

2019 Inventory Challenges & Insights

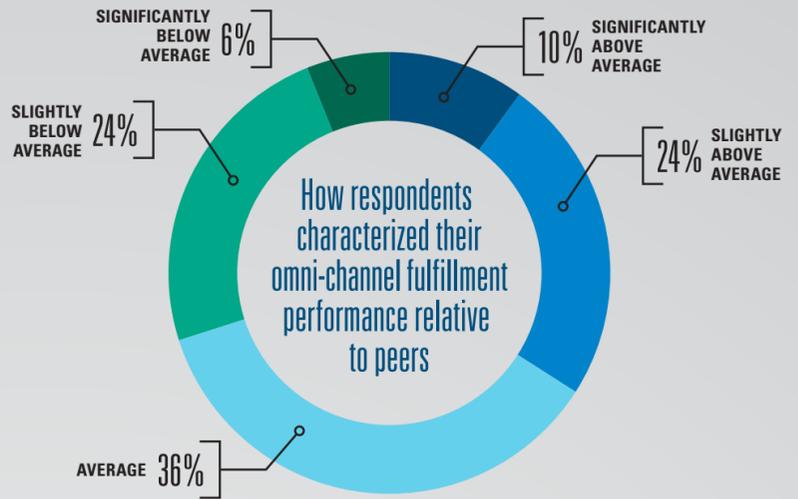
A joint study by Adelante SCM and LEGACY Supply Chain Services on the topic of omni-channel inventory management identified several challenges faced by retailers & manufacturers today, along with best practices & key insights from leading omni-channel performers.

Many companies are still not performing to their full potential when it comes to omni-channel fulfillment, and they continue to experience challenges related to inventory visibility and optimization. Companies that are leading the way, however, have more real-time visibility to inventory across their supply chain; they have greater confidence in the accuracy of inventory data; they have a more detailed understanding of inventory metrics & costs, and they predominantly use integrated e-commerce/traditional fulfillment DCs to fulfill orders.

“Omni-channel is very much about inventory optimization”

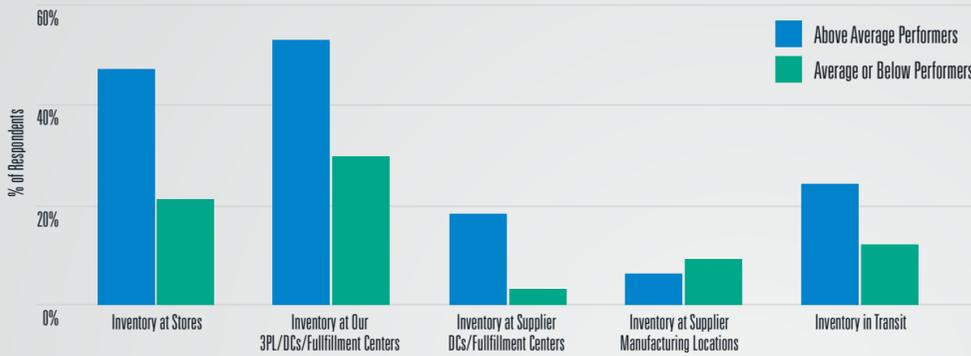
Terry Lundgren, Former CEO and Chairman of Macy's

2/3rd of companies rate their Omni-channel Performance as Average or Below

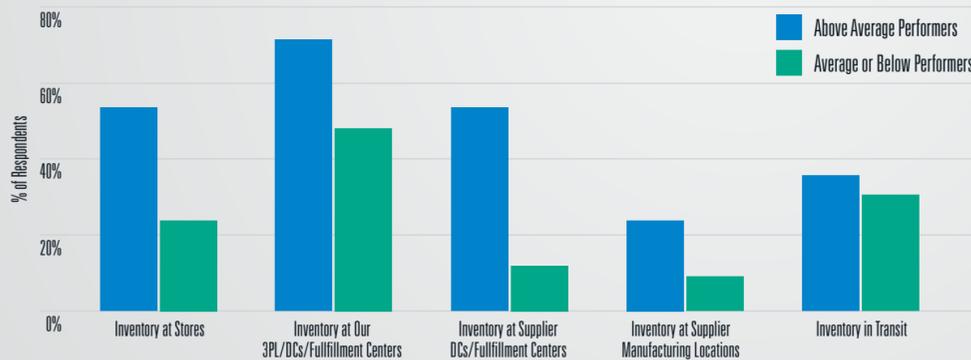


OMNI-CHANNEL PERFORMANCE CHALLENGES

Do you have real-time visibility to product/SKU inventory availability at the following nodes across your supply chain network?

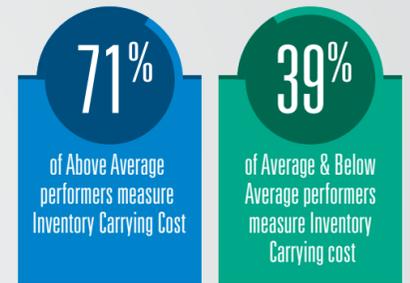


Rate each of the supply chain nodes below based on your level of confidence in inventory accuracy. % of respondents who said "High Confidence"



Common Inventory Challenges:

- Lacking Visibility & Confidence in Inventory Accuracy across Supply Chain Nodes
- Not leveraging proven metrics that drive performance



- Distributed Order Management (DOM): Determining ideal inventory level at DC, store & other locations



TOP 5 INSIGHTS TO BECOME A PERFORMANCE LEADER

Measure What Matters.

For metrics to matter, they must be aligned with customer, financial, and strategic objectives.

Re-evaluate Network Design.

Transforming distribution networks to better align with today's customer expectations for faster deliveries.

Leverage a 3PL.

Not only can 3PLs play a leading role in implementing these recommendations, their core competency around fulfillment operations -- such as knowing what metrics to use and how to measure them to drive continuous improvement -- can help both leaders and laggards close this capability gap.

Automate Data Processes.

Implementing a warehouse management system (WMS) with RFID and barcoding is an important step.

Implement Real-time Visibility Solutions.

Leading solutions enable visibility to shipments, trucks, orders, and SKUs with machine learning & collaboration

ELEVATE YOUR OMNI

For more on this 2019 Study, visit LEGACYscs.com/omni-link-here