CONTROL TOWER

MANUFACTURER

WAREHOUSE

SUPPLIER

RETAILER

ORDERS
In stock

ORDERS
Available for pick-up

STORE

FULFILLMENT CENTER/DC

Explore the Future of Consumer Industries

Discover how Blue Yonder solutions can power next-gen experiences across the Consumer Industries supply chain.

BlueYonder
Fulfill your potential™
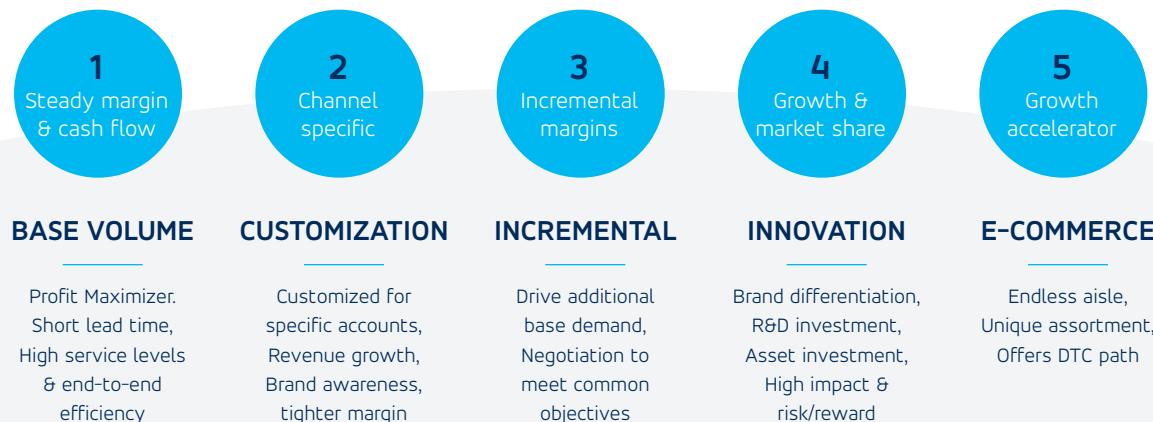
Explore the Future of Consumer Industries

The world is changing at an unprecedented pace with blurred lines between professional, personal, and social worlds—and the pandemic has only accelerated this. COVID-19 may well be the defining moment that consumer industries need to move their business models forward.

To remain competitive, consumer industries realize they need new strategies to keep up with today's rapidly-changing landscape and the industry's digital transformation. Investing in omni-channel models means looking at the opportunities that personalization and direct-to-consumer models present, along with the challenges.

Yesterday's paradigm was built on an inside-out scale — siloed and focused on economies of scale — but the new consumer industries supply chain is designed outside-in and centered around the customer. This new model is designed to flex with the market, moving from a goal of lowest cost to operational total shareholder return (OTSR) instead.

The experience needs to be end-to-end and scale across all channels, presenting customers with options spanning selection, availability, pricing, fulfillment, and returns based on real-time network visibility. Delivering this capability mandates a shift to agile microservices across channels, integrating with predictive demand, adaptive pricing, and flow paths that optimize inventory while minimizing wastage.

In this eBook, we'll discuss seven use cases

that showcase how Blue Yonder's solutions can help Consumer Industry firms be a part of this reimagined future to deliver the right product, through the customer's preferred channel, at the right price:

1 Network Design & Optimization

2 Integrated Business Planning

3 Integrated Demand & Supply Planning

4 Inventory & Deployment Planning

5 Supplier Collaboration

6 Omni-Channel Execution

7 Real-Time Visibility & Orchestration

Investments Stream that Drive Key Strategies for Consumer Industries

1 Steady margin & cash flow	2 Channel specific	3 Incremental margins	4 Growth & market share	5 Growth accelerator
BASE VOLUME	**CUSTOMIZATION**	**INCREMENTAL**	**INNOVATION**	**E-COMMERCE**
Profit Maximizer. Short lead time, High service levels & end-to-end efficiency	Customized for specific accounts, Revenue growth, Brand awareness, tighter margin	Drive additional base demand, Negotiation to meet common objectives	Brand differentiation, R&D investment, Asset investment, High impact & risk/reward	Endless aisle, Unique assortment, Offers DTC path

