

Intelligent Order Management Solutions for Today's Home and General Merchandise Retail Challenges

How to make every customer visit count... every time





Commerce solutions for home and general merchandise retailers: A comforting thought

Intelligent order management remains a challenge for retailers across all categories, but there are unique issues facing a rapidly changing home and general merchandise segment at present.

Often given the overarching title of 'hardlines retail', during the rise of e-commerce and subsequent omni-channel revolution, many operators in this space have developed or implemented solutions in an attempt to make their supply chains smarter, more agile, and more insight-driven. However, many of these solutions simply cannot manage the complexity of today's retail world, and there is now a need for the next generation, in the form of modern, intelligent order management capabilities.

For many, this means replacing old systems. However, there is also the possibility of augmenting via specific microservices, without the need to rip out legacy systems, as a way to more profitably manage the complexity. Retailers around the world have subsequently turned to Blue Yonder to aid this transition, recognising a need to accelerate their omni-fulfilment transformations through more intelligently-managed inventory, internally; and enhanced fulfilment choice for their customers.

For the home and general merchandise contingent, this proactive shift towards smarter, better connected supply chains couldn't be better timed.

[In 2021, hardlines was revealed as the most profitable retail sector](#),

with home and general merchandise purchases contributing significantly alongside its electronics counterparts. Together, this category of retail recorded the highest year-on-year revenue growth rate among industry sectors as a result of people spending more time at home during the pandemic, and resultingly upgrading the spaces around them.

Simultaneously, these same consumers were opened up to a need to shop online and, since peak-pandemic, this has evolved into greater demand around how and when orders should be fulfilled – no matter how big the item.

Even in this area of retail, shoppers are now more impatient, fickle, price aware as a result of the cost of living crisis, and demanding of sustainability.

Simply, in-house order management solutions can no longer keep up with this need to ensure efficiency, speed, sustainability, availability and flexibility, all at once – especially considering that the home and merchandise segment wasn't naturally aligned to these ideals in years gone by.

Just like the wider retail world around them, hardlines operators must now think in terms of months, not years, and look outside their own development capabilities towards a modern commerce solution, to get ahead of this curve.

Intelligent order management enables retailers to:

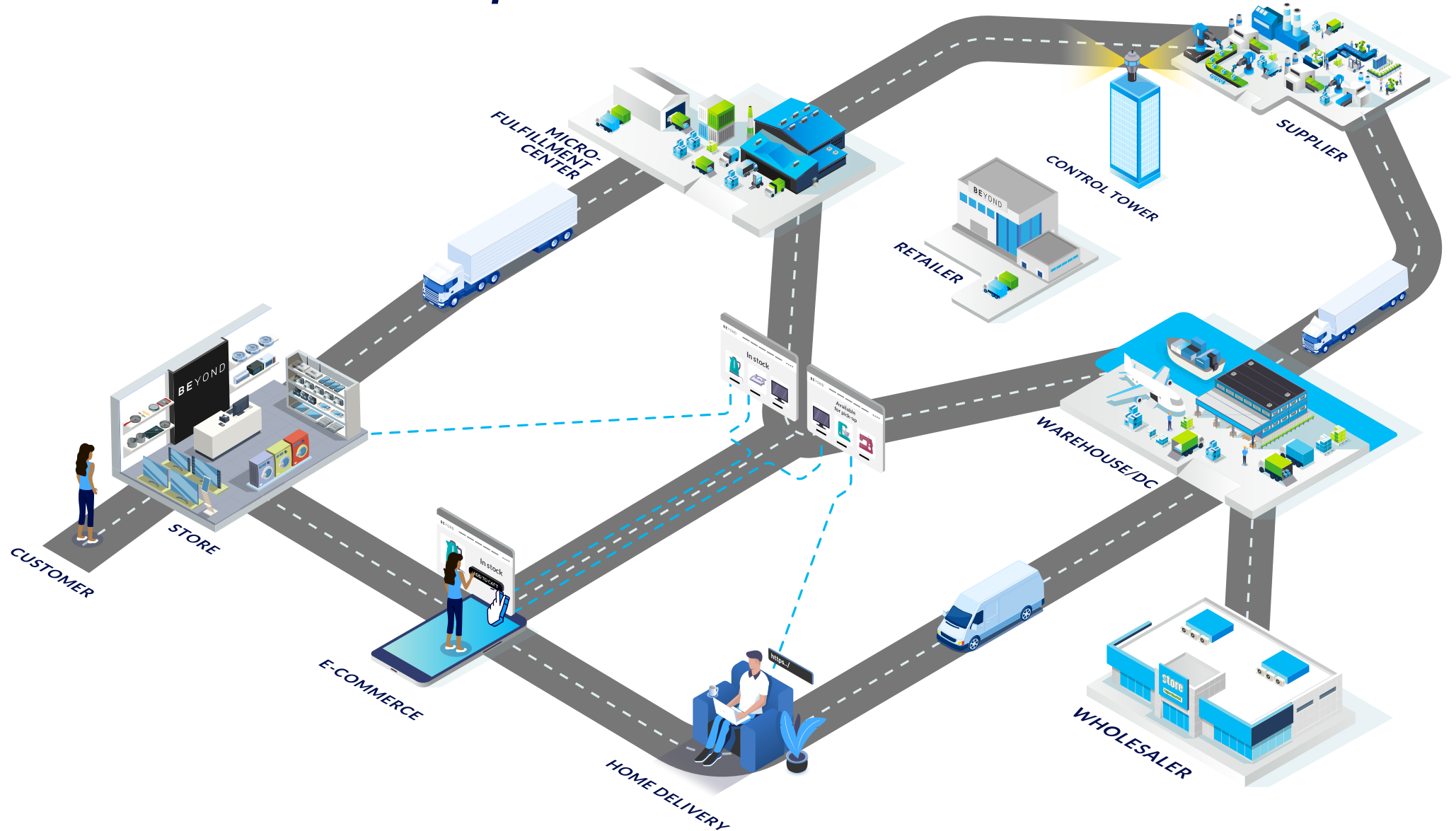
- Understand accurate inventory levels across the network
- Present real-time stock levels to customers so they shop with relevant and accurate delivery information
- Optimally evaluate the best fulfilment process for every order based on machine learning models driven by flexible rules
- Optimise quick commerce, making it more profitable, by connecting orchestration, fulfilment and last-mile delivery
- Better connect stores to logistics depots, the labour force, and distribution centres



