Allocation and Replenishment

Win customer loyalty by efficiently moving your inventory

Business context

Inventory planners are stressed. They carry the weight of customer loyalty on their shoulders. Customers aren't happy if they can't get their hands on the product they want, when and where they want it. Planners spent hours coming up with the perfect plan, only for demand to change overnight causing them to have to redo everything — again — which takes them away from other business decisions. Furthermore, demand is always changing. Your team needs to be able to capitalize on the demand uncertainty and pivot when necessary to get the right product in the hands of the customers.

The Blue Yonder solution

Allocation and Replenishment, powered by the Blue Yonder Platform, is a multi-echelon inventory planning solution that allows retailers to manage inventory with visibility to constraints such as supplier capacity, transportation capacity, and store capacity. This solution also presents a single, seamless workflow for the push and pull of inventory. Planners can automate the flow of a product throughout its life cycle in a way that optimizes full-price sales by leveraging the forecast based on actual sales.

The **Allocation and Replenishment** engine models the demand uncertainty from the consensus demand plan to dynamically adjust inventory plans. This mitigates undesired overstocking or understocking situations.

The end result is an inventory planning solution that puts demand uncertainty and business goals first to increase revenue, reduce out-of-stocks, increase inventory turns, maintain customer loyalty, and improve internal collaboration for planners and their peers. With the capabilities to service every part of your retail portfolio, regardless of what or where you're selling, Blue Yonder **Allocation and Replenishment** empowers your teams to deliver their best work faster.

Key Benefits

- **Improve customer loyalty** by having the right product in the right place at the right time.

- **Reduce manual intervention** by considering constraints at the point of calculation.

- **Increase inventory turns** by capitalizing on the demand uncertainty to optimize dollars spent on inventory.

- **Maximize efficiency** with seamless workflows across various teams.
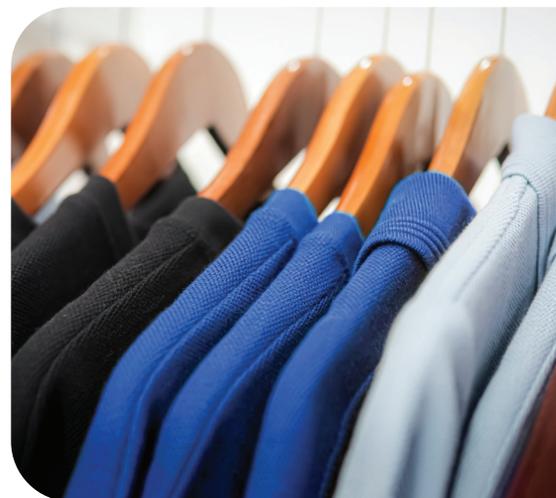
Capability offerings

Connected workflows across the product lifecycle

Connected workflows across demand forecasting, allocation and replenishment to enhance visibility and collaboration, as well as templatized workflows for specific business processes, e.g. New item introduction, promotions and item termination.

Smarter demand planning

Generate more accurate short-range and long-range forecasts with patented Blue Yonder algorithms and productized ML models to drive **Allocation and Replenishment.**

Manageable, strategy-driven calculation

Moving away from parameter driven replenishment configurations, planners can increasingly drive the replenishment strategy with their business goals and make decisions based on availability, estimated stock holding costs or shrinkage at a group or class level.

Multi-echelon replenishment

Multi-echelon replenishment supports more complex supply chains that include national and regional distribution centers along with stores. With visibility to all levels in the supply chain, we optimize to available and inbound inventory as well as the ability to smooth DC orders for predictable labor needs. When necessary, the solution can recommend the rebalancing of inventory between distribution centers to maintain optimal inventory levels to meet customer demand.

Supplier ordering

Proven supplier ordering algorithm that balances network constraints, ordering, procurement and carrying costs while maintaining or exceeding the desired service level. Multisourcing capabilities provide support for both buyers and planners to maintain supplier agreements and optimize supplier orders when sourcing from multiple suppliers at the same time.

Allocation

Managing seasonal items, item introductions and item terminations through proven allocation algorithms with direct integration to need-driven replenishment in-season.

Interconnected scenario planning

Planners can collaborate on interconnected scenarios and evaluate in a scenario environment the impact of strategic and operational changes across the entire network — from demand planning over replenishment and allocation to supplier ordering — before committing to any changes.

Key Features

- **Retail Data Cloud:** Get all the real-world and business data you need in a unified, single semantic data model, and integrate all planning processes to make the most informed decisions — with speed and scale.

- **Modern User Experience:** Shift collaboration to cooperation via simplified integration and reporting across multiple retail planning functions built on a unified data model and common user experience.

- **High Automation:** Uplevel team performance and unlock capacity to do more, faster with automation of routine tasks to free up time for complex problem-solving and faster decision making.

- **Best Balance Ordering:** Unlock the best ordering decision by balancing competing business goals such as lost sales, shrinkage, shelf space, freshness or stock holding costs directly to calculate the optimal order amount.

BlueYonder