Optimizing Omni-Channel Commerce, From Click to Deliver

The growth of omni-channel shopping has left retailers scrambling to support consumer demands, while maintaining margins. Advanced solutions from Blue Yonder help balance growth and profitability with customer satisfaction.

BlueYonder
Fulfill your potential™

The Challenge of Making Smart, Profitable Omni-Channel Decisions

Shopping across channels has become the norm as consumers have become comfortable with online browsing and purchasing. The gap between e-commerce growth and overall retail growth has disappeared; today they are expanding at the same pace.

In response, traditional retailers are expanding their online presence, while digitally native brands are entering the realm of physical retail. Nearly every retailer is exploring innovative new opportunities like pop-up stores and in-person, immersive retail experiences.

Today an omni-channel selling approach is no longer optional; it's an imperative. But, as they enter more channels and explore new opportunities, retailers need to carefully balance customer satisfaction with profitability. They need to meet consumer needs for real-time visibility, flexible fulfillment and personalized service — without sacrificing their own financial objectives.

Enter Blue Yonder's Click-to-Deliver Solutions

The good news? The answer is readily available. Blue Yonder's augmentative, scalable order management solutions are designed to deliver the real-time responsiveness, from click to deliver, that's demanded by today's omni-channel shoppers.

Enabled by artificial intelligence and machine learning, order management system (OMS) solutions from Blue Yonder enable retailers to:

- **Increase revenue** by exposing available inventory across channels, reducing the need for markdowns

- **Improve online conversion rates** by providing real-time inventory visibility, as well as fast, convenient fulfillment options

- **Drive profitability** by optimizing the cost to fulfill orders across channels

Blue Yonder's OMS capabilities provide a single, real-time view of the entire omni-channel purchasing journey. These capabilities are delivered as flexible microservices that can be easily added to existing enterprise systems, including an application programming interface (API) framework that supports consumer interactions.

Blue Yonder's click-to-deliver microservices include:

- **Inventory Availability** solutions that provide real-time data on available inventory across the network, with product reservation capabilities

- **Commits** capabilities that provide pre- and post-order optimization

- **Order Services** solutions that orchestrate orders seamlessly, providing a single view across all ordering and fulfillment channels

- **Adaptive Fulfillment and Warehousing** capabilities that guide store associates in picking, packing and fulfilling orders — while also helping retailers forecast the demand for inventory, personnel and other resources needed to support in-store fulfillment operations

Wherever an order originates, and whatever fulfillment path is selected, these hard-working Blue Yonder solutions optimize that journey from click to deliver. Read on to learn more about each solution area.

E-commerce is now growing at the same pace as the entire retail market.[1] Retailers need to master the art of selling profitably across every channel.

[1] Source: Insider Intelligence

Inventory Availability and Commits

Maximize outcomes via real-time inventory data and flexible fulfillment options

Inventory management is more complex than ever, as retailers increasingly serve multiple sales channels and support multiple fulfillment schemes. Service and profitability depend not just on having a real-time view of product locations, but also on understanding the time and costs involved in moving them to the customer's delivery site of choice.

Inventory Availability and Commits solutions from Blue Yonder simplify and automate the complex process of strategically matching every consumer order, across every channel, with the right product and the right delivery service. These intelligent solutions balance customer centricity with the retailer's own financial objectives

The Importance of Real-Time Inventory Visibility

Today it's not enough for retailers to have complete, real-time inventory visibility. They also need to share this view with consumers. Blue Yonder's Inventory Availability microservice provides real-time product availability information to consumers based on their geographic location.

From the search page, consumers can see in-stock products, get "limited stock" urgency messaging, and understand both the product quantity that's available and its location. Blue

Yonder also supports real-time product reservations, dynamic safety stowck rules and inventory protection to make sure retailers can confidently make and keep consumer promises.

Shoppers benefit from seeing product availability and omni-channel options from the beginning of the shopping journey. Retailers reduce markdowns by exposing in-store inventory online, reducing abandonment via urgency messaging, and increasing conversion rates with accurate inventory data.

Commits: The Importance of Fulfillment Transparency

Similarly, today's shoppers demand flexible, transparent fulfillment options at the time of purchase. Blue Yonder's Commits microservice provides shoppers with complete transparency into their fulfillment options, including order-by/get-by timelines. Access to definitive fulfillment information translates to increased shopper confidence and loyalty, lower rates of cart abandonment and increased conversion rates.

Commits also seamlessly orchestrates pre- and post-order optimization, based on pre-defined rules and machine learning. Retailers can identify the optimal way to fulfill each order, considering customer and product

locations, inventory levels, merchandise costs, the likelihood of markdowns, shipping time and costs, operations costs, staffing availability and other criteria.