An optimum commerce solution with connected supply chain intelligence can drive and deliver enhanced customer engagement.



A complex journey to orchestrate, while providing a unified customer experience





A solution *for home and general merchandise retailers*



Efficient Order Fulfilment

Today, retailers must be able to profitably offer numerous delivery channels to meet customers' needs. For the home and general merchandise contingent, this includes online purchase and delivery, by online and pickup in store (BOPIS) and – for this segment more than any other – buy in store for home delivery. Alongside this raft of delivery choice, there is also a strong emphasis on product visualisation at the front end, and the ability to return or replace even after an order has been fulfilled. The ultimate aim is to optimally provide any product, from anywhere, to anywhere, which requires a flexible distributed network across stores, fulfilment centres and warehouses. Intelligent order orchestration accounts for every unique order to ensure optimum routing based on products, availability, costs and ultimate profitability.



A Connected Tech Landscape With Fast Integrations

Openness and modernity are critical when implementing an intelligent order management solution. An open and modern commerce product will remain relevant to current demands, while upgradable moving forward. An API-first, headless micro-service solution is the holy grail to this end, as it enables connectivity with all other solutions already making the supply chain journey more data-driven and predictive. Such solution elasticity is key, to ensure deployment happens in months, not years. A headless, augmented solution can enable new capabilities within a few months, as opposed to the multi-year programmes historically associated with order management.



Improved Conversion Rates

With heightened visibility and more agile management of stock, in real-time, retailers are not only able to optimally assort items across the store and warehouse, but they are also able to relay that information to shoppers from the first point of contact online. This is especially significant for retail categories that influence people's lives such as home and general merchandise, with customers often becoming frustrated at a lack of clarity around product availability, or delays to fulfilment. These items are often personal and uplifting, making loyalty a bigger factor. Ensuring clarity and instilling trust through intelligent inventory management will therefore enhance conversion rates significantly.



Optimised Workforce

Ensuring the right level of labour in stores and warehouses is critical for this area of retail. Too many people is costly, too few or too little expertise can be equally damaging in terms of ensuring fulfilment and customer satisfaction. Through AI forecasting, order predictions can be made by location and by time period to ensure that labour is aligned with needs. Combined alongside workforce scheduling and efficiency tools, retailers can ensure that their new-look store and warehouse labour is optimised and efficient.



