Purchasing

Don’t run out of stock with reordering rules

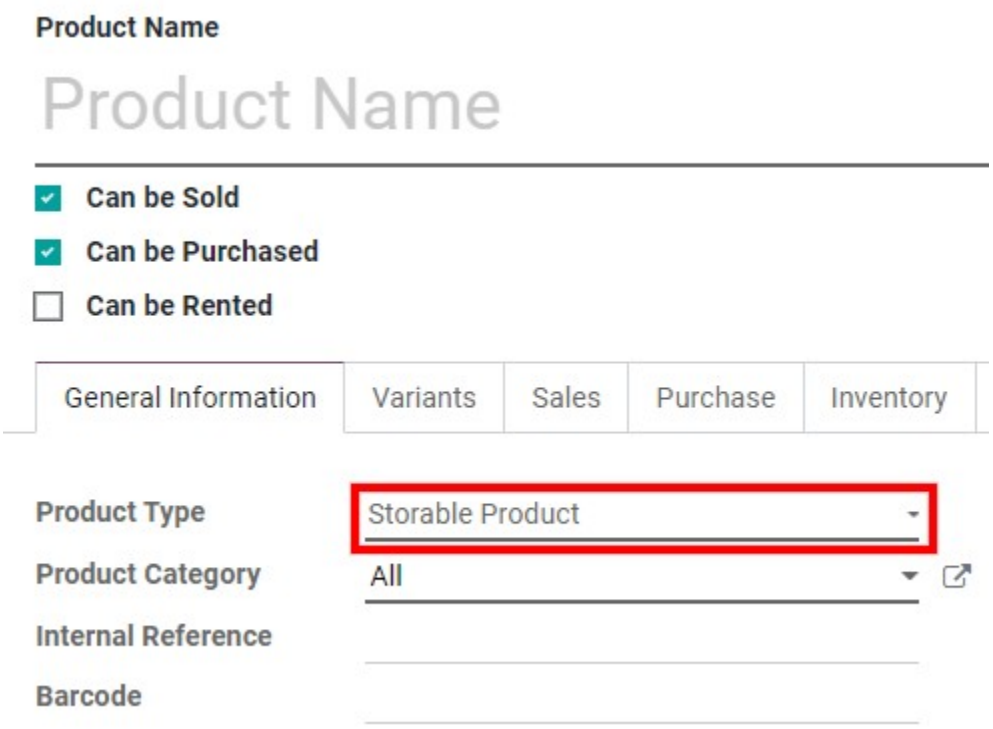
To make sure you never run out of stock, you can define *Reordering Rules* on products. Thanks to them, Odoo can help you replenish your stock automatically when it reaches set quantities or whenever a sales order is created.

Important

You need to install the *Inventory app* to use reordering rules.

Configure your storable product

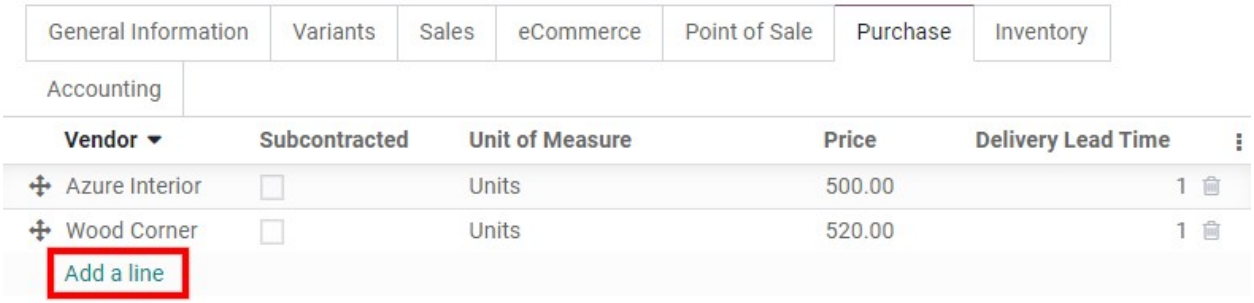
Open or create a product with its *Product Type* set to *Storable Product*.

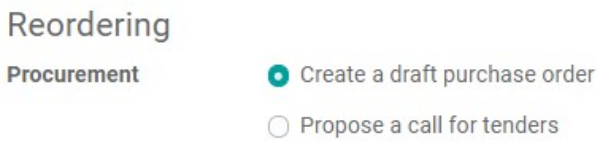


As you are purchasing this product from a vendor, go to the product’s *Purchase tab* and add a vendor by clicking on *Add a line*. You can add multiple vendors, but make sure to order them correctly, since reordering rules always use the first vendor in a list. You can add a price, but it isn’t necessary for the reordering rule to work. In addition, you can add a minimum quantity you must order to benefit from that price.

Note

If the quantity Odoo has to reorder doesn't match the minimum quantity specified, Odoo selects the next vendor on your list. If you don't have another vendor on your list, the reordering rule won't work. For that purpose, you can add the same vendor multiple times with different prices for different quantities.

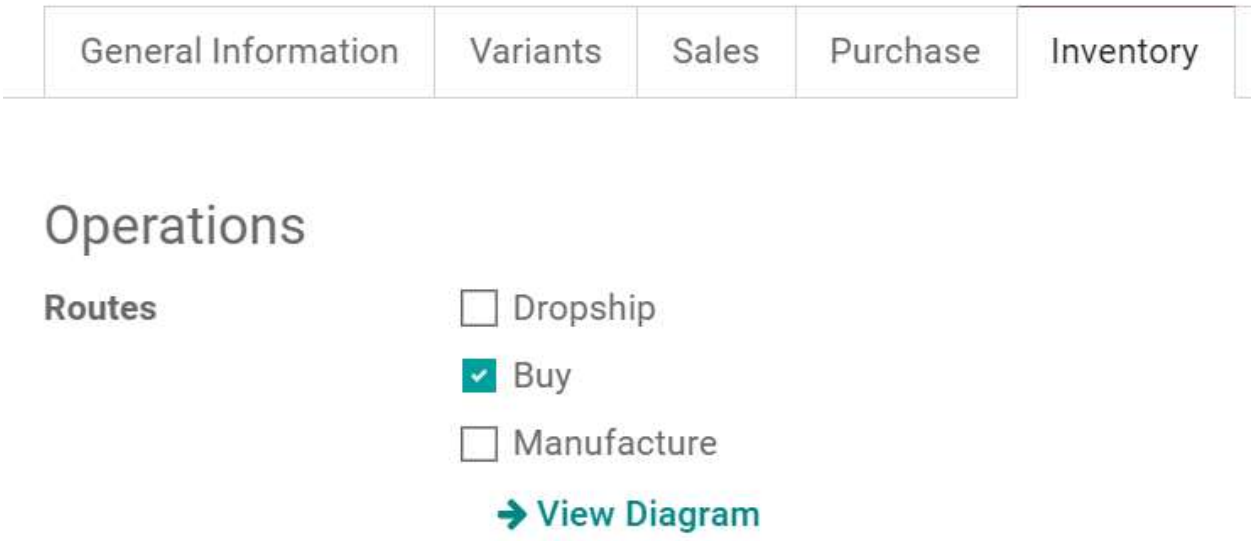




Tip

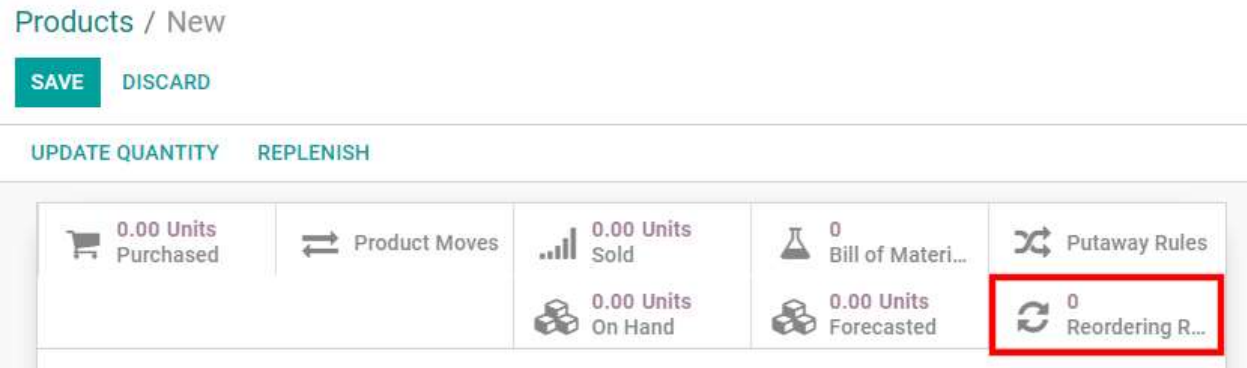
By default, a draft purchase order is created. However, if you have enabled *Purchase Agreements*, you can *Propose a call for tenders* instead as shown in the image above. For more information, see **Purchase agreements: blanket orders and calls for tenders**

Next, make sure the correct route is selected under the Inventory tab of your product. If you created your product within the Purchase app, the *Buy* route is selected by default. If you are looking to dropship your product, select *Dropship*.



Set up your reordering rule

Open your product and click on the *Reordering Rules* button.



Once you are on the product's reordering rules page, click on *Create*.

Tip

You can access and create reordering rules from **Inventory ▸ Configuration ▸ Reordering Rules** and from **Inventory ▸ Operations ▸ Replenishment**. By default, the replenishment view presents a summary of all the products that you might need to purchase to fulfill your sales orders. From there, you can ask Odoo with a single click to order a product once or automate all orders for that product, future orders included.

Define quantities

You can set a **minimum quantity** your stock should always have. Once set, if your stock goes below the minimum quantity, and if you selected the Buy route, a request for quotation is automatically generated to reach that minimum quantity, plus any additional quantity needed to fill in a sales order for example.

If you set a **maximum quantity**, every time the product has to be replenished, enough products are reordered to reach the maximum quantity.

If you want to order only the exact quantity needed to fill in a sales order for example, set both both the minimum and maximum quantity to **zero**. The quantity mentioned in the sales order is then used by the reordering rule.

You can also add a **quantity multiple** to only order products in batches of a certain quantity. Click on the optional columns drop-down menu, and select *Multiple Quantity* to show the column. Bear in mind that you might go over the maximum quantity you set if your rule includes a quantity multiple, as Odoo orders enough products to reach the maximum quantity and respect the set quantity multiple.

Products / Chair / Reordering Rules

Product Chair Search...

