

Knowledge Brief

Quadrant Knowledge Solutions

Blue Yonder is Leader in SPARK Matrix: Retail Assortment & Applications, 2021



2021
SPARK MATRIX
LEADER

Retail Assortment
Management Applications,
2021

An Excerpt from Quadrant Knowledge Solutions
"SPARK Matrix: Retail Assortment Management Applications, 2021"

Blue Yonder is Leader in SPARK Matrix: Retail Assortment Management Application, 2021

A retail assortment management platform facilitates retail organizations in the process of planning, creating, and maintaining the assortments across offline and online stores. The platform helps retailers formulate and determine appealing assortment strategies to maximize sales and drive customer acquisitions. The platform also provides actionable insights that empower retailers to understand the hottest products and be the first to bring in the latest trends to outpace the competition and maximize online as well as offline traffic.

In the current times, customer expectations, demands, and preferences for retailers continue to rise at a faster rate than ever before. Retail organizations are increasingly focusing on enhancing their customer experience through unique offerings and individualized customer engagement strategies. Considering the ever-changing demands and expectations, retailers are focusing on developing advanced assortment planning strategies to delight customers and attain intended financial goals, which is a key factor driving the adoption of retail assortment management platforms. The retail assortment management platforms enable the retailers to place the right product in the right place at the right time across all channels by leveraging comprehensive insights. The platforms also help retailers form an optimal inventory selection, which is particularly optimized for the in-store or e-commerce customers.

Organizations are employing retail assortment management platforms to maximize inventory turns, improve merchandising forecasting to make informed planning decisions, and build customer loyalty. Retailers understand the variety of products they offer has a significant impact on customer satisfaction. Hence, they are focusing on optimizing the assortment and prioritizing retail strategy planning to avoid losing customers to competitors.

Quadrant Knowledge Solutions' SPARK Matrix: Retail Assortment Management Application, 2021 research includes a detailed analysis of the global market regarding short-term and long-term growth opportunities, emerging technology trends, market trends, and future market outlook. The study provides a comprehensive market forecast analysis of the global market in various geographical regions and the overall market adoption. This research provides strategic information for technology vendors to better understand the

market supporting their growth strategies and for users to evaluate different vendors' capabilities, competitive differentiation, and market position.

The research includes detailed competition analysis and vendor evaluation with the proprietary SPARK Matrix analysis. SPARK Matrix includes the ranking and positioning of leading Retail Assortment Management Applications vendors with a global impact. The SPARK Matrix includes analysis of the leading vendors, including 7th Online, Analyse2, Aptos, Blue Yonder, Board International, Cognizant Softvision, IBM, Logility, Mi9 Retail, o9 Solutions, Oracle, SAP, SAS, and Symphony RetailAI.

7th Online, Aptos, Blue Yonder, Mi9 Retail, o9 Solutions, Oracle, and Symphony RetailAI, are the top performers and 2021 technology leaders in the global Retail Assortment Management Applications. Logility has been positioned as an emerging leader in the retail assortment management applications market.

Cognizant Softvision, IBM, SAS, and SAP are amongst the major challengers in the 2021 SPARK Matrix of the global market. The SPARK Matrix also provides an analysis of the vendors such as Analyse2 and Board International.

Market Dynamics and Trends

The following are the key research findings of Quadrant Knowledge Solutions Retail Assortment Management Application

- ◆ Retailers increasingly focusing on optimizing their merchandise category by localizing assortments to address diverse customer needs.
- ◆ Ability of retail assortment management platforms to provide real-time data analytics to optimize product assortments and determine engaging products.
- ◆ Retail assortment management platforms robust value propositions are driving enhanced loyalty, customer experiences, and profitability and making them an integral part of retailer's assortment planning process.
- ◆ Retail assortment management platform vendors are significantly investing in improving their artificial intelligence, machine learning and advanced analytics capabilities to support a wide range of existing/new use cases, buying & planning decisions, assortment localization as well as improve the overall business performance.

