

Reimagined Order Management for Home and General Merchandise Retailers

 BlueYonder



Personalised Experiences to Drive Conversion Rates

Hello,

This guide explains how Blue Yonder can help retailers in the home and general merchandise sector to accelerate their e-commerce growth, by building on existing operations with augmentative microservices that respond dynamically, intelligently and immediately. By enhancing your customer experience and delivering personalised fulfilment choices, Blue Yonder can help you improve your online conversion rates.

Introducing Luminate Commerce

This guide aims to highlight the capabilities and benefits that Blue Yonder microservices could bring your business and customers, quickly. Over the next few pages, we aim to show the improvements that the technology could bring to your online shopping experience. You'll be able to see how Luminate® Commerce delivers a dynamic, accurate, real-time view of stock, how it displays delivery options in real-time for the browsing customer, and how it assures a personalised view of the products they've selected, pre-check out. Machine learning models further help retailers to then accurately and intelligently orchestrate an optimum fulfilment mechanism, based on the most profitable factors.

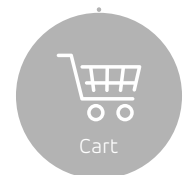
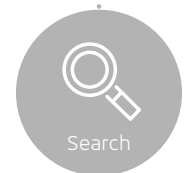
Luminate Commerce provides retailers in this sector (also referred to as 'hardlines retail') with robust order management technologies that enable them to not only deliver new capabilities but to do so quickly, effectively and cost-efficiently. As a result, clients are better able to deliver on ever-evolving customer expectations

We look forward to discussing this with you further.

The Blue Yonder Team

Blue Yonder is committed to helping home and general merchandise retailers transform their supply chains. Implementing Luminate Commerce enables them to:

- 1** Leverage integrated retail planning with omni-channel execution – unified commerce ensures that products are in the right place at the right time.
- 2** Accelerate the customer journey by presenting optimum delivery options, pre-checkout.
- 3** Improve conversion rates by offering quicker and more convenient fulfilment options. These are possible due to improved planning, inventory visibility, reservations and promising processes, and an intuitive store fulfilment application.
- 4** Leverage AI and ML to maximise customer service levels while minimising cost of fulfilment. This helps to escape the constraints of manually configured fulfilment rules.



Deliver the Best Customer Experience with Blue Yonder Microservices



Decisioning Services

Luminate Commerce Inventory/availability services provide a single source of truth of enterprise-wide availability which makes information relating to product availability accessible to all channels in real-time. This ensures faster response times to support the highest e-commerce shopping volumes. The technology tracks supply and demand at location level, incorporating stores, distribution centres and even last-mile delivery partners; as well as on an aggregate level, addressing a wider region or network. This combination determines ultimate availability through complete visibility. Inventory supply can be segmented, and availability request responses will be provided in the context of applicable channels (e.g. .com, B2B, international) which drives eligibility of fulfilment types, products and locations based on rules.

To prevent overselling and to ensure a frictionless shopping experience, inventory can be reserved through APIs from all channels. In the home and general merchandise segment where the store also serves as a warehouse for online purchase pickups, safety stock is an important element of availability. It allows businesses to reserve certain stock for walk-in customers or as a buffer stock to avoid over-selling. The safety stock can also be determined dynamically using AI/ ML which is constantly learning from past inventory levels.

Luminate Commerce Commits service is a single optimisation engine which drives pre- and post-buying fulfilment options and commitments. Pre-sourcing provides fulfilment options and delivery dates early in the

shopping engagement process, increasing click-through rates. Post-sourcing ensures that retailers can profitably fulfil their commitments once an order has been placed, using configurable, optimised sourcing. Commits works with our Inventory and Capacity microservices to provide real-time algorithmic decisions which are optimal from a cost perspective. They are also informed by any customer-dictated service levels or business constraints that are defined, such as eligibility, calendars and location rules. The philosophy behind the multi-factor optimisation engine is to reduce the number of rules, and optimise for an outcome defined by business metrics and priorities.

Luminate Commerce Capacity service is designed to enable organisations to plan fulfilment capacities efficiently across locations, including distribution centres, stores, fulfilment centres and so on. It then plans optimum distribution of orders according to available capacity. This allows better balancing of loads, and avoids underutilisation or overloading at any location. Strategic capacity planning is critical for any omni-channel retailer, and even more significant for home and general merchandise operators, with stores now also acting as warehouse spaces for buy-online-pickup-in-store (BOPIS) fulfilment choices. The service can also deliver substantial savings by informing ideal labour levels. The end result is an improved customer experience, by ensuring orders are processed in the timeliest way possible thanks to clear visibility of each location's capacity levels.



