



Luminate Demand Edge for Retail

Improved KPIs and Higher Productivity

Business context

Forecasting is a critical and foundational retail capability. Faced with increased disruption, retailers today are under greater pressure to respond faster to market changes with fewer resources. Today's forecasting solutions are expected to be more accurate, more responsive, and more capable of predicting uncertain demand, while reducing inventory costs and out of stocks. The problem is, most forecasting solutions look in the rear-view mirror, relying on adjusted sales history to predict the future.

The Blue Yonder Solution

Blue Yonder uses the power of machine learning in a unique way to autonomously build probabilistic forecasts that help automate inventory risk management. By understanding the relationships between hundreds demand influencing factors, the forecast prediction is both extremely precise and understands the uncertainty of possible future outcomes. Faster and more granular than the best human demand planners.

The result? More than simply improved forecast accuracy – a transformation of the demand planning process, shifting demand planners from low value tasks such as data cloning and algorithm tuning to organization-wide collaboration around a better demand forecast. New stores and new product introduction can be completely automated, leaving demand planners more time to focus on a smaller set of critical outcomes that drive more profitable decisions.

Real results

On-shelf availability improved by

30%

Days reduced in-store inventory

2-3

Automation levels

98%+

Key features

- **Probabilistic Forecasting**
Provides a range of potential forecasts, each with a calculated probability and business impact.
- **Transparency**
Provides full visibility to demand influencing factors for every forecast period.
- **Automated NPI and EOL**
Manages new product introductions and product end of life with attribute-focused algorithms that increase accuracy.
- **Sales Velocity Adaptors**
Automatic detection of sales velocity characteristics guiding sales adaption.
- **Granularity at Scale**
Daily re-calculation at the item-day-store level.

Solution Offerings

Outside-in Forecasting

Traditional forecasting approaches are often “inside-out,” influenced by desired sales projections and intuition. Blue Yonder takes an outside-in approach, enabling organizations to incorporate hundreds of internal and external variables – along with their complex interactions – to calculate the true drivers of shopper demand.

Highly Adaptive

Both to changes in underlying data and also to unforeseen disruptions, automatically detecting shifts in shopping behaviour unseen by human planners.

Explainable AI

No “black box” AI here. Blue Yonder “Glass Box” UI highlights the main influencing factors that are driving demand to help improve interventions. Its cognitive capabilities detect obscure, underlying patterns to provide transparency into demand fluctuations and customer behavior.

Meaningful Automation

Analyzing complex data dramatically increases the volume of data beyond human capacity. Blue Yonder enables the highest levels of automation – over 98% – by processing hundreds of internal and external signals to arrive at unbiased predictions that do not require human overrides.

Decision-centricity

Blue Yonder calculates a probabilistic demand forecast, determining the likelihood of different demand outcomes, each with a calculated business impact and risk – arming demand planners with the data and insights they need to make more informed, risk-aware business decisions.

Precision at Scale

Millions of precise calculations daily, tailored to customer processes proven by major retailers around the globe.

Key benefits

- Improve productivity with a highly automated forecasting process.
- Improve customer service at lower cost through reduced inventory and safety stock.
- Increased accuracy and precision of the forecast leads to less waste, optimized labor, and improved sustainability.
- Self-correcting, proven to be more responsive to disruption than human planners.

Digital transformation is at your fingertips

To learn more, visit blueyonder.com

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