

Rejuvenate your supply chain with Blue Yonder

Giving a fresh perspective with next-generation supply chain planning





Contents

1 Challenges that the Health and Beauty industry face

2 Gaining your competitive edge with next-generation planning

3 Integrated demand and supply planning

4 Integrated business planning

5 Applications for AI in CPG supply chain management

6 The Blue Yonder difference





1

2

3

4

5

6

Challenges that face the Health & Beauty Industry

The world is changing at an unprecedented pace with blurred lines between professional, personal, and social worlds.

To remain competitive, consumer industries need new strategies to keep up with today's rapidly-changing landscape and the industry's digital transformation.

Visibility

To stay ahead of today's challenges, supply chains need visibility - to inventory, to logistics, to disruptions along with ability to quickly find and execute resolutions. Visibility is the first step to agility.

Volatile Demand

Evolving customer expectations, focus on sustainability, macro and micro economic factors, social media trends continue to increase demand volatility. Ability to accurately forecast demand is a critical capability to create a high performing supply chain.

Constrained Supply

In today's fast changing, highly competitive, digital world it is more challenging than ever to companies to fulfill customer requirements, at the right place, at the right time while maintaining margins and support company growth.



Harnessing uncertainty

Gain Visibility and use AI/ML for disruption management

To stay ahead of today's supply chain complexities, you need to manage what you don't see, plan for what you don't know, prioritize unlimited options, and execute to align for success. In today's digital economy, visibility equals agility. What's required is an intentional design that provides an end-to-end view of supply chain operations and provide real-time information that helps everyone to understand impacts and then provides prescriptive steps to mitigate risks and reduce disruptions.

Luminate® Control Tower is solution-agnostic, providing end-to-end visibility across functions and trading partners, enabling collaboration, ML-empowered resolution capabilities and the ability to execute actions across the enterprise.

Key Benefits

- Empower and engage planners to be more productive and effective decision makers.
- Improve resource utilization through prioritization of issues and actions.
- Enable a digital environment and the optimization of every operation step to ensure accuracy, efficiency, compliance and desired customer service.
- Enable control, visibility, and accuracy from suppliers' production all the way through to the end user.
- Offer rapid response from distribution centers and hubs necessary for in-store fulfillment services, such as click and collect.