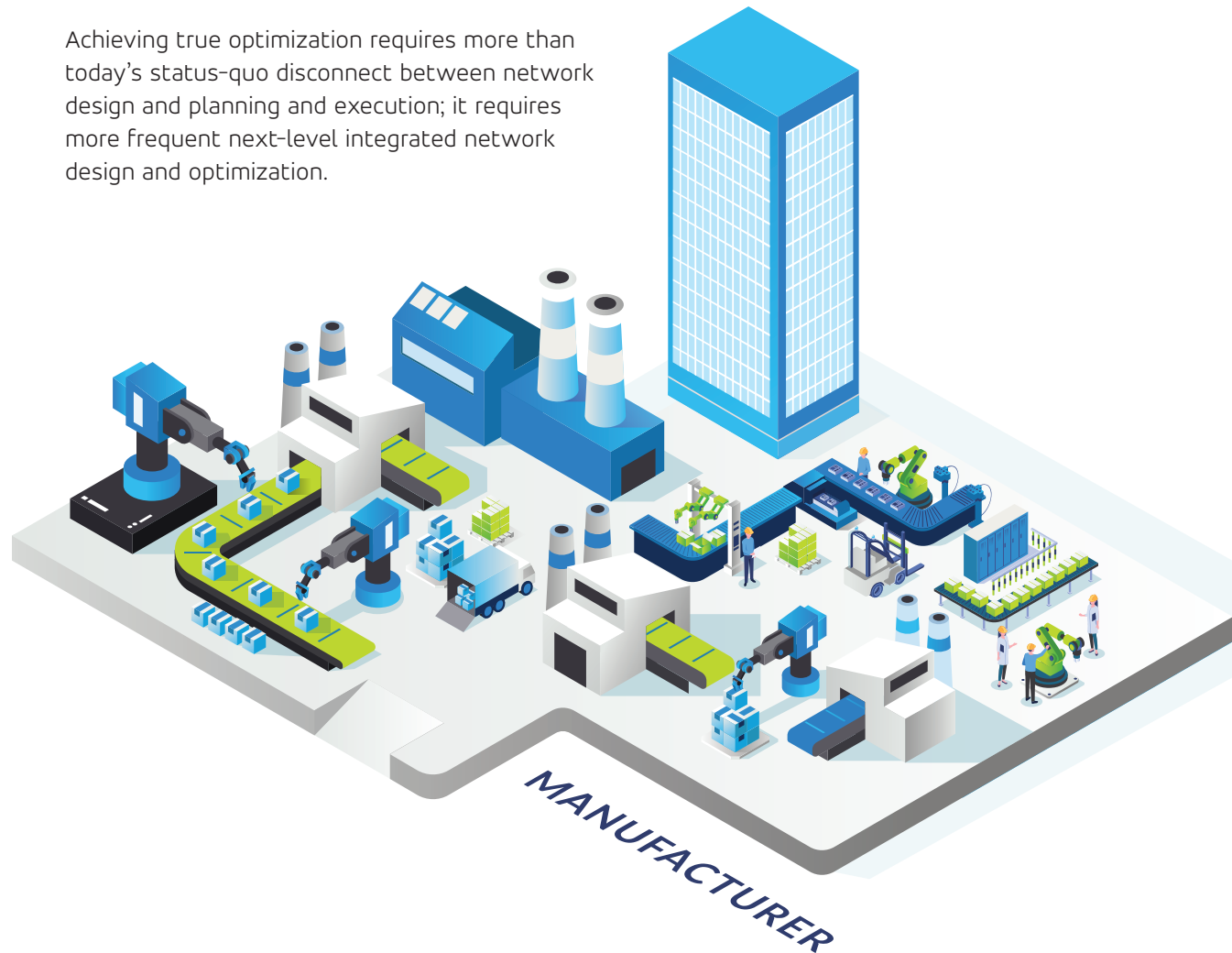# 1 Network Design & Optimization

As e-commerce and omni-channel approaches have become an essential part of industry leaders' business models, supply chain network design has become even more critical, urgent, and complex. Companies need the ability to more frequently design and optimize their network strategies to reduce costs, mitigate risks, and increase service levels with agility.

With today's fast-changing markets and competitive scenarios, supply chain network optimization is no longer an annual event but instead a monthly or even weekly process. Network design creates a major advantage for its users by making the strategic planning process repeatable and standardized.

Blue Yonder's network design provides a modeling and optimization environment capable of representing the appropriate breadth and depth of the supply chain required to answer the strategic questions at hand. With a powerful, flexible modeling paradigm, what-if scenarios, currency considerations and application flexibility, Blue Yonder's solution is able to provide a strategic, end-to-end functionality to

evaluate, design, optimize and ultimately transform your supply chain network — whether you are looking to expand, mitigate disruption, or simply optimize your current network resources.

Achieving true optimization requires more than today's status-quo disconnect between network design and planning and execution; it requires more frequent next-level integrated network design and optimization.

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1 Network Design & Optimization

Key Benefits

- **Increase flexibility** by creating multi-year strategic plans or weekly plans. Portions of the network can be temporarily excluded from consideration without deleting the corresponding model structure.

- **Improve sustainability**, reduce carbon footprints and lower transportation costs through optimized supply chain networks.

- **Optimize decisions** by quickly evaluating maximum production cycles and product handling, process and transportation lead times, and safety-stock inventory ranges.

- **Increase competitiveness** in globalization, digital disruption and consumer centricity by using network design optimization as a true competitive weapon.

Solutions

- Network Design
- Demand Planning
- Sales & Operations Planning
- Inventory Optimization
- Modeling

Real Results

ITC
ITC Limited

1%
Reduced cost
of goods sold

2 months
To realize full
ROI

"The network design capabilities helped us to create seamless collaboration among procurement, manufacturing, marketing, sales and logistics to manage these price fluctuations. We were able to identify cost savings opportunities that provided us with a competitive advantage. This process really helped change our culture and teach us the benefits of collaborative planning."

Supply Chain Manager, ITC

Strategic Planning
- Design & planning team supply chain strategy
- Design & model scenarios on location, supply, demand based on SLA

Customer Segmentation
- At aggregate levels for products and various customer segments

Cost Modeling
- Model cost to serve from each location
- Model working capital investment vs. CAPEX

Cost to Fulfillment Modeling
- Return on asset for each scenario vs. SLA failure, cost offset
- Inventory turns for each scenario
- Size and SKU profile for each location

2 Integrated Business Planning

In a digital world, integrated business planning is much more than S&OP. It is about translating business strategy into supply chain action while responding to market dynamics in an outcome-optimized process across the whole enterprise. It ties strategic, profitability-related objectives with short- and mid-term operational planning decisions through cross-functional scenario analysis — informing decisions around more profitable supplier collaboration, demand shaping, marketing, product growth and development, and more.

Blue Yonder's sales and operations planning (S&OP) gives you a cross-functional approach to integrated business planning that seamlessly incorporates all moving parts across your supply chain. It helps companies realize business benefits quickly by using a closed-loop process to support six distinct enterprise processes and associated scenario planning: demand review, supply review, demand-supply balancing, financial review, continuous plan refinement and business performance management. An integrated business view across demand, supply, financial and new product launch data — plus effective scenario management, KPI tracking and consensus demand — make Blue Yonder's solution really unique for consumer industry companies.

