Mint Classics Inventory Optimization Project Report

Key Insights & Analysis

Warehouse Utilization

Warehouse D has the lowest product count and stock quantity, suggesting underutilization.

Despite this, Warehouse D showed the highest % capacity used (75%), indicating it's operating closer to its limit.

Warehouse A has similar capacity usage (~72%) but more product volume, making D a better candidate for closure.

• Customer & Revenue Distribution

Warehouse D serves very few number of customers and brings in very low revenue, making it more feasible for shutdown.

• Customer Satisfaction Metrics

Warehouse D takes the most average order fulfilment days(Shipped date – Order date)

Delayed shipments (shipped after required Date) were counted to assess customer impact. Warehouse D has the highest number of delayed shipments

• Products having high stock levels and low profit margin

Products like Toyota Supra, Porsche, Alpine Renault stored in Warehouse B have very high excess stock and low or negative profit margins, with Toyota Supra having zero sales and negative profit margin

These items are ideal candidates for removal from the product line to free up space. This makes Warehouse B a potential recipient for products from Warehouse D.

Some of the products like Chevrolet Deluxe, Boeing X-32A etc has very low profit margin so its stock can be reduced or the product can be removed irrespective of the warehouse.

• Inventory turnover ratio

Warehouse B has the lowest inventory turnover ratio, indicating that products stored here are selling slowly and occupying storage space for longer durations.

Final Recommendation

- Close Warehouse D.
- Transfer essential products from D to B.Eliminate low-profit, excess stock items from B to make space.
- Maintain high-performing products and ensure 24-hour dispatch capability.