As the name suggests, an automatic replenishment system (ARS) primarily generates replenishment orders. The logic of ARS can be embedded into the organization's ERP systems.

**Benefits**
- Reduced purchase and administrative costs.
- Higher inventory turnover.
- Accurate and flexible reporting.
- Better cash flow.
- Better customer service level and customer satisfaction.

**Who benefits?**
Retailers with:
- Low product availability,
- Laborious manual replenishment planning,
- Excessive replenishment expenses
- Higher amount of capital locked up as inventory.

**Manual Replenishment**

Wholesaler/Warehouse → Shipment → Store

**Automatic Replenishment**

Wholesaler/Warehouse → Forecast → Update Inventory → Order Proposals → Shipment → Order → Store

Reduction in food wastage in grocery supply chains: **20%**