Only Blue Yonder provides both pre- and post-order optimization in a single engine, supported by machine learning, to truly optimize fulfillment from the earliest stage.

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*Online cart abandonment rates average over **70%**.[2] Real-time, accurate inventory visibility — along with urgency messaging — can make an enormous impact.*

[2] Source: Baymard Institute

Order Services

Orchestrate orders in real time across the entire click-to-deliver cycle

Blue Yonder Order Services is a high-performing, scalable API-based microservice that orchestrates and manages the entire order-to- cash lifecycle. It provides a centralized view of orders, whether they're placed from a retailer's website, a physical store, an online marketplace or a call center — and across all brands and geographies.

Order Services capabilities from Blue Yonder support retailers in utilizing speed and convenience options such as ship-from-store, buy online/pickup in store (BOPIS), curbside pickup and same-day delivery. At each stage of the order lifecycle, Order Services provides real- time visibility, so retailers can achieve order and fulfillment timeliness. Retailers can define, automate and track end-to-end order management workflows that optimize the click- to-deliver process, from both a cost and customer service perspective.

Real-Time Order Information, On Demand

With access to real-time, accurate, on-demand order information, shoppers know where their products are during every step of the purchasing process. Retailers have one system of record for all orders across channels, regardless of where they come from or how they're fulfilled.

Blue Yonder's powerful orchestration engine supports robust workflows that visually depict all stages of orders across all channels,

fulfillment options and payment types. Retailers can see in real time where bottlenecks are, then act quickly to mitigate any adverse cost or service impacts. Blue Yonder's Order Services solution also enables in-depth order management analysis. Retailers can identify potential disruptions and achieve continuous improvement as they leverage this solution and the rich set of order management data it provides.

Blue Yonder's microservices-based approach means that Order Services can be augmentatively added to a retailer's existing order management systems. Order Services also integrates seamlessly with Blue Yonder's other OMS solutions — including Inventory Availability, Commits, and Adaptive Fulfillment and Warehousing — as well as Blue Yonder's industry-leading logistics capabilities.

In today's hyper-competitive, fast-paced retail landscape, visibility and accuracy are critical to maintaining lasting consumer relationships and fostering loyalty. Order Services capabilities from Blue Yonder are designed to give organizations real-time order information across the entire click-to-deliver lifecycle.

B2C online marketplaces like Amazon will account for $2.1 trillion in revenues in 2024.[3] A critical factor in their success? They've mastered the art of order orchestration at scale.

[3] Source: Research and Markets
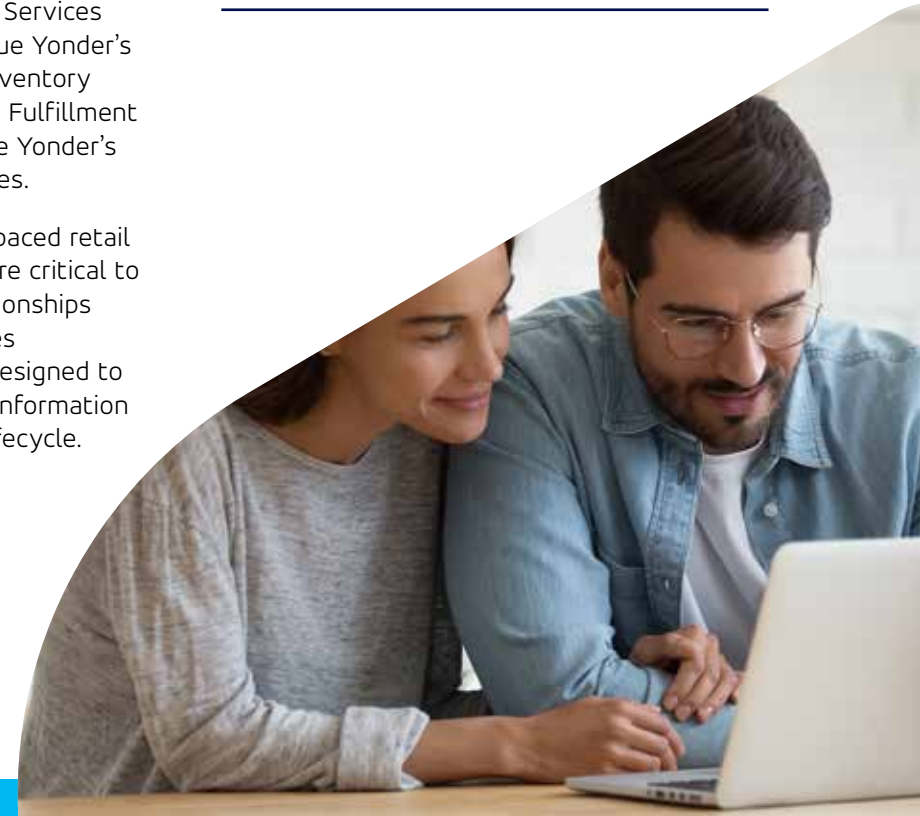
Adaptive Fulfillment and Warehousing