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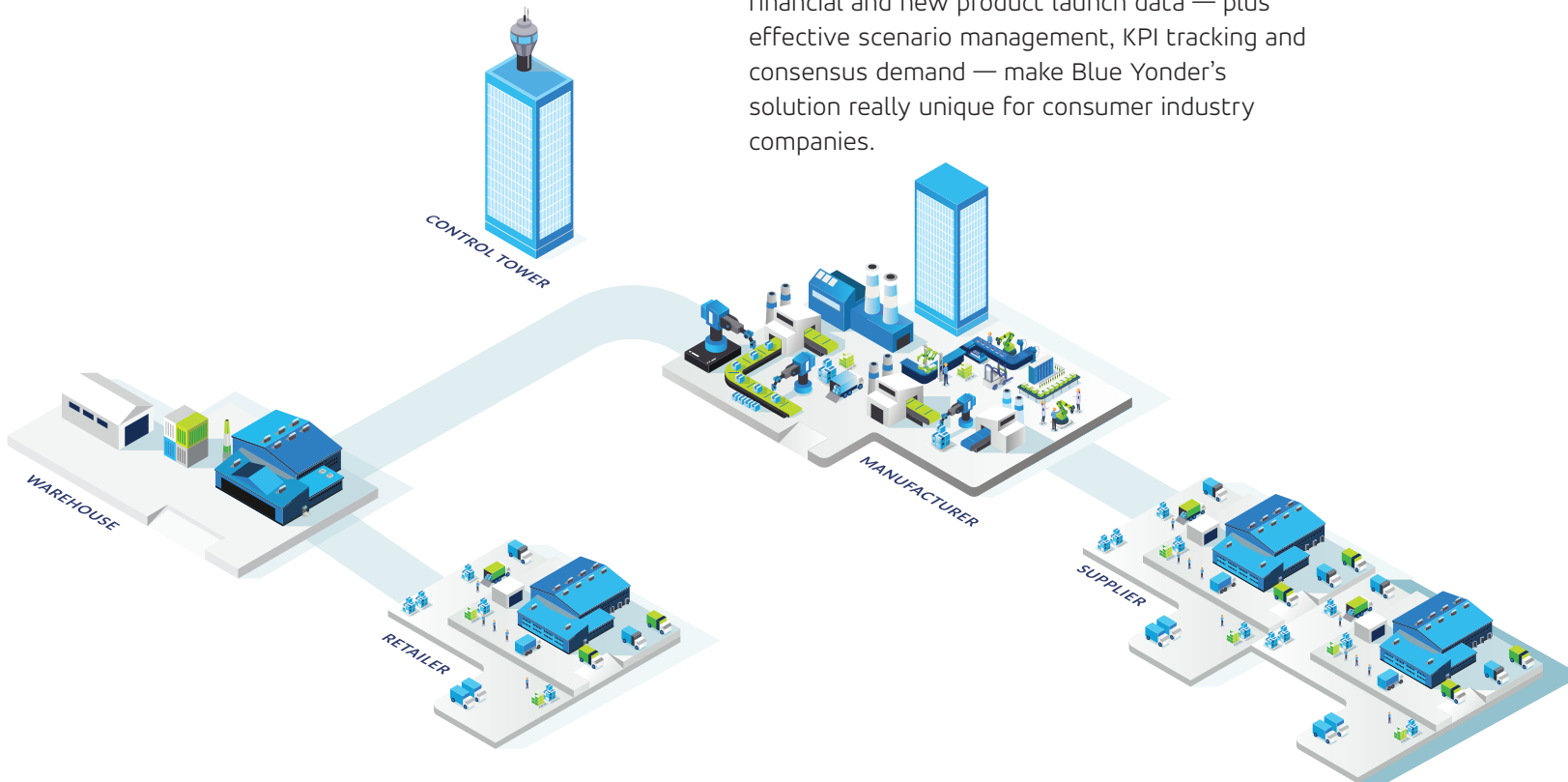
2 Integrated Business Planning

Key Benefits

- **Improve productivity** with a highly automated forecasting process.

- **Improve customer service** at lower cost through reduced inventory and safety stock.

- **Provide better**, more comprehensive reporting capability with fewer redundant reports.

- **Streamline consensus forecasting** process, with better collaboration leading to less waste, optimized labor, and improved sustainability.

Solutions

- Demand Planning
- Supply Planning
- Sales & Operations Planning

Real Results

MICHELIN

"We believe the Sharp S&OP project, supported by Blue Yonder S&OP, will significantly increase visibility into future risks and constraints, thanks to scenarios shared across the organization."

Senior Vice President of Global Supply Chain, Michelin

Growth and Change Plans

- Clarity of emerging financial gap against business plan
- Strategies and initiatives to close the gap
- Managing priorities, resources and approvals

Demand Planning

- One view of demand with transparent assumptions, risks & opportunities: Key Account Plan, Brand Plans, marketing and sales activity
- Forecasts incorporating customer collaboration, at both product and aggregate planning level, with placeholders for custom, innovation & transitions

Supply Planning

- Procurement, Production, Inventory & Logistics Plans created which highlights constraints/ issues, risks & opportunities that need to be addressed
- One view of supply with transparent assumptions, risks & opportunities, optimizing: customer service, inventory & costs

Resolve Constraints, Risks & Opportunities

- Collaborate on plans with key stakeholders to discuss alternatives based on operational plans and associated CTS/Margin/ Revenue, Risk Analysis and options to close Demand gaps
- Create playbooks with upside, downside, likely trade-offs, manage risks and opportunities based on costed scenarios
- Maximize long term profitability and close the gap