CREATE

Filters Group By Favorites

1-1 / 1

Location	Preferred Route	Min Quantity	Max Quantity	Multiple Quantity	UoM
WH/Stock	Buy	4.00	20.00	1.00	Units

Purchase in different units of measure than sales

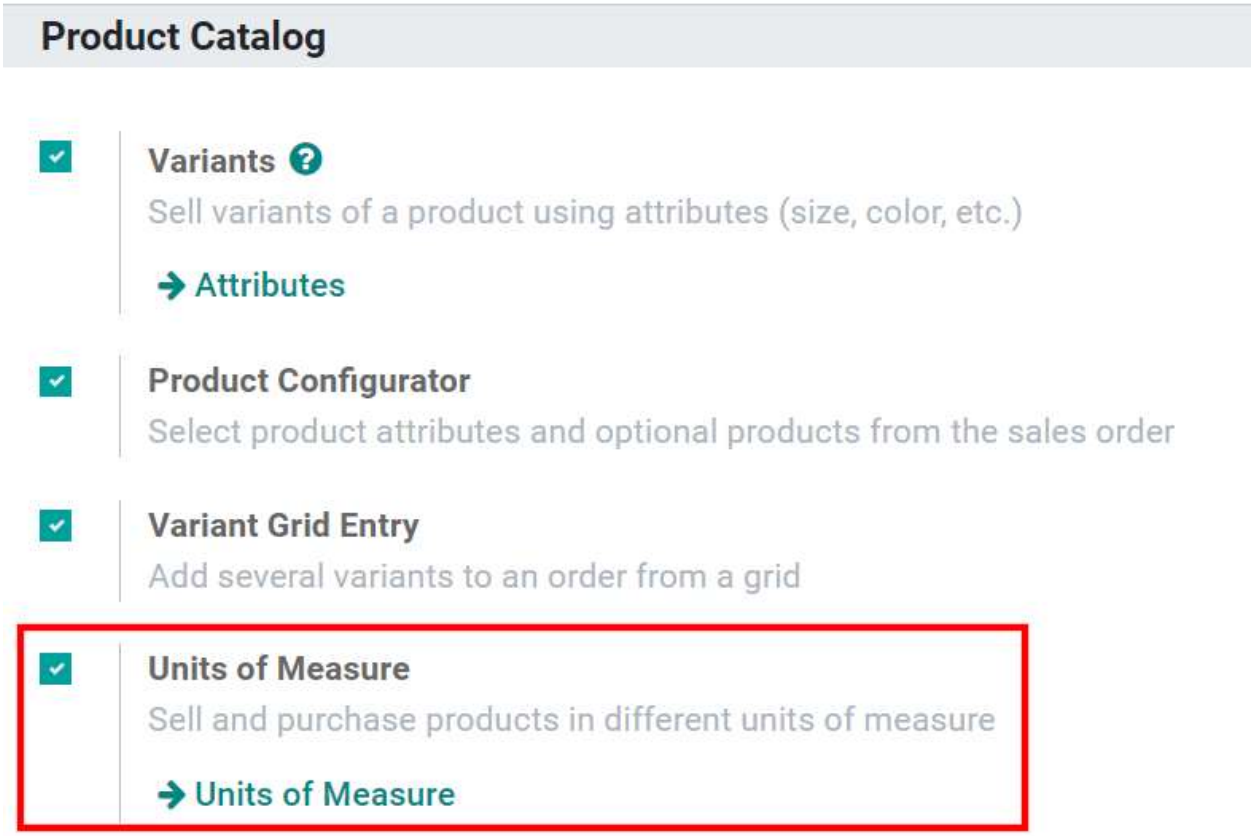
When you purchase a product, it may happen that your vendor uses a different unit of measure than you do when you sell it. This can cause confusion between sales and purchase representatives. It is also time-consuming to convert measures manually every time. With Odoo, you can configure your product once and let Odoo handle the conversion.

Consider the following examples:

1. You purchase orange juice from an American vendor, and they use **gallons**. However, your customers are European and use **liters**.
2. You buy curtains from a vendor in the form of **rolls** and you sell pieces of the rolls to your customers using **square meters**.

Enable units of measure

Open your Sales app and go to **Configuration ▸ Settings**. Under Product Catalog, enable *Units of Measure*.



Specify sales and purchase units of measure

Standard units of measure

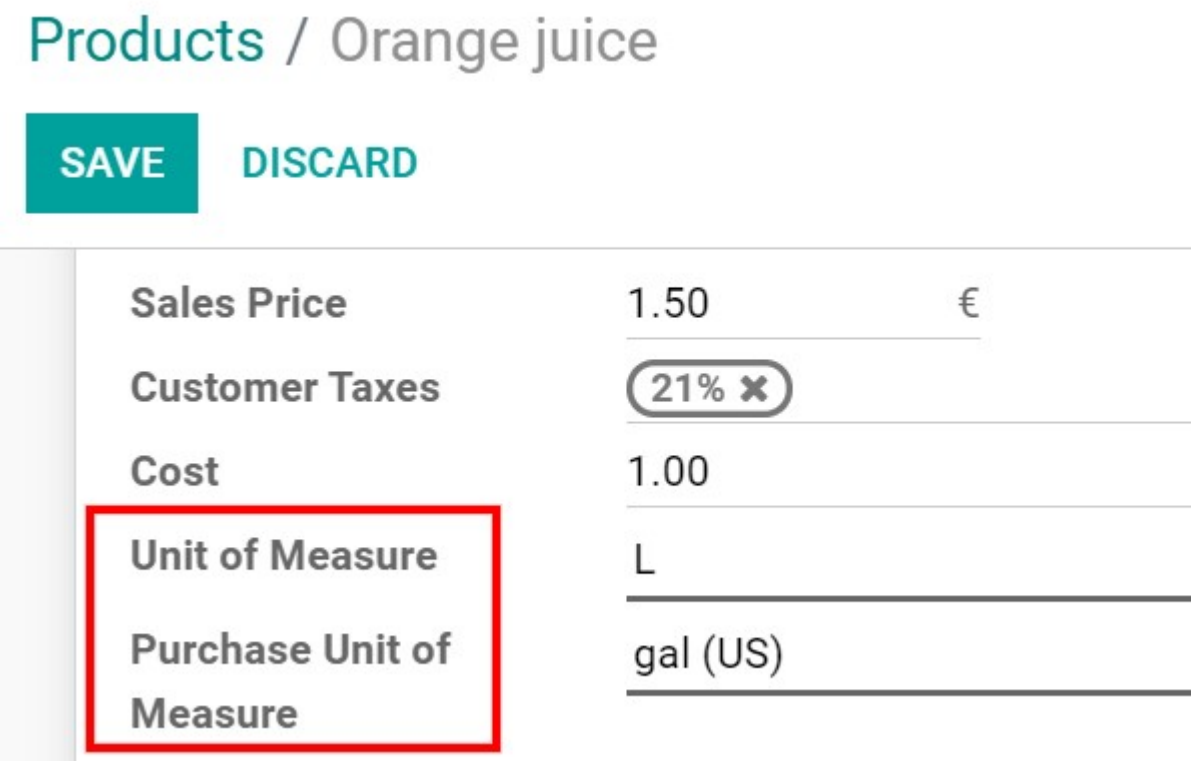
A variety of units of measure are available by default in your database. Each belongs to one of the five pre-configured units of measure categories: *Length / Distance*, *Unit*, *Volume*, *Weight* and *Working Time*.

Tip

You can create your new units of measure and units of measure categories (see next section).

To specify different units of measures for sales and purchases, open the Purchase app and go to **Products ▸ Products**. Create a product or select an existing one. Under the product's *General Information* tab, first select the *Unit of Measure* to be used for sales (as well as for other apps such as inventory). Then, select the *Purchase Unit of Measure* to be used for purchases.

Back to the first example, if you purchase orange juice from your vendor in **gallons** and sell it to your customers in **liters**, first select *L* (liters) as the *Unit of Measure*, and *gal (US)* (gallons) as the *Purchase Unit of Measure*, then click on *Save*.

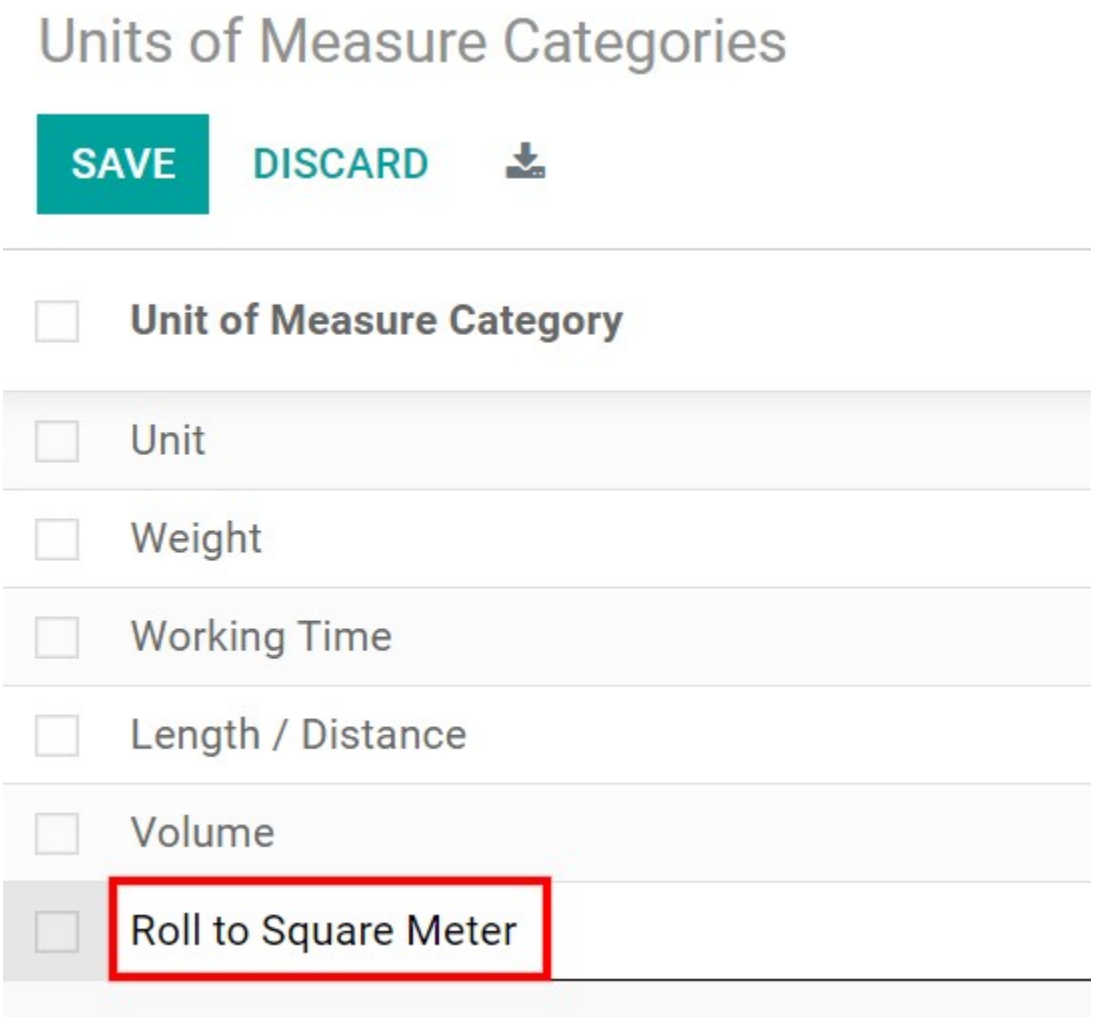


Create new units of measure and units of measure categories

Sometimes you need to create your own units and categories, either because the measure is not pre-configured in Odoo or because the units do not relate with each other (e.g. kilos and centimeters).

