Kaufland Optimizes Its Replenishment Process

Customer

Country	Germany
Vertical	Grocery
Solution	Replenishment Optimization

- **High level of replenishment automation**

- **Significant improvement of on-shelf product availability**

"For our organization, it is critical to have the right amount of fresh meat available for the customers in each store. Automated replenishment based on accurate sales forecasts plays a key role. Working with Blue Yonder has resulted in optimizing our processes significantly."

Ralph Dausch
Executive Board Member of Fresh Meat Products International, Kaufland

BlueYonder
Best decisions, delivered daily

Business Challenges

Kaufland offers a range of around 60,000 items to its customers. The supermarket chain is active throughout Europe with about 1,200 stores and operates seven logistic centers and four meat-manufacturing plants. The main product focus includes fresh food comprised of fruit and vegetables, dairy, meat and fish – partly with service. The range also includes household goods, electronics, textiles, stationery, toys and seasonal items, as well as weekly promotional merchandise.

Kaufland set itself the ambitious goal of automating the replenishment process in its fresh meat division to the fullest extent possible, as their existing supply chain processes had reached their limits.

Solution

Using precise predictions provided by Blue Yonder, Kaufland achieved a high degree of automation for central planning in daily orders. Additionally, production processes could be closely integrated into the supply chain as a whole, thus creating even greater synergy with demand planning. As well as internal data, important factors such as promotions, holidays and weather were taken into account and factored into the ordering decisions.

Among the factors that convinced Kaufland to implement Blue Yonder across all of their German stores was the robust algorithm, Blue Yonder's superior machine learning technology and their ability to highly automate the decision-making process.

Results

Kaufland achieved its goal of creating maximum efficiency within the fresh meat supply chain, resulting in centralized and highly automated planning, which in turn significantly minimized the amount of work needed within individual stores. Product availability was also improved, resulting in optimized stock levels, ensured product freshness and reduced write-offs.

About Blue Yonder

Blue Yonder is the leading provider of cloud-based predictive applications for retail. Every day, we deliver decisions to our customers that boost revenues, increase margins and enable rapid responses to changing market dynamics. Our replenishment and pricing solutions are driven by sophisticated machine learning algorithms developed by one of the largest teams of PhD-level data scientists in retail.

info@blue-yonder.com
blue-yonder.com

Blue Yonder GmbH
Ohiostraße 8
76149 Karlsruhe
Germany

+49 721 383117 77

Blue Yonder Software Limited
19 Eastbourne Terrace
London, W2 6LG
United Kingdom

+44 20 3626 0360

Blue Yonder Analytics, Inc.
5048 Tennyson Parkway, Suite 250
Plano, Texas 75024
USA