

Buyer's Guide Merchandise Operations

From Input to Impact: How Modern Merchandising Operations Drive Better Retail



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Retail advantage

Your plans are only as strong as the system behind them.

In retail, execution is everything. You can have the best plans, the sharpest forecasts, and the boldest assortment strategy—but if the systems beneath them are slow, manual, or fragmented, things break down.

Retailers today are dealing with constant change: new channels, tighter margins, shifting demand. To compete and grow, they need a modern operational core that provides structure, speed, and accuracy across every merchandising decision.

That's where Merchandise Operations comes in. It's the operational core of your retail business—the system that keeps item data, vendor terms, pricing, costs, and inventory aligned, so every plan can actually perform.

When merchandise operations are purpose-built, connected, and reliable, they become a growth enabler that helps you:

- **Reduce time-to-market** for new products and vendor partnerships
- **Improve inventory availability** across all channels and locations
- **Protect profitability** through complete cost visibility and control

Whether you're navigating growth, streamlining for efficiency, or shifting toward localized assortments and faster fulfillment, it's time to ensure the core mechanics of your business can support it—with accuracy, structure, and speed.

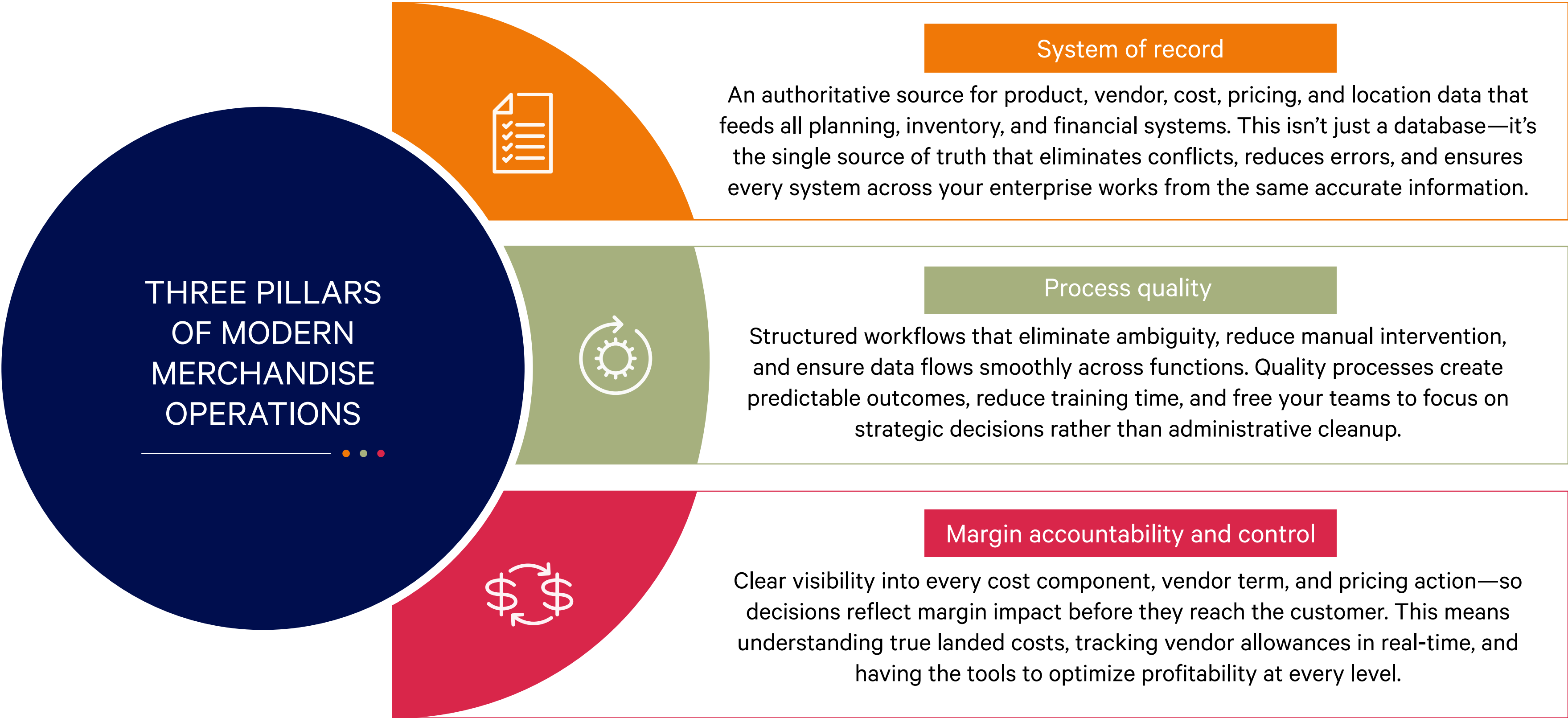


Three pillars of modern merchandise operations

The framework that turns modern merchandising from ambition into execution.