If you take the second example where you buy curtains from a vendor in the form of **rolls** and you sell pieces of the rolls using **square meters**, you need to create a new *Units of Measure Category* in order to relate both units of measure.

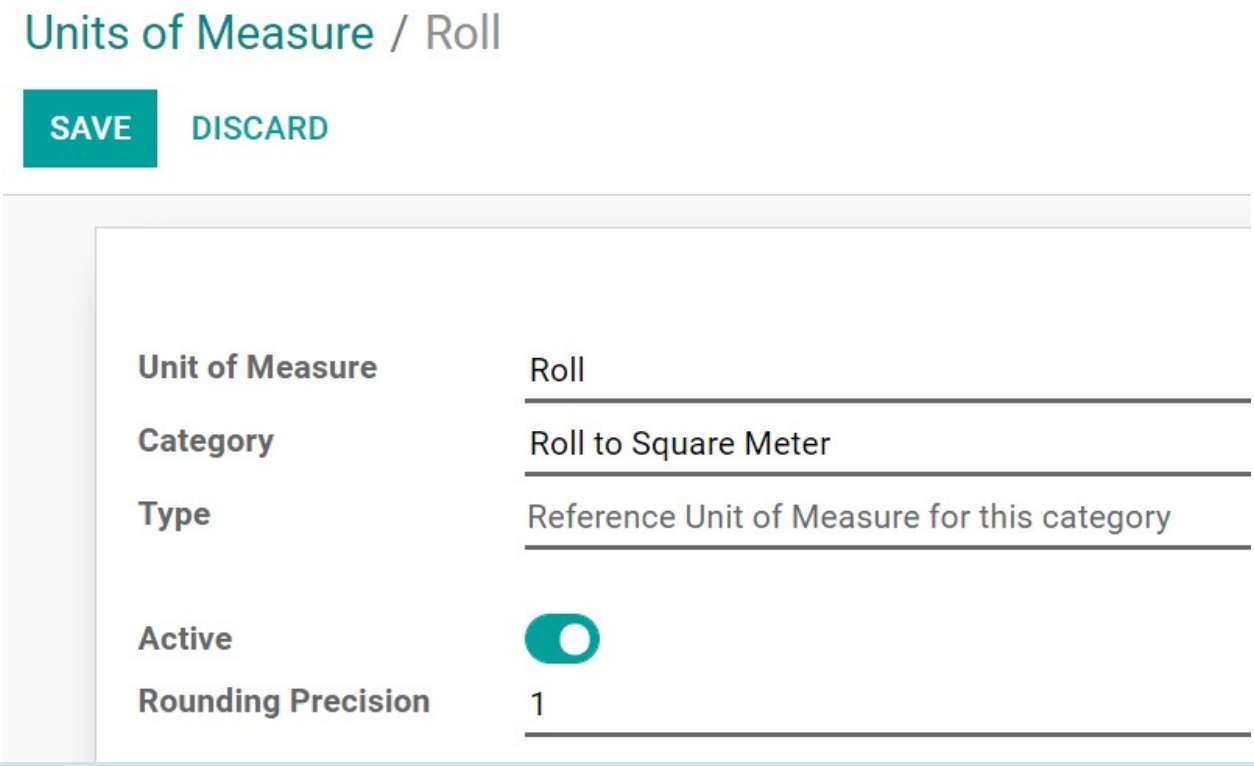
To do so, go to **Configuration ▸ Units of Measure Categories**. Click on *Create* and name the category.



The next step is to create the two units of measures. To do so, go to **Configuration ▸ Units of Measure**.

First, create the unit of measure used as the reference point for converting to other units of measure inside the category by clicking on *Create*. Name the unit and select the units of measure category you just created. For the *Type*, select *Reference Unit of Measure for this category type*. Enter the *Rounding Precision* you would like to use. The quantity computed by Odoo is always a multiple of this value.

In the example, as you cannot purchase less than 1 roll and won't use fractions of a roll as a unit of measure, you can enter 1.



Note

If you use a *Rounding Precision* inferior to 0.01, a warning message might appear stating that it is higher than the *Decimal Accuracy* and that it might cause inconsistencies. If you wish to use a *Rounding Precision* lower than 0.01, first activate the **developer mode**, then go to **Settings ▸ Technical ▸ Database Structure ▸ Decimal Accuracy**, select *Product Unit of Measure* and edit *Digits* accordingly. For example, if you want to use a rounding precision of 0.00001, set *Digits* to 5.

Next, create a second unit of measure, name it, and select the same units of measure category as your reference unit. As *Type*, select *Smaller* or *Bigger than the reference Unit of Measure*, depending on your situation.

As the curtain roll equals to 100 square meters, you should select *Smaller*.

Next, you need to enter the *Ratio* between your reference unit and the second one. If the second unit is smaller, the *Ratio* should be greater than 1. If the second unit is larger, the ratio should be smaller than 1.

For your curtain roll, the ratio should be set to 100.

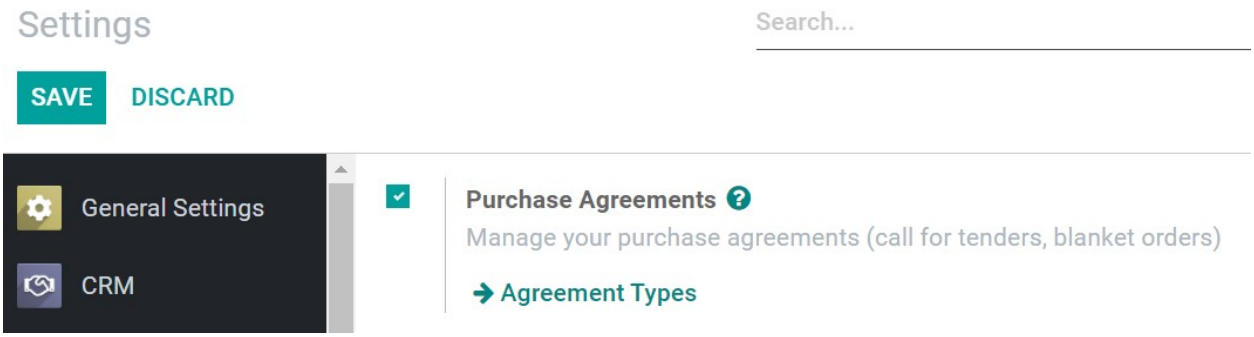
Purchase agreements: blanket orders and calls for tenders

There are two main types of purchase agreements preconfigured in Odoo: blanket orders and call for tenders.

1. Blanket orders are long-term agreements between a company and a vendor to deliver products on a recurring basis with predetermined pricing. Your company should consider using them when you frequently purchase the same products from the same vendor in varying quantities and/or at different times. Among their many benefits, you can save time as the ordering process is simplified, and money thanks to more advantageous bulk pricing.
2. Calls for tenders use a special procedure to request offers from multiple vendors at the same time. While public sector organizations are often legally bound to release calls for tenders when they want to purchase goods or services, private organizations can also use them to get the best deal among several vendors.

Enable purchase agreements

From the Purchase app, go to **Configuration ▸ Settings** and activate *Purchase Agreements*.

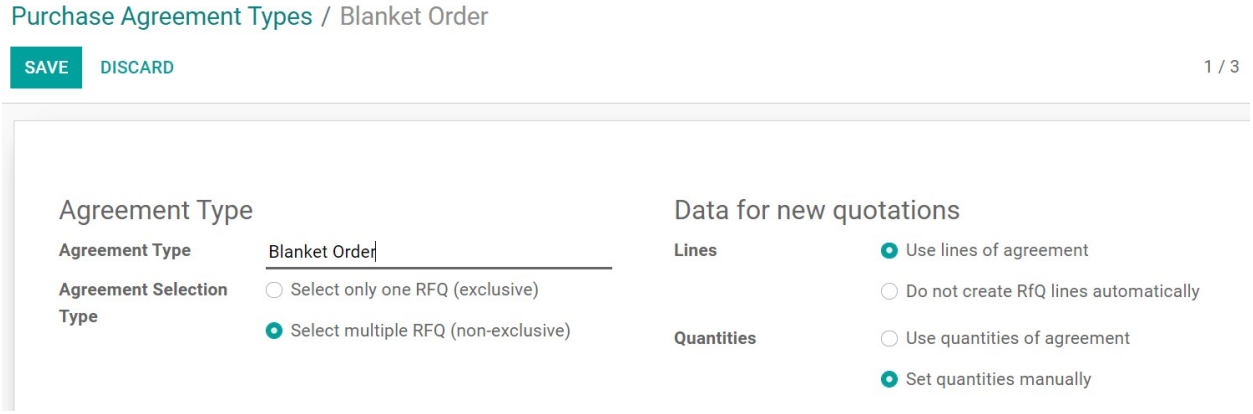


Configure or create new types of purchase agreements

Before you start using purchase agreements, make sure they are configured the way you want by going to **Configuration ▸ Purchase Agreement Types**. From there, you can edit the way blanket orders and calls for tenders or *Create* a new type of purchase agreement. You can configure the:

