

BLUE YONDER AND SNOWFLAKE INCREASE THE RETURN ON DATA

ANALYST Martin Naydenov

THE BOTTOM LINE

Blue Yonder and Snowflake deliver a new integrated data-driven approach to supply chain management by providing a single-source data infrastructure that eliminates workstream silos. The two vendors recently announced a new partnership to integrate Blue Yonder's suite of supply chain and commerce solutions with Snowflake's data warehouse platform. This move reflects the increasing challenges companies face to keep up with global consumer and supply trends. The partnership enables users of both systems to gain end-to-end visibility into their supply chains by consolidating data from a wide range of databases into one unified experience. Organizations can expect improved organizational visibility, greater data processing performance, and reduced operational costs.

OVERVIEW

The Covid-19 pandemic and Ukrainian-Russian War have caused unprecedented supply chain disruptions, raw material shortages, and global regulatory changes. Supply chains are left in a vulnerable position, as the operational and financial risks companies face have amplified drastically. With lead times and inventory costs skyrocketing, minor deviations in

demand forecasting can have catastrophic consequences for the business. To this day, most organizations still utilize outdated legacy systems to manage their supply chains, which consist of tedious manual tasks and erroneous spreadsheet calculations, leading to stockouts and lost revenue opportunities. The lack of visibility into one's supply chain and the growing complexity of one's network is adding new challenges to keeping up with demand swings. Organizations often operate blindly and are at the mercy of their supply partner's performance, making

Users can perform their supply chain analytics up to 90 % faster

accurate forecasts and effective supply chain management nearly impossible. To stay resilient and keep up with the ever-changing landscape of supply chain management, organizations need to implement a holistic data-driven approach and be able to tap into the information of their network. The partnership between Blue Yonder and Snowflake is set to unlock the power of data by breaking down workstream silos between organizations within a supply chain and providing a single-version-of-the-truth.

SNOWFLAKE

Headquartered in Bozeman, Montana, Snowflake is recognized for its high usability and cloud-based data storage and analytics solution, combining data engineering, data lake, data warehouse, and data science capabilities into one unified platform. (Nucleus Research W21 – Data Warehouse Technology Value Matrix - February 2022) Snowflake's data engine breaks down data silos by consolidating numerous data sources, such as enterprise applications and third-party databases. The data warehouse provider's core value proposition lies in its proprietary three-layer data management system, consisting of database storage, query processing, and cloud services. The server-less architecture and demand-based pricing model enable organizations to save on computing costs and scale operations up and down as needed. With Snowflake's Data Cloud, a network consisting of thousands of organizations, customers can share information and data models to collaborate effectively and gain new insights. Snowflake recently announced its new Retail Data Cloud, which aims to help companies in the retail sector to optimize operations with the help of industry-specific data models.

BLUE YONDER

Founded in 1985, Blue Yonder is one of the leading digital supply chain and omni-channel commerce providers globally. Blue Yonder's supply chain planning (SCP) portfolio offers end-to-end supply and demand planning solutions for its customers, enabling retailers, manufacturers, and logistics companies to seamlessly predict, pivot, and fulfill customer demand. (Nucleus Research W38 – Supply Chain Planning Technology Value Matrix - March 2022) The Blue Yonder platform, Luminate, can integrate its customers' and their partners' software ecosystems to streamline workflows at any stage of the supply chain. Blue Yonder customers can predict supply chain disruptions and accurately create forecasts with continued improvements in AI and ML algorithms and control tower capabilities. Prescriptive AI utilizes event data in real-time to automatically trigger new decisions with updated logistic routes and delivery times, which provide insights to understand the effects of these recent decisions. Data inputs from Blue Yonder's control tower and other supply chain partners help predict changes in ETAs, potential shortages, and inventory numbers. Blue Yonder provides a real-time scenario analysis capability called "Digital Situation Rooms," allowing users to collaborate on scenarios and execute on optimized plans to drive agility and speed.

Blue Yonder's continued expansion of its partner network and partnership with Snowflake improves collaboration and drives innovation. Planners can zoom in on exception events based on selected variables, such ETA's and revenue flows, to make more effective decisions. Thanks to Panasonic's recent acquisition of Blue Yonder, customers can expect added value from the combined power of the Internet of Things (IoT), Edge Computing, and AI/ML. IoT and Edge technology enable Luminate to integrate and process numerous data points relevant to the supply chain, such as temperature fluctuations, location updates, and logistics speeds.

BENEFITS FOR CUSTOMERS

The strategic partnership between Blue Yonder and Snowflake expands on the existing capabilities of both platforms. Joint customers can expect various benefits, such as improved organizational visibility, greater computing power, and reduced operational costs.

Improved organizational visibility. Joint customers can consolidate the information gathered across the entire supply chain in real-time. The single-source data infrastructure empowers organizations to collaborate seamlessly and transfer data across different databases without lengthy processing times and additional costs. This enables users to integrate internal and external data and connect with other analytics ecosystems. Customers can connect third-party applications such as ERP, CRM, FP&A systems, and supply partner networks to gain instant insights and achieve end-to-end visibility by centralizing vital demand, supply, inventory levels, and financial data.

- Greater computing power. Users can take advantage of the synergetic effects by combining Blue Yonder's large volume of supply chain data with Snowflake's powerful data engine to process data in a fraction of the time. With Snowflake's data engine, extensive unstructured information, such as IoT livestream data, can be aggregated and transformed up to 90 percent faster. (Nucleus Research W46 The ROI of Snowflake March 2022) The serverless infrastructure enables organizations to scale their operations and increase computing power to run more analytical tasks.
- Reduced operational costs. With Snowflake's cloud infrastructure and demand-based pricing model, organizations can significantly reduce operational costs by transitioning from on-premises to the cloud. Companies can quickly scale up and down their cloud computing capacity and only pay for the computing power needed. Blue Yonder's and Snowflake's partnership expands a customer's supply chain network and enables organizations to share supply chain data in real-time seamlessly without redundant processes and copies of large data sets, leading to further time and cost savings.

OUR TAKE

Supply chain disruptions and raw material shortages will continue for the foreseeable future. The ability to analyze and optimize asset performance in real-time will be growing in importance. Organizations need to implement a designated SCP and control tower solution to stay competitive and optimize operations, underpinned by a powerful data engine. Blue Yonder and Snowflake take supply chain management to the next level by consolidating operational, financial, and work order data across the entire supply network and converting it into tangible insights. As the old saying goes, "Knowledge is power, but only if you know how to use it." This partnership enables organizations to identify new opportunities for revenue growth by optimizing the supply chain with the help of Snowflake's data engine. With the combination of IoT technology, AI, and a powerful data engine, organizations are getting one step closer to becoming truly supply chain resilient.