Luminate Order Services

Luminate Order Services provide fulfilment transparency to businesses and their customers by orchestrating orders across markets, brands and channels. This enables modern fulfilment options such as ship from store, BOPIS, curbside collection, and even same day delivery. Orders are managed and orchestrated seamlessly across internal and external Blue Yonder systems, which ensures a single source of truth for all order transactions, as well as visibility at each step of the order lifecycle for the retailer. Order services enable organisations to execute order validations and coordinate interactions with all required systems.

Because Luminate Order services have been built using state-of-the-art, cloud-native open-source technologies, they can automatically scale according to bespoke order volumes and peaks that each client's accelerated digital growth has been driving.

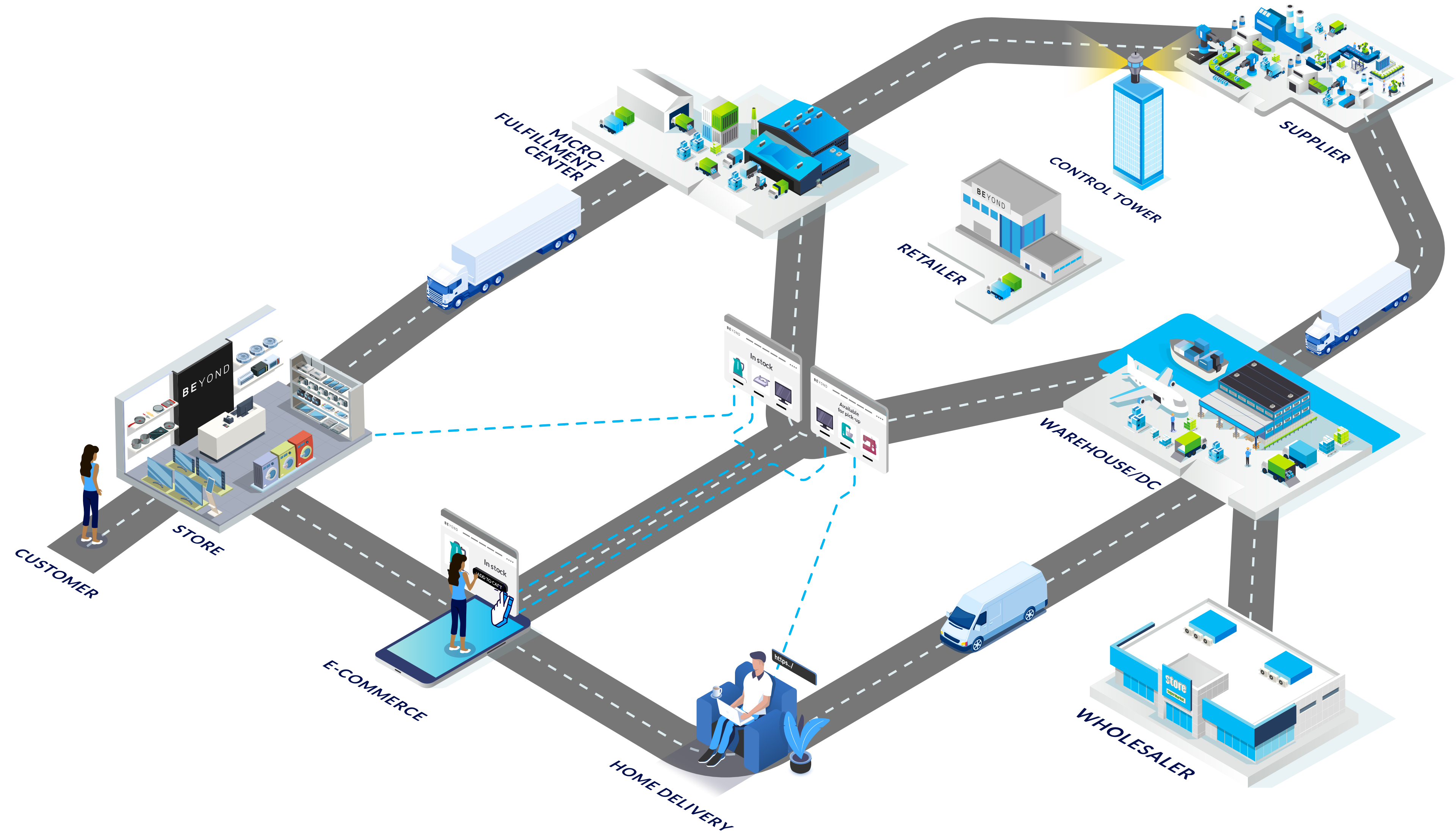


Luminate Order Fulfilment Service

Luminate Order Fulfilment enables store fulfilment of customer orders for curbside, in-store pickup, and ship from store. The technology is designed to guide store employees through simple workflows while fulfilling e-commerce orders. It provides complete insight of orders to be fulfilled, customer pickup details, parcel shipping details and more. Luminate Order Fulfilment also informs the most efficient picking and packing operations for orders, by segregating them according to the defined priority and fulfilment type.