Modern merchandise operations that anticipate needs, reduce manual work, and provide instant access to insights are built on three foundational pillars:



Turning pillars into performance

How modern capabilities bring structure, speed, and margin control to life across your operations.

The system of record in action

The data backbone powering your retail decisions:

- Item and pricing data feed assortment and planning systems with accuracy
- Cost and vendor terms inform allocations and replenishment with real-world constraints
- Unified architecture eliminates data silos and synchronization issues across your enterprise

Process excellence and efficiency

Structured workflows create reliable execution across your organization:

- Coordinated system handoffs keep execution consistent from planning through fulfillment
- Clean workflows minimize manual touchpoints and increase accuracy at every step
- AI-powered invoice matching automates reconciliation freeing teams for strategic work

Analytics and intelligence

Real-time insights drive proactive management:

- Operational dashboards surface issues before they snowball into larger problems
- Margin tracking reveals exactly where profit is lost or gained across products and locations
- Embedded reports drive transparency and alignment across teams



Mobile Operations: Decision-making without boundaries

Put operational power directly in your associates' hands. Modern retail moves fast, and decisions can't wait for back-office processing. Mobile Merchandise Operations transforms how your teams work by bringing complete operational capability to any location, any time.

Complete mobile functionality

- Review price updates and validate compliance instantly from the sales floor
- Receive transfers and process deliveries without returning to terminals
- Manage exceptions and execute decisions in the moment with complete context
- Access critical data including inventory levels, cost information, and performance metrics wherever teams are working

Real-time execution advantage

- Eliminate terminal trips and reduce processing delays
- Immediate visibility drives faster, more informed action
- Associates become more effective with instant access to operational tools
- Customer responsiveness improves when teams can act on information immediately

Mobile operations isn't just convenience, it's competitive advantage through speed and accuracy.

- Put real-time retail in your associates' hands.



Measurable value creation

A retail-ready toolkit built for consistency, clarity, and control across your merchandising function.

Modern merchandise operations delivers quantifiable returns across multiple dimensions:

Financial performance

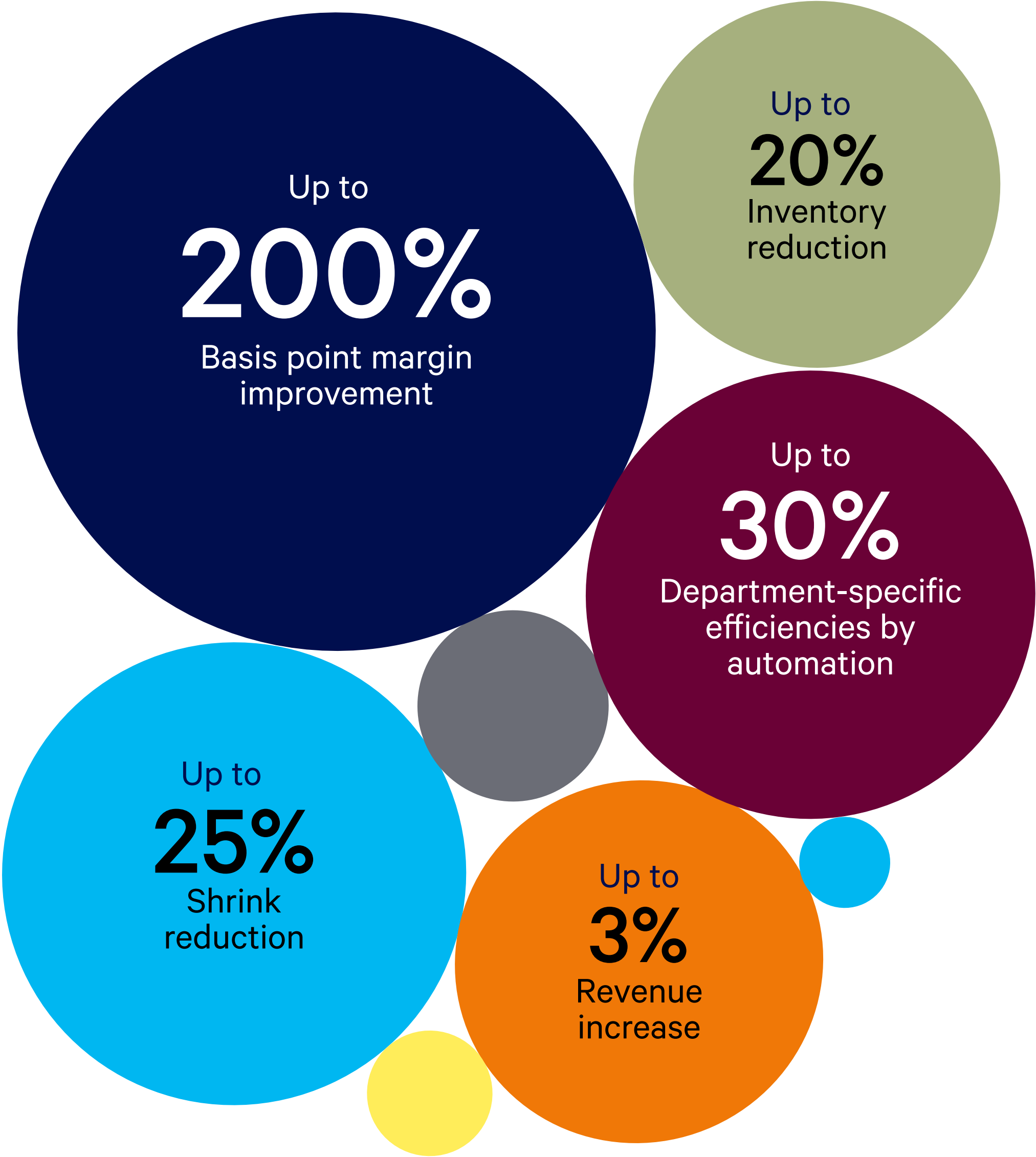
- 10–200 basis point margin improvement through better cost control and price execution
- 0.5–3% revenue increase from improved item accuracy and inventory availability
- 5–20% inventory reduction through enhanced visibility and real-time analytics

Operational excellence

- 10–25% shrink reduction through increased inventory visibility and controls
- 10–30% department-specific efficiencies by automating merchandising, buying, inventory, and financial processes
- Improved IT efficiencies by replacing legacy applications with modern, integrated systems

Strategic capability

- Improved business agility through cleaner execution workflows
- Data transparency across planning, finance, and supply chain
- A foundation for scaling operations, onboarding new formats, or entering new markets



Capabilities

A retail-ready toolkit built for consistency, clarity, and control across your merchandising function.

Master Data Foundation

- Centralized management of items, vendors, locations, pricing structures, and organizational hierarchies
- Automated data synchronization across all merchandising functions
- Configurable attributes, calendars, and multi-level organizational structures that support complex retail formats

Inventory management

- Real-time inventory control at SKU, location, and status level across units, cost, and retail
- Recipe and transformation management
- Multiple inventory methods aligned with buying and selling patterns

Financial control and reconciliation

- Automated invoice matching with complex vendor terms and allowances
- User-defined stock ledger with GL connection
- Complete margin visibility through detailed cost components such as vendor cost, rebates, charges and allowances

