

# Introduction to LS Replenishment

Webinar Q&A May 26, 2020

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**Presenter: Kerim Karan, Functional Consultant**

- Q: I'd like to know the difference between LS Replenishment 2009 and LS Central.**  
A: The basics of it is the same (eg. average sales, like for like etc). I think we touched on some differences at the end: the store stock redistribution is new as is some more detailed stuff around assortment management. There is LS Forecast which replaced Demand Plan. This links into LS Insight for forecasting using BI. There are performance improvements in the Scheduler and the ability to parallel run scheduled jobs in replenishment. These are all much more advanced than what we talked about here. So, yes, the fundament is still the same but we have done a lot of improvements and added essential new functionality.
- Q: Does allocation and buyer's push take into account order multiple?**  
A: No, this is currently not supported. We had this request once and solved this with an implementation partner for a customer project. When we see this request more often, we will add this to the standard solution.
- Q: Can you please explain setups required for replenishment from warehouse instead of purchase order?**  
A: In the Item - Replenishment control data, I had the PO delivery set to **To Store**. You would need to change that to **To Warehouse** for that to be transferred from the central warehouse.
- Q: Can you give more information on allocation plans?**  
A: Yes, they're quite detailed in the setup, as I said towards the end. The [Replenishment Academy course](#) takes two and a half days, and there's more to learn there. I only just brushed on it.
- Q: Is Replenishment a part of the LS Central base functionality?**  
A: Yes, it is.
- Q: Are you able to remove promotional sales from average usage used in Replenishment?**  
A: Yes, this can be done with Sales History Adjustments. You can calculate the additional sales quantities due to a promotion with this feature and the Average Usage method will then be based on the total sales quantity minus the promotion sales quantity.

**Q: What is the hierarchy by which the system looks for data profiles based on item, category, division, product groups?**

A: It will start at the lowest, which is the item, and work its way up from there. So, from item to Retail Product Group, to Item Category to Division.

**Q: Is it possible to replenish based on stock-keeping unit? (To balance stock by size and balance curve).**

A: Replenishment, the refilling of stores and warehouses is based on the most detailed level (Item, Variant, Location) and will always calculate the demand on this level, without size balancing. Redistribution, the functionality to balance stock between stores is using this concept.

**Q: Do we need a premium license to run Replenishment?**

A: No, it comes standard with the LS Central solution. Everything you've seen today comes with the solution.

**Q: For like-for-like replenishment is all past sales history counted or can we do it with a time range in sales history?**

A: Like-for-like works by when you post sales for an item it creates a demand for that item. When replenishment runs, it will pick that up that demand and will replenish for that. It is not based on the time period.

**Q: Our stores belong to different legal entities (companies). Can the system create sales orders instead of transfer orders?**

A: Yes, we call this feature Multi-Company Replenishment.

**Q: Can we have multiple warehouses as a priority?**

A: For replenishment from a warehouse then no not typically. I have seen a setup where multiple transfer replenishment templates have been created and the highest priority location gets run first. If the item is filled from this location then it wont be replenished from the next location. If you use store stock redistribution then Yes it can be based on the rules that you have defined for where to source an item (Lowest Cost, Shortest Time etc)

**Q: How will be the set up be if we have a third party commissary, but no warehouse?**

A: Replenishment can be run for store-only installations too. In that case we calculate Replenishment Purchase Journals for the individual stores, meaning that the vendor delivers to the store directly.

**Q: Did you cover open-to-buy?**

A: No, I didn't get into open-to-buy in this webinar. The [Replenishment Academy course](#) will cover this in detail.

**Q: If average sales fall, is it possible to return the goods to a central warehouse?**

A: You can transfer it back manually or with a Stock Recall. It is risky to do this automatically because for items with volatile demand this could lead to increased handling and shipping cost when items are sent to stores and recalled regularly.

**Q: Will like-for-like factor sales orders or is it limited to statements?**

A: It is limited to statements. For the consideration of sales orders, we suggest Stock Level or Average Usage.

**Q: What is the replenishment sales profile (five weeks) in the replenishment control data profile? Could you explain that again?**

A: It is the setup for the amount of time I want to consider sales for to calculate average usage

**Q: Which method of replenishment is most suitable for convenience chain-stores?**

A: The one I see used mostly is Average Sales. It is the one I've seen in convenience type of stores more often than not.

**Q: Can LS Central Replenishment handle multiple warehouses? Like if you have multiple warehouses and run a purchase replenishment journal.**

A: Yes, we can handle multiple warehouses.

**Q: What's the difference between allocation plan and buyer's push?**

A: The simple answer for that: Allocation Plan normally has a Purchase Order from the vendor to a central warehouse and then distributes Transfer Orders from the central warehouse to stores. With Buyer's Push the central warehouse already has the stock from a previous buy and then you're just pushing it to the stores by the transfer order.

**Q: The bell curve in variants?**

A: I didn't touch on that subject today as it belongs to a more detailed discussion. LS Central can calculate a Variant Weight Curve to detect the distribution between sizes, colors, etc.

**Q: What's the name of the role center showing most of the menus in replenishment?**

A: The profile name was LS Replenishment and the Role Center ID is 10012272.

**Q: Pharmacy retail requires seasonal and allocations by weight - comments?**

A: In the allocation plan, and I only briefly touched on it today, you have got the ability to do so, where we got the weights per store. You can attach a calculation to that, so you can look at previous period, say last year between April and May, for this category of products to get your weightings, and it can do the calculation from that. So that sort of advanced setup might be what you're looking for.

**Q: Does the like-for-like method look at the most recent posted statement only, or average sales based on sales profile?**

A: Like-for-like will look at anything that has been posted and not reordered. So, if you're running it daily it will look at the last day, but if you're only running it monthly it will look at the month. It depends how often you run that template.

**Q: Is there any report to see understocked and overstock stores?**

A: There was a view in that store-stock redistribution that showed you the sell rates through those. I there is a report called Stock Turnover report that might help you out on that one.

**Q: Is there a hierarchy between each of the replenishment sales for example forecast vs. average sales?**

A: No, there isn't a hierarchy between them. They are just multiplications on each other, so it doesn't matter which way you calculate.

**Q: Will there also be intro training for LS Central demand plan?**

A: *[Demand planner integration has been discontinued as of LS Central 14.02 – see [here](#)]*  
Our new solution, LS Forecast, is the successor of demand plan and is available for version 16.0 and 14.03.

**Q: Is assortment management mandatory to be configured to run replenishment?**

A: No.

**Q: Does like-for-like replenish consider sales orders for posted stock data?**

A: No.

**Q: Let's say stock size: S, M, L, XL, XXL is 12321, can we replenish based on that pattern?**

A: Yes, we call this a Dimension Pattern and this can be calculated from historical sales.

**Q: Does replenishment journal consider a safety lead time?**

A: Indirect, with the Stock Coverage Days fields or the Coverage Days Profiles. We suggest, when setting the Warehouse Coverage Days to use the formula: Lead Time + Inbound Handling Time + Buffer Time.

**Q: Is it possible to allocate stock by item category group or division?**

A: Yes, definitely. That's a bit more advanced and that's taken care of in assortment management. I will see if there's a link to it. I believe there is some link to it in the LS Online Help and I'll give you the information on that.

**Q: In the store-stock redistribution, will the redistribution costs hit a specific G/L account**

A: No, we use this value for sorting and detecting the best combinations only.

**Q: Does replenishment also cover the calculation of ingredients?**

No, this is on our roadmap.