Retail Assortment Application solution vendors are emphasizing on strengthening their technology platform capabilities by providing real-time assortment receipt planning, in-season/pre-season item, allocation, attribute, financial planning, automatic capacity recommendation & stock balancing, intelligent store clustering & replenishment, intuitive dashboard & advanced analytics, reporting, and integration with planning & execution. Vendors continue their investments in artificial intelligence and machine learning capabilities to deliver innovative features, augment forecasting models to drive higher forecasting accuracy and real-time insights with rich data. Vendors are also heavily investing around cloud-based architecture deployments to make their solution offering highly scalable, secure, and contemporary.

Retailers are consistently focusing to gather more valuable insights to fulfill customer dynamic demands and identifying buying patterns for making smart decision. Retailers can be more accurately clustered based on store spaces, demography, volume, and goods movements using AI-powered forecasting and predictive analytics. They are also looking forward to more frequent inventory review process that will help them to adapt the

disruptive market, grab upcoming market opportunities and optimize customer satisfaction more dynamically. As the retail assortment management solution market consists of multiple vendors with varying platform capabilities and supporting services, organizations often encounter challenges in understanding the ideal solution for their high-level business critical requirements.

Most of the vendors may provide all the fundamental functionalities, but the breadth and depth of these functionalities may diverge by different vendors offerings. Prior to any purchase decision, it is recommended for user organizations to carry out an extensive evaluation of several vendors offerings and understand that the solution is aligned with their underlying requirements and processes. Users should also look for retail assortment management solution vendors having expertise in large-scale deployments and meticulously assess existing case studies of those deployments.

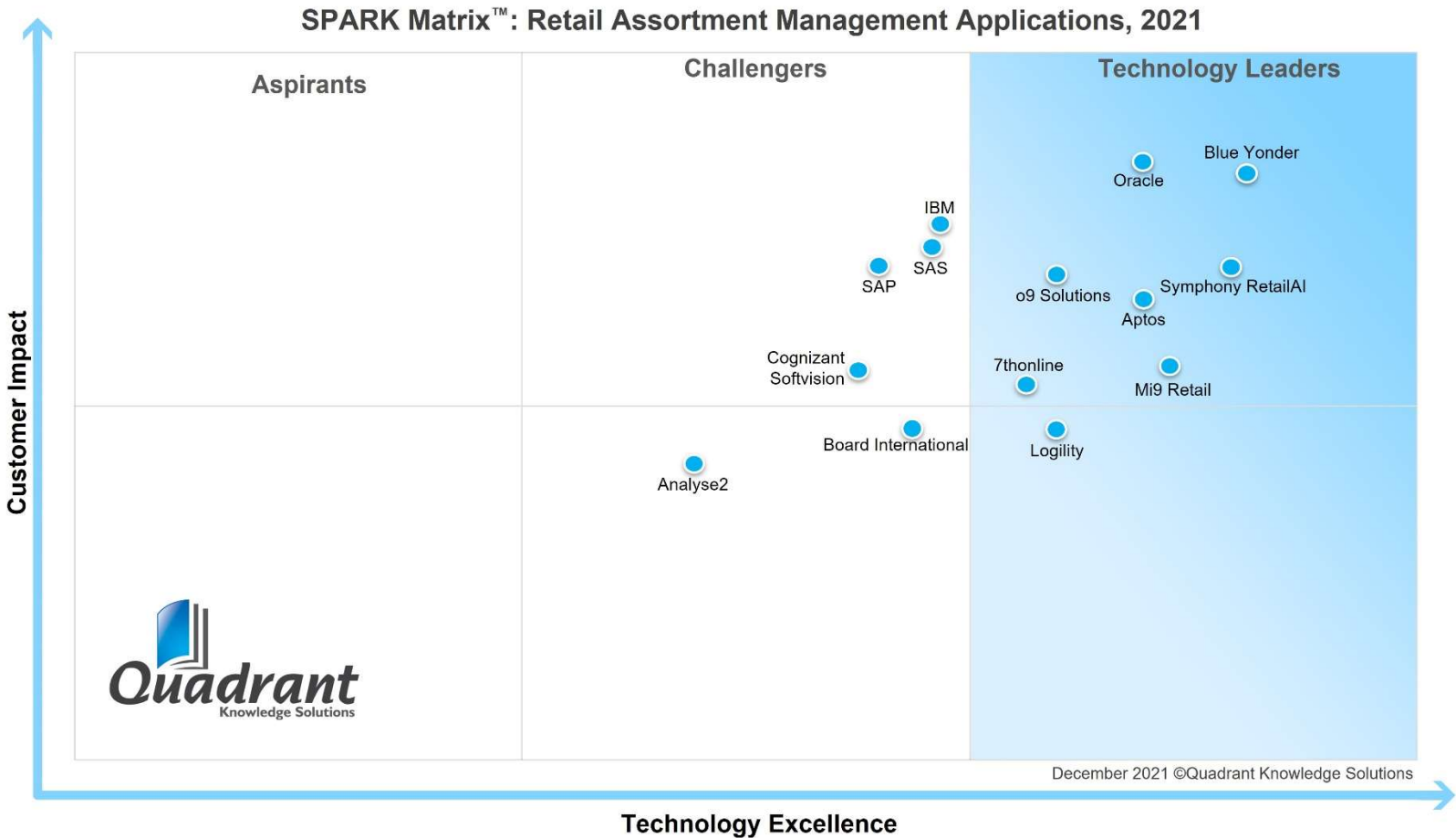
SPARK Matrix Analysis of the Retail Assortment Management Application Market

