

Case Study

Forecasting and education services



Avnet: A Certified Success

70%

increase in Ship-from-stock percentage

600

hours/month saved on planning time.



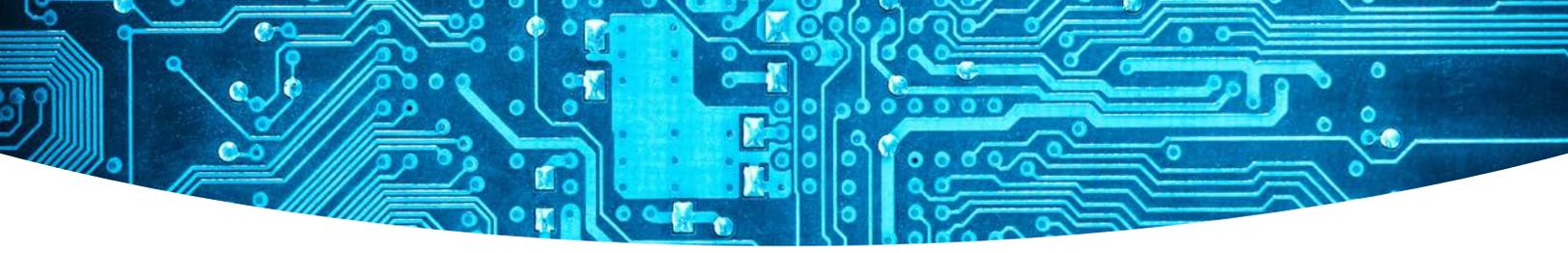
Improving business outcomes:

Avnet, Inc. is one of the world's largest distributors of electronic components, computer products and embedded technology. The company's Technology Solutions operating group sells IT solutions, including services, software and hardware, to value-added resellers. The company realized that it needed to better leverage the capabilities of Blue Yonder's forecasting solution to increase productivity and create standardized planning practices.

"While Blue Yonder's forecasting capability had been implemented several years ago, the suite has several tools that could significantly help our business, but weren't being used to their fullest extent by our planning team. We wanted to look closely at best practices around these tools to improve the accuracy of our forecasts, reduce manual touches, increase our process efficiency, reduce lead times and enhance customer satisfaction. We quickly realized that Blue Yonder could provide us with the in-depth training we needed, and we obtained management approval for Blue Yonder's Elements of Demand certification course." - **Product Segment Specialist, Avnet**

Challenges:

- Although Avnet had been using Blue Yonder's forecasting capability for several years, they were not using all of its features, thus leaving potential benefits unrealized
- Avnet planners were still doing certain forecasts manually that could be handled automatically by the Blue Yonder solution
- Avnet was not taking advantage of opportunities to provide value-added services for customers and to increase revenue



Solving real-world issues:

Blue Yonder education services conducted a five-day training course on-site at Avnet. “We really encouraged our planners, prior to the training, to collect data so we could have a collaborative environment where we solved real-world issues with Blue Yonder’s help. That face-to-face interaction and collaboration were key elements of our success.”

Avnet had its planners take a knowledge assessment prior to training to set a benchmark. The proficiency improvements that were gained over five days of training exceeded the company’s expectations. “We had our planners retake the knowledge assessment after training. The results were phenomenal. In navigation alone, we saw double-digit improvements in our total results, which includes proficiency and knowledge skills, that were gained from our training.”

Unexpected benefits:

In addition to increasing the planners’ comfort level using Blue Yonder’s forecasting capability, the company also realized significant advantages in terms of its key metrics. “Following the training, our planners began using Blue Yonder’s statistical forecasting techniques for our inventory planning. The overwhelming majority of our total inventory value is now being forecast through the tool, which is a substantial increase. We’re well on our way to achieving our goal in this area.”

Improving customer satisfaction and revenue:

Avnet has also seen significant advantages post-training from a sales enablement perspective. “After the training, ship-from-stock percentages skyrocketed for one of our largest business units to 70 percent. Shipping from stock enables us to provide a value-added experience to our customers and helps us increase sales revenues.”

Supporting new initiatives:

The increased productivity has provided the planning team with more time to focus on new initiatives. “Avnet

develops custom, converged IT infrastructure solutions for our partners, which is essentially where we take multiple products or multiple parts, which might be from multiple manufacturers, and integrate them into a cohesive customer solution. We use the Blue Yonder forecasting capability to plan at the solution-based level and ensure we have all the parts available at the time of the order. The mapping functionality within the solution easily allows us to do this.”

Solution benefits:

- Increased ship-from-stock rates at one large business unit by 70%, which helps Avnet increase its revenues
- Dramatic increase in total inventory value being forecast through Blue Yonder’s forecasting capability
- Gained 600 hours of planning productivity per month

Blue Yonder expertise:

The training has greatly increased the efficiency of Avnet’s planning team.

“Our Blue Yonder training has directly aligned with Avnet’s strategic initiatives, which has a strong focus on productivity. We’ve seen a gain of 600 hours per month back on our planners’ desks by implementing improved processes, sharing best practices and increasing our knowledge.”



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