NETSTOCK

The limitations of your ERP vs. Predictor IA

ERP software tells you how much inventory you have, where it's located, what's inbound, what's outbound, and what's being manufactured. But – it doesn't tell you how much inventory you should have!

ERP software isn't designed for complex inventory optimization. It lacks predictive insights and advanced notifications of potential challenges. This can lead to stock-outs or excess inventory without early warning signals. Predictive analytics and dynamic forecasting functionality are essential for optimal demand and supply planning.

Let's explore these limitations and how Predictor IA can support

Fill Rate and line Item fill rate

- ERPs are not designed to track, measure, or report on item-level fill rate, nor are they designed to keep track of the target fill rate per item, group, or location
- **Netstock Predictor IA** can set desired service level/fill rates

Safety stock levels

- ERPs have static safety stock levels for items
- These systems ignore demand volatility and supply unreliability when calculating safety stock
- **Netstock Predictor IA** has adopted a risk-based safety stock model that dynamically increases the safety stock for items with unreliable supply and volatile demand profiles

Supply planning

- ERPs lack constraints on building orders to specific volume or weight limits, which is important for planning events like the Chinese New Year
- **Netstock Predictor IA** automatically generates a rolling 365-day future projection for each item in each location, informing the user how to order and when to order. This also considers MOQ's and Order Multiple constraints each supplier may have

Demand planning

- Most ERPs provide a simple bin-level replenishment model, which is often not enough for planning efficiently today
- **Netstock Predictor IA** has developed a set of best-of-breed, inventory-specific forecasting methods geared to auto-fit the best model for each item. This helps the user identify seasonality and slow-moving items
- ERPs lack exception-level planning, making it hard to identify high/low variance
- **Netstock Predictor IA** has a built-in exception management dashboard that helps you find those hard-to-plan items and enables you to implement a unique rule for how those items should be treated in the future

Bill of Materials

- ERPs lack the capability to recommend stocking and replenishment for items within a multi-level BOM, especially when multiple finished goods are demanding the same components
- **Netstock Predictor IA** imports the BOM structures from the ERP, and demand for components is planned based on the sales forecast of the finished goods

Performance tracking

- ERPs don't have built-in targets
- **Netstock Predictor IA** provides the key supply chain metrics for your business to remain ahead of competitors. From item-level stock projection and turns to group-level margin projection, all the key metrics are standard within Predictor IA and available at any time