1. Agreement Type: the name you want to give to the agreement.
2. Agreement Selection Type: you can either select multiple offers using *Select multiple RFQ (non-exclusive)*, which is the default setting for both blanket orders and calls for tenders, or a single offer using *Select only one RFQ (exclusive)*, which is sometimes needed for calls for tenders where you only want to select a single vendor.
3. Lines: generally, you would always want to select *Use lines of agreement*, which are the different product lines you can configure when you set up your purchase agreement. However, you can select *Do not create RfQ lines automatically* if you don't want your requests for quotations to be pre-filled in with that information.
4. Quantities: if you use lines of agreements, you can also specify independently if the products' quantities should be used to pre-fill new requests for quotations. The default

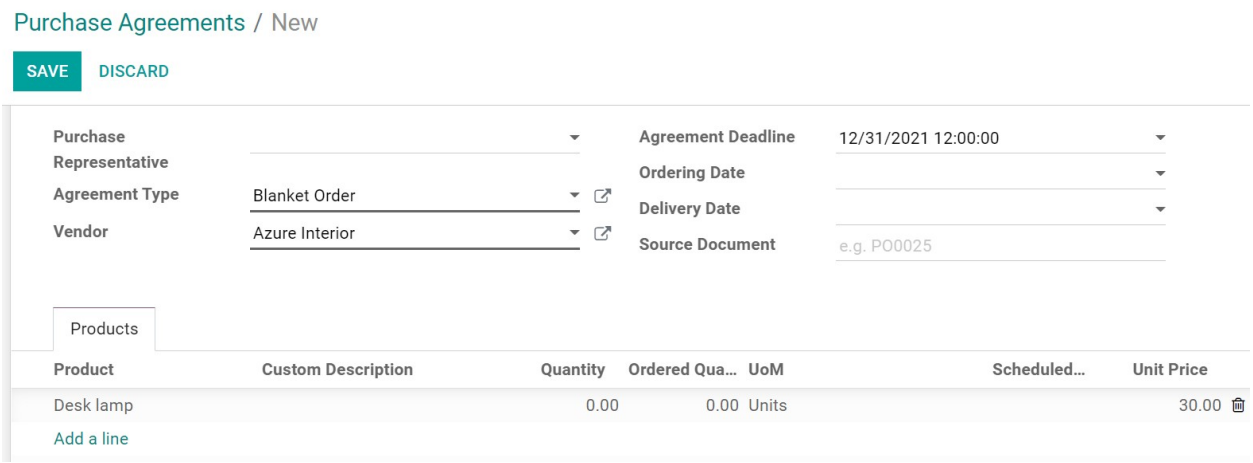
option for blanket orders is *Set quantities manually*, while for calls for tenders are set to *Use quantities of agreement*.



Set up a blanket order

Go to **Orders ▸ Purchase Agreements** and click on *Create*. Select *Blanket Order* as your *Agreement Type*. Next, select the vendor. The other fields aren't mandatory.

Next, add the products you want to order and their price. Note that you can also add a *Quantity* for each product, for example, if you have agreed with your vendor to order a specific minimum quantity each time or in total. If you have configured your blanket order to *Set quantities manually*, this is only used for informational purposes.



You can also write any *Terms and Conditions* at the bottom of the agreement. Once you are satisfied with your blanket order, click on *Confirm*. Its status then changes from *Draft* to *Ongoing* and it's ready to be used.

Create requests for quotation from the blanket order

You can now create new quotations from the blanket order whenever you need it by clicking on *New Quotation*. Odoo automatically fills in requests for quotation with the information

initially defined when you set up the blanket order. Depending on the way you configured the *Purchase Agreement Type*, product lines can also be pre-filled.

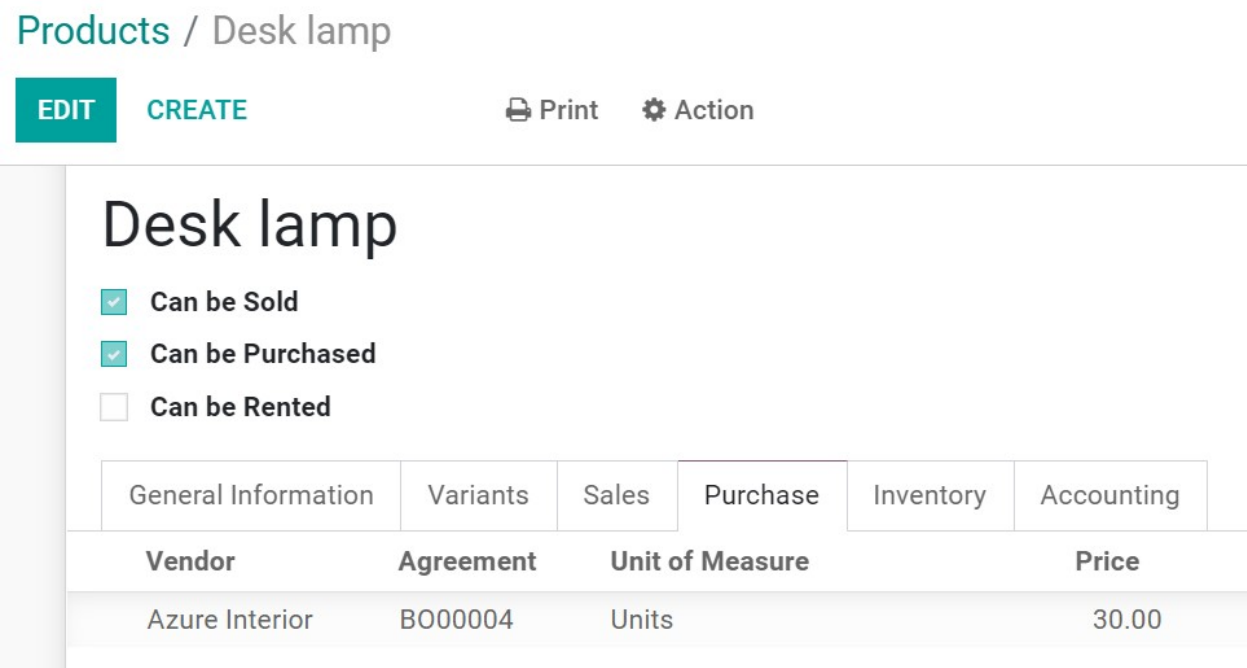
From here, you can quickly view all the requests for quotations made under that blanket order by clicking on *RFQs/Orders*.

Tip

You can also create a *Request for Quotation* the usual way and then link it to an existing *Blanket Order*.

Blanket orders and replenishment

Blanket orders can be used for **automated replenishment**, as once a blanket order is confirmed, a new vendor line is added to your product. Make sure the related vendor is in the first position if you have several vendors linked to your product.



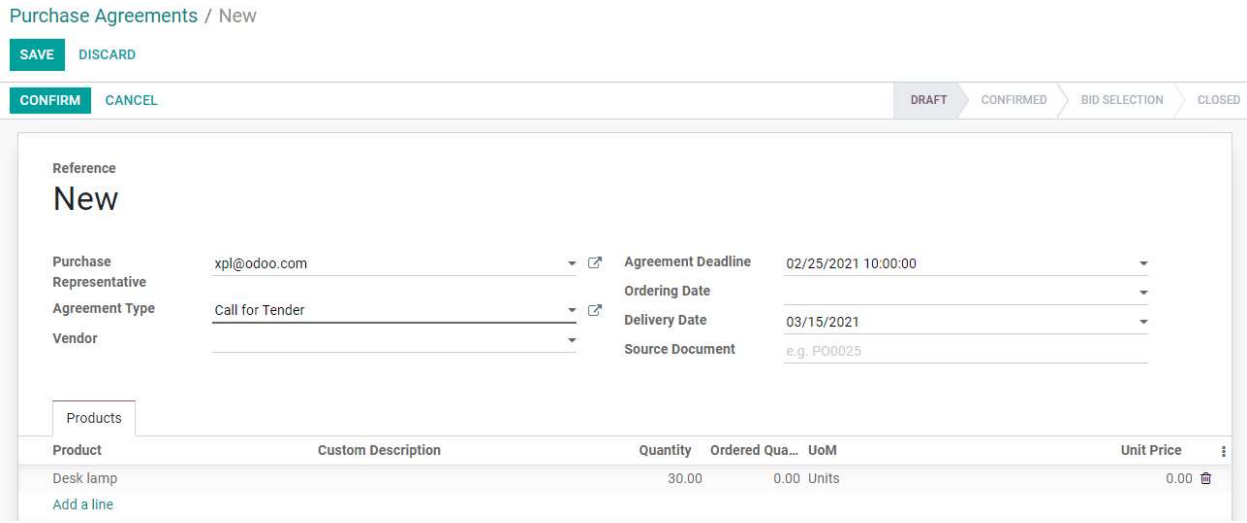
Set up a call for tenders

Go to **Orders ▸ Purchase Agreements** and click on *Create*. Select *Call for Tenders* as your *Agreement Type*. The other fields aren't mandatory, but you can add the date you want to be

delivered and set an agreement deadline. You usually don't want to select a vendor for calls for tenders as you are looking to get quotations from multiple vendors.

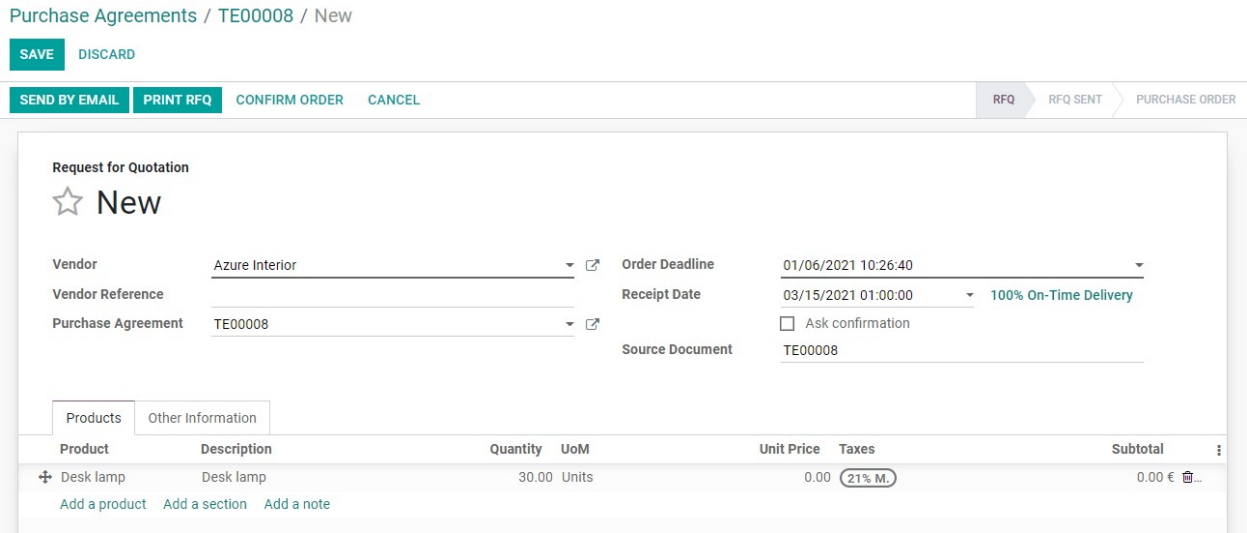
Next, add the products you want to order and in what quantity. For calls for tenders, you typically don't add a price, as the vendors should give you their best quote.