Executive Sign-off Publish Plan

- Review progress towards strategy, challenge assumptions and make decisions on gap closure / handling of risks & opportunities
- Approval of plans: Marketing, Commercial, Inventory, Production, Logistics & Procurement key KPIs

3 Integrated Demand & Supply Planning

The world of manufacturing has become increasingly challenging over the past several years. The emergence of Industry 4.0, competitive landscape and increasing market demands of today's digital world are pressuring manufacturing organizations to deliver products faster and with greater flexibility, while simultaneously reducing operating costs. In the digital age, planning is about shaping demand and sensing the market. Volatility that impacts production and supply is largely generated in the ecosystem beyond the traditional walls of the supply chain.

Blue Yonder's Luminate Planning portfolio combines the world's leading forecasting technology with market-leading supply planning and factory planning capabilities, converged with a common data model and interfaces to enable integrated manufacturing planning in the cloud.

- **Demand Planning:** Blue Yonder ingests hundreds of demand-driving variables and uses machine learning to provide a unique demand projection with calculated business impact and risk.

- **Supply Planning:** Further, supply planning and replenishment capabilities help you stage the right inventory throughout your distribution

network, minimizing stock-outs while maximizing inventory turns in your supply chain.

- **Production Planning:** Blue Yonder's solution provides flexible model representation, including simultaneous material and capacity planning. The advanced algorithm in Blue Yonder's Sequencing yields a globally optimal set of capabilities for your manufacturing scheduling challenges based on user-defined scheduling objectives. These user-defined objectives, such as on-time delivery and resource utilization, can be modeled to reflect your manufacturing strategies at each location.

3 Integrated Demand & Supply Planning

Key Benefits

- **Maximize revenue** and create a faster time to cash by anticipating desired segments, demand shaping and granular demand forecasts.
- **Optimize cost** to serve for each predicted segment service level with parameter tuning and optimized inventory.
- **Increase high capacity utilization** alongside flexible manufacturing.
- **Boost productivity** with collaborative, outcome-based planning.

Solutions

- Demand Planning
- Supply Planning
- Production Planning

Real Results

Coca-Cola CONSOLIDATED

>15%
Improvement in Customer Service

>40
Reduction in Inventory

"Blue Yonder's products provided clear financial and operating results while improving our capability and capacity. A lot of people talk about collaboration but we're actually doing it, and we certainly would not be as successful without the help of Blue Yonder."

Director of Supply Planning, Coca-Cola Consolidated

Gather and Clean Input Data
- Implement demand classification, parameter tuning, and data cleansing

Exception Management
- Review Demand / supply exceptions
- Gain visibility to problem areas; catching and resolving problems early

Demand Shaping and Sensing
- Insights into performance vs. target
- Tracking of key promotions associated with launch
- Use ML to fine tune forecast using real-time weather, news, event data

Consensus Demand and Master Planning
- Collaborate on plans with key stakeholders to discuss alternatives based on operational plans and associated CTS/Margin/Revenue, Risk Analysis and options to close Demand gaps
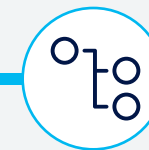
Production Scheduling
- Establish the best sequence of orders that, when executed, reduces wait time between processes
- Align with Factory Actuals