Markdown Avoidance and Safety Stock

Maximising full price sales has a significant impact on any retailer's bottom line. By factoring in the markdown risk into order orchestration decisions, retailers can improve their margin by utilising soon-to-be marked down store inventory to fulfil online orders. They can also improve the full price sales by fulfilling orders from overstocked inventory. However, store stock must simultaneously be protected for the walk-in shopper and by using AI-driven forecasting and optimisation to evaluate the required safety stock levels, the right quantity of inventory is dynamically made available to each channel.



Intelligent Returns Strategy

When it comes to homeware or physical items, they're usually designed to enrich the spaces around them. Especially with online purchases, if the resultant purchase doesn't work out as planned, then there needs to be agility and foresight to respond to that. Retailers therefore need to, on one hand, ensure optimum availability even if there is an expectation that some items may come back to them; while also connecting transport partners with stores and warehouses to ensure the most sustainable and efficient options for delivery, recollection and reselling.

Order management cannot sit in isolation. It must be an integrated part of the entire supply chain.

Blue Yonder's Luminare Commerce solution is part of the end-to-end Supply Chain platform, enabling retailers to connect their omni-operations: from category management; to replenishment; to labour management. This enables faster times to value creation, by leveraging blueprints and industry best practises ensuring a strategic transformation that is delivered effectively across the organisation, business processes and customer journey.



An improved *shopper experience*

Quick fulfilment

Customers expect delivery convenience, above all else. Often, this means 'speed'. Even with traditionally longer-lead homeware items, customers will often still prefer fulfilment the next day, and maybe even in the omni-channel era, the same day. And why not? In theory, if inventory is planned intelligently across stores and warehouses, according to local trends and automated forecasts, speed can reach new levels. Shoppers need to be given power and control over their shopping experience from the minute they land on a retailer's website, and throughout the entire process up to the moment an item is delivered. For the home and general merchandise segment, where people may make quick decisions according to changing plans, broken home furniture and accessories, or as a browsing fancy, the need for 'quick' may soon evolve into a demand for 'immediate'.

