Supply Chain and Inventory Management: A Growing But Addressable Problem

SURPASS INDUSTRY STANDARDS AND DRIVE PRODUCTIVITY AND PROFITABILITY

EVERY RETAILER WHO SURVIVED the pandemic knows how vulnerable they are to supply disruptions. And, those disruptions don't just wreak havoc on inventory levels. They can change buying habits, brand preferences and loyalties.

Disruptions aside, smart retailers are looking for assistance in balancing inventory levels to meet fluctuating demand without overstocking or understocking. For those in the hardware and paint spaces, the absolute number of SKUs makes this even more challenging. Add the fact that customers in this space are coming to stores because they need products now, so out-of-stock means out-of-luck because they'll go elsewhere to find it 'in-stock.'

Can independent retailers improve forecasting, replenishment and accuracy on their own? In our experience, no. Because the inventory analytics needed for demand forecasting for every SKU from every vendor considering lead and freight timing, changing customer demand, weather, economy, seasonality and more requires specialized skills. That's why more independents are embracing Planning as a Service (PaaS) and why more are turning to 4R for inventory management.

The 4R principle focuses on the right product, in the right place, at the right time, in the right quantity. Combining artificial and human intelligence, retailers can to take control of demand streams, make better decisions and increase efficiencies and revenue. And, it enables them to improve customer satisfaction.

Right Product
It's not just about the top SKUs. It's also about identifying suitable alternative brands and suppliers to ensure meeting customer needs. "We know what you need and make sure we have it."

Right Place
Ensure the right flow to the right stores and in consideration of the buying patterns of that store's customers and the socioeconomics of their locations. One-size-fits-all never delivers a custom fit.

Right Time
Utilize advanced planning and forecasting tools to enable retailers to anticipate patterns in demand, ensuring that inventory levels are optimized to avoid over/understocks.

Right Quantity
Too much or too little = too bad. Become more productive and profitable with a solution that utilizes real-time sales data, trend analysis and automated reordering processes, predicting demand with high accuracy, and optimizes stock levels within top moving and seasonal offerings.

Yes, it's possible to optimize inventory.

4R customers turn top-performing SKUs 5+ times/year versus the NHPA estimate of 2.7 times. They experience stockouts 3-5% of time versus industry standards of 10-20%. And, they do a better job of driving profitability and delighting customers.

Scan the QR code to learn more about 4R Systems