Blue Yonder

We deliver decisions to retailers that boost revenues, increase margins and enable rapid responses to changing market dynamics.
Our Mission

Our mission is to liberate retailers to deliver the best customer experience and seamless omnichannel shopping.

Blue Yonder is the leading provider of cloud-based predictive applications for retail, enabling retailers to take a transformative approach to their core processes by adopting data-driven decision-making.

We aim to help retailers realize how machine learning is the technology that will keep them ahead of trends and maintain a competitive advantage in the market. World-class enterprises in retail recognize us as a thought and technology leader driving this change.

How do we help our customers?

We deliver key services to retailers, providing millions of decisions that are reliable and optimized for every product, every store and every customer according to their strategy. This improves the quality and speed of decision-making in replenishment and pricing processes.

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
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.

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 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.

**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.
Replenishment Optimization

Blue Yonder Replenishment Optimization is a predictive application that allows automated store replenishment, reducing out-of-stock rates by up to 80% without increasing waste or inventory.

The solution is based on accurate and granular order forecasts, enabling a weighted optimization of waste levels and product availability, while reducing unnecessary manual interventions.

Replenishment Optimization offers an extremely high degree of automation and continual self-adjustment, allowing for a scalable and effective replenishment process across thousands of products at hundreds of store locations.

“For our organization, it is critical to have the right amount of goods and products available for customers in each store. Automated replenishment based on accurate sales forecasts plays the key role. Working with Blue Yonder has resulted in a significant optimization of our processes.”

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

Blue Yonder Price Optimization is a predictive application that delivers retailers optimized pricing decisions for every product, while improving revenue and profits by more than 5%.

Ready for automation and scale, the solution measures the relationship between price changes and customer demand, allowing the retailer’s cost drivers and business strategies to be incorporated.

The solution considers competitors’ prices and other factors, such as weather or inventory levels, to rapidly react to changes in the market and adjusts prices automatically, for each product and store. Price Optimization serves a retailer’s greater pricing strategy, providing a measurable impact and return on investment in a short period of time.

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.

Benefits

- Optimized pricing decisions
- Automated process
- Self-adjusting approach
- Strategic KPI alignment

Up to 15% Increase in revenue

5% Improvement in profit

20% Reduction in stock levels
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.
What Makes Blue Yonder Different?

**Speed to value**
- Rapid return on investment (within 3 to 6 months)
- Automated decisions eliminate inefficiencies and the need for daily adjustments of individual parameters

**Data science pioneering**
- Leading data science and machine learning company, with roots in particle physics at CERN
- One of the largest worldwide data science teams specialized in retail

**The most accurate forecasts**
- The most accurate forecasts in the industry with superior machine learning technology and talent
- Leveraging and optimizing machine learning technology based on a scientific approach rather than unfounded hypotheses

**Delivering the best decisions, daily**
- Daily optimized replenishment decisions
- Dynamic price optimization and recommendations

**Strategy to execution**
- Closing the gap by translating high-level strategic goals, such as write-off rates and availability, into data-driven decisions for each product and location
Blue Yonder is the leading provider of cloud-based predictive applications for retail. Every day, we deliver decisions to our customers that boost revenues, increase margins and enable rapid responses to changing market dynamics.

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.

Founded in 2008 in Karlsruhe, Germany, by former CERN scientist Professor Michael Feindt, Blue Yonder now operates in Europe and the United States.

We are backed by leading private equity firm Warburg Pincus and the OTTO Group. In 2014, we established the Data Science Academy to provide businesses with relevant data science know-how for retail.

Blue Yonder has been awarded the Gartner Cool Vendor Award 2015, the Experton Big Data Leader Award 2016 and the BT Retail Week Technology Award, among many others.