

Advanced Replenishment

Accelerate your profit and merchandising goals with Advanced Replenishment

Today's retail and wholesale distribution companies are under increasing pressure to manage inventory profitably. This requires finding new ways to keep shelves stocked with the right merchandise while also juggling challenges such as overstocks, out-of-stocks, short shipments, vendor minimums/maximums, and buyer productivity. To maximize service levels and decrease lost sales while minimizing all inventory costs, companies must be able to determine accurate item and SKU-level seasonal forecasts and use these forecasts to set profitable inventory policies that drive optimized ordering.

With Advanced Replenishment, you can expect to achieve win-win collaborative trading partner relationships based on defined processes and agreements, minimized supply chain uncertainty, and optimized inventory and service levels.

Why go at it alone? Rely on Blue Yonder, the industry leader

With more than 25 years of experience, Blue Yonder offers the world's most advanced forecasting, replenishment, and allocation solutions. The highly scalable Advanced Replenishment capability enables you to optimize forecasting and replenishment performance and inventory levels at your stores and DCs. Advanced Replenishment capabilities balance carrying and acquisition costs to ensure the most profitable returns, superior execution, and improved stock availability. This best practice solution is proven to work in hundreds of companies worldwide across a wide variety of industries, enabling fast results with computer-assisted ordering.

Focus on DC profitability in purchasing decisions

Advanced Replenishment manages DC needs using information about supplier discounts when suggesting replenishment quantities, you'll also minimize your acquisition and ordering costs. The solution compares orders with vendor prerequisites and restrictions to guarantee vendor compliance and avoid purchasing penalties. For balanced inventory levels and a profitable supply chain, it also evaluates and executes the purchasing needs of planned promotions and special events while automatically incorporating special DC needs and demands.

Optimizing inventory management at the store level

By projecting sales and basing automatic replenishment orders on store/SKU selling histories, Advanced Replenishment works within your existing organizational structure to create accurate demand forecasts

Real results

5%

Sales lift from improved fill rate

3%

Cost reduction from forward buy

5%

Inventory reduction from improved forecasting

300+

Customers worldwide using the solution to manage their replenishment strategies

and order projections as well as stable order patterns. Using up to four years of selling history, the application integrates demand and lead-time forecasting with order policy and service level analysis. The result: accurate SKU demand forecasts and recommended orders that your buyers can quickly and confidently accept with minimal review.

And to ensure your forecasts are up to date and at the right level, Advanced Replenishment supports daily demand profiles. Highly scalable, Retailers of all sizes and varieties can handle their inventory forecasting and replenishment requirements – up to the most massive store/SKU combinations. You'll reduce inventory and labor costs, while increasing sales and decreasing out-of-stocks.

Synchronize inventory decisions between your DCs and stores

Advanced Replenishment provides your DCs with visibility into store-level demand patterns and changes. As a result, your decision makers will have the necessary information to effortlessly maintain fill rates at key support levels. Advanced Replenishment properly manages multi-level lead times and economic order quantities, so product arrives at the warehouse in time to push it out to the stores. It also manages promotions, events and new store openings at the store level and rolls this information up to the DC. Plus, Advanced Replenishment helps to reduce safety stock by providing insight into seasonality and demand, while anticipating order periods where demand will be greater or less than normal.

By helping you to anticipate these changes in DC demand, you can place more accurate orders with your vendors, resulting in lower carrying and acquisitions costs.

Replenishment capabilities within easy reach

With its built-in order simulator, Advanced Replenishment considers demand and lead-time forecasts, service level goals, discounts and supplier constraints when recommending the most profitable order cycle for each supplier and item. It then balances the variables of placing and handling orders with those of carrying both safety stock and the required turn inventory to determine optimum purchasing frequency for all merchandise.

You need multiple forecasting methods to manage the thousands of items in your stores and DCs. Advanced Replenishment determines the most accurate forecasts by tracking demand patterns for new, promotional, seasonal, and slow-moving products. You can also pattern new product-line forecasts after existing items and quickly and easily adjust to anticipated variations in product movement. History exceptions and order problems such as short ships or overdues and items in service level jeopardy are displayed daily for buyer review. Exceptions can be addressed before they hurt profitability. Advanced Replenishment maximizes buying and inventory management team operating efficiencies by streamlining and automating labor intensive tasks, reviewing every item in every location daily and generating exception management alerts for quick problem resolution. This tool also helps you manage trading partner uncertainties, delivering proactive lead-time forecasting and supplier performance monitoring. By considering vendor delivery performance and comparing quoted delivery schedules with actual shipment lead times, the application ensures the right amount of safety stock.

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Key Benefits

- Provides rapid implementation and return on investment payback
- Reduces inventory and increases turns through optimizing safety stock, creating optimal order quantities, and integrating promotional buying
- Recovers lost sales and reduces lead time through producing more accurate forecasts, driving service levels, and lead-time forecasting
- Improves buyer productivity through ease-of-use, automating manual processes, and enabling exception management
- Supports all distribution models: Vendor-to-DC, Vendor-to-store, DC-to-store, flowthrough, and cross-dock
- Features multiple forecasting algorithms, economic order cycle determination, and profit simulation
- Offers push and pull replenishment
- Supports special order considerations: New store rollout and new items, promotional management, projections, truck/container/pallet/cube/case rounding, and allocations
- Features mass setup and maintenance for simplicity and performance considerations for large data volumes

