

Case study

Allocation and Space



# Dr Pepper Snapple Group Transforms Its Category Management Process

99%

improved accuracy

15X

reduction in labor hours  
to maintain and update  
planograms



## On the category management improvement

"Our space methodology paired with Blue Yonder's space planning capability optimizes days of supply and increases inventory turns on an item-by-item basis, which results in a reduction in excess inventory and a boost in cash flow for the retailer. We can also reset our retail customers' planograms twice a year or more, which many of our competitors just can't handle."

- Director, Category Management, Dr Pepper Snapple Group

## Challenges

- Dr Pepper Snapple Group (DPS) is one of North America's leading refreshment beverage companies. The company sells its diverse and popular soft drinks to top franchise businesses like Coca-Cola, Pepsi and other independent bottling companies throughout North America. With category management a core competency, the beverage company's space, assortment and speed-to-insight capabilities are continuously evolving.
- DPS was challenged to mass produce store-specific planograms on a large scale to meet the changing needs of their retail customers without draining their time and resources.
- The company's goals were to improve the accuracy rate, increase efficiency, boost retail partnerships without increasing headcount and reducing excess inventory to achieve increased cash flow.

## On speeding up planogram production

The Category Manager stated, "In order to increase our retail partnerships and categories without increasing headcount, we implemented proven solutions that would support our new approach to space management and help us speed up the planogram creation process." The Blue Yonder



solution automated the large-scale production of optimized, store-specific planograms, increasing Dr Pepper Snapple Group's accuracy rate to 99 percent.

### On resetting planograms

Automatically generating planograms based on user-defined information allowed DPS to dedicate more resources toward category analysis and market trends.

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### On reduced resources and greater accuracy

"While our past process would take as many as 600 hours and require 10 people to support, we now have a fully automated process that takes two people and about 40 hours to generate an equivalent number of planograms. Blue Yonder's solution accounts for bottler and fixture complexities, scales to an unlimited planogram quantity and leaves no room for human error."

### Solution benefits

- Blue Yonder's solutions automated the large-scale production of customized planograms, significantly increasing Dr Pepper Snapple Group's accuracy rate.
- With space planning, DPS was able to reduce excess inventory and boost cash flow for retailers.

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### Blue Yonder's expertise

"One of the DPS analysts said that using Blue Yonder's space planning is like making the switch from manually filling out a 1040 tax form to using an automated, online tax application. It's so quick, easy and accurate – why would you ever go back to the old way? That's a perfect way to describe how much the solution has transformed our business. With space planning, we are well positioned to help even the largest retailer manage their store-level, consumer-driven planograms."

 Luminate Commerce



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