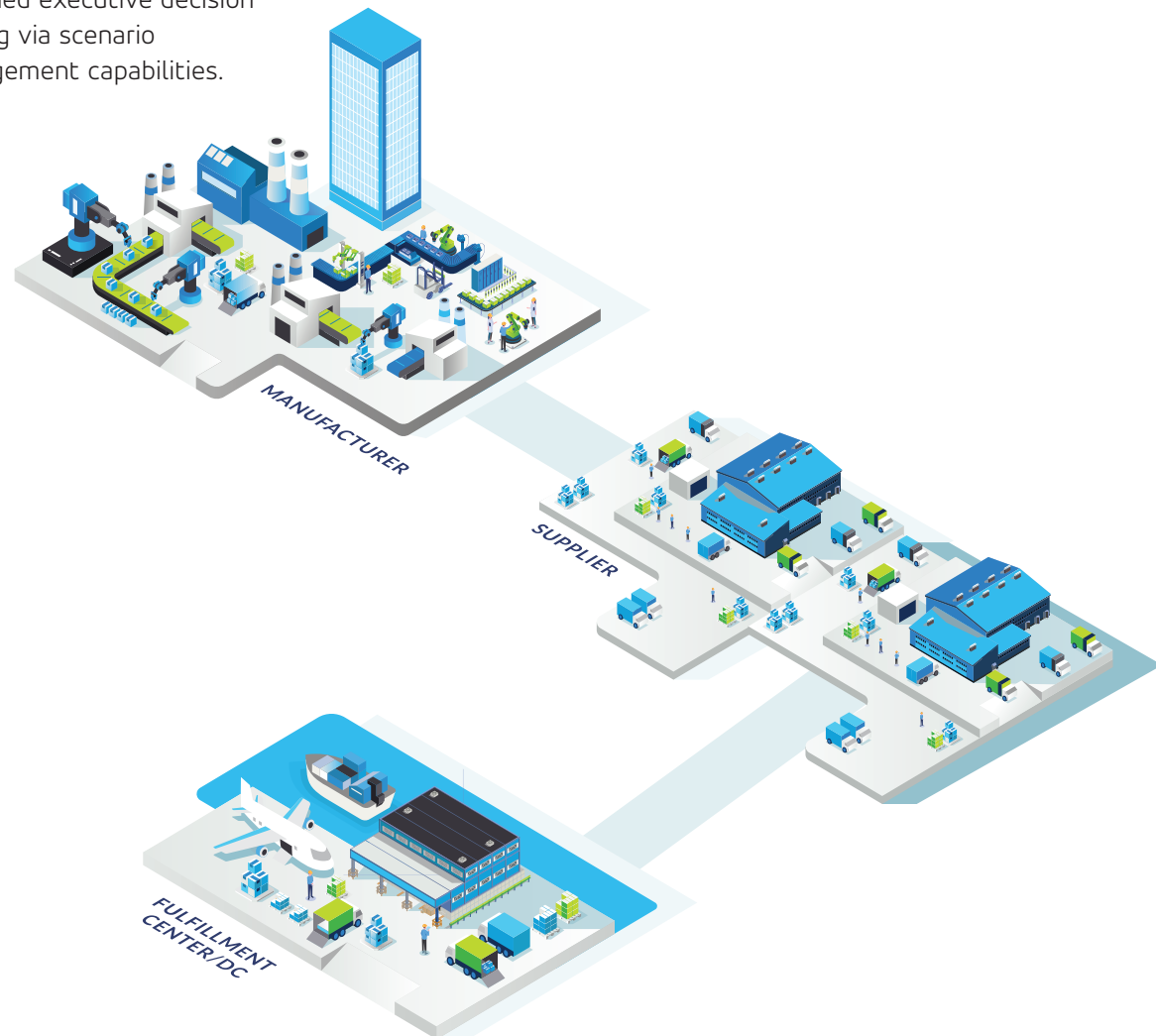# 4 Inventory & Deployment Planning

Inventory is still hard to control, especially as distribution channels proliferate and customer service demands increase. And while there's no silver bullet solution to getting the right product, through the right channel, with convenience and speed at the heart of the engagement, manufacturers need to take steps to improve their inventory deployment. This effort begins with a rigorous analysis of the root causes of stocking problems, more detailed inventory classifications, and the application of sophisticated analytical tools.

Blue Yonder has specifically designed inventory optimization capabilities to meet the daily real-world needs of its customers. By leveraging Blue Yonder's years of experience and features like user friendly interfaces, businesses can quickly launch inventory optimization for fast performance results and a rapid ROI.

- **Micro-segmentation:** Based on consumption patterns, volume, revenue, margin, cost-to-serve, product maturity, channels, criticality, velocity, seasonality and other key attributes, products are governed by a set of highly customized supply, demand and inventory strategies that are tailored to each micro-segment.

- **Cross-industry segmentation:** Make-to-stock or make-to-order, inventory optimization can be deployed across various industry sectors — from high-tech manufacturing, semiconductors, food and beverage, consumer durables, consumer electronics, and apparel and fashion, to life sciences and aerospace and defense.

- Better decision making supports strategic, informed executive decision making via scenario management capabilities.

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4 Inventory & Deployment Planning

Key Benefits

- **Deliver accurate and reliable inventory** commitments to consumers across every channel in real-time.

- **Increase customer service** with lower resource investment.

- **Improve flexibility** and accuracy for inventory management.

- **Reduce inventory investment** and enable multi-echelon inventory optimization.

- **Improve the accuracy** and performance of daily replenishment and inventory planning.

Solutions

- Network Design
- Sales & Operations Planning
- Supply Planning
- Production Scheduling
- Inventory Optimization
- Modeling

Real Results

Coca-Cola
FEMSA

213 People

8 Countries

9 Processes

47 Plants

292 DCs

<2 Years

"Coca-Cola FEMSA established a Standardized End-to-End Processes, with Best-in-Class Enablers and developed a leveraged organization running on a single platform for all Coca-Cola FEMSA Countries."

Supply Chain Director, Coca-Cola FEMSA
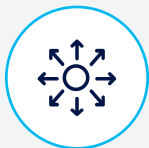
Distribution Planning
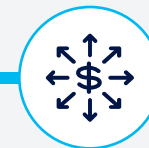- Tracking and prioritizing distribution for key account planning
- Country of origin

Alert, Exceptions Mgmt.
- Deviation in Sales vs Forecast
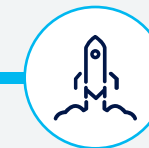- Safety stock limits
- Inventory expiary
- Days of coverage

Inventory Allocation
- New orders, rush orders, channel allocation
- Quality and inventory mgmt.
- Collaborate with Demand Planner and Sales to allocate supply

Deployment Planning
- Stock rebalancing
- Reduce customer penalties
- Reduce Inventory
- Reduce obsolete stock

Execution
- Optimize load building
- Production orders for replenishment

5 Supplier Collaboration

Suppliers are an intrinsic part of the supply chain. It does not matter what business you are in, what products you manufacture, distribute and sell, or what part of the world you are in. And it doesn't matter where in the supply chain you are, existence without collaboration with your suppliers is impossible. With service-level acceleration, increased direct-to-consumer deliveries, and urbanization of the workforce and transportation landscape, organizations increasingly rely on their partners to ensure that product availability meets their customers' expectations.

Blue Yonder's Control Tower sits at the heart of the supply chain ecosystem, facilitating the sharing of information as well as the automation of the response and optimization mechanisms. The capabilities include:

• **Real-Time Visibility:** Providing consistent information in real-time and allowing internal and external partners' access to update assumptions, is critical.

