

# Allocation and Order Promising

## Reliable Order Fulfillment With Demand Prioritization

Order promising using standard lead times or on-hand inventory is not an option in competitive industries where customers require shorter lead times and can choose from multiple suppliers. E2open®'s Allocation and Order Promising application provides accurate promise dates based on current inventory and supply data from internal sites and external partners. Existing commitments, allocations and demand priorities are respected, enhancing customer satisfaction and reinforcing a reputation for reliability.

With today's complex supply chains, order promising is a constant challenge. Unanticipated new orders and supply chain disruptions can interfere with previous promises at any time. When this occurs, the allocation of on-hand inventory and incoming supply to customer demands must be reevaluated — a time-consuming and labor-intensive process. When repromising, companies must take into consideration prior commitments, promises and allocations so customers gain full confidence in fulfillment dates over time.

Part of e2open's Business Planning intelligent application suite, e2open Allocation and Order Promising increases the reliability of promises to customers without the need to adjust supply allocations manually. Powerful algorithms find the best use of materials and capacity to satisfy demand priorities, taking into account commitments made to customer forecasts, allocations to strategic markets and customers, and previously made promises. By leveraging e2open's trading partner network, promising decisions can take into consideration real-time, accurate information regarding inventory, capacity and lead-times from suppliers, outsourced manufacturing partners and third-party distributors. With these capabilities, organizations can commit to customers' orders with confidence.

### Key Features

- Powerful and flexible rule sets and allocation strategies
- Smart allocation for meeting high-priority demands
- Feasible ATP and CTP order commitments based on internal and external material supply, transportation availability and manufacturing capacity
- What-if modeling for evaluating and refining options
- Easy identification of bottleneck components
- Ability to quickly identify and resolve exceptions

### Key Benefits

- Improved customer satisfaction through reliable promising and fulfillment
- Preservation of original commit dates for priority customers
- Rapid large new order evaluations to enable a fast response
- Synchronization of automated order promising with business objectives
- Reduced expediting effort and costs due to accurate up-front promise dates

## Flexible Configurations for Automating Promising Decisions

E2open Allocation and Order Promising leverages current data from internal sources, suppliers and contract manufacturers through a variety of connectivity options. Up-to-date and accurate data ensures that available-to-promise (ATP) and capable-to-promise (CTP) responses maximize the likelihood of on-time fulfillment.

### **Prioritization Using Convenient Rule Sets**

Planners can define powerful rule sets to determine production and service priorities. These might involve prioritizing the most profitable products in the event of component shortages, servicing strategic markets and key customers first or shipping first-in-first-out at certain stages in a quarter. The rule sets are easy to use and adaptable when circumstances change. The application's flexibility empowers planners to meet customer requirements while profitably fulfilling demand in accordance with company strategies.

### **Demand Classification to Establish Priorities**

Demands are grouped based on previous commitments, forecasts and plans, then prioritized optimally based on the available supply. Upside demand can be accommodated without the risk of unknowingly deprioritizing a key customer or underserving a strategic channel.

### **Forecast and Demand Allocation for Improved Promising Reliability**

To facilitate order prioritization, the application associates individual customer orders and net forecasts with various demand classes. Identifying customer orders that have been forecasted previously improves the reliability of commitments to customers.

### **Priority Management to Ensure That the Most Important Orders Take Precedence**

The Priority Manager workbench generates the best ranking of demand to match supply. The higher a demand appears in the ranking, the greater the likelihood that it will obtain supply for on-time delivery. Using this feature, planners can apply rule sets based on any attribute of demand, such as time, customer segment, demand class, prior commitments, product, revenue or margin. These flexible and powerful rule sets can also represent different order fulfillment strategies that planners can use and adapt to best meet key performance indicator (KPI) targets or planning goals.

### **What-if Scenarios for Evaluating Tradeoffs**

Using what-if scenarios, planners can evaluate various priority strategies before choosing a course of action. Planners can also simulate upside demand or short supply before changing an operational plan. This improves on-time, in-full metrics and minimizes expediting costs and effort. Rule sets increase productivity by allowing planners to generate feasible ATP and CTP promise and repromise dates for large supply chains all at once. There is no need to manually adjust large numbers of allocations or generate continuous simulations to find feasible plans.





## End-to-End Supply Chain Management Platform

Once an organization implements any e2open platform application, it is easy to add more capabilities in the future for better visibility, coordination and control over the end-to-end supply chain. The e2open platform creates a digital representation of the internal — and optionally external — network, connects internal ERP and financial systems using SAP® and Oracle® certified adapters for timely data feeds, and normalizes and cleanses the data to make it decision-grade. Using machine-learning enabled algorithms and supply chain management applications, the platform processes the data and provides bi-directional, closed-loop communications back to ERP systems for execution. This facilitates the evolution of supply chain processes towards true convergence of end-to-end planning and execution.

Commit with confidence.  
Reliable promise dates reflect the latest materials availability and capacity information from internal sources and trading partners, honor prior commitments and prioritize key demands.

## About e2open

At e2open, we're creating a more connected, intelligent supply chain. It starts with sensing and responding to real-time demand, supply and delivery constraints. Bringing together data from customers, distribution channels, suppliers, contract manufacturers and logistics partners, our collaborative and agile supply chain platform enables companies to use data in real time, with artificial intelligence and machine learning to drive smarter decisions. All this complex information is delivered in a single view that encompasses your demand, supply and logistics ecosystems. E2open is changing everything.

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