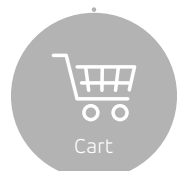
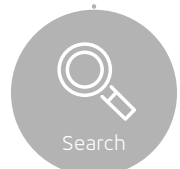


The Commerce Journey



- The Journey
- The Customer
- Luminate Commerce
- Search
- PDP
- Cart
- Store Fulfillment
- Microservices
- Case Study

What Does the Consumer Want?



Consumer Benefits

Improved Availability

Availability, at a product location level, is the net result of inventory visibility, sales velocity, safety stock and human resource availability. When you take these into account you can make the best decision possible about what to sell and where to fulfil it from; ultimately ensuring the best likelihood of availability for the shopper.

Better Customer Experience

The key goal is to make shopping easy and convenient, especially when, with homeware and general merchandise, purchases are often made as a way to enrich personal spaces, or in reaction to broken or faulty possessions. In either case, a difficult shopping experience can either dampen an exciting process, or add stress to an already frustrating moment. Ease and convenience are achieved by streamlining the customer buying process and reducing the number of clicks made to checkout. Very few hardlines retailers can provide real-time accurate fulfilment options, therefore deterring shoppers from actually clicking 'buy'. A better customer experience means giving shoppers clear visibility of complete choice.

Flexible Fulfilment

Make it easy for your customer to understand the full range of fulfilment options that are available per-product, while browsing. Prevent the ugly surprises of pre-checkout promises that can't be met post-checkout. With homeware especially, speed isn't always a factor, but some purchases may be in response to faulty possessions, which adds urgency to the equation or may entice a BOPIS preference to speed things up. Alternately, larger goods may require someone to be home, to oversee its delivery installation. Fulfilment choice and clarity are therefore paramount. With early, easy and accurate promises, customers will know what's available, when it can be delivered, and whether an omni-channel option would be more suitable.

Retailer Benefits

Profitable Execution

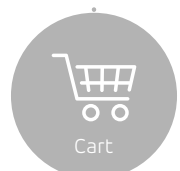
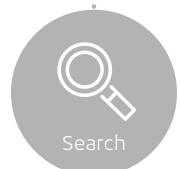
Order fragmentation can only add expense as no store or small facility can match an efficient warehouse pick/pack/ship process. The goal for retailers is to fragment fulfilment when it makes sense. Product margins and fulfilment costs need to be taken into account and married against customer preferences. Machine learning is crucial to avoid the historical challenge of clumsy manual configurations that lead to inaccurate, costly outcomes.

Reduce Markdown

For homeware especially, 'shelf lives' and assortment are tricky balancing acts in the omni-channel era. On one hand, retailers need to ensure availability and visibility of stock, in-store – partially so people can view items in person, but also to account for BOPIS selections. This can make often-small store spaces quite congested, forcing sellers into premature markdowns to make room for new stock. Similarly, no matter how good demand planning and replenishment processes are, goods will end up in locations where they sell slower than anticipated, and markdowns are then entertained to avoid leftover stock. To combat both challenges, the ability to offer fulfilment options pre-checkout, based on accurate financial and inventory location data, can optimise sell-through of products by tapping into excess product inventory in an underperforming location. In doing so, markdown avoidance becomes much more possible.

Accurate Promises

Promising is a game of two halves: pre-purchase and post-purchase. The machine learning rules engine that drives both needs to be consistent. The transition from one to the other can be connected by temporary product reservations. Accurate promising needs to take into account operational capacity as well as product location inventory and safety stocks. The elimination of manual rules configuration is critical to manage the change in dynamics caused by seasonal peaks or changing consumer preferences. Customer satisfaction – and therefore, conversion rates – is subsequently maximised by reducing exceptions during the buying and fulfilment process.