• Enable collaboration among internal and external stakeholders in real-time for superior visibility

• Provide enhanced actionable data analytics for carriers, vendors and suppliers to effectively act

• Ingest big data and make suggestions, or initiate remedial actions, based on near real-time information from the ecosystem and network of providers
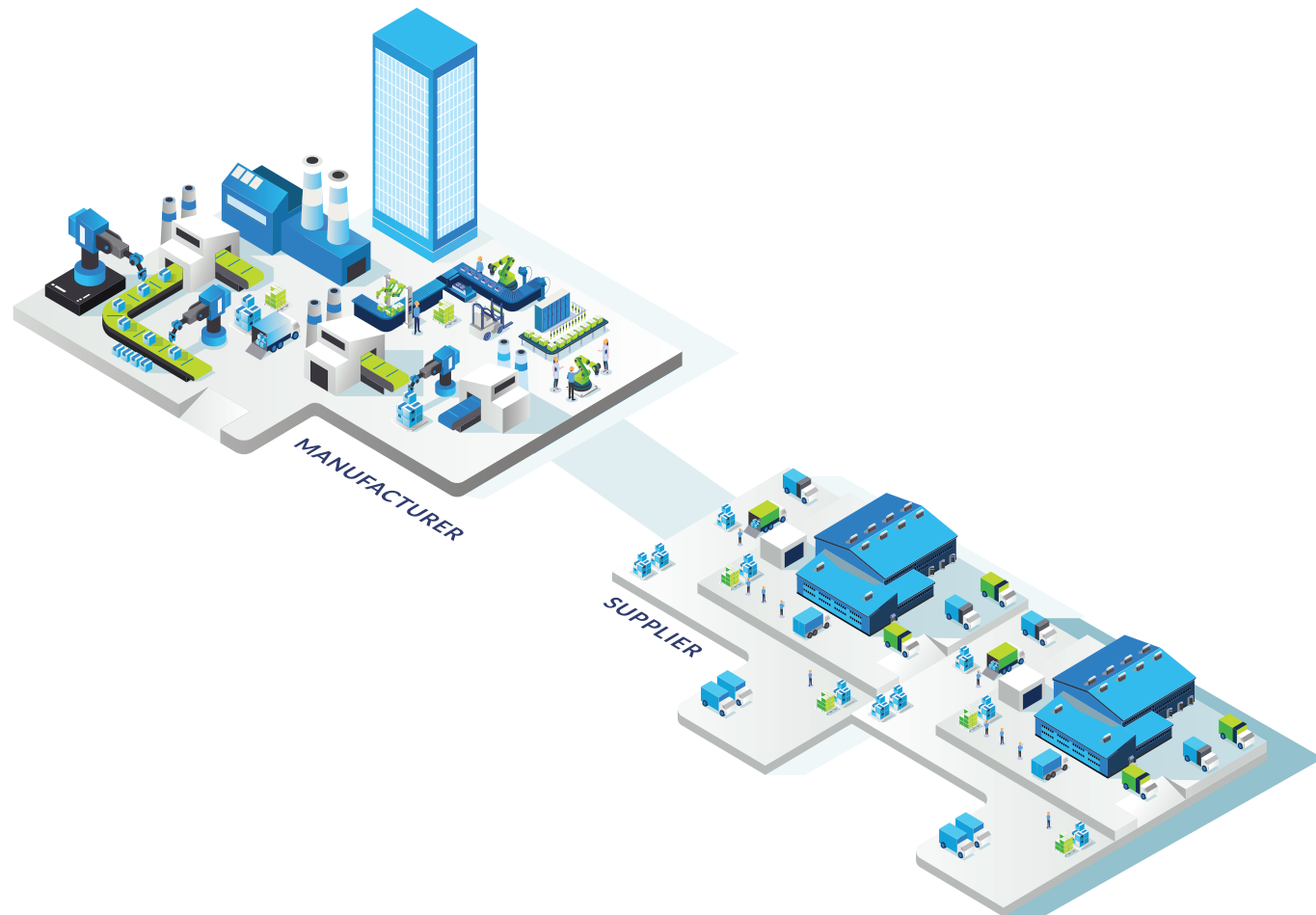
5 Supplier Collaboration

Key Benefits

- **Predict & Pivot:** Shift suppliers quickly when disruptions occur by collaborating, planning and executing contingencies quickly and efficiently.

- **Value creation and sharing:** Collaborations promise equal benefits for both parties. In some cases, collaboration can deliver an increase in sales. In other cases, however, the collaboration might create as much value overall but the benefit could fall more to one partner than to the other.

- **Cost benefits & increased responsiveness:** One of the greatest benefits from long-term supply chain collaboration are the cost savings that result from automated procedures over the life of the relationship.

- **Reduce risk:** Know the status of your suppliers in real-time, so you can react quickly when disruptions occur. Create new contracts in seconds, reducing disruptions.

Solutions

- Control Tower
- Sales & Operations Planning
- Supply Planning
- Network Design

Rough Cut Capacity Planning
- Strategic supply capability matching
- Design & model scenarios based on projections & SLA

S&OE Supply / Capacity Forecast – Commit
- Suppliers and co-packer Collaboration
- Match supply to demand projections
- Alternate supplier sourcing
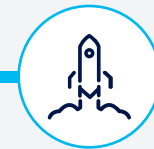- Reduce Forecast-Commit cycle time

Short Term Order Collaboration
- Procure to pay
- Real-Time Purchase Order expedite Requests

Supply Resolution
- Simulate Alternate Suppliers and Co-packer capacity expansion
- Automate common resolutions
- Collaborate with stake-holders

Execution
- Reduce order creation time
- Monitor Inbound Shipment Status

6 Omni-Channel Execution

The COVID pandemic has accelerated the shift to e-commerce more than ever. In fact, many organizations have doubled, tripled and even quadrupled the amount of e-commerce business they do, achieving five-year plans in a matter of months. More retailers have increased their e-commerce footprint to deliver seamless, flexible and personalized experiences to consumers.

