

Blue Yonder

We use Artificial Intelligence
to liberate retailers to boost revenues,
increase margins and deliver the
best customer experience

BlueYonder

Best decisions, delivered daily



Our Vision

To make people work smarter

Blue Yonder, as the leading provider of Artificial Intelligence (AI) solutions for retail, enables retailers to increase customer value and quickly generate higher profits by using market-leading AI to automate complex decisions across the entire value chain.

AI is now being used to transform the retail industry, enabling retailers to be better positioned to provide customers with the experience that they both demand and expect.

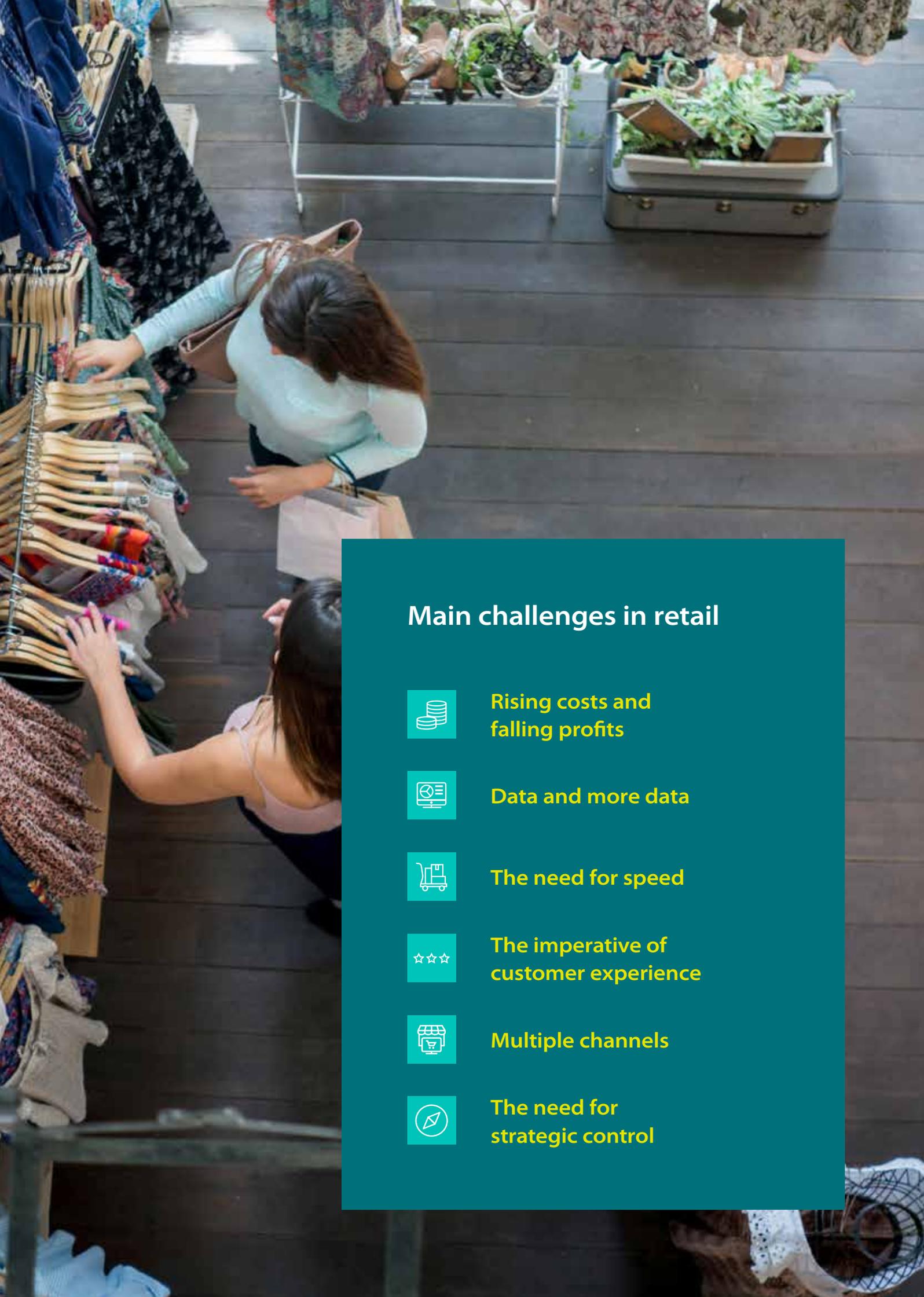
Technology advancements enable machines to make billions of automated every-day decisions, reducing the risk of human error or bias ensuring that decisions are made objectively and in real time. The introduction of AI can be seen as the start of a new era where staff can 'work smart' and become increasingly effective in delivering the very best customer experience.