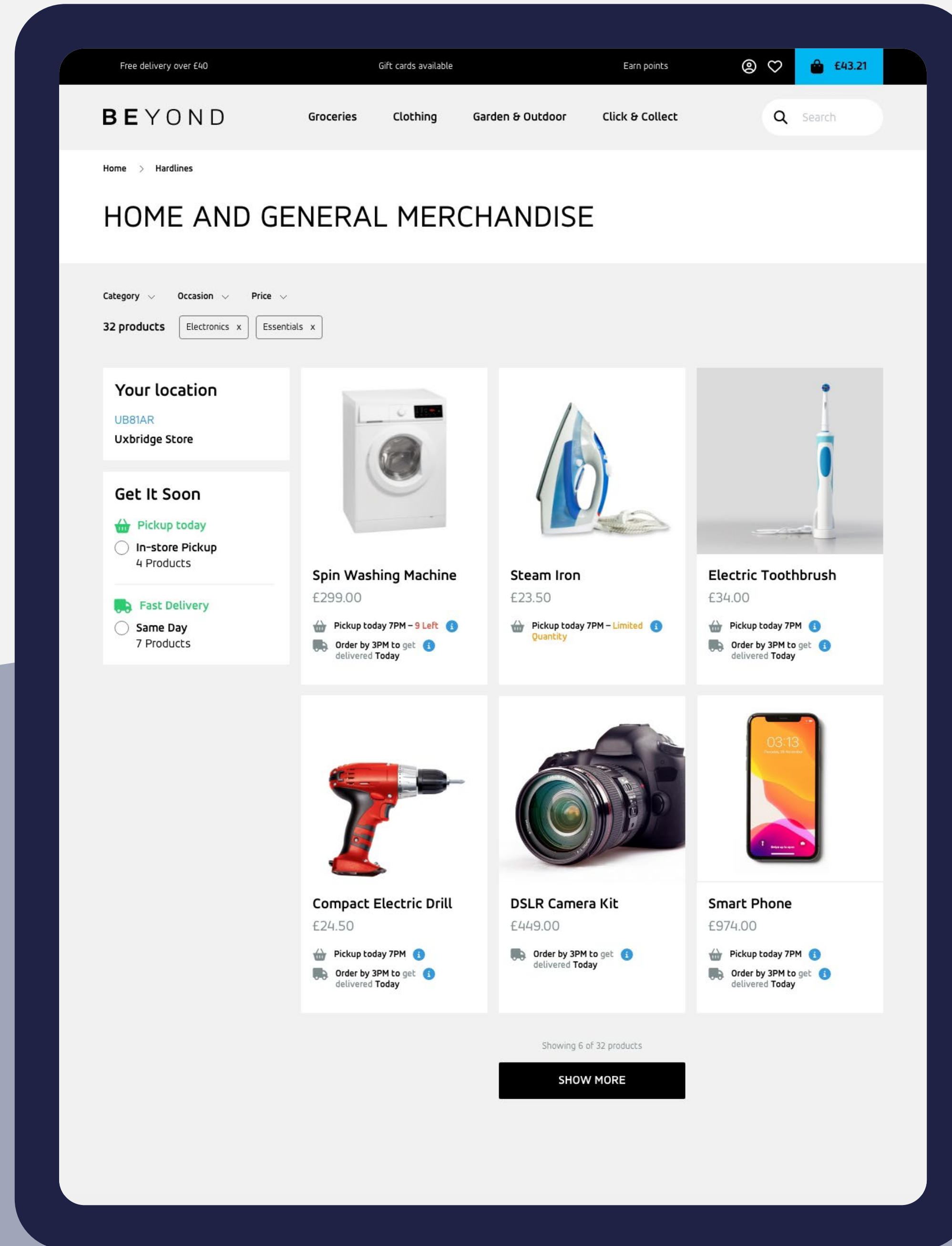


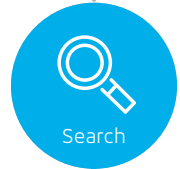
Search

The earlier that personalised, product-specific delivery options are made available while the customer shops, the more likely it is that the customer will want to complete the purchase. For home and general merchandise especially, a customer's personality is imprinted on what and how they buy – meeting them at the site's opening with a personalised overview of what they might like, and how they'd like to receive items, is a huge differentiator.

This early insight also strongly reduces the chance of customers discovering that certain products aren't in stock, or aren't available for collection or delivery in the timeframes initially suggested, at the checkout. What they see first, remains consistent to the point of purchase.

Retailers' search capabilities can be enhanced to dynamically display an accurate, real-time view of both stock availability and fulfilment options.



