Problem Solution Fit

Problem

Retail inventory management is the process of ensuring you carry merchandise that shoppers want, with neither too little nor too much on hand. By managing inventory, retailers meet customer demand without running out of stock or carrying excess supply.

In practice, effective retail inventory management results in lower costs and a better understanding of sales patterns. Retail inventory management tools and methods give retailers more information on which to run their businesses. Applications have been developed to help retailers track and manage stocks related to their own products. The System will ask retailers to create their accounts by providing essential details. Retailers can access their accounts by logging into the application.

Once retailers successfully log in to the application they can update their inventory details, also users will be able to add new stock by submitting essential details related to the stock. They can view details of the current inventory. The System will automatically send an email alert to the retailers if there is no stock found in their accounts. So that they can order new stock.

Ideas

Excessive inventory.

One of the strategies retailers use to deal with excess stock is to apply product rebates or pricing. The discounts applied to the products will depend on the deterioration rate and the useful life of the product. The possibility of excess inventory increases if a timely inventory level review is not carried out . Consequently, excess inventory is directly caused by inappropriate inventory control .

Availability of products.

The product availability is related to the inventory information provided to the customer, through which the customer verifies the service quality . Besides, this information influences the customer's decision when the purchase is made . Offer sellers assign a fixed amount of inventory to a sale, and the offers page shows in real-time the percentage of products claimed. This reveals the availability of products to the customer. By doing so, the inventory level consumed would generate a desired effect of the product, and thus more sales of popular products would be made.

Shortage of scarcity.

A lack of products can be caused by various factors, including differences between product costs, which creates the possibility of a shortage of an expensive product and an excess of cheap products . There is an interaction effect between scarcity levels and price leadership; when it is the case that the scarcity increases exceeding a certain limit, the effect is reestablished.When a high level of shortage at the time of sale occurs, there is also an increase in the probability of the sale order being returned . One of the reasons for a shortage is the inefficiency in the inventory replacement process and control, the inaccuracy of inventory records on various products, and the lack of inventory review .

Solution

Inventory management is one of the pillars of a successful retail operation. Retail inventory management techniques help stores and ecommerce sellers satisfy customers, reduce costs and increase profits.Inventory management is vital for retailers because the practice helps them increase profits. They are more likely to have enough inventory to capture every possible sale while avoiding overstock and minimizing expenses.