World-class enterprises in retail recognize Blue Yonder as a thought and technology leader driving this change.

“The Blue Yonder system is capital light, utilising cloud technology, is simple to use, saves colleagues time, and is reducing costs and stock levels as well as improving availability. It saves time for colleagues, and provides a better offer for customers. Great news all round.”



David Potts
CEO of Morrisons



Main challenges in retail



Rising costs and falling profits



Data and more data



The need for speed



The imperative of customer experience



Multiple channels



The need for strategic control

Blue Yonder for Retail

Grocery retailers

Profitable grocery retailing has always been about economies of scale. The ultimate goal for grocery retailers is to not only increase sales and revenue, but also grow profitably and stay competitive. In a complex market with lowering margins, increased complexity, fierce competition and growing customer expectations, being able to quickly respond to changing market needs is key.

Challenges in grocery store replenishment

- Demand uncertainty
- Growing execution gap
- Complexity in the supply chain
- Ensuring a seamless customer experience

Grocery retailers need to optimize and automate replenishment decisions on a daily basis, meeting growing customer expectations and ensuring a balance between stock availability and waste.

Challenges in price setting in grocery

- The need for strategic pricing
- Increased market pressure
- Increased complexity
- Pricing and inventory execution

Grocery retailers need price recommendations at a granular level – per SKU, per store and per day, with a strategic approach that sets them apart from competition and ultimately helps them increase revenue and profit.

Fashion retailers

Fashion is getting faster! Ever shorter product life cycles and multichannel developments are making hyper-competitive fashion retailing even more challenging. Delivering profitability relies on a retailer's ability to actively keep up with the market's changing dynamics and accurately calculating the customer's willingness to pay.

Challenges in price setting in fashion retailing

- Customer experience across channels
- Effective merchandising across seasons
- Changing market dynamics
- Growing return figures in the online space

Optimizing demand across the merchandise life cycle is essential to maintain both brand relevance and profitability. Fashion retailers need to infuse customer behavior into key pricing decisions in order to truly align fast fashion retailing with customer expectations.



What makes Blue Yonder Different?

We enable retailers to increase customer value and quickly generate higher profits by using market-leading AI to automate complex decisions across the entire value chain.





Unparalleled speed of delivery

No other company can convert multichannel demand into revenue as quickly - Blue Yonder can deliver its solutions between three and six months



Use of existing systems saving time and money

Through AI, we enable retailers' existing solutions to perform better and more accurately – removing the cost and time involved in replacing legacy systems



Liberating stores to deliver the best customer experience

Our innovative AI software delivers automated decisions, liberating each store to deliver the best experience for its customers



Proven expertise in operationalising AI for retail

From source to shelf, Blue Yonder operationalizes machine learning to optimise the performance of products in terms of throughput, margin and customer availability



World leader in innovating and delivering AI

Our solutions are delivered by one of the largest team of retail-experienced data scientists in the software industry who are continually pushing the boundaries of AI knowledge

Demand Forecast & Replenishment

Our AI solution delivers probabilistic forecasts based on hundreds of different variables including weather, promotions, and holidays. This allows the business strategy to automate millions of daily replenishment decisions across products and stores.

