Retailer CRV Increases Shopper Intelligence with Blue Yonder

Results

- Increased daily inventory value

- Reduced days of inventory

- Decreased out-of-stocks

- Increased store sales due to consumer centricity

Maximizing inventory investments via end-to-end consumer centricity:

"To increase market competitiveness, CRV embarked on a customer-centric retail transformation journey with Blue Yonder. In the past, we had disconnected manual planning processes, which led to inaccuracies and suboptimal results. Today we have connected, consistent, consumer-centric plans from forecasting and replenishment through category management." — **Jingyao Li, Chief Information Officer**

Retailer CR Vanguard (CRV) is part of CR Group, a state-held company directly managed by China's central government and a Fortune Global 500 enterprise. CRV owns many popular retail brands including CR Vanguard, Suguo, Olé, blt, V+, Tesco express and V>nGO. CRV operates more than 3,240 stores across China, with total sales revenue of nearly 90 billion yuan.

Business challenge:

One of the largest retailers in China, CRV must strategically orchestrate planning and merchandising across more than 3,000 stores in multiple formats, including hypermarkets, supermarkets and convenience stores. CRV's objective is to be customer-centric by leveraging best-in-class technology to understand and meet shopper needs, even as demand volatility increases.

The Blue Yonder solution:

In 2009, CRV partnered with Blue Yonder on an implementation of category management solutions to drive revenues through customer-centric plans, assortments and displays. Based on that success, CRV

next implemented demand, fulfillment and replenishment solutions from Blue Yonder. Today CRV has established a complete closed-loop planning process that enables its consumer-centered, highly successful retail model.

Increasing forecast accuracy across stores via industry-leading algorithms:

"CRV's demand planning was accomplished by a homegrown solution that failed to capture the complexity of 3,000 stores, multiple formats and localized shopper needs. Blue Yonder's industry-leading forecasting algorithms and machine learning capabilities are built to manage localization, seasonality, fashion trends and other demand complexities. Now the forecasting process is more accurate and more autonomous, requiring minimal human intervention."

Driving sales growth via product localization and rapid replenishment:

"Across our stores, Blue Yonder has helped increase sales, while decreasing inventory, by matching products more precisely to local needs. We can monitor the status of key items in each store and make sure they are replenished rapidly to capture the sales opportunity and delight our shoppers. The combination of greater planning accuracy and improved visibility is driving our success at the store level."

Connecting the end-to-end supply chain around the demand forecast:

"Having a single, automated demand forecast not only increases our internal planning efficiency, but it also closely connects us with our suppliers and other trading partners. We can share local demand information and drive end-to-end visibility and responsiveness, as all stakeholders focus on the needs of our end consumers."

Solution benefits:

- Blue Yonder's demand planning solution helps CRV manage demand volatility and inevitable disruptions. The retailer can continue to meet localized customer needs across over 3,000 stores as conditions shift dynamically.

- Fulfillment and replenishment capabilities from Blue Yonder enable CRV to maximize the value of its inventory investments. The retailer can deliver the right product to the right place at the right time to maximize both shopper satisfaction and profit margins.

- Space planning solutions from Blue Yonder support increased localization by leveraging automation and data science. In every store, CRV can prioritize space devoted to high-demand offerings that will increase revenue and maximize financial return.

Blue Yonder's expertise:

"From our first successful roll-out of Blue Yonder space planning solutions in 2009, CRV has achieved real business value and built a solid foundation for digital transformation. As CRV has adopted more Blue Yonder solutions, such as forecasting and replenishment, we have been able to achieve a true consumer focus and a closed-loop planning process across our business."
— **Jingyao Li, Chief Information Officer**

The Vanguard advantage:

Vanguard Digital Business Data Co., Ltd. is an information technology company 100% controlled by China Resources Vanguard, which was established in 2019. While serving China Resources Vanguard, it also provides the overall solution, as well as operation and maintenance services, of the core business system for retailers and their technology ecosystem. In the past few years, Vanguard Digital Branch and Blue Yonder have closely cooperated with each other in innovation and development, and jointly promoted and successfully established a complete closed-loop planning process for CR Vanguard. In addition, Vanguard Digital Branch, as the global partner of Blue Yonder, based on serving China Resources Vanguard, enables the whole industry and supports a new model of consumer-centered retail digital intelligent transformation.

BlueYonder