Oracle® Retail Replenishment Optimization

Release Notes

Release 13.3

January 2012

Replenishment Optimization Overview

The primary goal of Replenishment Optimization (RO) is to harness the replenishment methods available in the client's replenishment system. To make best use of the available replenishment capabilities, RO recommends optimized replenishment parameters at the item/location level. The recommendations take into account sales volume, volatility, availability of forecast data, seasonality, client business rules and constraints, and financial objectives to determine the optimized values.

RO automatically monitors item/location demand and supply chain variables to determine optimal inventory for greatest return. It recommends replenishment settings, either automatically approving the changes or raising alerts; for example, alerting higher impact items. The optimal replenishment settings recommended by RO may be used to update Oracle Retail Advanced Inventory Planning (AIP) replenishment parameters or the retailer's legacy replenishment system.

The automated management of replenishment settings based on item/location selling characteristics ensures accurate replenishment and allows the user to focus on maximizing profit rather than the time consuming business of managing individual item/location level replenishment.

RO can help you address the following, which vary for every client:

- Improve service levels

- Reduce inventory

- Increase turns

- Maximize stock profitability

> **Note:** Because RO uses the Oracle Retail Predictive Application Server (RPAS) platform, Oracle Retail recommends that you review the *Oracle Retail Predictive Application Server Release Notes* for fixed and known issues that may affect RO. In addition, RPAS 13.3 has significant technical enhancements related to hierarchy management (such as integer indexing) that have an effect on the configuration and maintenance of RO. You should closely review enhancements listed in the *Oracle Retail Predictive Application Server Release Notes*.

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Overview of Integrated Inventory Planning Suite

The Integrated Inventory Planning Suite consists of Demand Forecasting (RDF), Advanced Inventory Planning (AIP), Replenishment Optimization (RO), and Analytic Parameter Calculator Replenishment Optimization (APC RO) as a full-suite inventory management solution for retailers.

Upgrade Note

While not directly related to RO, the Oracle Retail Predictive Application Server (RPAS) has undergone a major change to simplify hierarchy administration. Full details of these changes are outlined in the *Oracle Retail Predictive Application Server Release Notes*. Due to these changes, configuration updates have been made to RO, and you will need to perform additional steps to upgrade your RO domain, such as setting dimension sizes. The upgrade to RPAS 13.3 for this application includes a conversion process in addition to the normal upgrade process. For instructions about upgrading RO, see the following sections in these Oracle Retail Guides:

Section	Guide
"Converting a Domain"	*Oracle Retail Replenishment Optimization Implementation Guide*
"Upgrade Process"	*Oracle Retail Replenishment Optimization Installation Guide*
"Upgrading and Patching Domains"	*Oracle Retail Predictive Application Server Administration Guide for the Classic Client* or the *Oracle Retail Predictive Application Server Administration Guide for the Fusion Client*

Functional Enhancements

RO 13.3 includes the following functional enhancements. Additional information about these enhancements can be found in the *Oracle Retail Replenishment Optimization User Guide for the RPAS Classic Client* or the *Oracle Retail Replenishment Optimization User Guide for the RPAS Fusion Client*.

Alert for Sales Trending Up

The current **Trend in Sales Alert** is replaced with a new alert that identifies item/locations whose sales are trending up. To decide if there is a trend upward in sales, the ratio of an average of current sales and the long term average is compared to a threshold. If the ratio is higher than the threshold, then the **Sales Trending Up** alert is triggered.

This alert measure is viewed in the Admin Threshold for [Store or Warehouse] Replenishment View or the Admin Threshold for [Store or Warehouse] Replenishment Worksheet.

Alert for Sales Trending Down

New for Release 13.3, this alert identifies item/locations whose sales are trending down. To decide if there is a down trend in sales, the ratio of an average of current sales and the long term average is compared to a threshold. If the ratio is lower than the threshold, then the **Sales Trending Down** alert is triggered.

This alert measure is viewed in the Admin Threshold for [Store or Warehouse] Replenishment View or the Admin Threshold for [Store or Warehouse] Replenishment Worksheet.

Short History Alert

New for Release 13.3, this alert identifies item/locations with short sales history. If an item does not have enough sales, then the RO replenishment recommendations may not be reliable, and the user is alerted to review them.

The **Threshold for Insufficient History** measure is viewed in the Admin Threshold for [Store or Warehouse] Replenishment View or the Admin Threshold for [Store or Warehouse] Replenishment Worksheet.

Auto Approval Alert

New for Release 13.3, this alert allows for auto-approval of replenishment recommendations. If any of the new 13.3 alerts (Alert for Sales Trending Up, Alert for Sales Trending Down, or Short History Alert) are triggered (read as *True* by RO), then the recommendations for the item/location are not approved, and the previous replenishment settings are retained. However, when none of the new alerts are triggered (read as *False* by RO), then the recommendations are automatically approved, and the previous settings are copied in a measure that stores the last approved recommendations.

Hardware and Software Requirements

See the *Oracle Retail Replenishment Optimization Installation Guide* for information about the following:

- Hardware and software requirements
- Oracle Retail application software compatibility information

Fixed Issues/Defects

The following table contains issues that have been fixed for the current release.

Defect Number	Fixed Issue/Defect
12890526	The apply user override functionality in the Replenishment Analyst workbook is not working. This issue has been corrected.
12861396	The weekly demand over lead time is calculated incorrectly. This issue has been corrected.

Defect Number	Fixed Issue/Defect
13040166	RO scripts have hardcoded values for alertmgr navigation Threshold. The issue has been resolved by creating a script where variables and/or function definitions can be overridden.
12939976	RO replenishment recommendations do not appear to be consistent in some cases. This issue has been corrected, by persisting the statistics that were used to generate the recommendations.
13068574	Order up to points are sometimes too high in relation to sales This has been corrected by changing the time window over which the average sales are calculated.

Known Issues

The following table contains known issues for the current release.

Defect Number	Known Issue/Defect
12732394	When using the installer in text mode and installing the Fusion Client configuration, *stdout* may be hidden during the installation progress output phase after reaching the [sshexec] step. The installer appears to hang for a period of time, but returns to prompt upon completion. To see the full output of the installation process, view the Install log. The graphical user interface (GUI) mode is not affected.

Related Documentation

For more information, see the following documents in the Oracle Retail Replenishment Optimization 13.3 documentation set:

- *Oracle Retail Replenishment Optimization Implementation Guide*
- *Oracle Retail Replenishment Optimization Installation Guide*
- *Oracle Retail Replenishment Optimization Online Help for the RPAS Fusion Client*
- *Oracle Retail Replenishment Optimization User Guide for the RPAS Classic Client*
- *Oracle Retail Replenishment Optimization User Guide for the RPAS Fusion Client*
- Oracle Retail Predictive Application Server documentation

For more information about the RPAS Fusion Client, see the 13.3 Oracle Retail Predictive Application Server documentation set.

For more information about RPAS and the ODI Enabled Integration, see the following documentation sets:

- Oracle Retail Enabled ODI Integration documentation
- Oracle Data Integrator documentation
- Oracle Retail Predictive Application Server documentation

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