Purchase Order Lifecycle Management

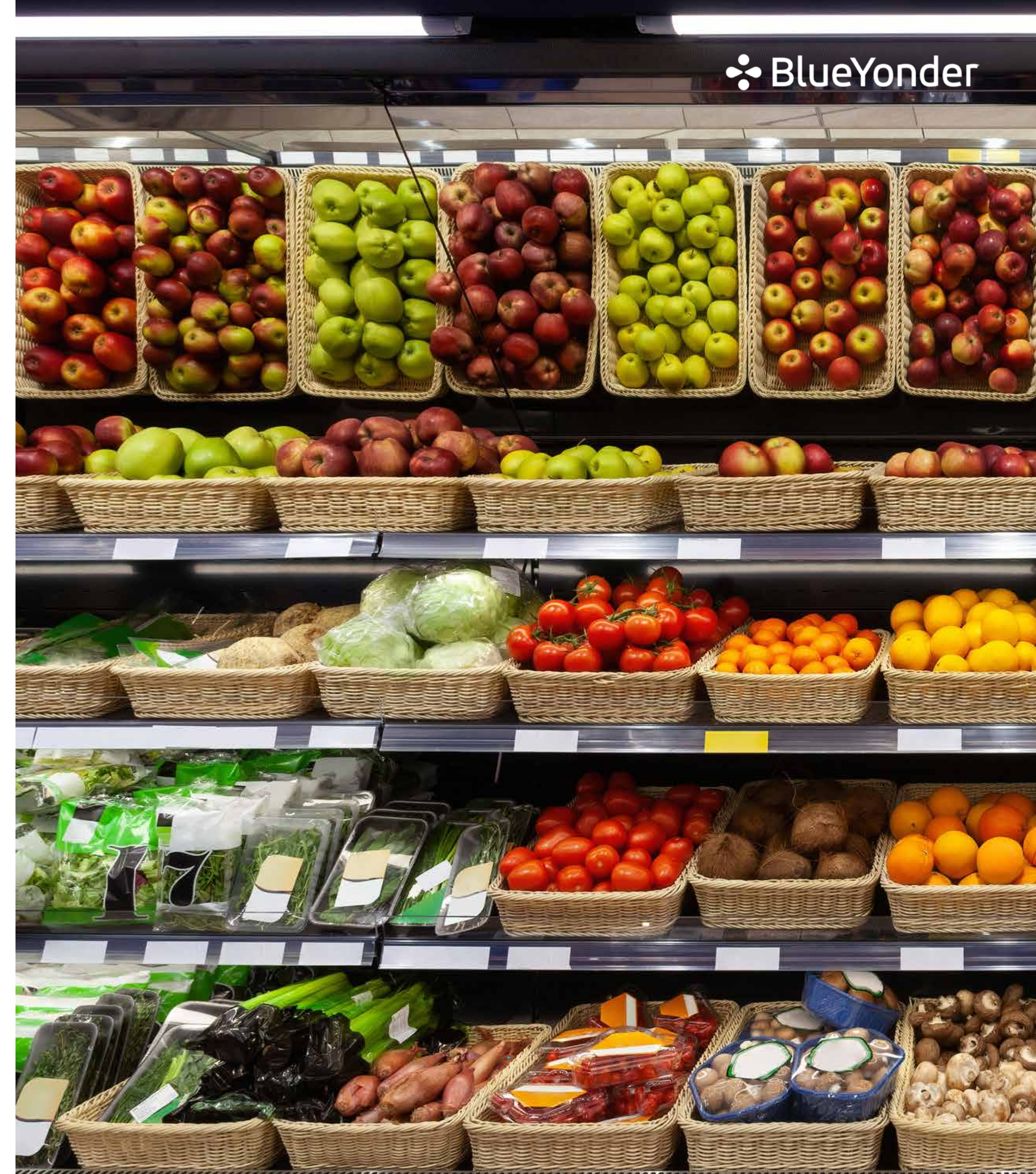
- End-to-end PO visibility from generation through receipt
- Multi-location allocation and drop-ship coordination
- Proactive exception management to prevent delivery and invoice surprises

Pricing and cost management

- Coordinated pricing execution across channels, zones, and formats
- Simulated pricing strategies and recommended changes to meet cost and margin targets

Analytics and reporting

- Real-time dashboards tied to merchandising database with store/day/SKU level detail
- Fully customizable reports and dashboards with configurable columns, drill-down levels, and role-based security