Blue Yonder has reimagined personalized consumer experiences by enabling retailers to bring fulfillment transparency directly to consumers. With Blue Yonder's unified inventory availability and omni-channel fulfillment intelligence capabilities, retailers can present real-time inventory to consumers across their network and determine how and when orders can be effectively fulfilled based on cost, location, and transit times.

- Single view of inventory availability: Accurate, real-time inventory is available during the shopping process at a location and enterprise level, and a single source of truth for inventory availability enables consumers to locate and reserve products for purchase.

- Reservations and inventory protection: Merchandise reservations ensure that once an item is added to the shopping cart, it is available at check out, and dynamic safety stock and protection levers maximize inventory exposure and deliver accurate inventory promises.

- Omni-Channel Execution: Optimized enterprise order fulfillment options such as ship to and from store, buy online pick up in-store (BOPUS), and last mile delivery options drive consumers from click to commit.

6 Omni-Channel Execution

Key Benefits

- **Deliver accurate** and reliable inventory commitments to consumers across every channel in real-time.

- **Increase revenue** by delivering accurate in-stock/out of stock, shop my local store, and product quantity data to consumers to drive conversion rates, minimize shopping cart abandonment rates, and increase revenue.

- **Delight customers** by delivering the right product, at the right time, wherever they want it.

- **Deliver personalized experiences** based on customer preferences.

- **Optimize the cost** to fulfill, taking into account location, cost of merchandise, product selection, profitability, transportation, and supply chain costs.

Solutions

- Inventory & Order Management
- Transportation Management
- Warehouse Management
- Labor Management

Real Results

petco

5%
Gains In E-Commerce Revenues And New Customers

DOUBLE DIGIT
Millisecond Response Times For All Inventory And Fulfillment Queues

"With Blue Yonder's inventory availability and omni-channel fulfillment microservices, Petco is able to provide customers with the option to view available inventory online, purchase products from nearby stores and pick them up that same day. Having a 'single source of truth' for our shoppers quickly drove a greater than 5% increase in online revenue and the number of net new customers."

Chief Information Officer, Petco

pepsi

100%
Inventory Visibility

15-20%
Decreased Shrinkage

15%
Warehouse Labor Cost Reduction

"Converting our system to the JDA WMS gave us 100 percent visibility into inventory, helping us to decrease out-of-date product, ensure that we knew what we had, allocate products faster and streamline the process."

Senior Vice President of Operations, Pepsi-Cola & National Brands Ltd.

Business to Business

Order Creation
- Order receipt
- Network wide inventory reconciliation

Order Confirmation and Sourcing
- Confirm to purchaser
- Pass order to Warehouse

Warehouse Execution
- Predictive resource allocation
- Pick, pack, ship

Direct to Consumer

Order Creation
- Order receipt
- Network wide inventory reconciliation

Order Confirmation and Execution
- Confirm to purchaser
- Pass order to warehouse

Transportation Planning
- Iterative dynamic planning
- Throughput constraint aware optimization
- Shipment consolidation

Warehouse Management
- Predict resources and allocate
- Pick, Pack, Ship

**Shipment Tracking**
- Locate exceptions
- Alert customers

7 Real-Time Visibility & Orchestration

To stay ahead of today's supply chain complexities, you need to manage what you don't see, plan for what you don't know, prioritize unlimited options, and execute to align for success. In today's digital economy, visibility equals agility. What's required is an intentional design that provides an end-to-end view of supply chain operations and provide real-time information that helps everyone to understand impacts and then provides prescriptive steps to mitigate risks and reduce disruptions.

Luminate Control Tower is solution-agnostic, providing end-to-end visibility across functions and trading partners, enabling collaboration, ML-empowered resolution capabilities and the ability to execute actions across the enterprise.

- **End-to-End Visibility:** Visualize the entire flow of goods upstream and downstream with one version of the truth.

- **Understand Supply Chain Intelligence:** Augment visibility with diverse data sources, including partner data to offer more accurate intelligence.

- **Machine Learning:** Leverage machine learning to surface recommended actions, weighing impacts and prioritization with what-if scenarios.

- **Collaboration:** Share and discuss issues and insights with trading partners to quickly and effectively resolve situations.

- **Self-Learning:** Gain increasing insight as your supply chain evolves to improve future recommendations

