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RESEARCH

# BLUE YONDER ACQUIRES REVERSE LOGISTICS SPECIALIST DODDLE

## ANALYST

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## THE BOTTOM LINE

Blue Yonder's announcement of acquiring reverse logistics and returns management software vendor Duddle on October 12<sup>th</sup>, 2023, further bolsters its position as a leading supply chain management (SCM) software vendor within the retail and logistics industries. With expanded capabilities in first and last-mile logistics and returns management, Blue Yonder is poised to provide existing customers with reverse logistics visibility, accelerated returns cycles, improved customer service, and optimized inventory levels.

## OVERVIEW

In October 2023, SCM software provider Blue Yonder announced that it intends to acquire Doddle, a reverse logistics and return management technology vendor. Blue Yonder's acquisition of Doddle will provide existing customers with an improved solution from supply chain planning and execution to reverse logistics and returns management. This solution includes Doddle's self-service return kiosks and pick-up, drop-off (PUDO) networks. Doddle handles the returns process in two crucial phases: the first mile involves the return journey from the consumer to the returns center, and the last mile includes transporting packages from the return facility to the retailer's location for restocking. With an enhanced logistics experience, existing Blue Yonder supply chain planning (SCP), warehouse management solutions (WMS), order management systems (OMS), and transportation management systems (TMS), customers can reduce bottlenecks, decrease inventory waste, and minimize unnecessary transportation associated with reverse logistics.

Blue Yonder's decision reflects a broader industry trend where supply chain management extends beyond traditional supply planning and execution. Until the acquisition is finalized, Doddle will continue to operate independently. The acquisition of Doddle as a current standalone is a good move by Blue Yonder, as it fills out its portfolio in reverse logistics management functionality. If Blue Yonder can embed the Doddle platform into Luminare, Blue Yonder can offer a platform that encompasses a full-spectrum supply chain approach from the inception of a plan to the intricacies of returns management. Blue Yonder will improve its ability to offer customers a more complete supply chain solution to improve the post-purchase experience, promote sustainability, increase profitability, and customer satisfaction by addressing the intricacies of reverse logistics and returns management.

## BLUE YONDER

Blue Yonder is an enterprise software provider offering cloud-hosted SCP, TMS, WMS, workforce management (WFM), OMS, and control tower applications to global organizations within the automotive, 3PL, consumer products, food and beverage, pharmaceutical, manufacturing, retail, and transportation industries. The Luminare Platform from Blue Yonder addresses labor, planning, execution, and order management with modular solutions. Its AI capabilities assist users with Machine Learning forecasting, scenario analysis, and the automated prediction and resolution of supply chain disruptions. IoT and edge technology enable Luminare to capture and ingest data from virtually all nodes and edges of the supply chain, such as temperature fluctuations, location updates, and dynamic ETA.

Blue Yonder's recent expansion of its alliances with Accenture and Snowflake improves data quality and speeds up deployments.

## DODDLE

Headquartered in the UK, Doddle is a reverse logistics software vendor catering to SMB to tier-one organizations within the retail, third-party logistics, and e-commerce industries. Its expertise lies in optimizing first and last-mile reverse logistics for consumers and retailers, offering PUDO solutions, and streamlining returns management. Doddle's PUDO network spans over 100,000 locations across 25 countries, which include self-service kiosks and lockers that streamline first-mile logistics for consumers by offering convenient parcel pick-up and dropoff locations. From there, returns are processed for last-mile delivery and returned to the retailer's facility to be added back to stock.

In returns management, Doddle simplifies the process for customers and merchants. It allows customers to initiate returns easily, choose return reasons, and generate labels or QR codes for dropoff. Merchants can optimize the process with customizable rules to align their return strategy with corporate objectives. Additionally, Doddle Checkout Connection natively integrates Out-of-Home (OOH) delivery options into the merchant checkout processes of various e-commerce platforms through APIs, JavaScript widgets, and plugins.

## ANTICIPATED BENEFITS

Nucleus predicts Blue Yonder's acquisition of Doddle will enable existing Blue Yonder WMS, TMS, SCP, and OMS customers to enhance reverse logistics visibility, accelerate return cycles, improve customer service, and optimize inventory levels.

- **Enhanced reverse logistics visibility.** Integrating with Doddle will improve Blue Yonder customers' visibility into reverse logistics operations. Doddle's returns portal and API integrations will feed return and tracking status data into users' WMS, TMS, SCP, and OMS. With Doddle, returns are initiated, processed, and returned to the appropriate facility to be reshelved or redispensed. The increased transparency in the returns journey allows for better monitoring, planning, and decision-making around reverse logistics.
- **Accelerated return cycles.** Doddle's returns portal, self-service kiosks, and merchant workflows accelerate return intake, validation, and processing. This automation reduces the manual labor and costs associated with returns handling. Items are

validated and shuttled to inventory rather than sitting in return centers. The faster processing speeds enabled by Doddle can reduce the overall return cycle time, which is the time from when a returned item is received to when it is reshelfed and available for resale. This improves working capital by speeding up cash recovery and getting merchandise back on shelves faster where it can be resold.

- **Improved customer service.** Doddle's self-service kiosks, PUDDO dropoffs, and home collection capabilities will give consumers more flexible, convenient return options. Rather than needing to box and ship returns themselves, consumers can quickly process returns through Doddle's touchpoints. This simplified returns process improves customer satisfaction and loyalty. Offering multiple returns channels provides a better post-purchase experience that retains consumers and builds brand value.
- **Optimized inventory levels.** Leveraging Doddle's capabilities with Blue Yonder SCP functionality can give customers increased visibility into returns analytics, such as return rates, reasons, trends, and seasonality. Planners can incorporate these insights into forecasts and sales and operations planning (S&OP) processes to improve alignment between supply and demand. Access to returns data will allow planners to more accurately factor returned inventory into projected on-hand inventory balances and future purchase order quantities needed to maintain target stock levels.

## LOOKING AHEAD

Reverse logistics optimization and returns management is the most prevalent challenge of e-commerce, where streamlined returns are crucial for maintaining customer satisfaction, reducing costs, and maximizing the value of returned products. In today's competitive landscape, organizations that swiftly streamline returns, refurbish or restock items, and minimize associated expenses gain an operational and reputational advantage. Most SCM platforms fail to provide comprehensive returns management functionality, making it challenging for businesses to efficiently handle returned products and navigate the intricate processes involved in restocking, refurbishing, or disposing of items. Doddle's expertise in reverse logistics and returns management within Blue Yonder's supply chain offerings will eliminate this limitation and empower businesses to optimize operations and meet customer expectations within the e-commerce landscape. This acquisition aligns with Blue Yonder's three-year, \$1B R&D initiative to enhance its supply chain technology offerings. The retail and logistics sectors are continuously transforming, where consumer expectations for convenient return experiences have become the gold standard.