You can also write any *Terms and Conditions* at the bottom of the agreement. Once you are ready, click on *Confirm*.

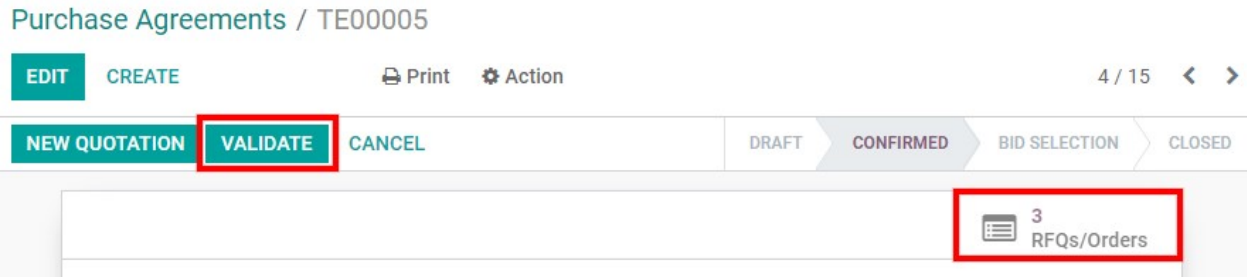


Requests quotations from the call for tenders

You can now request new quotations from the call for tenders. Click on *New Quotation* and select one of your vendors you want to invite to the call for tenders. Product lines should also be pre-filled in, depending on how you configured the *Purchase Agreement Type*. Click on *Send by email* to send it to the vendor. Go back to the call for tenders and repeat this process for each vendor.



Once you have sent a request for quotation to every vendor and receiving their quotes, click on *Validate* to proceed to the bid selection. Next, click on the RFQs/Orders smart button to view all your vendors' quotations.



Click on each request for quotation to add the price communicated by your vendors manually. When that's done, select the most advantageous offer and click on *Confirm Order*. This automatically closes the call for tenders. You can now proceed with the purchase order as you would for a regular one.

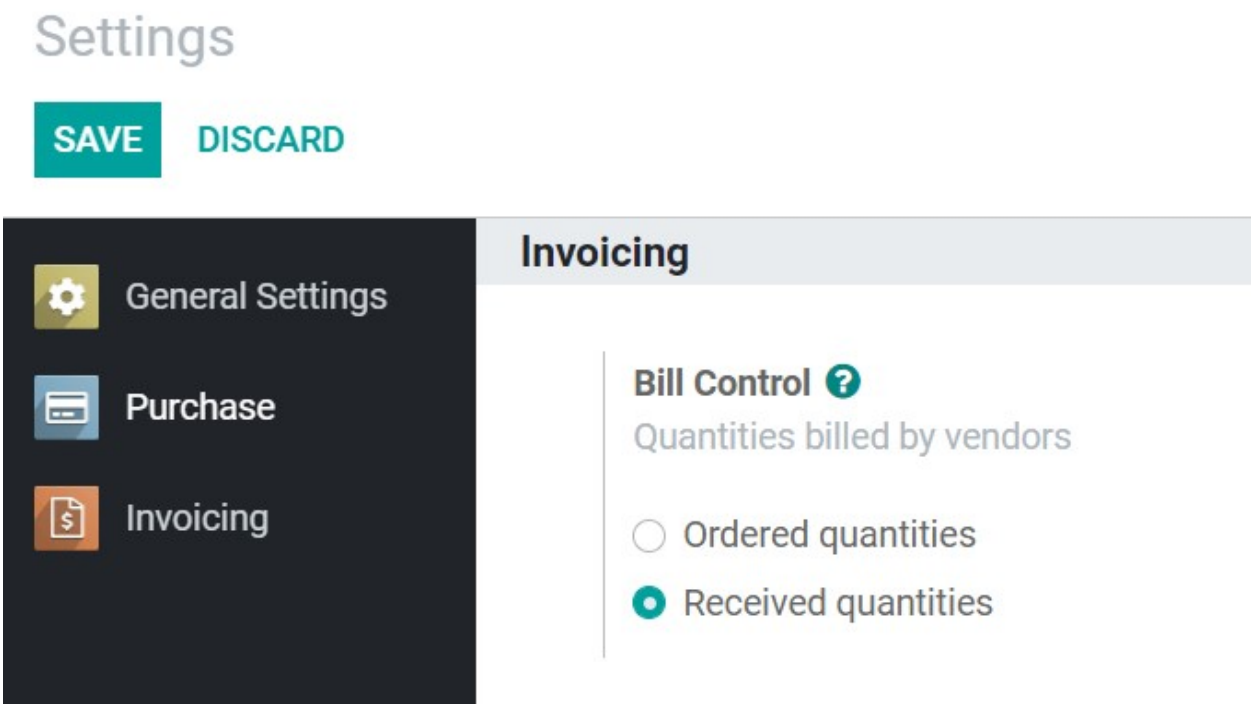
Control and know when vendor bills should be paid

With Odoo, you can define how your vendor bills are controlled. For each purchase order, you can decide when the related vendor bill should be paid: either before or after you have received your products. You can also check at a glance what is the billing status of each purchase order.

With the 3-way matching feature, Odoo compares the information appearing on the *Purchase Order*, the *Vendor Bill* and the *Receipt*, and lets you know if you should pay the bill. This way you can avoid paying incorrect or fraudulent vendor bills.

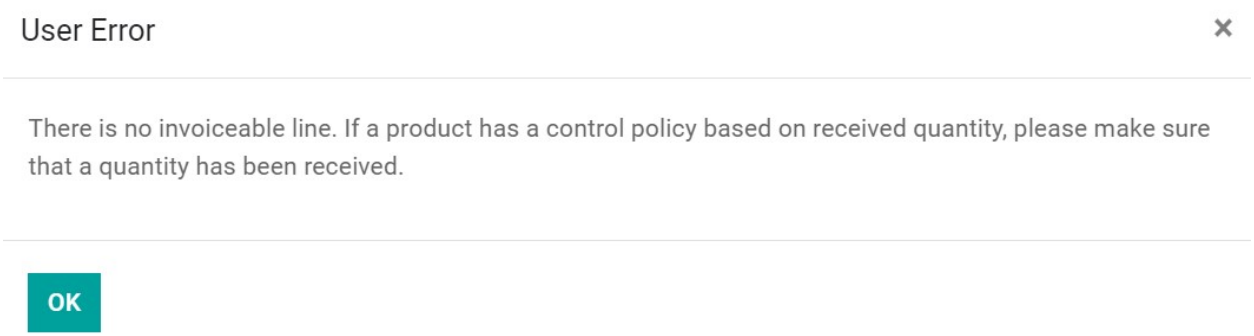
Vendor bills default control policy

As a first step, open your Purchase app and go to **Configuration ▸ Settings** to set the default bill control policy for all the products created onwards.



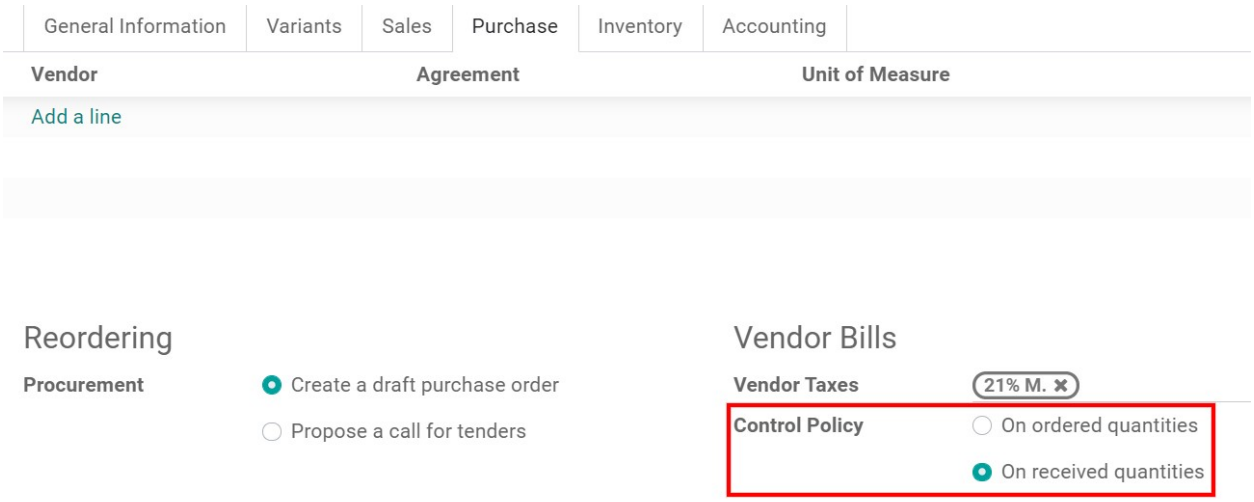
By selecting *On ordered quantities*, you can create a vendor bill as soon as you confirm an order. The quantities mentioned in the purchase order are used to generate the draft bill.

If you choose *On received quantities* instead, you can only create one once you have at least received some of the products you have ordered. The quantities you have received are used to generate the draft bill. If you try to create one without having received any product, you get an error message.



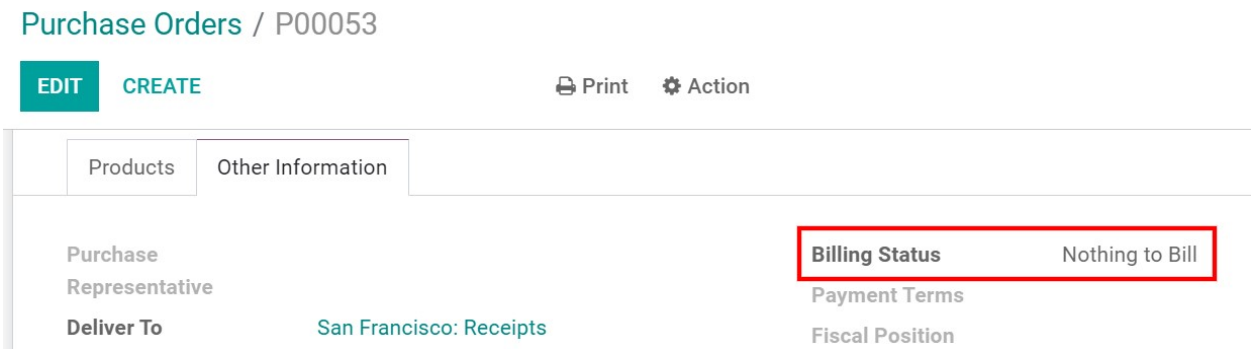
Change a specific product's control policy

If you want to modify a specific product's control policy, go to **Products ▸ Products**, open it, click on *Edit* and go to the *Purchase tab*. There you can change a product's default bill control policy.