More choice

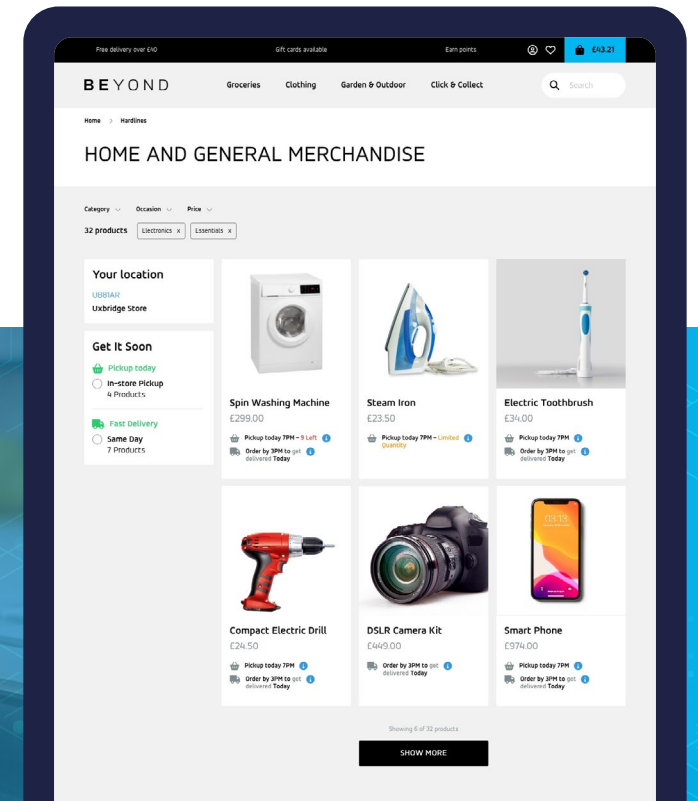
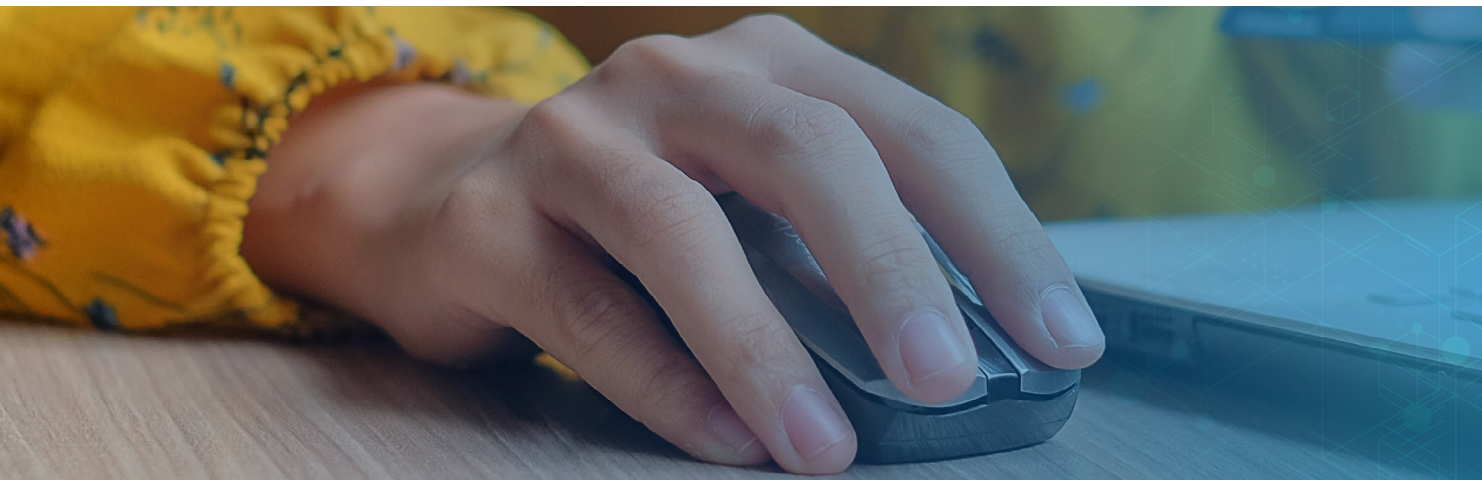
Where are goods available? What are my delivery options? Can I order this item and collect in a local store, from a different store, or can I get it delivered directly to my home? Can I also then inform the timing of this pickup or delivery? Such choice can only be presented if the retailer understands the costs and efficiencies involved, and the customer is informed of the options available to them. The payoff for such visibility is the fostering of brand loyalty and a mutual relationship where the retailer can seemingly almost predict what the consumer wants.

Real-time management

Most shoppers will have experienced that moment when an already 'basketed' item suddenly becomes unavailable at the online checkout, or to later be delayed through fulfilment complications. The implications of this when the item is a much-needed electronics appliance or white good can be very detrimental to brand reputation. An intelligent order management solution overcomes this by reserving stock as a product hits the basket, or even when a customer reviews a product page via flexible time configurations. Consumers not only know what's available and how best to receive it, but they do so in the knowledge that this situation won't change post-purchase.

A mutual relationship

Why do consumers love Netflix, or Amazon? It's the relationship being built. You watched this, and now Netflix is suggesting you might like this. There's feedback and interaction. By presenting real-time inventory and distribution information from first point of contact, that same feeling of being brought on a journey is encouraged. For areas of home and furnishings, this personalisation and understanding of a customer's likes is another way to build a relationship and loyalty. The provider is showing the customer that they know what they want, and can then fulfil those wants, flexibly.





Blue Yonder's *Luminate*® Commerce For Home and General Merchandise Retail

API-first, headless microservice capabilities to enable seamless connections across the complex tech landscape.

Component elasticity that enables unrivalled speed of deployment – integration of click and collect can be achieved in just three months.

A collaboration portal allowing for brands and retailers to interact and read from the same page regarding orders, forecasts, purchase plans, etc.

A connected Blue Yonder network as order management integrates with demand forecasting, pricing, allocation, fulfilment and workforce management.

An intuitive outlook where stock is stored and distributed from the most logical location at all times, thanks to a holistic and overarching view of the entire supply chain.

