

At AEON, It's Customer First

Result

- Improved customer satisfaction through optimized local assortments

- Increased profitability and rapid ROI

Putting the customer first

AEON CO. (M) BHD. is a leading multiple-format retailer in Malaysia, with supermarkets, general merchandise stores and specialty and convenience stores, as well as shopping centers, mostly situated in suburban residential areas. At all times, in every market, AEON's activities are guided by its unchanging 'Customer First' philosophy.

To deliver on their customer first strategy, AEON needed to improve their ability to keep the right products on store shelves to meet local demand.

"We needed a solution that would make the right assortment decisions in merchandising, utilize retail space efficiently in each store and execute and maintain schematic plans. That naturally led us to Blue Yonder."

— Manager, Schematic Plan Foodline Merchandising Support

Challenges

- AEON was looking to improve store assortments based on localized schematic plans, eliminate out-of-stocks and maintain efficient assortment listings to increase customer satisfaction
- Speed-to-market was critical in having the right products allocated to the right stores with appropriate volumes to increase sales and minimize out-of-stocks
- AEON stressed the importance of cloud-based solutions to reduce implementation time and quickly realize return on investment



Optimizing on-shelf availability

Blue Yonder's suite of category management capabilities helps AEON move products quickly and efficiently through their supply chain and utilize retail space effectively. Schematic plans are developed for approved assortments in space planning and are saved in the category knowledge base repository. Shelf capacities of approved schematic plans are interfaced to AEON's PROFIT system to support auto-ordering processes. Schematic plans are also emailed to stores for schematic plan implementation, increasing plan compliance.

Localized assortments

Blue Yonder's channel clustering capability is used to group stores based on product performance to identify and localize customer preferences. Generated store groups are interfaced to the category knowledge base to support assortment optimization processes and recommend optimal assortments that are space-aware for schematic plan creation in space planning. Finalized schematic plans are interfaced to AEON's PROFIT system for store auto-ordering.

Cloud implementation

A cloud-based solution was very important to AEON to reduce their implementation time and quickly realize return

on their investment. They also wanted to shorten the time needed to set up and maintain the infrastructure, as well as around-the-clock support to maintain application availability to focus on their core business needs. Blue Yonder's category management capabilities are fully implemented and maintained by Blue Yonder on the Microsoft Azure Cloud platform to meet these criteria.

Solution benefits

- Improved customer satisfaction from increased on-shelf availability of enhanced product assortments based on local demand and plan schematics
- Increased profitability through reductions in out-of-stocks and obsolete merchandise
- Rapid return on investment and around-the-clock support through cloud-based deployment

Blue Yonder's expertise

"Working with Blue Yonder has been a remarkable experience. Everyone that I've worked with at Blue Yonder has been more than helpful throughout the process. From the cloud services aspect to the capabilities of Blue Yonder's solutions, it's been a very powerful collaboration." — **Manager, Schematic Plan Foodline Merchandising Support**