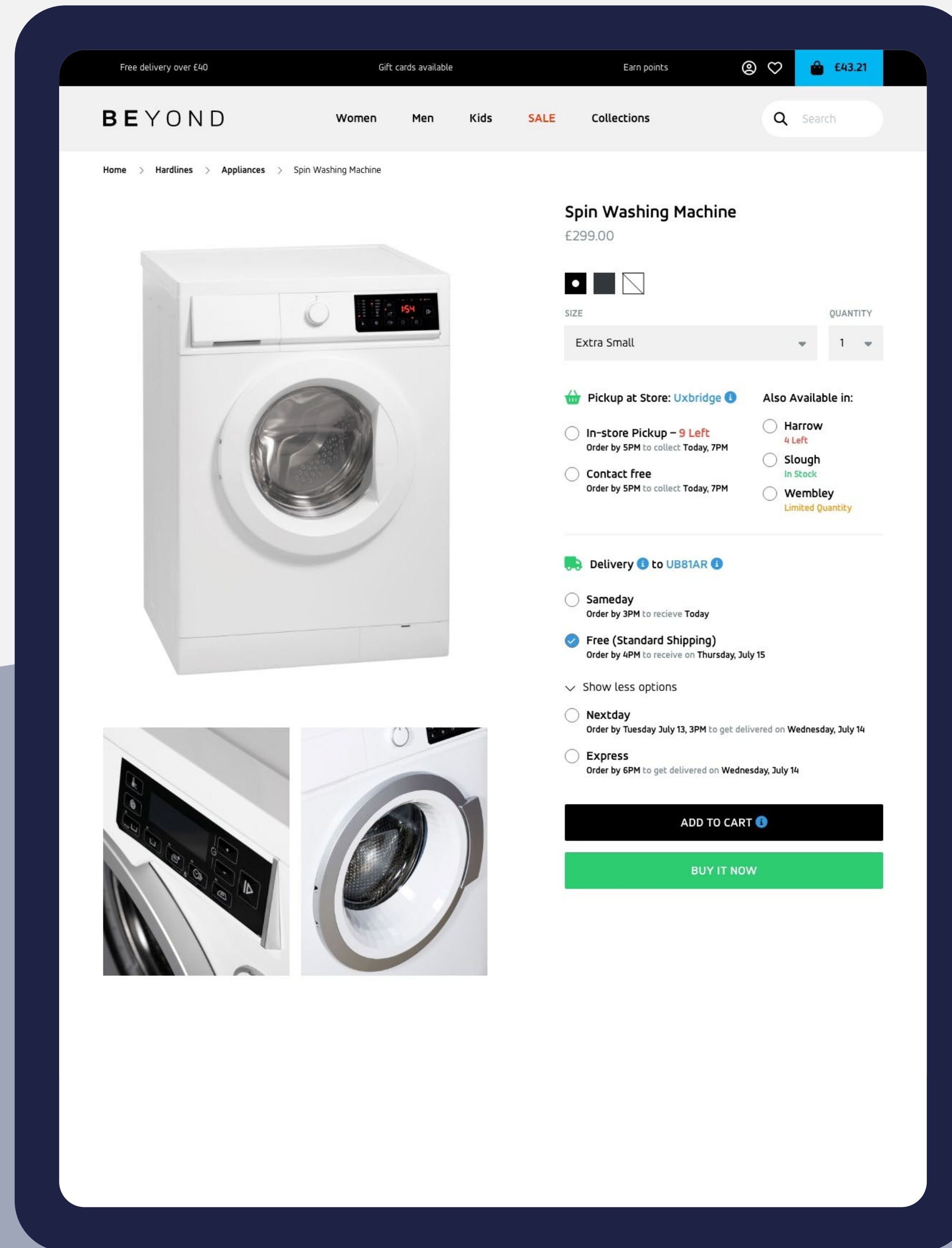


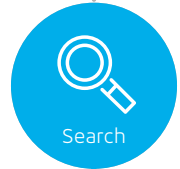
Product Display Page

Retailers' product display pages can be enhanced to offer personalised delivery options to customers, based on their location.

Behind the scenes, safety stocks per product are maintained and intelligently expose the right extent of inventory to sell for the retailer, while also safeguarding against nasty, unavailability shocks for the customer. Capacity constraints such as store labour availability, carrier availability, and the volume of online orders already due for store picking, can be factored in by the machine learning algorithm. This ensures that everyone has a clear view of what is available to promise (ATP), and not just available to sell (ATS).

It also ensures an accurate, real-time presentation of each product in a personalised way to account for a customer's location and preferences. There is no need to wait until checkout to serially review each delivery option in turn, to find out which one is the most appropriate. Rather, that preference is clear and cemented early on, customer loyalty is entrenched, and conversion rates are increased.





Cart

By the time the customer reaches the checkout, all personalised delivery options and costs are presented. However, cost can vary based on specific parameters, while delivery charges may also vary by carrier origin and destination – especially for larger home goods.




