



Blue Yonder Luminate

TMS Product Roadmap Review



by Mike Mulqueen



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Our team attended the Blue Yonder (BY) Icon 2022 conference in Orlando. It was great to see clients, colleagues and friends, as well as preview BY innovations in logistics technology.

Given my role in evaluating logistics technology, I paid special attention to the TMS track. While I saw several excellent partner and client presentations, I was most interested in the transportation solutions product roadmap.

In a session led by the BY product management team, a compelling vision laid out the foundational investment areas in which BY is now focused.

Some of the areas were typical software vendor “talking points” touted by virtually every software vendor, but other areas left me excited about the possibilities for both current clients and prospects looking for a TMS solution.



Outlined below are the key areas that caught my attention, as well as our JBF Sentiment Rating™ with 5 being best.



Area 1

CARRIER MARKETPLACE

DYNAMIC
PRICING

PARTNER
EXPANSION

NIMBLER
PROCURE TO PAY



JBF SENTIMENT RATING™

Strategic Value | 4 out of 5

Since 2018, the frequency and magnitude of transportation market swings has necessitated the need to re-think the annual bid process.

In the dark days of 2021, **shippers were going to the spot market 30-40%** of the time as their contract carriers declined loads.

While I am less intrigued by dynamic pricing and integration to load boards, the ability to quickly assess network conditions, execute contract bids, and introduce shippers to carriers they may not be aware of is compelling and aligns with the macro-economic conditions we see.



“Blue Yonder has the best pedigree of any supply chain company as it pertains to math based, predictive decision making.”



Area 2

MACHINE LEARNING/ ARTIFICIAL INTELLIGENCE OPTIMIZATION

**DISTANCE /
TRANSIT TIME
LEARNING**

**CARRIER RISK
ASSESSMENT**

**ROUTE QUALITY /
ADJUSTMENTS**



JBF SENTIMENT RATING™

Strategic Value | 1 out of 5

This topic has become such a trope within TMS solution providers' marketing material, that I can't take it seriously until we start seeing quantifiable results.

The areas identified seem like they were concocted not based on business need, but instead based on the marketing team wanting to convey ML/AI chops in all solution sets.

Areas that I believe are more interesting include predictive vehicle failures tied to ECM data fed from ELD devices and backhaul/front haul probabilities that enable smarter assignment of fleet resources.

BY has the best pedigree of any supply chain company as it pertains to math based, predictive decision making, but I want to see it focused on impactful problems and less on minor adjustments to planning.



Area 3

TRANSPORTATION SaaS SERVICES

PLANING
SERVICES

FLEET / DISPATCH
SERVICES

RATING
SERVICES



JBFSentimentRating™

Strategic Value | 5 out of 5

Blue Yonder is building a lighter TMS designed to address the SMB space.

While BY has made their name by supporting some of the biggest and most complex shippers in the world, most shippers do not need or want all the bells and whistles that have been built into this TMS over the last 30 years.

The new system (**Luminate TMS**) is being constructed using a microservices architecture that breaks up the various TMS components into smaller, stand-alone services. This will enable faster and less expensive solutions to be deployed that support customizations, while also enabling shippers to buy the services they need.

Currently, BY clients must acquire and maintain the BY TMS monolithic application, which is too big and cumbersome for most shippers.



“Luminate TMS will enable faster and less expensive solutions to be deployed that support customizations, while also enabling shippers to buy the services they need.”



Area 4

PARCEL/ LAST MILE

PARCEL PROVIDER
INTEGRATIONS

OMNI-CHANNEL
FULFILLMENT

COURIER / GIG
WORKERS



JBF SENTIMENT RATING™

Strategic Value | 3 out of 5

Given the significant growth of B2C and omni-channel needs in the retail space, managing parcel within the TMS has become table-stakes for many shippers seeking a TMS.

BY's focus on parcel provider integrations is welcome, as attempting to maintain the ridiculously complex parcel tariffs and accessorial schedules is near impossible.

Integrating directly to the parcel carrier for rate lookups or through an intermediary connectivity provider (e.g. E2Open/Logistyx, ProShip, QAD/Precision) is a welcome new capability.

However, I would like to see other areas critical to parcel shippers delved into more deeply before getting into "Gig Worker Communities," whatever that may be. This includes:

- Integrated cartonization for DIM weight calculations
- GRI / contract change impact quantification
- Pre-audit support for parcel invoices with automatic claims generation for service failures

Area 5 **USER EXPERIENCE**

CONFIGURABILITY

EXCEPTION BASED
WORKFLOWS

EXTENSIBILITY



JBF SENTIMENT RATING™

Strategic Value | 4 out of 5

The sign of a well-designed user interface is that the inherent complexities are hidden from the end user.


BY's focus on user experience, management by exception, and application extensibility are key considerations in vendor selection.

Failing to address the very real challenges of change management by saddling operation teams with an overly complex and non-intuitive system is one of the leading causes of implementation failure.

Applications need to be intuitive, as no one reads manuals in 2022.

Capabilities must be served up from a desktop browser, but also from mobile devices or through APIs.

I would like to see investment in these areas as they enable innovative companies to be creative with how the application is deployed and adopted, which is a prerequisite for driving value to shippers.



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SUMMARY

In summary, we like BY's TMS investment strategy. We are intrigued at the possibilities that the Luminate TMS web services will offer once completed, and we are also eager to see other extensions that shore up some of the less mature areas of the system, most notably fleet and parcel management.

Since 2003, we've been helping shippers of all sizes and across many industries select, implement and squeeze as much value as possible out of their logistics systems. We speak your language – not consultant-speak – and would love to discuss your logistics challenges with you.



About Mike Mulqueen

Mike Mulqueen is a leading expert in logistics solutions with over 30 years managing, designing and implementing freight transport technology. His functional expertise is in Multi-modal Transportation Management, Supply Chain Visibility, and Transportation Modeling. Mike earned his master's degree in engineering and logistics from MIT and BS in business and marketing from University of Maryland.

About JBF Consulting

Since 2003, we've been helping shippers of all sizes and across many industries select, implement and squeeze as much value as possible out of their logistics systems. We speak your language – not consultant-speak – and we get to know you. Our leadership team has over 100+ years of logistics and TMS implementation experience. Because we operate in a niche – we're not all things to all people – our team members have a very specialized skill set: logistics operations experience + transportation technology + communication and problem-solving skills + a bunch of other cool stuff.

JBF Investor Advisory Services

JBF Investor Advisory Services provides due diligence guidance to private equity and VC firms. We bring in decades of log-tech software expertise that has been honed by working closely with our shipper clients evaluating and implementing log-tech solutions.

JBF investment guidance Log-Tech focus areas:

- › Transportation Management
- › Fleet Management
- › Yard Management
- › Parcel Management
- › Routing and Scheduling
- › Logistics Modeling
- › Digital Freight Brokerages
- › Visibility / Analytics
- › Transportation / 3PL Managed Services

LEARN MORE ABOUT JBF CONSULTING



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