1

2

3

4

5

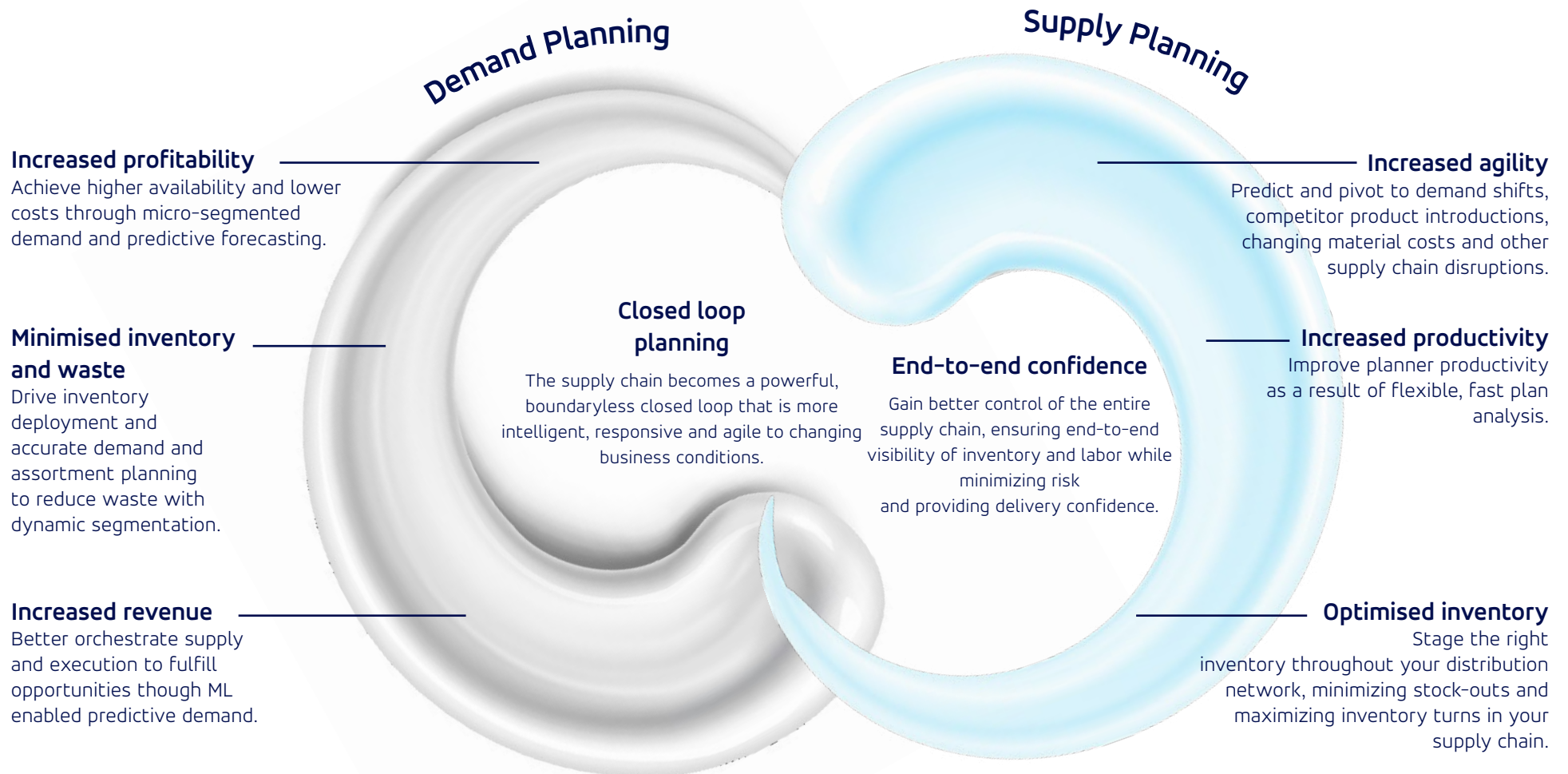
6



Bridging the gap

Integrated demand & supply planning

Luminate Planning helps bridge organizational silos and gaps in planning timeframes, closing the loop between demand and supply planning.



1

2

3

4

5

6

>

<

Integrated Business Planning

Evolving from traditional S&OP



The idea of a monthly decision-making cycle was very appropriate in the 1980s and early '90s when the concept of S&OP was developed. The business world operated with minimal email, no Zoom, Teams or Skype and most internal communications were through phone calls or memos sent on paper through internal mail. The world moved slower and so did decision-making. Fast forward to 2020s with the greater uncertainty and volatility we are accustomed to, together with the collaboration and automated decision support/making technologies and the idea of a monthly decision-making process seems outdated and inappropriate.

However, it's not the process that is outdated, it's the timescales. Using AI to predict issues, integrated supply chain decision support tools to model scenarios and situation rooms to collaborate across the globe in real time to make decisions, the Integrated Business Planning (IBP) cycle can be condensed to hours and days rather than weeks and months.

IBP beckons in a new era for planning that goes beyond many aspects of the traditional S&OP process:



	S&OP	IBP
 Objective	Volume oriented Demand & Supply Balancing	<ul style="list-style-type: none">Value-based delivery of financial business objectives
 Focus	Internally focussed	<ul style="list-style-type: none">Extended to collaborate beyond the "4-walls"
 Owner	Driven by supply chain	<ul style="list-style-type: none">Sponsored by Exec Management and driven by the commercial and finance organisation
 Features	Supply chain modelling and scenario Planning	<ul style="list-style-type: none">Financial impact analysis and planning including risks and opportunities evaluationProject planning support for new product introduction, product reviews & transformational projectsCommercial Alignment
 Connectivity	Siloed system derives decision with no or little 'disaggregation'	<ul style="list-style-type: none">Boundaryless and connected to operational planning (S&OE) and long-term strategyBusiness Planning level 'steering' of the company based on real-time signals and insights





AI/ML Demand & Supply Sensing Health and Beauty industries

1
2
3
4
5
6

Health & beauty manufacturers across the globe are already calling on machine learning-driven analysis to unlock efficiencies. Gartner indicates that by 2023, around 50% of product centric enterprises will have invested in real-time transportation visibility systems. By 2024, roughly 50% of all supply chain organizations will have put money into some form of AI or advanced analytics platforms.¹

The question facing the industry is how to bring AI to the next wave of supply chain clients. This isn't a one-size-fits-all sector. Global manufacturers coexist with modest, family-run businesses. This raises the question: where are the quickest wins for AI in fulfilling supply chain objectives?