For example, the cost to serve may be higher in Central London, while promotions may be applied to specific fulfilment locations. In an easily presentable way, the customer gets a final opportunity to refine their fulfilment choice and make the most appropriate decision from a price and delivery perspective.

BEYOND

SHOPPING CART

Items for Delivery

Ship as is Consolidate where possible Go Green

	Spin Washing Machine Remove	Delivery to UB81AR Free (Standard Shipping) Order by 4PM to get delivered Wednesday July 21, 11PM Change	1	£299.00
	Steam Iron Remove	Delivery to UB81AR Free (Standard Shipping) Order by 6PM to get delivered Tuesday July 20, 17PM Change	1	£23.50
	Electric Toothbrush Remove	Delivery to UB81AR Sameday Order by 3PM to get delivered Today, 7PM Change	1	£34.00

Apple Pay
PAY NOW

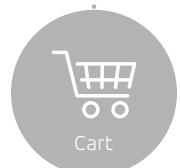
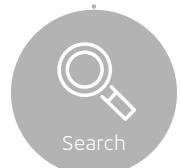


Store fulfilment

As retailers evolve and home and general merchandise stores also function as browse and warehousing centres (including click and collect), the role of the store associate is changing too, as they learn to also accept, pick and pack customer orders.

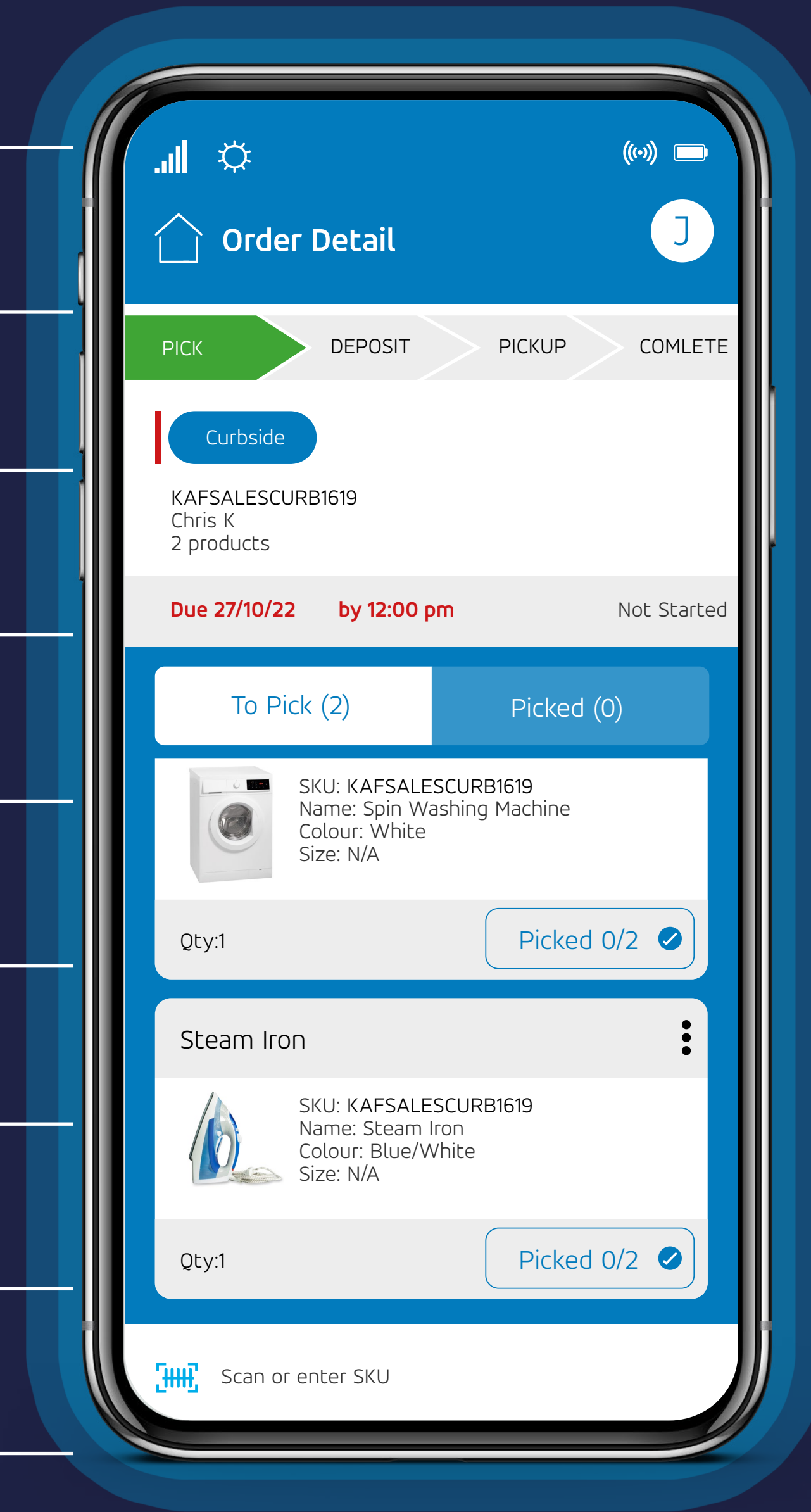


Blue Yonder's Order Fulfilment services are designed to meet this challenge, with intuitive mobile workflows that inform the receiving, prioritising, picking, packing and delivering of orders. This microservice enhances operational efficiencies of in-store fulfilment tasks, so retailers can be sure that work is completed in a timely and effective manner that maximises both service and employee productivity. This integrates seamlessly with last-mile providers to ensure efficient end-to-end fulfilment.

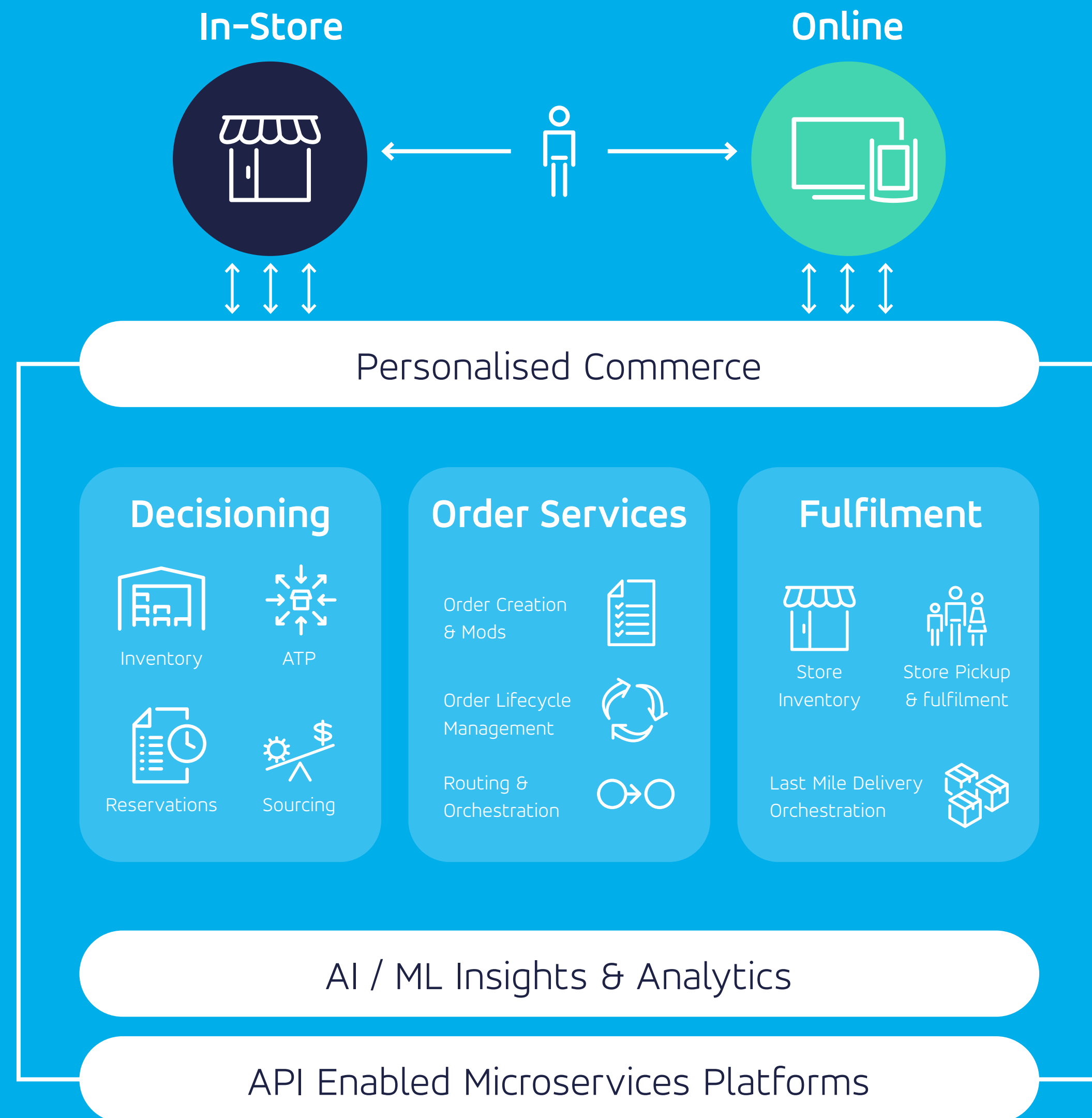


Order Fulfilment capabilities from Blue Yonder provide store managers with complete visibility into their stores' micro-fulfilment activities, with actionable dashboards and reports that track and optimise performance in real time, as well as workflows that enable retail staff to efficiently pick, pack and fulfil orders.

