

# Cognitive Planning Skills



## From Real World to Real Response

Today's digital, consumer-driven marketplace is relentlessly fast and unforgiving. Supply chain networks are global and complex, as are the bases for competition. Enhancing the customer experience while controlling costs is paramount. Planners address these challenges with intricate plans honed to the razor's edge of cost and service.

Then the real world happens!

More than any other aspect of the supply chain, when disruptions or opportunities occur—time is money. Planners must drop their strategic planning activities to fight fires in order to prevent mushrooming costs, disappointed customers, lost sales and damage to your brand.

What if when the threat of unforeseen events threatens the performance of your supply chain, planners could get machine learning-based guidance, offering optimal recommendations and problem resolutions based on the impact of hundreds of parameters? Better yet, what if many routine situations could be predicted and autonomously resolved by the without requiring planners' valuable time?

That's cognitive planning skills in action.

## Key Benefits of Cognitive Planning Skills

- Drives automation levels to up to 99 percent
- Offers autonomous resolutions to predictable disruptions, increasing planner efficiency by 25%-60%
- Optimizes cost-to-serve through a 10%-20% reduction in excess, obsolete or damaged inventory
- 10%-30% reduction in expedited logistics costs

## Real results

Reduce inventory expenses by

# 30%

Improve forecast accuracy by

# 95%

Increase planner efficiency by

# 50%

## Cognitive Planning Skills

Cognitive planning skills adds powerful new capabilities to Luminate Planning. The fact is, analyzing the sheer volume of real-time data supply chain data available today goes beyond human comprehension. To analyze very large data sets and examine the financial impact of every possible outcome, companies need the processing scale and precision that machine learning can provide.

Part of Luminate Planning and built on Blue Yonder's cognitive, real-time, connected platform, cognitive planning skills embraces digital-edge technologies such as SaaS, IoT, AI, advanced analytics and cross-platform integration. It employs machine learning (ML) and artificial intelligence (AI) autonomous self-learning and self-healing technology to absorb data at scale, predict potential disruptions and opportunities, analyze possible responses, and provide planners with prioritized, cost-effective recommendations and resolutions.

### Cognitive Planning Skills include:

**Predictive demand-** Considers hundreds of external demand drivers and then calculates a probabilistic demand forecast, determining the likelihood of different demand outcomes, each with a calculated business impact and risk. This skill provides new levels of automation and arms demand planners with the insights they need to make more informed, risk-aware business decisions.

**Disruption prediction-** Predicts stock outs, supply shortages and associated customer service failures weeks before they occur, and identifies root causes, allowing planners to take corrective action in advance to avoid expected service failures.

**Parameter tuning-** Prediction and dynamic adjustment of supply chain parameters such as lead time, yield and more.

**Cognitive segmentation-** Today's market dynamics are changing faster than many supply chains can adapt. Cognitive segmentation dynamically adjusts segmentation on the fly according to new market patterns, grouping customers with similar fulfillment needs and then developing distinct supply chain operations to meet those specific requirements.

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**Resolutions-** ML/AI based analytics predict future supply disruptions, analyze possible responses and provide planners with optimized, prioritized, cost-effective resolutions.

### Get the Power of AI on Your Side

Cognitive planning skills arms planners with the right machine-learning supported tools to resolve complex disruptions, often before they can negatively impact your business. That is what creates a more stable supply chain so that planners can truly spend more time on strategic business opportunities rather than fire-fighting. In today's competitive markets, the basis of competition and customer service is not about how fast you can react to supply chain problems. It is about predicting potential problems and mitigating them before they can impact your business.

### Key Capabilities

- ML/AI based analytics predict future supply disruptions and provide optimal resolutions to supply planners
- Planners can see at a glance a prioritized list of disruptions and recommended resolutions for their approval
- Machine-based learning enables many simple resolutions and opportunities to be solved autonomously
- Planners can simulate the impact of proposed resolutions to ensure optimal decisions are made

### The Need for Speed

In today's hyper-connected, consumer-driven marketplace, there is a critical need for speed in predicting and resolving potential and actual short-term disruptions. With the volume of real time data available today, manual, heuristic and/or spreadsheet resolution processes are often no longer sufficient. Planners need the assistance of cognitive planning skills!

 Luminate Planning