View a purchase order's billing status

Once you confirm an order, you can view its *Billing Status* by going to the *Other Information* tab.

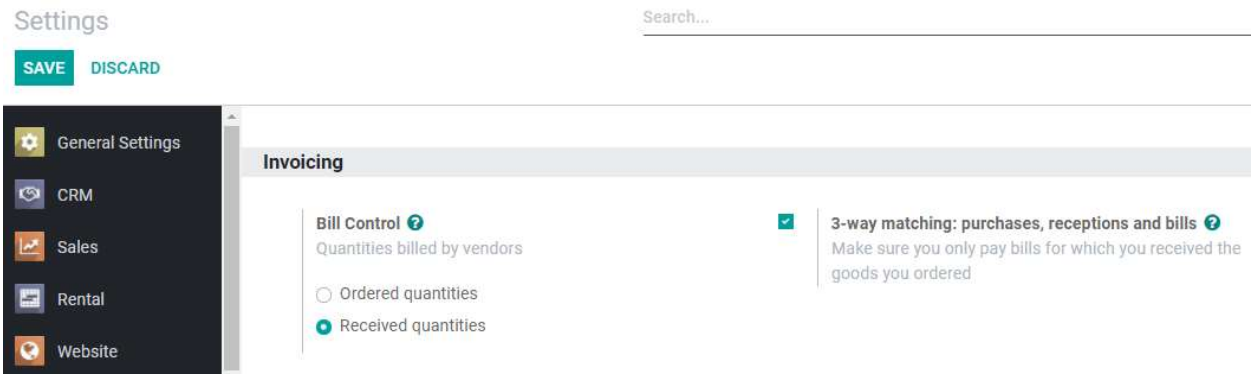


Below you can find a list of the different *Billing Status*, and when they are displayed, depending on the products' bill control policy.

Billing status	**Conditions**	
	On received quantities	*On ordered quantities*
Nothing to Bill	PO confirmed; no products received	*(Not applicable)*
Waiting Bills	All/some products received; bill not created	PO confirmed
Fully Billed	All/some products received; draft bill created	Draft bill created

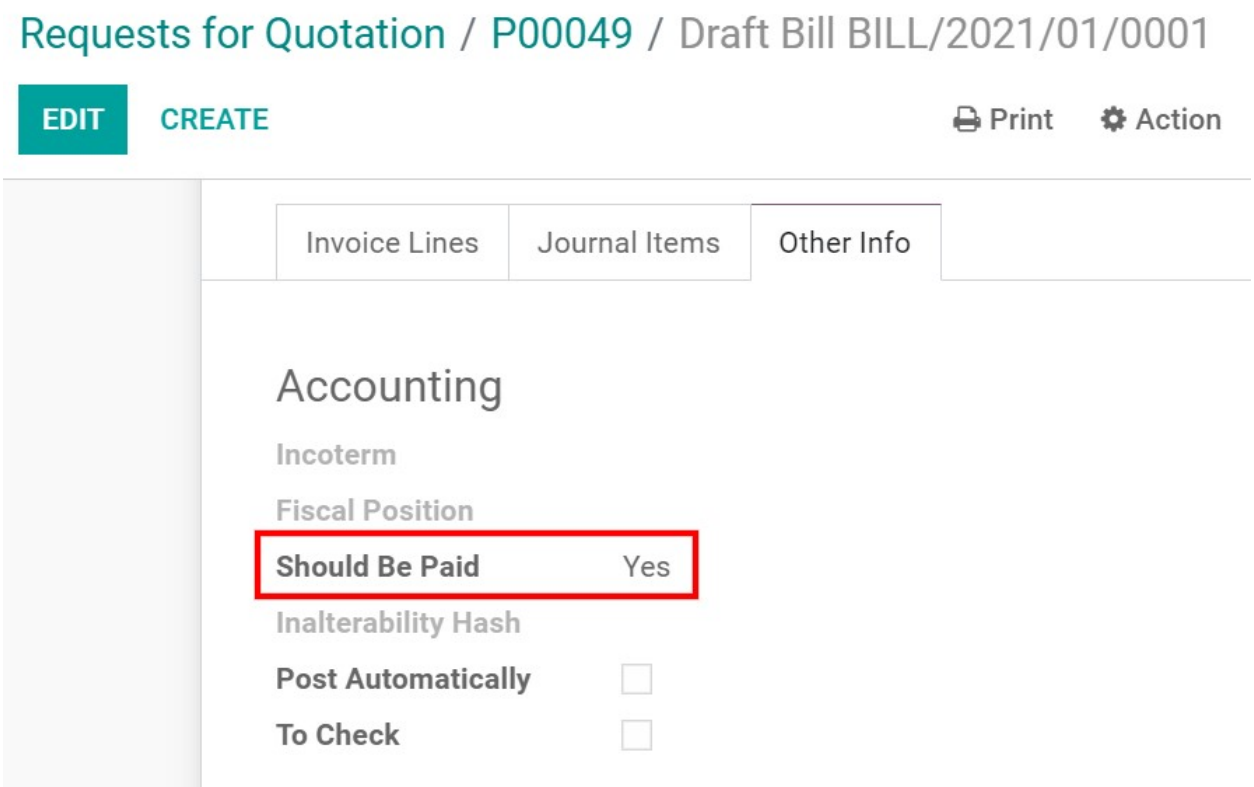
Determine when to pay with 3-way matching

First, go to **Configuration ▸ Settings** and activate *3-way matching*.



Should I pay the vendor bill?

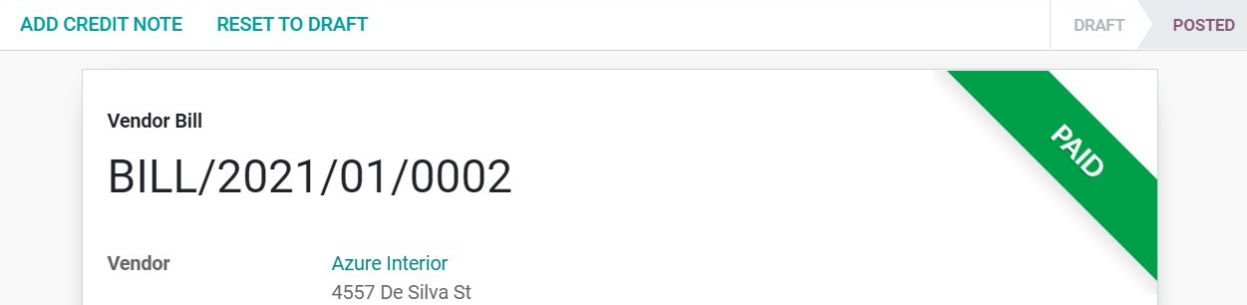
With the feature activated, your vendor bills now display the *Should Be Paid* field under the *Other info* tab.



As you can't create a bill until you have received your products - and if you haven't received all of them, Odoo only includes the products you have received in the draft bill - the *Should Be Paid* status is set to *Yes* when you create one.

If you edit a draft bill to increase the billed quantity, change the price, or add other products, the *Should Be Paid* status is set to *Exception*. It means Odoo notices the discrepancy, but that you might have a valid reason to have done so.

Once the payment has been registered and mentions *Paid*, the *Should Be Paid* status is set to *No*.



Tip

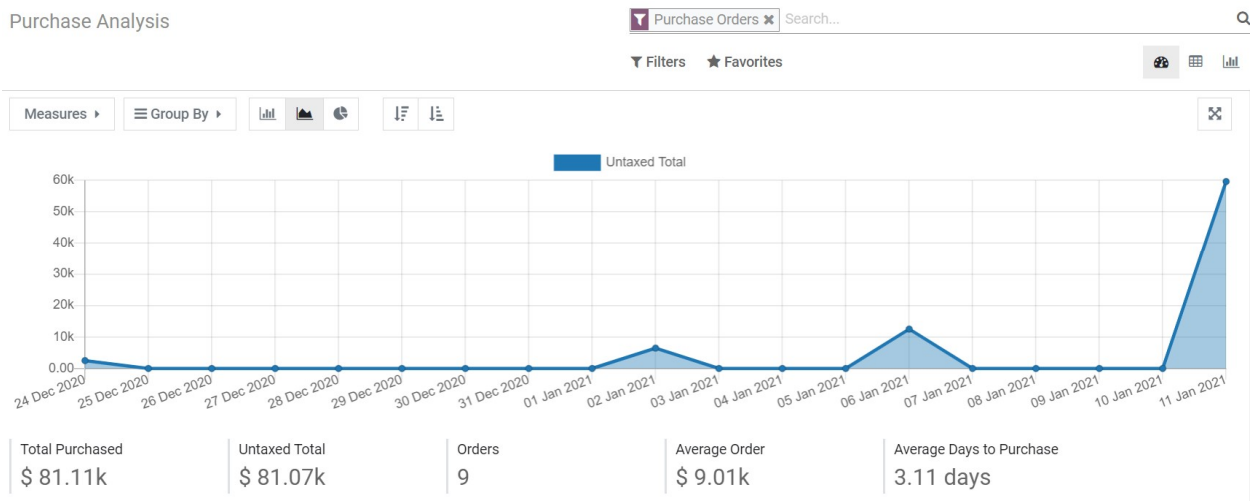
The *Should Be Paid* status is set automatically by Odoo. However, you can change the status manually when you are viewing a bill in edit mode.

Analyze the performance of your purchases

If your company regularly purchases products, you have several reasons to track and analyze your performance. The insights gathered can help you to better forecast and plan your future orders. For example, you can assess if your business is dependent on particular vendors, and the data can help you negotiate discounts on prices.

Generate customized reports

Go to *Reporting* to access the purchase analysis. Simply by accessing the reporting dashboard, you can get a quick overview of your actual performance. By default, the reporting dashboard displays a line chart presenting the untaxed amount of your purchase orders per day, and below it, key metrics and a pivot table.