Quadrant Knowledge Solutions conducted an in-depth analysis of the major Retail Assortment Management vendors by evaluating their product portfolio, market presence, and customer value proposition. Quadrant market outlook provides competitive analysis and a ranking of the leading vendors in the form of a proprietary SPARK Matrix™. SPARK Matrix analysis provides a snapshot of key market participants and a visual representation of market participants. It provides strategic insights on how each vendor ranks related to their competitors based on their respective technology excellence and customer impact parameters. The evaluation is based on primary research including expert interviews, analysis of use cases, and Quadrant's internal analysis of the overall global market.

Technology Excellence	Weightage
Sophistication of Technology	20%
Competitive Differentiation Strategy	20%
Application Diversity	15%
Scalability	15%
Integration & Interoperability	15%
Vision & Roadmap	15%

Customer Impact	Weightage
Product Strategy & Performance	20%
Market Presence	20%
Proven Record	15%
Ease of Deployment & Use	15%
Customer Service Excellence	15%
Unique Value Proposition	15%

Figure: 2021 SPARK Matrix
 (Strategic Performance Assessment and Ranking)
 Global Retail Assortment Management Application Market



Blue Yonder Capabilities in the Global Retail Assortment Management Applications Market

Founded in 1985 and headquartered in Scottsdale, Arizona, Blue Yonder offers end-to-end supply chain management and omnichannel commerce solutions. In September 2021, Panasonic acquired Blue Yonder to offer enhanced end-to-end supply chain solutions and work collaboratively towards its shared vision of Autonomous Supply Chain™ by aggregating IoT and AI/ML technologies. Blue Yonder offers a broad suite of solutions, including supply chain planning, supply chain execution, and omnichannel commerce. Blue Yonder offers the Luminare™ planning platform that leverages digital twin planning for intelligently predicting the problem and opportunities to ensure that the organization's actions are carried out adequately, and production, inventory, and labour are planned intelligently. The Luminare™ planning platform consists of various solutions, including demand planning, inventory optimization, network design, sales and operation Execution (S&OE), sales & operation planning (S&OP), supply planning & replenishment, production planning, and merchandise financial management. Blue Yonder SaaS-based Retail Assortment Management Application offers robust & comprehensive capabilities to cater to both hardline & Softline industries.