Demand & labour forecast

- True demand-based (localised)
- Multi-echelon
- Store level granulation including physical constraints



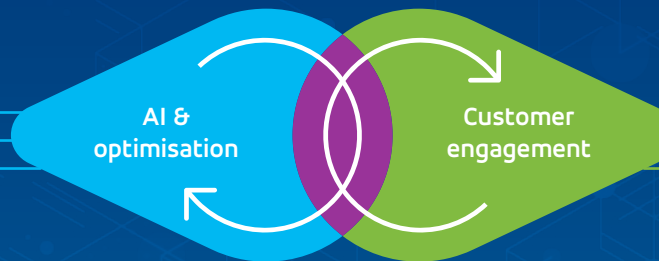
Markdown avoidance

- Optimise inventory utilisation across the network
- Understand markdown risk to factor in order orchestration
- Improve full price sales by fulfilling orders from overstocked inventory



Safety stock

- AI-driven stock optimisation
- Evaluate optimal level of store stock that can be offered to online shopper
- Maximise availability across all channels



Customer engagement

- Digital commerce & store fronts
- Enterprise & location availability
- Inventory protection & sourcing optimisation
- Time-sensitive items management
- Fulfilment options & commitments



Order orchestration

- Order capture & orchestration
- Order release & updates
- Status, exceptions & returns



Fulfilment execution & visibility

- Mobile app & guided intelligence
- Optimised fulfilment flow
- In-store command center with real-time insights into store fulfilment functions



CV Health's story



What CVS Health wanted

As a leading health solutions company with a strong presence in local communities, CVS Health played an integral role in helping America respond to the pandemic, providing COVID-19 testing and vaccine administration to millions of people. CVS became the trusted brand for healthcare for their consumers. During the pandemic, delivery of health services had to go way beyond their physical locations. They needed to provide seamless, connected experiences, dictated by consumer choices – with in-store, online and at home shopping options. They needed to transform themselves into a truly customer centric, integrated provider of health solutions.



What CVS Health invested in

CVS invested in Blue Yonder's Order Management System (OMS) capabilities, enabling people to buy thousands of items including every day essentials, beauty buys, groceries and pharmaceuticals. Customers can now buy in store or online, or pick up in store within an hour after the order has been placed. AI & ML is helping CVS predict lead times while people place orders – fulfilling and optimising the customer journey. Despite ongoing disruptions with the supply chain, CVS are able to predict and show accurate available to promise (ATP) information.

[Understanding the Difference Between ATS and ATP: It's Time for Brands to Start Keeping Their Promises](#)



What CVS Health can look forward to

Unbelievable variability, dynamic lead times and using a probabilistic model to drive innovations online and in store and a strong foundation, on top of which CVS can build and innovate rapidly to continuously improve the customer experience.

[Learn More](#)

Luminate Commerce enabled CVS to:



Reduce back-orders and customers cancellations



Improve inventory availability across 10K stores, vendors & DCs



Single view of inventory across all customer facing channels



Improve accuracy of inventory and delivery dates



Enable optimised sourcing selection



Enhance customer experience



Increase profitability



Sunbelt Rentals' story



What Sunbelt Rentals wanted

As North America's biggest equipment rental company, Sunbelt Rentals, understandably, has big ambitions. However, their plans to unleash 'Sunbelt 3.0' were dependent on embracing the rise of omni-channel, and for that there was an understanding that end-to-end visibility and connectivity were key. Sunbelt Rentals sought to find a vendor that not only had a market-leading product, but that could match their bespoke requirements with ongoing flexibility throughout the partnership. The overriding aim was to leverage technology, to empower people. By becoming more efficient across its own inventory planning and order management, the company knew that both digital transformation and omni-channel goals could be met in tandem.



What Sunbelt Rentals invested in

Sunbelt Rentals' partnership with Blue Yonder has seen the company transform its end-to-end supply chain on three critical fronts. First, Blue Yonder's Order Management System (OMS) capabilities have provided more precision and heightened predictiveness when it comes to required inventory volumes. In addition, Blue Yonder's transport management system, and demand solutions, have gone on to connect the full end-to-end journey – from manufacture, to retail function, to delivery, and customer engagement.



What Sunbelt Rentals can look forward to

Key challenges have been overcome as a result of Sunbelt Rentals' partnership with Blue Yonder. At base level, legacy technology platforms have been replaced as a precursor to the company's '3.0' aspirations.

In their place, modern and fully-integrated solutions that ensure efficiency and productivity, through accessible ease-of-use, have been brought in. The result is a customer-facing display of innovation, best-in-class solutions and true omni-channel capabilities.



Sunbelt now has a modern customer-facing display of innovation, best-in-class solutions and true omni-channel capabilities.