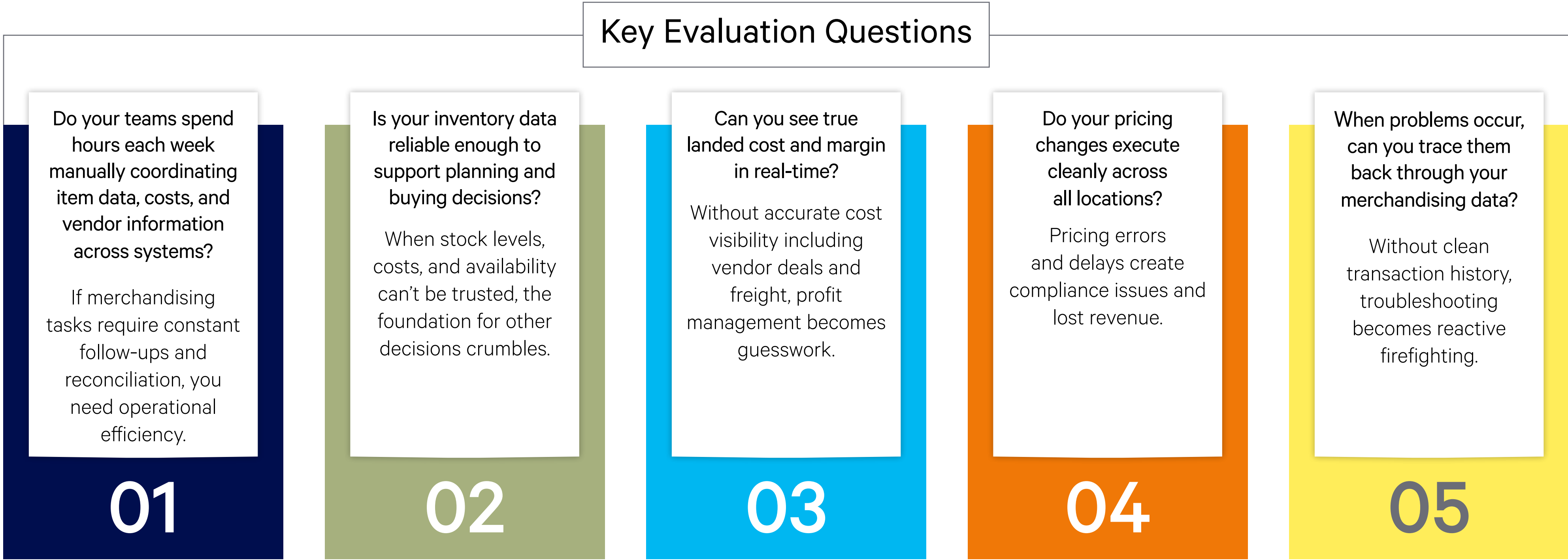


Asking what really matters

Use these questions to uncover what's essential: clean data, smart integration, and business-ready execution.