Demand Forecast & Replenishment determines the optimal order quantities for every product and every store, every day without the need of unnecessary manual intervention. These order quantities are based on a weighted optimization of competing goals such as waste and out of stocks.

Our solution is highly scalable, delivering order proposals in advance, freeing up resource to deliver your brand promise and meet changing customer expectations.

“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.”



Ralph Dausch
Executive Board Member of
Fresh Meat Products International, Kaufland

Up to

80%

out-of-stock
reductions

10x

increased product
availability

50x

fewer manual
interventions



Benefits



Speed to value

Optimization of processes and data



Precision

KPI-driven Demand Forecast &
Replenishment



Automation

Reduced cost to serve



Demand-driven

Customer aligned supply chain



Innovation

Self-learning supply chain systems

Price Optimization

Pricing is a core strategic component in retail influencing not just the company's profitability but also brand image and customer experience. Blue Yonder Price Optimization automatically sets the optimal prices to deliver the best bottom line without compromising brand's promise to its consumers.

Our solution delivers optimized prices for every channel and every product according to consumer demand, brand loyalty and competitive advantage. The solution learns the relationship between price changes and demand while incorporating a retailer's business strategy.

Blue Yonder's Price Optimization solution rapidly senses vital demand signals from changing market conditions and data such as sales, promotions, weather and events. It serves retailer's pricing strategy along the product's life cycle and provides a measurable impact on revenues and return on investment.

OTTO

Increasing sales and revenue on menswear with Blue Yonder Price Optimization

In a six-month pilot project in menswear, OTTO tested how it could automate pricing with the help of Blue Yonder's solution to increase sales and revenue. With impressive results: Blue Yonder was clearly in a position to significantly optimize sales, revenue and overall results. Based on this, the solution was also implemented in women's apparel, and a successive rollout is underway on the entire product range.