>
<

Demand forecasting

Forecasting how much product needs to be shipped where and when is one of the core objectives of supply chain management. Deep within a distributor's data flows lie forecasting patterns indiscernible to the human eye, but which AI can teach itself to scrutinize. External data sources like weather forecasts or social media reactions can also be incorporated. By deploying machine learning algorithms, the distributor can aggregate and evaluate a holistic spectrum of demand factors. Since conventional forecasts can be off by as much as 30%, improving demand forecasting is paramount to helping avert delays and chargebacks.

Resolve disruptions

Fully-fledged ML-powered platforms such as Blue Yonder's Luminate™ Control Tower build on demand forecasting by also highlighting any disruptions in the client's supply chain network. The solution is then able to suggest potential solutions, like switching up the distribution schedule to front-load cargo and stay ahead of any issues. As with most enterprise AI technologies, it will be the manager who makes the final decision. Still, a helping hand is always welcome.

Visibility into customer orders

There's a substantial market for solutions that help track shipments after dispatch. Real-time visibility helps keep all parts of the chain in sync while also making sure that the end-recipient is informed of potential disruptions. Ultimately, this can help build transparency and trust across the entire ecosystem. According to Gartner, dispatch visibility is a highly fragmented sector, and due diligence is needed to ensure products play well with the client's existing operational technologies.

¹ Gartner, How Supply Chain Technology Will Evolve in the Future (gartner.com), Sarah Hippold, 14 April 2021.



Angelini Beauty Reduces Inventory Levels by 30% with Luminare Demand

1

2

3

A leading global manufacturer and distributor of fragrances and cosmetics, Angelini Beauty operates in 85 markets around the world. But after struggling to accurately predict demand and define profitable stock levels, the Milan-based brand turned to Blue Yonder for help.

4

5

6

Learn how our demand planning solution helped increase the efficiency productivity and accuracy of Angelini's demand planning, while reducing inventory levels and improving customer service.

[Learn More](#)



Angelini Beauty

“Blue Yonder has demonstrated an impressive understanding of how to address our challenges, while optimizing our supply chain decisions with accurate, integrated demand visibility and management. Blue Yonder has provided us with a complete standard solution that helps Angelini focus on daily forecast accuracy, achieve inventory/stock level reductions, improve customer service metrics and reduce costs.”

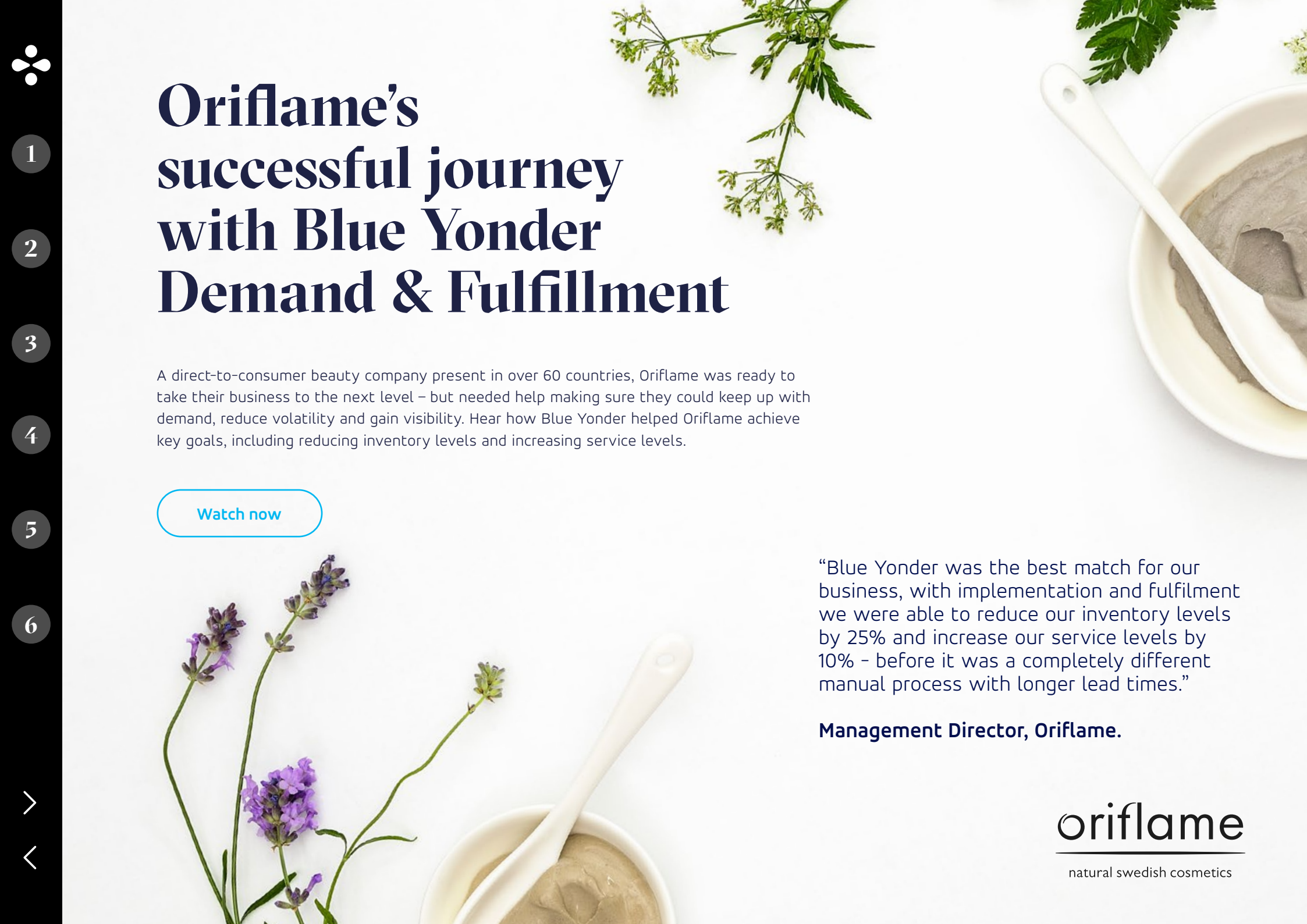
Product Supply Chain Director, Angelini Beauty