- Store Manager Dashboards
- Accepting & Rejecting Orders
- Sorting, Prioritizing, Filtering Orders
- Order Picking for Pick-up
- Order Picking for Shipping
- List Picking
- Short and Skip Picking
- Printing labels & documentation
- Customer Pickup



Enabling your Journey Through Microservices



Augmentative Approach vs Rip and Replace

Decisioning

- Inventory Microservice - Inventory Supply & Availability
- Commits Microservice - Pre & Post Order Optimization, Options, and Commitments

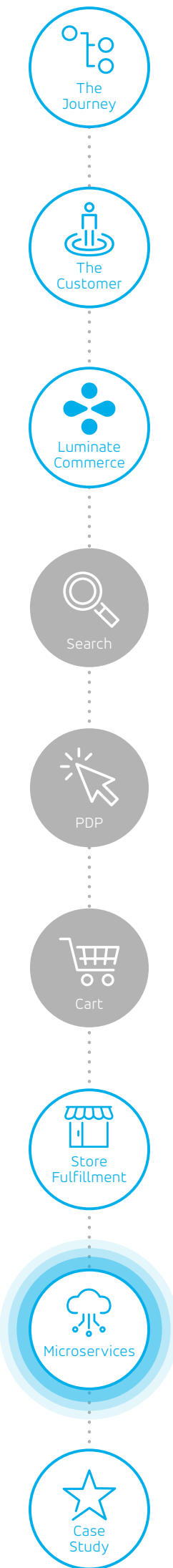
Order Services & Mechanics

- Order Creation, Modification & Lifecycle Management
- Order re-allocation, Back-orders, Pre-orders process

Order Tracking

- Fulfilment
- Micro & Macro Fulfilment (In-Store, Pop-Up, DCs)
- Last Mile Integration & Orchestration

ML, Analytics & Dashboards



Delivering Real Results

Blue Yonder's Intelligent Order Management System helps to deliver personalised and seamless e-commerce experiences that enable home and general merchandise retailers to deliver the right product, at the right time, through each consumer's channel of choice. From click to deliver, unifying inventory, intelligent order promising, order management, and fulfilment through last-mile delivery, it is a solution that all hardlines retailers are adopting to make their own operations smarter, and the customer proposition more personalised and satisfying.



Increase Revenue up to 10%

By improving inventory exposure, customer acquisition and fill rates



Improve Margins by 5%

By reducing markdowns, stockouts, oversells



Reduce Fulfilment Costs by 20%

By reducing split shipments, labour costs, expedited shipments



Improve Conversion Rate up to 14%

By providing urgency to buy, speed and convenience options



Renowned equipment rental company, Sunbelt Rentals' partnership with Blue Yonder has seen the business transform its end-to-end supply chain via Luminare Platform.

As North America's biggest equipment rental company, digital transformation was always set to form a huge portion of Sunbelt Rentals' 'Sunbelt 3.0' ambitions. However, these were dependent on end-to-end visibility and connectivity in a now-omni-channel market. The overriding aim was to leverage technology to empower people, and the main metrics behind this approach geared around OMS, transport management, and demand visibility. By replacing legacy systems and adopting Blue Yonder's modern and fully-integrated solutions; efficiency, productivity and ease-of-use have all been achieved. 'Sunbelt 3.0' is now in.

"We had to ask ourselves humble questions: What got us here? Will it get us to the next level? Can we do entrepreneurship at scale? Our biggest challenge in answering these was to not only adopt world-class, best of breed platforms but to stitch them together. With omni-channel ecommerce, this means brand new point of sale, brand new CRM, dynamic pricing, inventory and order management, logistics and transportation, warehousing, and customer service. We needed a partner with the capability, breadth and depth to power this connectivity and our strategic ambitions. Blue Yonder made a commitment to our mission, and the result has been a simpler way to do business, thanks to scalable, modern services that power the entire rental lifecycle."

JP Saini, Chief Digital & Technology Officer, Sunbelt Rentals

[Learn more](#)



Turbocharging Omni-Channel Transformations with Intelligent Order Management for Home and General Merchandise Retail.

[Learn More](#)