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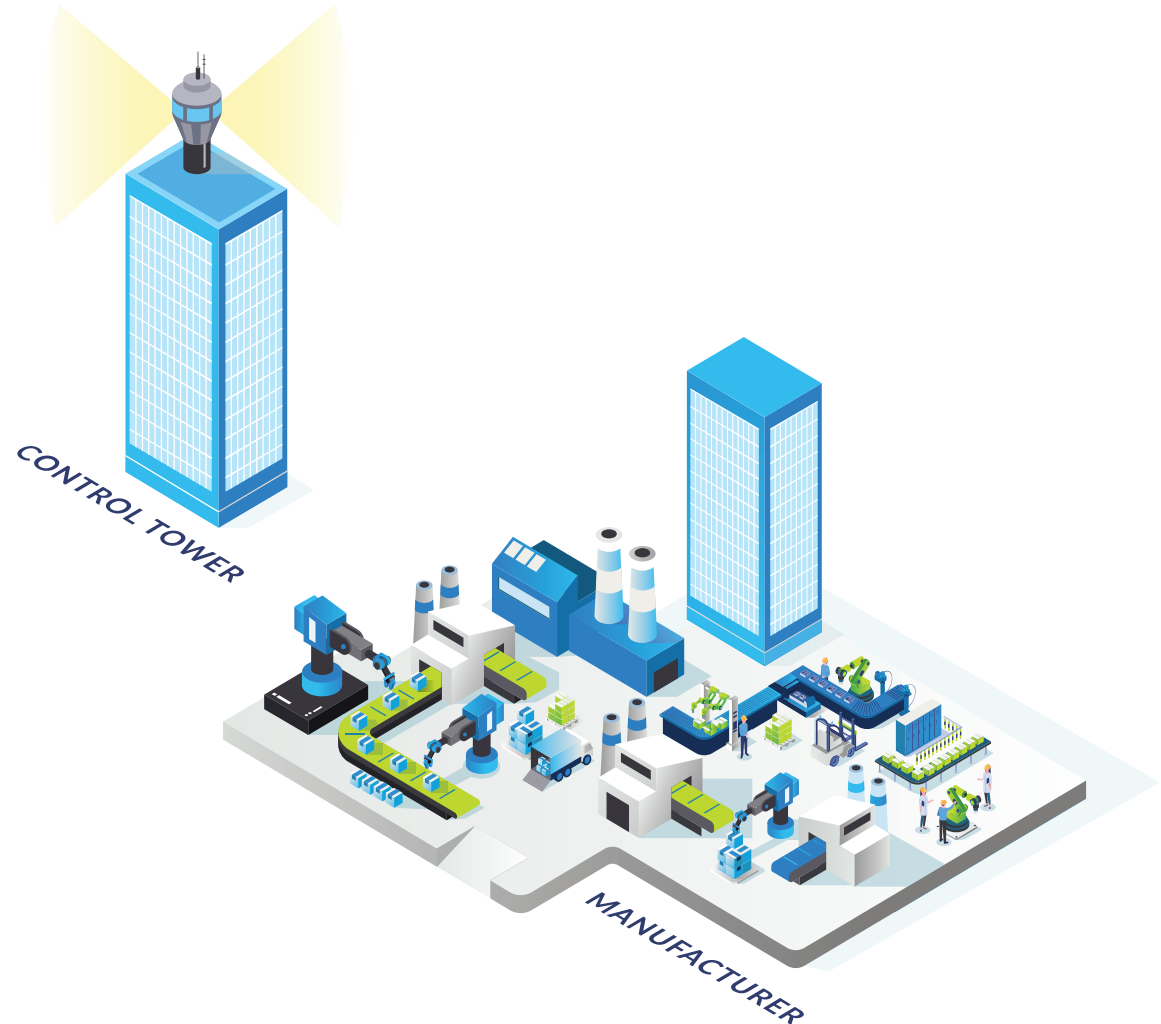
7 Real-Time Visibility & Orchestration

Key Benefits

- **Empower and engage planners** to be more productive and effective decision makers.

- **Improve resource utilization** through prioritization of issues and actions.

- **Enable a digital environment** and the optimization of every operation step to ensure accuracy, efficiency, compliance and desired customer service.

- **Enable control, visibility, and accuracy** from suppliers' production all the way through to the end user.

- **Offer rapid response** from distribution centers and hubs necessary for in-store fulfillment services, such as click and collect.

Solutions

- Control Tower
- Warehouse Management
- Transportation Management

Real Results

ARMADA

IMPROVING
Visibility & Orchestration

DRIVING
Efficient Practices

CREATING
Sustainability

"Armada selected Blue Yonder Luminate Control Tower to make proper supply chain decisions in real-time using information from the entire supply chain ecosystem."

President & COO Armada

Exception Monitoring
- Monitoring network for demand exception
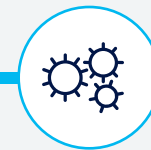- Monitor network supply exception

Alerting
- Shipment disruption
- Production disruption
- Stock Out

Insights
- Monitoring Impact
- Customer Impact
- Inventory Coverage

Resolution
- Rebalance Inventory
- Expedite Shipment
- Re-Allocate Supply

Today's customer experience is increasingly a supply chain experience

From pandemics and natural disasters to geopolitical events, the many vulnerabilities of today's global supply chains continue to morph and grow. While technology provides an answer, truly transforming supply chain processes and workflows is more than integrating next-gen tech. It's about:
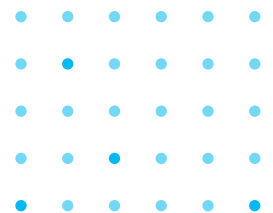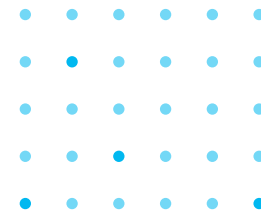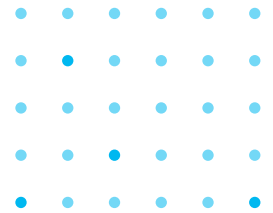
Reimagining network models and user experiences to fulfill customer expectations like never before.

Future-proofing the supply chain as companies restart and rescale their operations.

Enabling a core cloud-based central platform that will integrate, orchestrate and execute actions across each node of the value chain.

The scenarios in this eBook show how Blue Yonder's Luminate Platform is designed to help capitalize on the characteristics of a rapidly changing digital world. It is a vision of a homogeneous planning and execution environment, unified by user-experience and driven by self-learning systems that are business outcome oriented and designed to thrive on complexity. The platform is designed to exceed 98% accuracy on automated decisions — which means your teams can focus on higher value work tied to strategic goals.

In an increasingly volatile business landscape, Blue Yonder provides seamless, friction-free commerce, empowering every organization and person on the planet to fulfill their potential. Blue Yonder's machine learning-driven digital fulfillment Luminate Platform enables clients to deliver to their customers when, how and where they want it.

❖ BlueYonder

Fulfill your potential™

blueyonder.com