Oriflame's successful journey with Blue Yonder Demand & Fulfillment

A direct-to-consumer beauty company present in over 60 countries, Oriflame was ready to take their business to the next level – but needed help making sure they could keep up with demand, reduce volatility and gain visibility. Hear how Blue Yonder helped Oriflame achieve key goals, including reducing inventory levels and increasing service levels.

[Watch now](#)



“Blue Yonder was the best match for our business, with implementation and fulfillment we were able to reduce our inventory levels by 25% and increase our service levels by 10% - before it was a completely different manual process with longer lead times.”

Management Director, Oriflame.

oriflame

natural swedish cosmetics



Sally Beauty Faces the Future with Blue Yonder

Sally Beauty relies on a suite of solutions from Blue Yonder to understand and meet customer demand, serve multiple fulfillment channels, position inventory strategically, and create profitable merchandising plans and assortments. While Sally Beauty operates in an extremely volatile environment, Blue Yonder helps the retailer manage uncertainty to maximize both customer service and financial outcomes. Fulfillment planning capabilities from Blue Yonder help Sally Beauty make profitable, flexible decisions by considering channel- and market specific demand signals, customer service targets, inventory locations, safety-stock policies and other constraints.

[Learn More](#)

SALLY BEAUTY.

“Sally Beauty serves two customers: the consumer and the salon professional. They have very different purchasing behaviors. They don’t know what ‘omni-channel’ means, but they want speed and convenience. Demand planning from Blue Yonder enables us to meet every customer where and when they want to shop. We can create a broad network strategy that’s based on meeting very specific, granular customer needs.”

Vice President, Solution Delivery



The Blue Yonder Difference

Forrester Calculates 524% ROI Over Three Years With Luminate Planning

To succeed in today's increasingly uncertain supply chain environment, organizations like yours need to do more than read and react. Discover how Blue Yonder Luminate Planning can help you save time, money, and boost ROI by replacing labor-intensive, spreadsheet-based supply chain planning processes. [Click here to learn more](#)

Accelerated value realisation

- Improving top and bottom line with the best set of Plan Generation capabilities, suited to different business characteristics and always-on for accurate ad-hoc and agile reaction to events
- Reducing cost, better control and improved shareholder return through higher degrees of automation from optimisation, machine learning and workflow

Innovation & scale

- Improving the quality, agility and accuracy of planning through Blue Yonder's Industrialised Machine Learning that drives value in multiple areas such as Demand Prediction and Validation, Disruption Prediction & Supply Chain Segmentation
- Realising real-time visibility through digital supply chain control tower capabilities

Future proofing the supply chain

- Visibility, Process Orchestration, User Experience and new Business Planning Concepts
- Integrated Planning and Execution, Digital Fulfilment with DTC (Direct to Consumer).
- Partnership for even higher reliability in Supply Planning and increased process efficiency

1

2

3

4

5

6

>

<

Get in touch