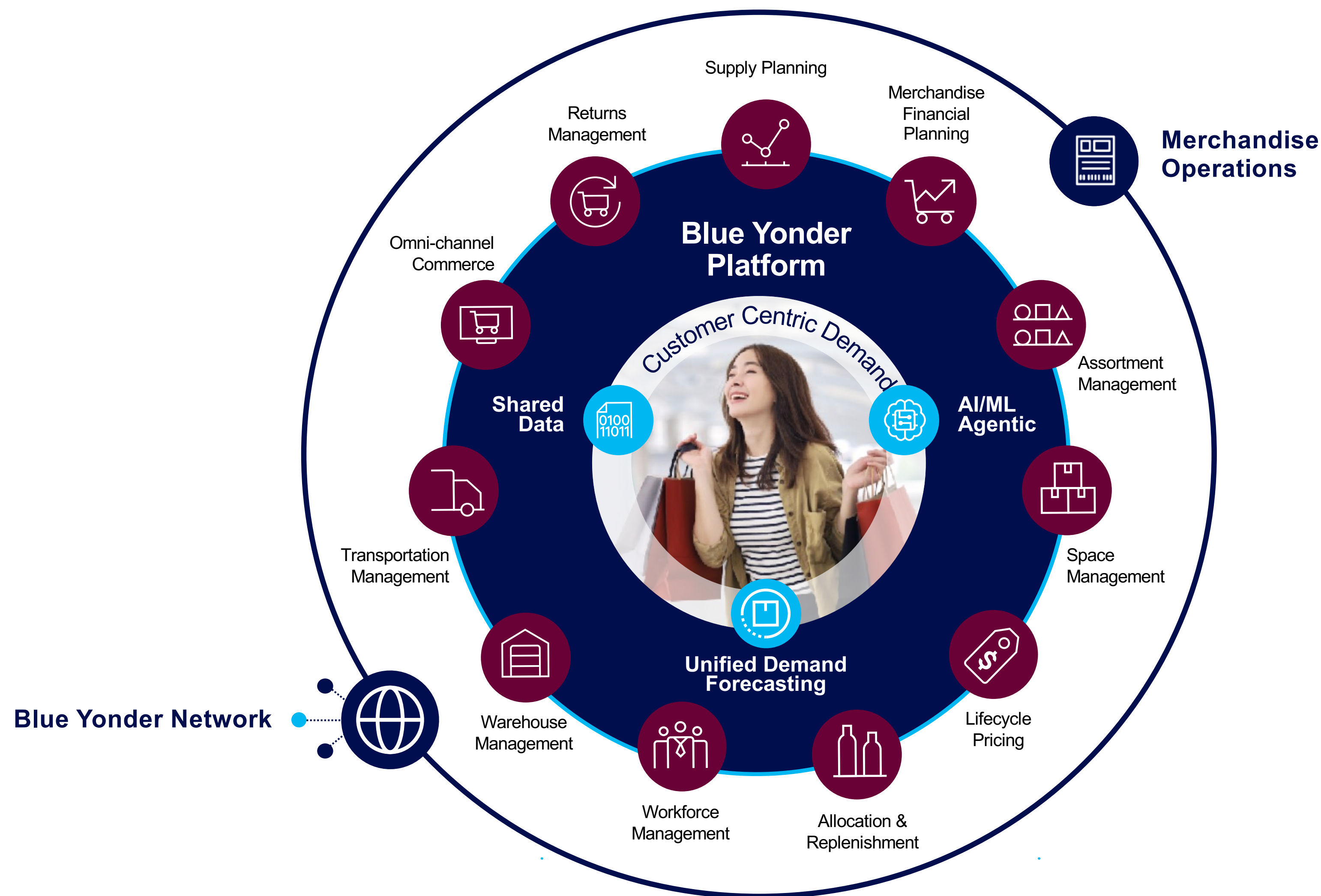


Choosing a merchandise operations solution isn't about more features. It's about better flow. Use these questions to cut through vendor claims and focus on what matters:



Unlock compounding value across your retail business

Aligned systems, agile workflows, and trusted data make merch ops a force multiplier—amplifying value across the Blue Yonder platform.



Modern merchandise operations doesn't exist in isolation. It powers and enhances your entire retail ecosystem:

It feeds planning

- Merchandise Financial Planning and Assortment Planning depend on clean cost and item data for accurate forecasting and allocation decisions
- Inventory planning accuracy starts with real-world execution visibility and reliable vendors

It enables smarter supply chain decisions

- Forecasting and Replenishment work better when vendor lead times and PO data reflect operational reality
- Warehouse and Transportation Management performance depends on timely, structured inventory inputs and accurate cost information

It sets the stage for cognitive solutions

- AI systems need clean, aligned data to make intelligent recommendations that teams can trust and act on
- Cognitive solutions multiply in value when they're built on a reliable operational foundation
- Merchandise Operations ensures strategy and reality match—before they drift apart and undermine your competitive advantage
- This connected approach means every investment in retail technology delivers compounding returns rather than isolated improvements

Built for retail's toughest challenges—and biggest opportunities

With deep retail expertise and a future-ready platform, Blue Yonder turns complexity into competitive advantage.

For decades, Blue Yonder has been deeply embedded in the retail industry—partnering with the world's most respected retailers to evolve how they plan, execute, and grow. Our merchandise operations expertise is grounded in a real-world understanding of what makes retail move: complex hierarchies, shifting assortments, tight margins, and the need to get it right every day.

We don't treat merchandising as a bolt-on. It's the foundation. And we've built our solutions to reflect the operational realities, cross-functional handoffs, and scalability demands of modern retail.

- Merchandising sold more than 450 times, making us one of the global leaders in merchandising for softline, hardline, and grocery retailers
- 5–35% revenue lift; up to 200bps in margin gains
- Deep retail experience, modern roadmap, and a future with embedded AI Agents
- Seamless integration with the Blue Yonder platform—at your pace

Partnership promise

From foundational data structures to system integrations, our legacy gives us a perspective that's both time-tested and future-focused—helping retailers not just adapt, but lead.

The retailers who modernize their merchandise operations foundation today will emerge as tomorrow's market leaders. They'll operate with superior agility, accuracy, and intelligence while their competitors struggle with legacy limitations.