Blue Yonder's Assortment Management for grocery, drug and hardlines is enabling retailers to have responsive assortments, higher inventory turns, improved customer loyalty, and increased productivity. Through customer data science, point-of-sale (POS) data, planograms, and location information, Blue Yonder's Retail Management enable retailers to gain analytics-driven insights to optimize and localize assortment based on customer preference. The platform offers various capabilities including space-awareness assortment, scalable, AI-driven insights, flexibility, and customer mission mapping. The platform offers advanced clustering that helps retailers to discover hidden demand patterns to group stores which will help them to categories based on their buying motivations, regions, and format. This will help retailers to optimize store-level assortments, inventory costs, ROI, and overall customer loyalty.

Blue Yonder's Assortment Management for Softline's helps retailers to enhance customer satisfaction and maximizes profitable sales by providing the right product mix, at the right time and right location. The platform leverages AI and ML technologies facilities, buyers, to build best-fit assortments that are aligned to customer preferences. It is also equipped with a modern user interface that provides comprehensive qualitative and quantitative as well as

recommendations to streamline productivity and drive informed decision making. The platform offers a wide range of capabilities for Softline retailers such as guided assortment strategy, predictive scoring, customer-centric, projected sales, and reconciliation. Additionally, the Luminate planning platform utilizes leading technologies such as artificial intelligence, machine learning, big data, robust algorithms, and predictive analytics to forecast disruptions such as material shortages and weather events.

Analyst Perspective

Following is the analysis of Blue Yonder's capabilities in the global Retail Assortment Management systems market:

- ◆ Blue Yonder's Luminate™ Planning leverages boundaryless planning, luminate user experience, integrated planning & execution, and cognitive planning & skills. The company also offers various tools to improve personalized customer experience to improve customer engagement and conversion rate. Blue Yonder's Luminate™ platform enables retailers to refocus on inventory, space, pricing, workforce, and store operations to new changes in demand by offering real-time data and intelligent insights.
- ◆ BlueYonder's sophisticated assortment management platform helps organizations to drive increased sales by providing a unified view of assortment plans in a category to improve alignment with customer preferences, merchandising and financial goals. The platform provides a robust technology value proposition with its technology differentiators including intelligent, localized assortment, assumption-based planning, single view of assortments, and forecast sales for new items with data science.
- ◆ Blue Yonder is capable of catering to a wide range of user-specific solutions for retail segments. The company serves diverse customer requirements by offering a customizable SaaS-based solution such as increasing self-availability across categories and improving grocery planning and execution.
- ◆ From a geographical presence perspective, Blue Yonder has a major presence in North America and Europe, followed by the Asia Pacific, Middle East and Africa, and Australia. From an industry vertical perspective, the company holds a customer base across a range of industry verticals, including retail grocery, retail hardlines, retail soft lines, consumer industries, automotive & industrial, high-tech and semiconductor, and third-party logistics. The company offers an extensive partner ecosystem that enables organizations to leverage the best of breed technologies and tools and drive business value.

- ◆ Blue Yonder is aware of ongoing prudence and has built its strategy according to the dynamic market. The emerging Supply Chain Planning vendors are successfully gaining significant market traction and are strengthening their market penetration. The primary challenge of Blue Yonder is the growing competition from well-established and emerging business application vendors. These companies are increasingly broadening their solution offerings by developing in-house capabilities, partnerships, and acquiring specialists from the supply chain planning and execution domain. Additionally, the company is also facing challenges in growing its cloud-based revenue compared to its competitors. However, with its strong, diverse geographical customer presence and track record to serve SMB and large and complex markets, AI-powered capabilities, flexibility, scalability, and unified & centralized platform, real-time operation visibility, advanced analytics, Blue Yonder is expected to continue to grow its revenue across industry segments and geographical regions.
- ◆ From a technology roadmap perspective, Blue Yonder is cognizant of the upcoming market trends and is focusing on offering an enhanced technology platform. The company continues to help organizations predict supply chain performance by supporting, integrating, orchestrating, and executing action across each mode of the value chain via a core cloud-based digital platform.