



WHY INVENTORY MANAGEMENT MATTERS

More than **7 in 10 online shoppers** will look for an out-of-stock item elsewhere instead of waiting for it to come back in stock.

reprice rexpress.com/infographic-4-top-ecommerce-inventory-management-stats

The most important inventory practices include:

- Forecasting (61.3%)
- Warehouse management (50%)
- **Logistics** (46.8%)
- Back-end technology (32.3%)

financesonline.com/supply-chain-statistics

Optimizing warehouse operations can save 20% to 50% of warehouse costs.

wsinc.com/wsi_wire/the-importance-of-maintaining-inventory-accuracy

Companies can **gain 20%** in space usage, a **30% increase** in stock use efficiency, and a **25% boost** in productivity if they use an inventory system with integrated order processing.

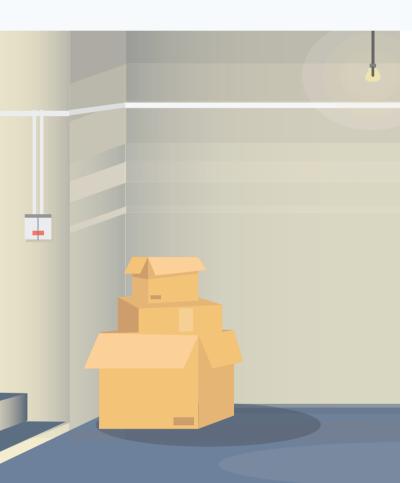
financesonline.com/supply-chain-statistics

46% of small businesses **don't use an automated system** to track inventory or don't track it.

financesonline.com/supply-chain-statistics

As of 2020, 18% of small and midsized businesses use an **inventory management system**.

financesonline.com/supply-chain-statistics



ISSUES WITH TOO LITTLE INVENTORY

- Missed sales: If customers can't find an item they want, they likely won't buy it from you, which means missed sales for retailers.
- Harm to reputation: Lack of inventory can hurt retailers' and wholesalers' reputation among current and potential customers.
- Disruption of manufacturing process:
 If a manufacturer runs out of material, its entire manufacturing process can grind to a halt while still facing its usual operating costs.

unleashedsoftware.com/blog/risks-little-inventory

ISSUES WITH TOO MUCH INVENTORY

- Waste of capital: Excess stock can absorb working capital on assets that may not be sold to generate revenue quickly enough.
 - Increase in carrying costs: Excess stock also increases the cost of storage space (the rent or mortgage on the space as well as utilities) and service costs such as insurance and security.

 Increased risk of inventory dropping in value: Having excess inventory increases the risk that your product may deteriorate or drop in value.

eazystock.com/uk/blog-uk/the-disadvantages-of-excess-inventory



STRATEGIES TO HELP KEEP A BALANCED INVENTORY

- Tag inventory properly to improve accuracy.
- Organize inventory neatly so that it's easy to see and access.
- Use real-time tools such as barcode scanning to track your inventory at any time.
- Use inventory management software that provides transaction histories for all of your items.
- Use a third-party logistics provider (3PL) to manage your inventory.