While the data initially presented is useful, there are several tools and features you can use to get even more insights on your purchases.

Use filters to select the data you need

Odoo offers several default filters you can use and combine by clicking on *Filters*. When you select one or several filters, Odoo looks for all the orders that match at least one of the filters you have chosen and populates the chart, key metrics, and pivot table with the data. The pre-configured filters are:

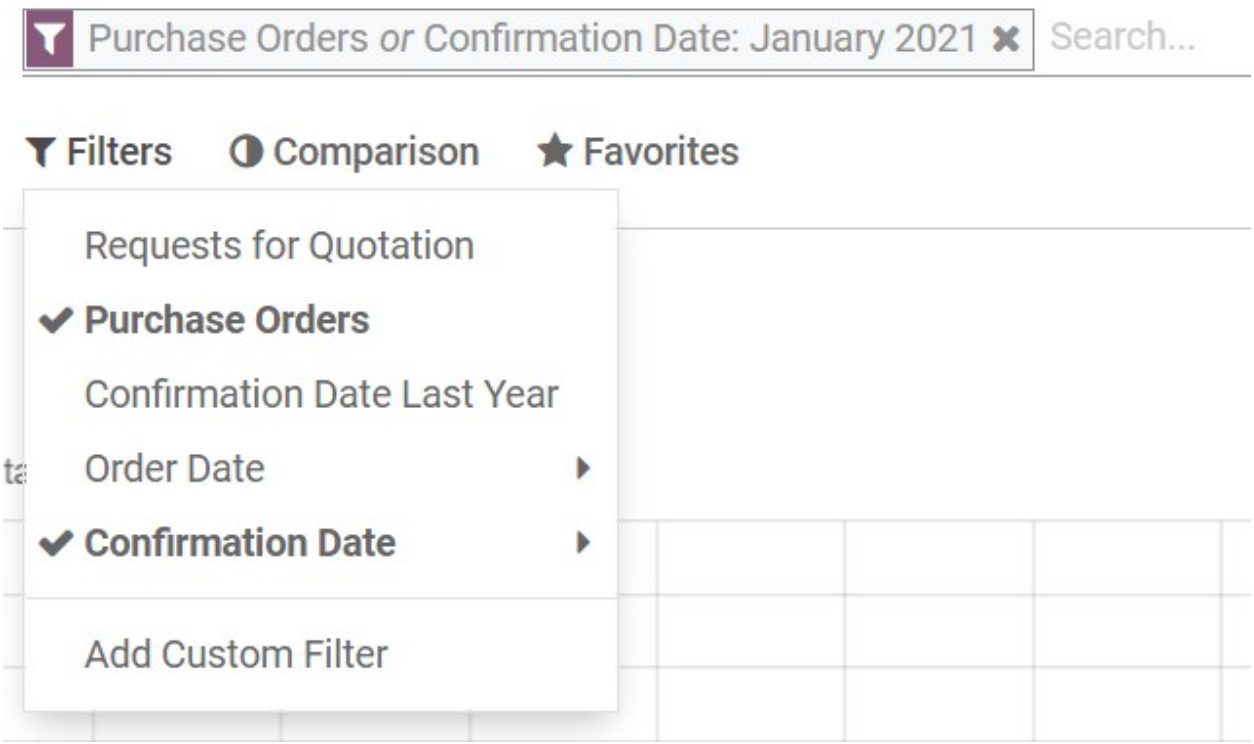
1. All *Requests for Quotation*
2. All *Purchase Orders*, except canceled ones
3. *Confirmation Date Last Year* includes all orders that were confirmed the previous year, canceled purchase orders included
4. *Order Date* includes all orders - request for quotations and purchases orders (canceled ones included) - depending on their date of creation
5. *Confirmation Date* includes all confirmed orders, canceled ones included, depending on their date of confirmation

Note

When you have to select a period, you can use multiple years, and, with at least one year selected, multiple quarters and the three most recent months.

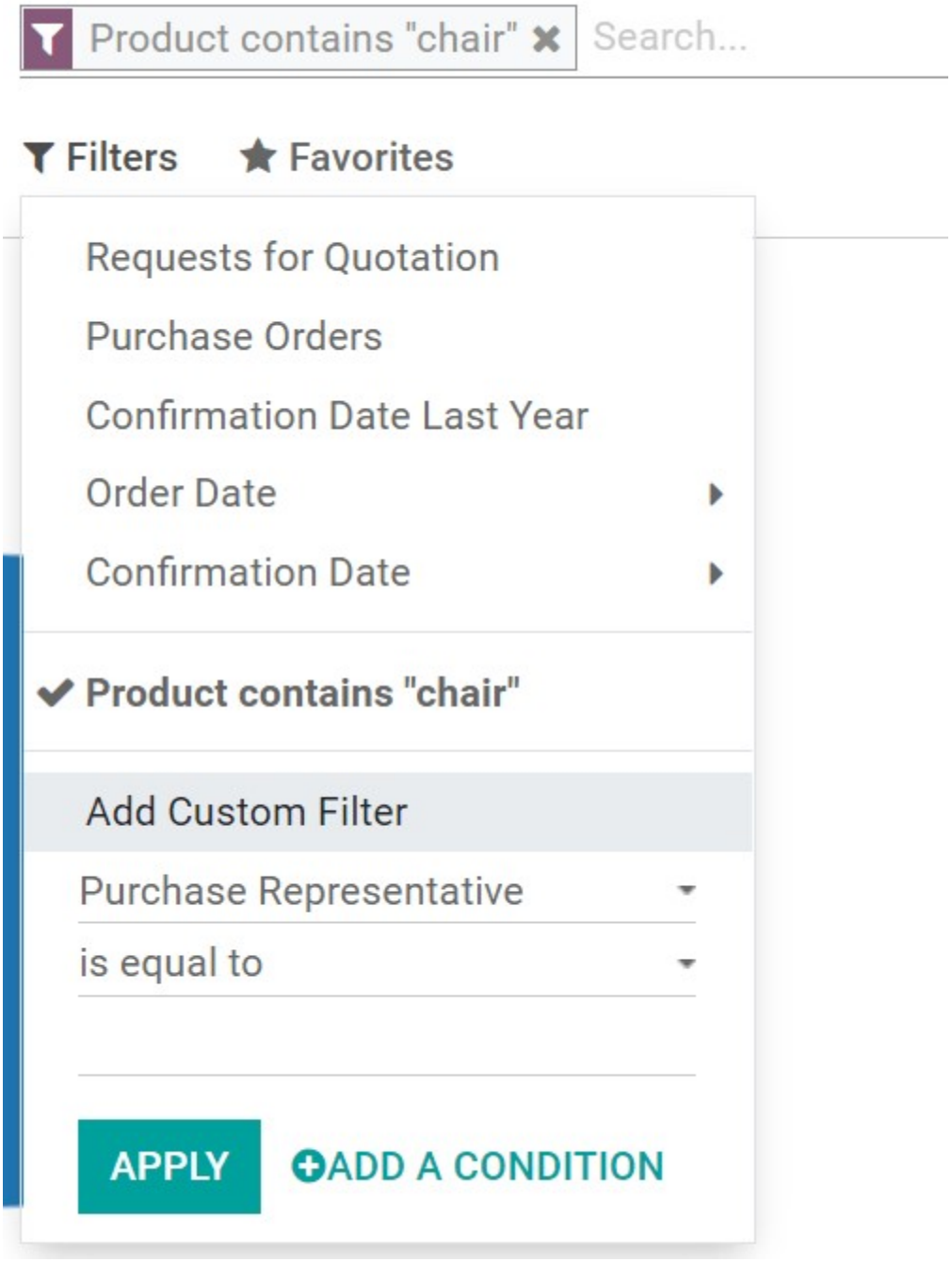
Tip

If you use the *Order Date* or *Confirmation Date* filters, the *Comparison* feature appears next to *Filters*. It enables you to compare the period you filtered with the previous one.



Add custom filters

Thanks to the 31 filtering options to choose from, the possibilities of your customizing your dataset are almost limitless. Go to **Filters ▸ Add Custom Filter**, specify the condition the filtering option should meet (e.g. *is equal to*, *contains*, etc.), and click on *Apply*. If you want to select orders matching several conditions simultaneously (*and* operator), repeat the process to add another custom filter. If you want to use the *or* operator, don't click on *Apply*, and click on *Add a condition* instead. Once you have added all the desired filtering options, click on *Apply*.



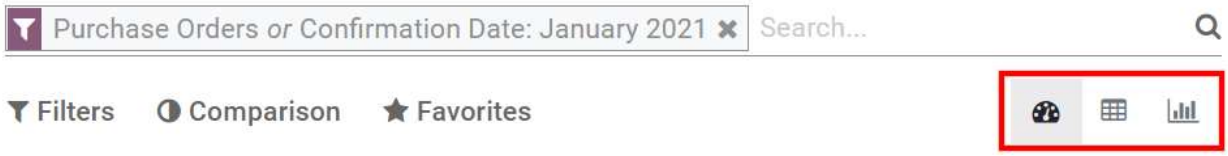
Tip

To avoid having to recreate custom filters every time, save them by clicking on **Favorites ▸ Save current search ▸ Save**. The customized search filter can then be accessed by clicking on *Favorites* or can even be set as the default filter when you open the reporting dashboard.

