

Case Study

Forecasting & Replenishment



Kaufland Optimizes Its Replenishment Process

Results

- High level of replenishment automation
- Significantly improved product availability

Real progress

“For our organization, it is critical to have the right amount of fresh meat available for the customers in each store. Automated replenishment based on accurate sales forecasts plays a key role. Working with Blue Yonder has resulted in optimizing our processes significantly.” - **Executive Board Member of Fresh Meat Products International, Kaufland**

Challenge

- Kaufland offers a range of around 60,000 items to its customers. The supermarket chain is active throughout Europe with about 1,200 stores and operates seven logistic centers and four meat manufacturing plants. The main product focus includes fresh food comprised of fruit and vegetables, dairy, meat and fish. The range also includes household goods, electronics, textiles, stationery, toys and seasonal items, as well as weekly promotional merchandise.
- Kaufland set itself the ambitious goal of automating the replenishment process in its fresh meat division, as their existing supply chain processes had reached their limits.

Solution capabilities

- Using precise predictions provided by Blue Yonder’s forecasting and replenishment capabilities, Kaufland achieved a high degree of automation for central planning in daily orders. Additionally, production processes could be closely integrated into the supply chain as a whole, thus creating even greater synergy with demand planning.
- As well as internal data, important factors such as promotions, holidays and weather were taken into account and factored into the ordering decisions.





Real results

Kaufland achieved its goal of creating maximum efficiency within the fresh meat supply chain, resulting in centralized and highly automated planning, which in turn significantly minimized the amount of work needed within individual stores.

Product availability was also improved, resulting in optimized stock levels, ensured product freshness and reduced write-offs.

Blue Yonder delivers

Among the factors that convinced Kaufland to implement Blue Yonder across all their German stores was the robust algorithm, Blue Yonder's superior machine learning technology and their ability to highly automate the decision-making process.

 Luminate Planning

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