Accurately forecast and fulfill shopper orders from physical stores

Retailers today are challenged to keep up with the new demands of in-store fulfillment as they serve multiple channels. They're increasingly using stores as mini distribution centers, while also enabling flexible fulfillment options like ship from store, BOPIS, curbside pickup and last-mile delivery from stores. In addition to their traditional role in assisting in-store shoppers, associates now need to efficiently accept, pick, pack and fulfill orders. It's a dramatic change from the traditional world of retail.

Optimizing In-Store Fulfillment Operations

Blue Yonder's Adaptive Fulfillment and Warehousing capabilities are designed specifically to meet this challenge, with intuitive mobile workflows that drive the activities of receiving, prioritizing, picking, packing and delivering consumer orders. This microservice increases the operational efficiencies of in-store fulfillment tasks, so retailers can be sure work is completed in a timely, efficient manner that maximizes both service and productivity.

The role of stores as mini distribution centers is only growing as shoppers demand higher levels of speed and convenience. Blue Yonder's Adaptive Fulfillment and Warehousing microservice is a purpose-built solution for managing and excelling at the job of supporting in-store fulfillment for omni-channel orders.

Adaptive Fulfillment and Warehousing capabilities from Blue Yonder provide store managers with complete visibility into their store's micro-fulfillment activities, with actionable dashboards and reports that track and optimize performance in real time, as well as workflows that enable retail staff to efficiently pick, pack and fulfill orders.

Improving Fulfillment Forecasting Accuracy

As they optimize in-store fulfillment, retailers can drive incremental sales and increase revenue. By leveraging store inventory to fulfill orders, they can also reduce their inventory carrying costs and markdowns. But, at the same time, retailers need to ensure that consumers shopping in-store can continue to access both inventory and employees. That means accurately balancing their resources across all channels.

Blue Yonder's Fulfillment Forecasting capabilities are custom-tailored to support this balance. A series of three microservices can help retailers forecast the number of e-commerce orders that will be coming through their stores, place inventory strategically to meet this anticipated demand, and schedule employees to fulfill those orders. These smart solutions minimize the element of surprise and ensure that retailers can meet consumers' product and service needs, no matter where they're shopping.

58% of shoppers value flexible, blended fulfillment options like BOPIS.4 Successful omni-channel retailing means optimizing in-store fulfillment for both service and profit.

[4] Source: Shopify

Move at the Speed of Commerce with Blue Yonder

Today retailers are asked to do the seemingly impossible. They need to meet consumers wherever and whenever they're shopping — and offer the highest possible service level across every channel, from click to deliver. Blue Yonder's order management microservices are purpose-built to help retailers master these challenges as they maximize service, sales and profits across channels.

Backed by Blue Yonder's industry-leading technology expertise, in-depth retail knowledge and successful customer implementations, OMS microservices from Blue Yonder bring together advanced technology and proven best practices. Retailers can optimize the entire click-to-deliver journey, from an engaging customer experience through efficient order fulfillment. They can move with both speed and confidence, knowing that their decisions are informed by real-time data, advanced AI engines, and proprietary algorithms that balance cost and service outcomes, autonomously, 24 hours a day.

Transformed Capabilities for a Transformed World

The rise of omni-channel retail has created a completely transformed landscape in which retailers need advanced technology solutions to succeed. Retailers must provide omni-channel experiences that are transparent, seamless and personalized from the moment consumers click "buy" until the moment they collect the order.

That means accurately positioning inventory in real time across channels; making smarter, autonomous decisions about how to fulfill each order; and operating with a single, accurate source of truth for both inventory availability and fulfillment.

With inventory and data spread across multiple, disparate systems, this level of visibility and responsiveness might seem impossible to achieve — but OMS click-to-deliver microservices from Blue Yonder are designed to provide transformed capabilities for a transformed world.

Industry-Leading Analytics and Insights

Blue Yonder's OMS microservices are complemented by an array of analytic and insight-gathering microservices that increase retailers' return on investment. By infusing their OMS applications with advanced AI and ML capabilities, retailers can unify their data, automate their real-time decision-making, simulate the outcomes of various fulfillment strategies in advance, and forecast demand more accurately across channels.

Blue Yonder's OMS analytics add incremental value by helping retailers address specific challenges related to omni-channel order optimization. For example, they help retailers define dynamic safety-stock policies, offer smart substitutions, source products optimally, and autonomously commit to accurate delivery dates with no human intervention.

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