

Case Study

Supply Chain Planning and Execution



Amway's Global Supply Chain Runs on Blue Yonder

Results

- Increased supply chain flexibility and agility
- Improved responsiveness and operational performance
- Reduced cost of ownership via the cloud

Maximizing fulfillment flexibility to increase customer service

“Whether consumers want to shop in-store, shop online, order direct, pickup in-store or utilize home delivery, our Blue Yonder solutions position us to plan, execute and fulfill flexibility across 388,000 SKUs and supply chain facilities in 40 countries. We can quickly re-assign inventory, people and transportation assets as conditions change. We can thrive in today’s culture of demand volatility and constant adjustments.” – **Lead Supply Chain Analyst**

Challenges

- Founded in Ada, Michigan, in 1959, today Amway is a global presence. The company sells health, beauty and home care products in over 100 countries worldwide. Amway’s annual sales exceed \$8 billion.
- As Amway expanded into new regions, its supply chain and logistics processes were becoming inconsistent. Amway’s long partnership with Blue Yonder, including multiple planning and execution solutions, has helped unify the global supply chain and deliver more consistent results.
- Recently Amway began migrating its Blue Yonder solutions to a software-as-a-service (SaaS) delivery model to maximize speed, capacity and agility, while minimizing Amway’s total cost of ownership.

Increasing real-time visibility and responsiveness to demand shifts

“Amway manages over 221,000 demand-forecasting units, and regional demand for those products across 100 countries is a moving target. Blue Yonder’s planning and execution engines help us recognize demand shifts early and respond by adjusting manufacturing, warehousing and transportation plans accordingly. We can re-set our global supply chain to maintain profitability, even in an uncertain environment.”





Standardizing supply chain processes worldwide

“Amway has a large Blue Yonder footprint across its worldwide supply chain, including deployments in over 50 warehouses and the related transportation networks. That allows us to share planning and execution information seamlessly, standardize daily processes and establish shared best practices. As a result, we maximize efficiency, improve delivery performance despite disruptions and volatility, and deliver more consistent service because our global employees are doing things the same way, regardless of geographic or cultural differences.”

Capitalizing on the cost advantages of the cloud

“Moving from on-premise software hosting to a cloud delivery model helps Amway achieve a lower total cost of ownership while improving scalability for our Blue Yonder solutions. In addition, our employees benefit from an improved user experience and the latest software functionality, without the complexity of upgrades.”

Solution benefits

- Blue Yonder’s demand and supply planning capabilities consolidate and synchronize demand signals, as well as external variables, across Amway’s global markets. Amway can make more accurate, profitable decisions, from inventory staging to maximizing turns.
- Supply chain execution and fulfillment capabilities from Blue Yonder help Amway balance all the factors that determine inventory placement and solve executional problems in advance, with consideration of demand signals, customer service targets, safety-stock policies and supply chain constraints — all while keeping costs-to-serve low.
- Blue Yonder’s cloud model, hosted on Microsoft Azure, allows Amway to scale on demand, deliver faster and reduce its total cost of ownership. Amway’s SaaS delivery model positions it to integrate, orchestrate and execute in real-time to maximize responsiveness.

Blue Yonder’s expertise

“Blue Yonder is a long-time, strategic partner to Amway. They understand our business and what we are trying to accomplish — and are very responsive to our needs. Our recent shift to a SaaS model is a great example. We were able to migrate capabilities seamlessly, with no interruption in operations or service. The Blue Yonder team could not have been more supportive or responsive during the transition.”

– Lead Supply Chain Analyst

blueyonder.com