



Cognitive Merchandise Forecasting

Intelligently seed and manage merchandise plans at the most granular level

Business Challenge

Recent history has seen enough Black Swan events to render predictions reliant on an historical base redundant. Yet most merchandising financial plans still depend on manually adjusted history for their base. The process worked — until it didn't. Shoppers have grown accustomed to predictable seasonal markdowns while readily shifting their buying behavior between online and physical channels, placing extreme pressure on the planning process for already complicated networks.

The Blue Yonder Solution

Designed to work harmoniously with Cognitive Merchandise Financial Planning, Cognitive Merchandise Forecasting simplifies and accelerates the merchandise planning process, while ensuring a higher quality output.

Rather than rely on history as the baseline for key metrics like markdowns, promotions or returns, Cognitive Merchandise Forecasting understands the causals driving metrics, such as events, holidays, day of the week, promotional prices, and uses these to create intelligent and granular forecasts to feed a more dynamic merchandise plan.

Decisions on whether to plan top down, bottom up or middle out become a thing of the past, as predictive AI creates intelligent forecasts of metrics based on user defined targets. The time savings in reconciliation can be immense, providing merchandising teams with the time and space to focus on higher value outputs like scenario planning or more dynamic and intelligent adjustments to plan to achieve targets.

Key Benefits

Accelerate and improve merchandise planning by dramatically improving the forecast accuracy of key merchandise targets, such as sales and inventory, by automatically sensing the impact of influencing factors within a single technology ecosystem.

20%

of planning time devoted to creating, reconciling and seeding plans can be re-invested into higher value outcomes.

Solution Offerings

Intelligently Seeded Plans

Predictive AI pre-populates Cognitive Merchandise Financial Planning with intelligent and granular metrics based on user-defined topline KPIs.

Trend Sensing

In-season identification of trends is simplified by predictive AI, accounting for expected impacts and helping users focus on outcomes over report creation.

Seamless Planning

Designed to complement and power up Blue Yonder's Cognitive Merchandise Financial Planning, greatly improving planning accuracy and efficiency.

Key Features

- **Autonomous Mix and Match Forecasting**
Interpretable and adaptable machine learning, statistical time series, and mix & match (combined predictions of multiple models) models available for forecast metrics
- **Configure your own causals**
Extensible ML that allows you to configure new causals into Blue Yonder's ML model
- **Seasonal Trend Sensing**
Avoid offline and isolated trend analysis by leveraging ML-driven trend sensing that frees merchandisers to focus on shaping plans
- **Future event-aware**
More accurately and automatically predict the impact of future events, promotions and pricing decisions during the planning cycle
- **ML-based Forecast Integration**
Ready to support Blue Yonder's next generation planning tool, Cognitive Merchandise Financial Planning

Digital transformation
is at your fingertips

To learn more, visit blueyonder.com

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