[Learn More](#)



Delivering *real results*



**Increase Revenue
up to 10%**

By Improving Inventory exposure,
customer acquisition and fill rates



**Improve Margins
by 5%**

By reduced markdowns,
stockouts, oversells



**Reduce Fulfilment
Costs by 20%**

By reducing split shipments,
labour costs, expedited shipments



**Improve Conversion
Rate up to 14%**

By providing urgency to buy,
speed & convenience options

Sunbelt Rentals on Digital Commerce Evolution with Blue Yonder

“Our mission isn’t simply about technology. Our mission is about empowering people. We had to ask ourselves humble questions – what got us here, will it get us to the next level? Can we do entrepreneurship at scale?”

Our biggest challenge in answering these was to not only adopt world-class, best of breed platforms but to stitch them together. With omni-channel ecommerce, this means brand new point of sale, brand new CRM, not just pricing but dynamic pricing, inventory and order management, logistics and transportation, warehousing, and customer service.

We needed a partner with the capability, breadth and depth to power this connectivity and our strategic ambitions. Our future business would depend on this choice, and Blue Yonder made a commitment to our mission. The result has been a simpler way to do business, thanks to scalable, modern services that power the entire rental lifecycle.”

JP Saini, Chief Digital & Technology Officer, Sunbelt Rentals





Mastering *time and space*

The past few years have seen unprecedented disruption to the retail space as a whole, and there is little end in sight. What it has taught the industry is that timing is everything. Consumer loyalty can be lost in a second, new competitors can disrupt in moments, shopper behaviour can be overhauled by an unforeseen event, and fulfilment is reaching levels of almost 'immediacy'.

For home and general merchandise, this notion of speed may not seem as significant. After all, the delivery expectations of larger physical items in particular, have always come with longer lead times than clothing or groceries, for example. But it's all relative. Even if the demand for convenience ramps up expected delivery times by a couple of days, that dramatically changes how a retailer positions products and arranges supply. And, as mentioned, these aren't small items being dealt with. It's not a case of hanging a few more sweaters up in store. For bulkier goods, often located in (relatively) small high-street stores, having an accurate forecast of required stock volumes is paramount.

Retailers need to know what to display, how much of it to showcase, and the right volume of certain items to keep onsite in case of sales peaks or those opting for BOPIS. This latter notion of 'store-as-warehouse' again bridges the time-space concern, as it will determine whether a buyer can speed up fulfilment by collecting nearby, rather than waiting for a delivery. For hardlines operators in the home and merchandise segment, it is an incredibly difficult balance to achieve, to know what is needed, where, and when – all underpinned by an end ability to then fulfil orders you've shown to be 'available'.



Intelligent order management is the answer to achieving all of the above, and in mastering both time and space. In this regard, integrating an intelligent order management solution is not only a win, but with Blue Yonder's API-first approach – a quick win.

There is a real opportunity for the home and general merchandise segment to revolutionise their supply chains. Many have already taken their initial steps towards end-to-end supply chain optimisation, powered by machine learning.



Intelligent order management is the next frontier for modern commerce, and the modern shopper.



Reimagine omni-channel for future home and general merchandise success

Our aim at Blue Yonder is to help our customers to sell more. By improving the shopping journey, you will convert more shoppers into buyers. And how you fulfil orders is a critical part of that journey. Our commerce solution helps retailers optimise their inventory across their network, to reduce costs and waste, while improving sales and customer satisfaction levels.

Home and general merchandise retailers need to enhance their in-store and online processes to gain a competitive advantage at what we know will continue to be a challenging time, and amid rapid revenue growth for the sector as a whole. As we have seen over the past few years, the companies that act decisively and suitably can navigate challenges and thrive.

Our augmentative and scalable order management microservices support rapid implementation and return on investment. Blue Yonder can provide the scalable agility you need right now, to reposition for future growth.

Some areas of the hardlines segment are more predictable than others, but regardless of whether it's electronics, homeware or general merchandise, there is a need to master inventory and fulfilment.



Modern, intelligent order management is the glue that can connect and optimise these strands, and Blue Yonder is on hand to transform uncertainty into a marketplace advantage by pivoting faster, smarter and more cohesively than the competition.

*Turbocharging Omni-Channel Transformations
with Intelligent Order Management
for Home and General Merchandise Retailers*

[Learn More](#)