

Oracle Retail Advanced Inventory Planning

Inventory is a retailer's largest financial investment. It's also one of the most complex operations to manage efficiently — the constant balancing act between inventory costs and the cost of out-of-stocks. Today the cost of being out-of-stock has increased, and **47% of consumers say out-of-stock inventory is a deal-breaker** for them.

OVERVIEW

Consumers are simply less tolerant of an empty shelf when they have virtually instant access to pricing and product availability from an increasing number of competitors. In an industry where decisions are based on trend data and consumer preferences, a retailer's supply chain cannot have any weak links.

Retailers need to leverage forecasted demand across all commerce channels to guide a constrained, time-phased inventory ordering, allocation, replenishment, and delivery plan to all levels of the distribution network. By aligning projections of demand with an understanding of supply chain operations and constraints, retailers create achievable plans and execute the positioning of inventory at the right place, at the right time, in the right quantities, from suppliers to warehouses, to stores and customers.

ORACLE RETAIL ADVANCED INVENTORY PLANNING

Oracle Retail Advanced Inventory Planning creates optimized inventory targets by item by location to meet demand and satisfy business and financial objectives. It considers realities and constraints such as inventory availability, pack sizes, distribution capacity, and store space to flow merchandise through the supply chain. Business users are provided actionable insights and forward visibility into the potential cause and impact of projected stock-outs or overstock conditions. By optimizing inventory control and order management operations, retailers increase revenue and profitability while reducing inventory and decreasing labor and distribution expenses.

PRODUCT FEATURES

- Uses proven retail science replenishment algorithms based on sound scientific principles.
- Connects demand and constraint implications across the entire supply chain.
- Constraint-based optimization algorithm maximizes profitability and service level objectives within supply chain constraints related to products, vendors, orders, inventory, freight, labor, and space.
- Customer demand forecast drives the calculation of time-phased inventory replenishment needs by item by store and direct channels.
- Store inventory needs are aggregated by associated warehouses as input to time-phased warehouse replenishment needs.
- Plans future inventory levels and optimally allocates stock to locations most likely to sell it.



Key Benefits

- *Decreases inventory*
- *Increases in-stock availability*
- *Improves replenishment and inventory management processes and metrics*
- *Enhances vendor relationships*
- *Improves distribution resource utilization*

- Generates and executes proposals for inventory 're-balancing' that optimize inventory and movement cost versus lost margin compromises.
- Automatically allocates merchandise in the event of shortages or excess and allows manual "push" allocations when required.
- Generates actionable purchase orders and transfers for the current day and gives visibility to future planned purchase orders and transfers.
- Provides transparency & visibility to current and projected inventory as well as relevant supply chain performance measures.
- Includes 'what-if' simulation capabilities for user analysis of inventory, ordering, and replenishment needs across the complete supply chain.
- Allows for 'real-time' intraday planning and order creation – allowing the catch of trends or phasing of orders to meet business constraints.
- Calculates product/store level inventory need for perishable products, balancing waste and availability based on the item's product life and acceptable loss due to waste.
- Seamlessly transitions between existing and new items and ordering pack sizes.
- Efficiently manages promotional items and ordering pack sizes.
- Provides visibility to promotional lift factored into product forecasts and builds promotional presentation stock.
- Scales purchase orders to meet both supplier and container constraints by pulling forward future planned receipts.
- Tracks future purchase order plans against budgetary constraints and provides metrics showing the incremental cost of purchasing safety stock versus satisfying sales only.
- Provides projected outbound distribution and labor capacities to enable proactive rather than reactive alerts to capacity issues within the planning horizon.
- Systematically pre-allocates inventory through intermediate supply chain locations, driving labor efficiency and speeding products to market.
- Allows for setup and execution of a time-phased supply chain distribution network, allowing for proactive improvements and reconfigurations.
- Shows the impact, across the entire planning horizon, of future parameter changes such as source, pack size, lead time, minimum, maximum, or shelf capacity.
- Supports the re-planning of purchase orders and transfers within a day using near-real-time pictures of inventory and customer demand.
- Offers user navigation flexibility to review and manage replenishment boundaries, projections, and execution plans.

Key Features

- *Fulfills commerce anywhere customer demand*
- *Time-phased replenishment planning of stores and warehouses*
- *Allocation and exception movement execution*
- *Optimizes inventory movements within supply chain constraints*
- *Persona and exception-based user workflows*
- *Market-leading retail supply chain science*

Learn more or request a 1:1 demo

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