

Bayer's Digital Logistics Transformation

Result

• **4%**

reduction in
"cost to serve"

• **7%**

improvement
in asset utilization

• **3%**

increase in
service levels

Improved ability to serve customers

"As the transportation and logistics industry continues to transform, in tandem with sales volume growth in certain regions, we need to make sure we are supporting that growth with improved responsiveness, while remaining efficient. By integrating Blue Yonder's transportation management with track and trace capabilities, Bayer's ability to serve our customers improved through the increased visibility into our transportation decisions." — **Global Logistics Lead, Bayer**

Challenges

- As the digital transformation emerges across the supply chain, Bayer (formerly Monsanto) identified the need to standardize its end-to-end transportation processes globally, which previously followed different practices across operating regions.
- Logistics processes require responsiveness to meet time-sensitive customer demands, and this pressure was intensified by the company's continuing growth in its global markets. The critical need for standardization paired with seasonality challenges, road transportation challenges and lacking adequate tools and processes to provide visibility into logistics raised awareness around the need for a complete digital logistics overhaul.
- Bayer's goal was to improve the customer experience that could consistently provide better information to their customers, while staying efficient.

On standardizing processes

“No matter where they are based and what markets they are serving, our employees need to share the consistent practices and same set of analytical tools and fact-based decision-making processes. Our supply chain strategy empowers our worldwide employees to act with speed and agility in making logistics and transportation decisions while also guaranteeing that everyone is acting in the best financial interests of our company, based on a shared set of values and priorities.”

By using Blue Yonder’s capabilities, Bayer is able to ensure employees are sharing consistent transportation practices and business rules throughout their 353 facilities in 69 countries, while efficiently supporting the company’s growth.

Improved delivery performance

Bayer streamlined routine carrier bidding events, reduced time to conduct bid analysis and enabled complex scenario modeling to ensure the most cost-effective strategy is selected for all new contracts. They were even able to increase service levels by 3 percent, including carrier pickup, on-time delivery and carrier performance tracking metrics. Through the digital platform, Bayer’s transportation planning, logistics optimization, transportation analytics and procurement automation ensure they’re providing a superior customer experience compared to their competitors.

Solution benefits

- Using Blue Yonder’s transportation management capabilities, Bayer was able to modernize end-to-end logistics operations by optimizing costs via route consolidation and load optimization and industry-leading practices in supplier bidding and carrier contract management.
- Advanced technologies allowed Bayer planners to leverage new capabilities in mobility, data tracking and geo mapping, increasing their ability to make real-time decisions that maximize responsiveness.
- The transportation management platform, along with updated business practices, helped Bayer improve asset utilization by maximizing truck capacity and eliminating 1.4 million miles traveled by vehicles in Brazil alone, reducing their carbon footprint around the globe.
- Integrations with track and trace platforms provide real-time delivery information so customer service teams can answer questions in a single phone call, or even be proactive if unexpected changes occur to a delivery.

On Blue Yonder’s expertise

After thoroughly evaluating several platform providers, Bayer determined Blue Yonder was the best partner to address their business needs and execute their supply chain strategy. The program delivers Blue Yonder’s transportation management capabilities globally to Brazil, Europe, North America, Latin America and Asia.