Up to

15%

increase in revenue

5%

improvement
in profits

20%

reduction
in stock levels

Benefits



Multi-objective

Boost customer experience, brand perception and loyalty



Dynamic

Market-driven, accurate forecasting



Automation

Optimizing full-price sales across channels and inventory



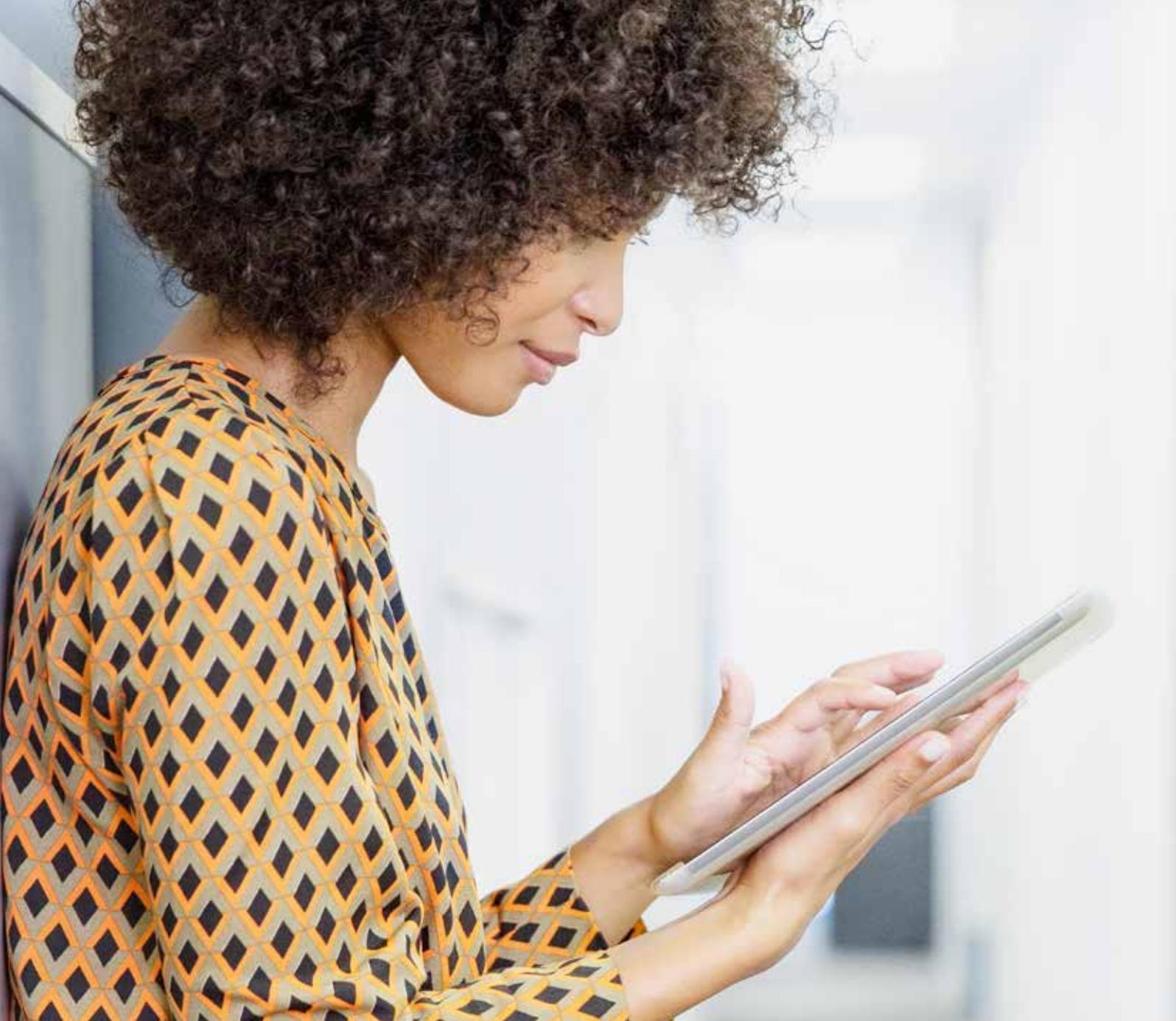
Life cycle pricing

Improved sales and inventory performance



Speed to Action

Improved margins and inventory turn, sell-through



The Technology Behind Our Solutions

Our replenishment and pricing solutions are driven by sophisticated machine learning algorithms developed by one of the largest teams of PhD-level data scientists in retail. Blue Yonder's technology relies on four pillars to uplift quality and speed of decision-making.



Data and infrastructure

The building block for all decisions

We manage mission-critical data in the cloud, to process with high performance and availability.



Algorithms and machine learning models

Extracting value from data

We provide world-leading machine learning algorithms and models, tuned to retail challenges.



Domain expertise in retail

Understanding and optimizing business constraints

We understand retail processes, problems and best practices and build scalable applications for supply chain and pricing.



Automation and scale of decisions

Maximum agility for remarkably improved profitability

Insight is not enough, action is key. High quality models allow automated decisions, which unlock the full business impact of your data.

About Blue Yonder

Blue Yonder, a JDA company, is a leading provider of artificial intelligence (AI) and machine learning (ML) solutions that enable retailers, consumer products and other companies to intelligently transform their operations and make more profitable, automated business decisions that deliver higher profits and optimized customer experiences.

With AI/ML learnings embedded into their core supply chain and merchandising processes, companies can respond quicker to dynamic market conditions and customer preferences, resulting in increased revenues and margins.

Developed by one of the largest teams of PhD-level data scientists dedicated to retail and the supply chain, Blue Yonder's AI/ML solutions deliver more than 600 million intelligent, automated decisions a day.

Blue Yonder was founded in 2008 in Karlsruhe, Germany, by former CERN scientist Professor Michael Feindt and acquired by JDA Software in 2018. The company has received numerous awards, including the Experton Big Data Leader Award 2016, the BT Retail Week Technology Award, the IGD Award 2017 for Supply Chain Innovation.

Blue Yonder provides its solutions through Microsoft Azure and was named one of Microsoft's retail partners of the year in 2018.



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