions that utilize traditional minimum/maximum and one-for-one replenishment logic, Blue Yonder's advanced store replenishment conducts scientific and statistical evaluations of each variable involved in the buying decision. For each item, the application weighs every factor for each store – demand, seasonality, order frequency, lead times, vendor minimums and discounts, service levels – and recommends the best action based on the most profitable result.

Packed with automated features that drive efficiency, Blue Yonder's advanced store replenishment lets your team focus their energies on activities that will secure your company's competitive position instead of on tedious replenishment activities like entering and reviewing orders or chasing down problems.

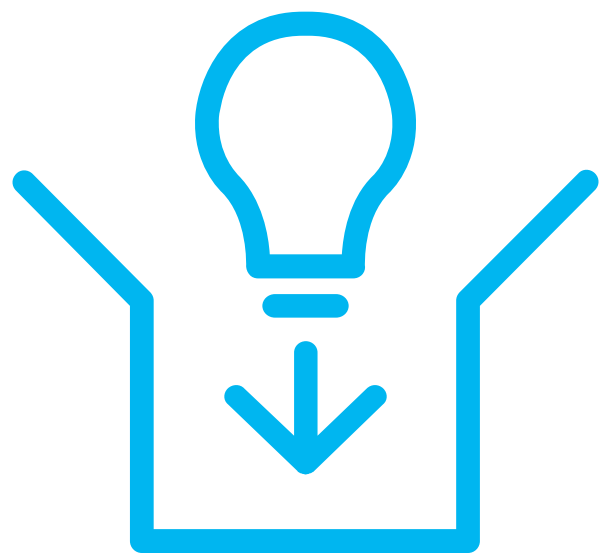
## Boosting customer satisfaction

Research proves that lost consumer sales are driven far more by out-of-stocks and poor service than by price or product quality. By putting its superior forecasting and demand analysis to work, Blue Yonder's advanced store replenishment recommends what, when and how much you need, resulting in the perfect product quantities and just the right service levels to keep your customers coming back for more.

## Leveraging powerful analysis and reporting

Blue Yonder's advanced store replenishment enables you to conduct what-if analysis and economic simulation to answer important questions, including expected changes in one variable, such as service levels, given a percentage change in another variable, such as inventory investment. Seeing the effects before you actually commit to any changes will help you make sound business decisions.

Additionally, Blue Yonder's advanced store replenishment's sophisticated reporting capabilities enable you to quickly spot trends and take immediate action. You can analyze and track the status of inventory and buyer performance with reports such as forecasting, service and inventory accuracy, lost sales, and overstock and understock analysis. You even gain a variety of ranking reports, exception reporting and more. And to help facilitate prioritized workflows, the solution reviews every item in every location – every night – and generates exception management notifications. Your buyers will be able to quickly resolve problems and return to their profit-oriented activities since Blue Yonder's advanced store replenishment provides them with everything they need to efficiently monitor and manage their day-to-day purchasing and replenishment functions as well as increase overall inventory management effectiveness.



## Real results

Retailers relying on Blue Yonder's advanced store replenishment can reap significant benefits, including:

- Optimized inventory management at the store level
- Alignment with profit and merchandising objectives
- More profitable orders and enhanced productivity
- Improved service levels and increased customer satisfaction

## About Blue Yonder

At Blue Yonder, we're fearless leaders. We're the leading provider of end-to-end, integrated retail and supply chain planning and execution solutions for more than 4,000 customers worldwide. Our unique solutions empower our clients to achieve more by optimizing costs, increasing revenue and reducing time to value so they can always deliver on their customer promises.

# Fulfill your potential with Blue Yonder

Learn more at [blueyonder.com](https://blueyonder.com)



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