

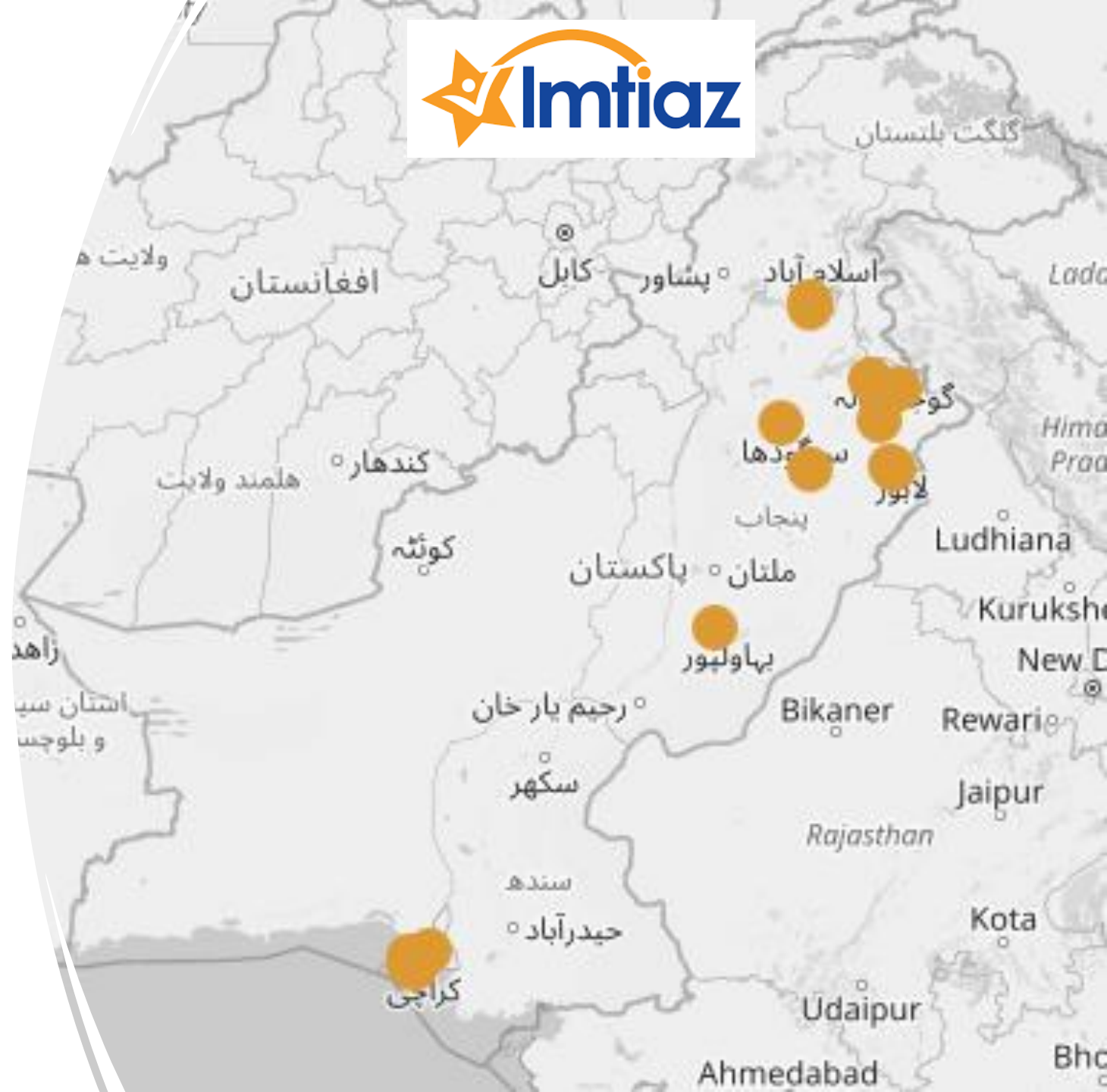


# INVENTORY MANAGEMENT

SIMULATION GAME

# Scenario Details

- Imtiaz Super Market (ISM) is one the biggest retail chains in Pakistan, consists of **13,000+ employees** and **850,000+ loyal customers**.
- ISM has **26 branches** located across **11 cities** of Pakistan, such as, Karachi, Islamabad, Lahore, Bahawalpur, Peshawar, Faisalabad, Sargodha, Gujranwala, Gujrat and Vehari.
- The stores hold **52,000+ products** consisting of **10,000+ brands**.



# Scenario Details

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- Daily footfall for ISM is around **250,000 shoppers** while they maintain close relationships with 85,000 unique clients.
- In addition to their aim of becoming a trusted super store for grocery shopping and other requirements, ISM also intends to fulfill customer orders in a short span of time.
- ISM has expanded its e-commerce operations. Their online platform consists of a range of products. With investments in technology and logistics, ISM aims to provide accurate and timely delivery of their products. ISM currently caters to around 700,000 customers through their e-commerce platform.

# Scenario Details

- ISM's 'Warehouse Ops Team (WOT)' provides support at national level to the 'Store Ops Team (SOT)'.
- Culinary Section of WOT has identified that National Foods Limited's (NFL) BBQ Masala 44gm is facing excess stocks and stock-outs in Karachi's Seven Stores.
- To resolve this issue, ISM has developed a Team:
  - *Manager Store Operations (Team Lead, attends the meetings irregularly),*
  - *Manager Sales,*
  - *Manager Supply Chain,*
  - *Manager Procurement.*



# Simulation Details

- DISCIPLINE during the simulation is key!
- You will play this simulation for 18-24 months
- Actual Demand is known once you have placed the order for next months (MOQ is zero)
- Each month will approx. take 5min to play
- You can also export the data into MS Excel to do analysis, if required



- Constant NFL Delivery Lead Time: 1 Month  
- Only One Order per Month can be Placed  
Convention: Beginning of the Month Delivery

Buying Price (P) = 75  
Selling Price (MRP) = 95  
Profit = 20

Ordering Cost (O) = 5K  
Holding Cost (H) = 2  
Lost Sales (L) = 20  
Shrinkage Cost (S) = 75

MOQ: Zero Boxes  
Order Size: Multiple of Box (having 24 pieces)  
Max.: 1500 Boxes

Although demand is variable, the MAD remains around 560 units

Avg. Shrinkage Units per month: 0.8%  
Max. Shrinkage has never crossed 1%

Ordering Cost and Purchase Price are Fixed