🛒 Luminate Commerce

Assortment Management for Grocery, Drug and Hardlines

Customer-centric assortments that drive profitable growth

Business context

As buying behaviors evolve and trends come and go, retailers are finding it more challenging than ever to maintain an optimized assortment that meets demand and improves customer satisfaction. Too many SKUs leads to underperforming inventory and too few SKUs turns away customers seeking variety, and both scenarios can result in out-of-stocks and lost sales. Without the right insights, retailers are forced to take a broad stroke approach, which keeps operating costs high and misses the opportunity to truly connect with local customers.

Customers want to feel a connection with the retailers they shop. To appeal to them on a personal level with the right product mix, retailers must not only identify the best performing items for a region, but also understand the local demographics that drive purchase decisions. This customer-centric approach to inventory assortments requires a level of data granularity and insights not possible with traditional assortment planning systems.

To further complicate matters, many stores today also operate as fulfillment centers for digital orders. This makes it even more important to ensure every inch of space is stocked with the perfect assortment to meet demand for both physical and digital shoppers. And, as demand shifts and new items are introduced, it's critically important to react in real time so that assortment planning becomes responsive, not a quarterly or bi-annual reset.

Assortment management

Blue Yonder improves assortment management by giving retailers proactive, analytics-driven insights to create optimized and localized assortments based on a true understanding of customer preference. The application uses customer data science, point-of-sale (POS) data, planograms and loyalty

Key features

- **Scalable:** designed to support even the largest retailers with a top-down approach to simplify store-level assortments

- **AI-driven insights:** quantify how new items, discontinuations or changes impact overall demand based on substitutions and transferable demand

- **Flexible:** user-defined rules-based framework for ranking and selecting item assortments

- **Customer mission mapping:** category decision trees to visualize what drives purchase decisions at each store

information to identify and rank item value and measure trends such as transferrable demand. This helps retailers uncover gaps in the assortment and reduce the width/depth of SKUs to make on-hand inventory perform better without negatively impacting the customer experience.

Advanced clustering options simplifies the complex task of identifying hidden demand patterns to group stores together based on key characteristics. This helps drive assortment plans top-down from a cluster level to each store's localized assortment. By understanding the types of shoppers and their buying motivations, stores can be grouped together in ways more meaningful than simply by format or region. Retailers can maintain and continuously optimize assortment decisions that benefit customers and maximize the productivity of every item at every location. With the right store-level assortments, inventory costs go down, profits go up, and customer loyalty increases.

Built for retailers of all sizes, Blue Yonder's Assortment Management is SaaS-enabled to deliver unparalleled scalability to achieve fast time to value.

Capability Offerings

Space-aware assortments

Leverage shelf space data from planograms to further refine product assortments to fit each store format and remove inefficiencies in space planning. Easily build plans based on the value each item brings to the space, taking into account inventory requirements and sales trends to meet demand.

Customer-centric focus

Data visualization and predictive insights help users identify shopper missions to determine what drives purchases. Integration with Dunnhumby, a market leading shopper data science solution, empowers users to identify consumer needs on decision trees to visualize localization opportunities for each store.

Connected category management

Blue Yonder Assortment Management integrates with category management and planogram systems to deliver a comprehensive solution set for your business. This connected approach enables grocers to be more responsive to changes, with data-driven insights to grow profitable sales and built loyalty.

Key benefits

- **Responsive assortments:** optimize shelf inventory with precise space allocations that help planners deliver targeted planograms and layouts.

- **Higher inventory turns:** achieve higher return on inventory investment to drive down costs

- **Improved customer loyalty:** retailers with customer-centric assortments consistently outperform the competition

- **Increased productivity:** give category analysts the tools they need to make faster and more profitable decisions

Digital transformation is at your fingertips

To learn more, visit blueyonder.com

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