

Merchandise Financial Planning

A new approach to retail planning using artificial intelligence (AI) to amplify success

Business challenge

While merchandise financial planning is a mature discipline, it often relies on highly manual and reactive processes to build an achievable plan based on historical performance. Traditional manual approaches typically lead to undesirable outcomes as sales plans remain vulnerable to external disruptions. Working capital becomes locked up in excess inventory, which is then cleared at discounted prices — sometimes to off-price competitors — or stored long-term for future seasons. Meanwhile, stockouts of popular items cause missed sales opportunities and customer dissatisfaction.

The Blue Yonder solution

Blue Yonder is revolutionizing merchandise financial planning by seamlessly combining predictive analytics and generative AI with human expertise, to shift effort away from intuition and complex analysis. Instead, planners rely on orchestrated workflows focused on shared strategic outcomes, supported by transformative modern technology.

Leveraging generative AI, Blue Yonder's guided planning experience creates dynamic recommendations that adapt to individual user contexts. With real-time access to the entirety of merchandise financial planning data, Merchandise Financial Planning fuses advanced analytics and conversational AI to streamline operational workflows and cultivate a dynamic, data-driven approach to retail management.

Decision-making is further enhanced by AI-enabled scenario planning that empowers retailers with unparalleled foresight, allowing them to model various market conditions and anticipate outcomes that consider the full spectrum of possibilities. Whether retail planners are optimizing inventory placement, planning pricing strategies or navigating market fluctuations, AI becomes a strategic ally that powers up the abilities of the merchandise team.

The result? Faster, better and less reactive planning cycles and more collaboration from merchandising teams.

Key benefits

Improve productivity with a highly automated planning workflow supported by generative AI, designed to foster collaboration and guided user experience

50%

of planning time devoted to pre-season KPI calculation, reconciliation and in-season adjustment can be reinvested into higher-value outcomes



Capability details

Exception-driven performance

Blue Yonder Merchandise Financial Planning enables highly configurable exception driven performance analysis across multiple levels of the hierarchy and user access.

Granular data, aggregate interaction

Retail planners can quickly drill down from aggregations into detailed data through natural language prompts that place supply chain data at their fingertips.

AI-enabled what-if scenarios

Scenario planning is greatly simplified via AI-powered scenario planning that enable planners to make quality decisions based on all the data at their fingertips, enabling a true omni-channel planning process across the enterprise.

Collaboration rooms

Planning rooms facilitate in-system collaboration, reducing emails and data extraction. Plans spanning local and channel to enterprise-wide can be shared for review and approval in terms of agreed-upon KPIs, improving decision-making speed and audit results.

Blue Yonder Orchestrator unlocks productivity

Blue Yonder Orchestrator brings together generative AI, large language models (LLMs) and industry-leading IP to support faster, smarter decision-making. It allows users to query in everyday language, then pulls data from all relevant and permissible sources and determines correlations. All relevant data, insights and guided next steps are served up in an easy-to-consumer format — without the hassle of wrangling data or toggling between multiple software applications.

Key features

- **Product and location planning:** long-range and preseason product planning workflows across stores, e-commerce and wholesale
- **Support for different planning processes:** highly configurable across strategic, long-range, preseason and inseason planning
- **Process orchestration:** configurable process definition allows role-based access to different business functions and layouts
- **Performance analysis:** plans created by multiple planners can be reviewed across multiple hierarchies via the business dashboard
- **ML-based forecast integration:** ready to incorporate Blue Yonder's machine learning (ML) based Merchandise Forecasting solution
- **Granularity at scale:** automated slicing and dicing for rapid root-cause analysis

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