Measure exactly what you need

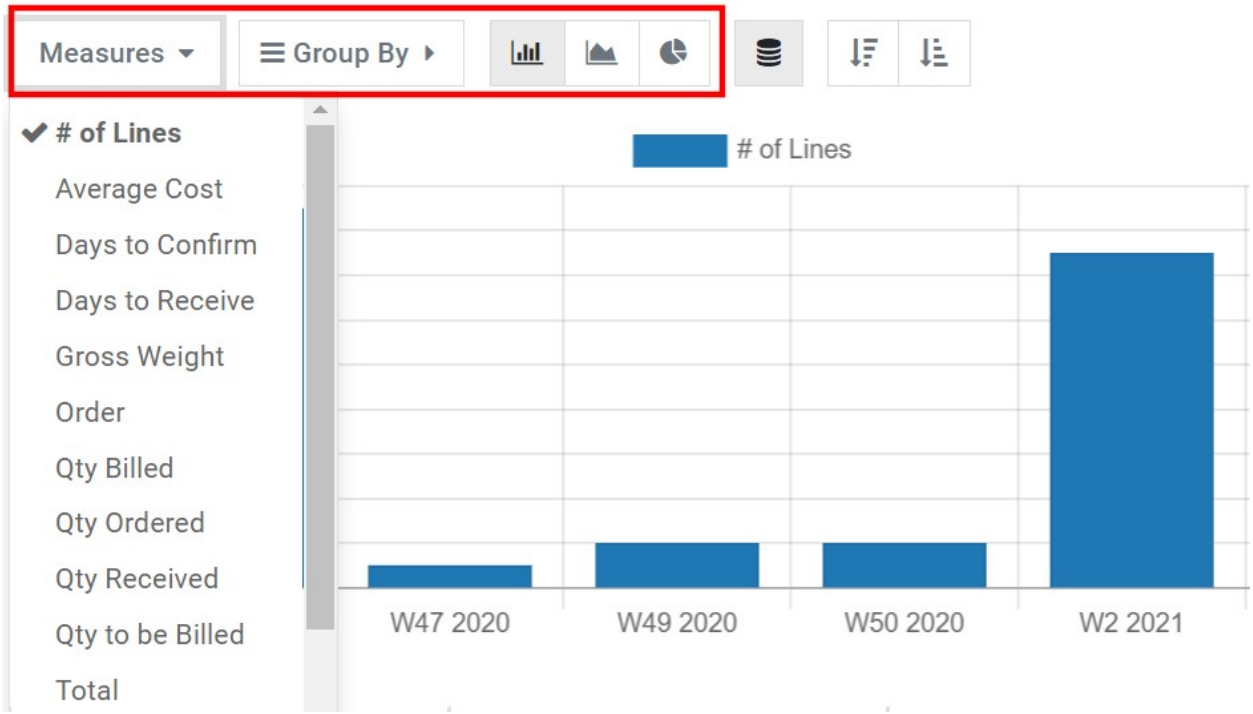
Before selecting what you want to measure, you need to decide whether you prefer using the graph view or the pivot view. By default, the dashboard presents both views. However, the

measures you select won't be applied to both views. You can access each view separately by clicking on the icons at the top right of the dashboard.



Visualize your data

You can transform the main graph in just a click by selecting one of the three charts: bar, line or pie. Fourteen different measures are available, but you can only use one at a time. However, you can group the measure using one or several of the 19 *Groups*.



For bar and line charts, the selected measure is your y-axis, and the first group you select is used to create the x-axis. Adding more group adds additional lines (line chart) or transforms your bar chart into a stacked bar chart. For pie charts, the more groups you select, the more slices are displayed.

Explore your data

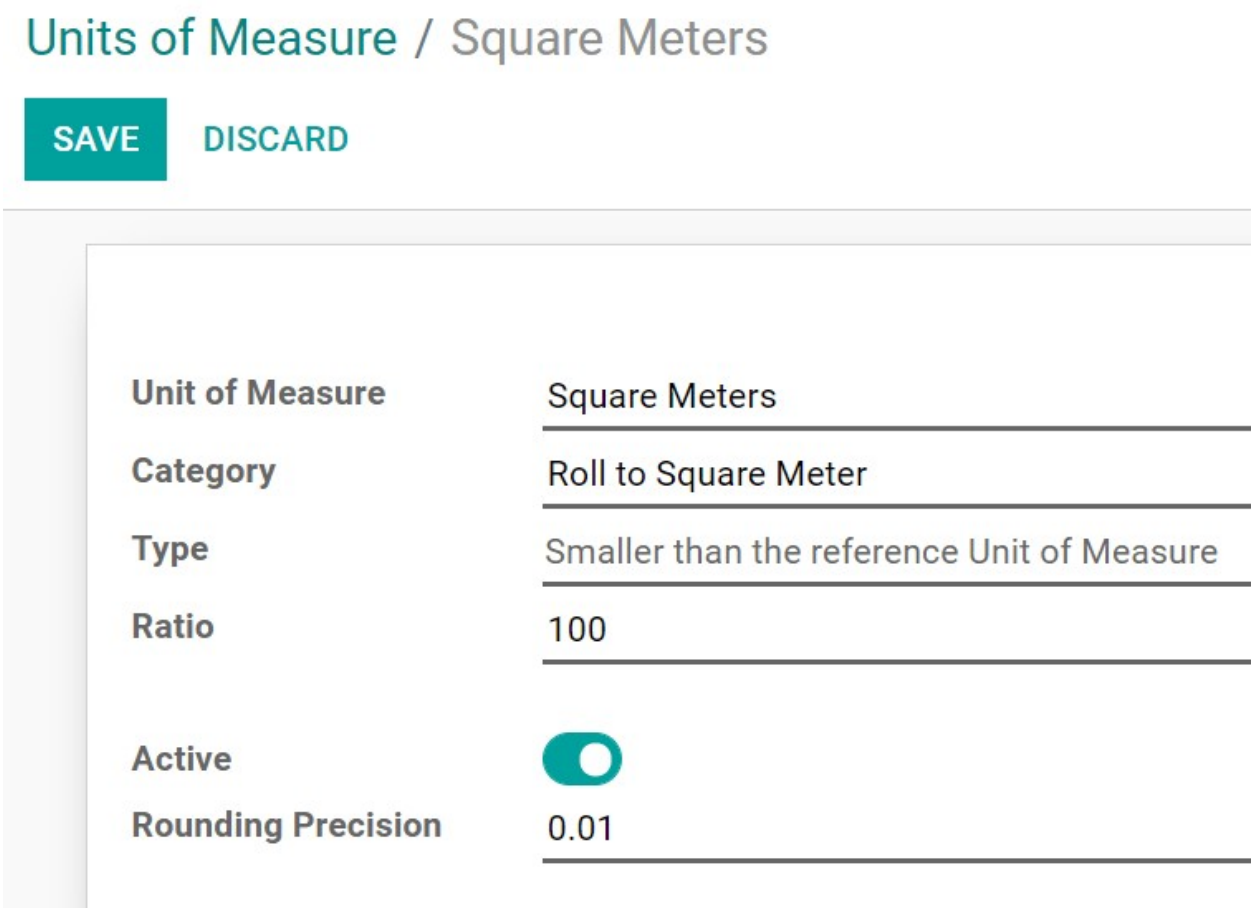
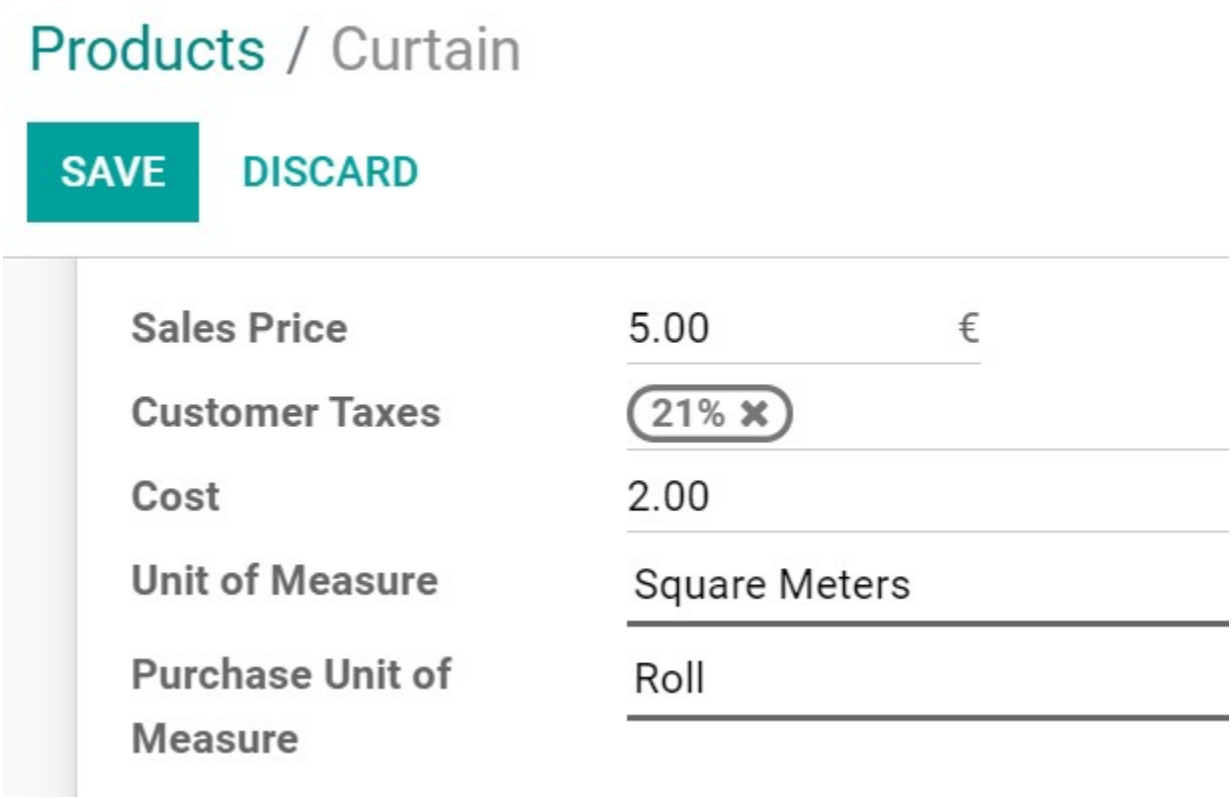
The pivot table view enables you to explore your data in great detail. Unlike the graph view, the pivot table enables you to add several measures at the same time. By clicking on *Measures* or on the + sign in the *Total* column, you can add as many as you want, each assigned to a new column. By clicking on the + sign in the *Total* row, you can add *Groups*. If you click on a group's + sign, you can add a sub-group, and so on.

Measures | Insert in Spreadsheet

	Total			
	Order	Untaxed Total	Total	Count
− Total	7	179,046.50	179,088.50	9
+ [E-COM06] Corner Desk Right Sit	1	2,500.00	2,500.00	1
+ [E-COM09] Large Desk	1	10,000.00	10,000.00	1
+ [FURN_0269] Office Chair Black	1	2,505.00	2,505.00	1
+ [FURN_2333] Table Leg	1	40.00	46.00	1
+ [FURN_6666] Acoustic Bloc Screens	1	57,296.00	57,296.00	1
+ [FURN_8522] Table Top	1	240.00	276.00	1
+ [FURN_8900] Drawer Black	1	4,212.00	4,212.00	1
+ [FURN_9001] Flipover	1	2,253.50	2,253.50	1
+ BCP	1	100,000.00	100,000.00	1

Tip

You can insert your pivot table's data directly in the Spreadsheet app or export it as an Excel file.



You can now configure your product just as you would using Odoo's standard units of measure.