



Inventory Management (Open to Buy Application)

(Boating and Fishing Supplies Retailer)

Develop Power Apps based application to streamline and automate the merchandise planning process

INVENTORY MANAGEMENT FOR BOATING AND FISHING SUPPLIES RETAILER

ABOUT THE CLIENT

Client is a leading omni-channel boating and fishing retailer in the U.S serving B2C and B2B customers

SITUATION



- Client had a **manual and high-level “Open to Buy” (OTB) process** that resulted in inaccurate estimation of working capital requirements. The current process was limited to an **aggregated level without differentiation by channel and without visibility into past performance and variance vs. plans.**
- Merilytics partnered with the client to streamline the **OTB process and enabled planning at a channel level as well as provided visibility into variance vs. forecast and original plan.** This was enabled through a custom built OTB Application that had automated connection to actuals and prior plans.

VALUE ADDITION



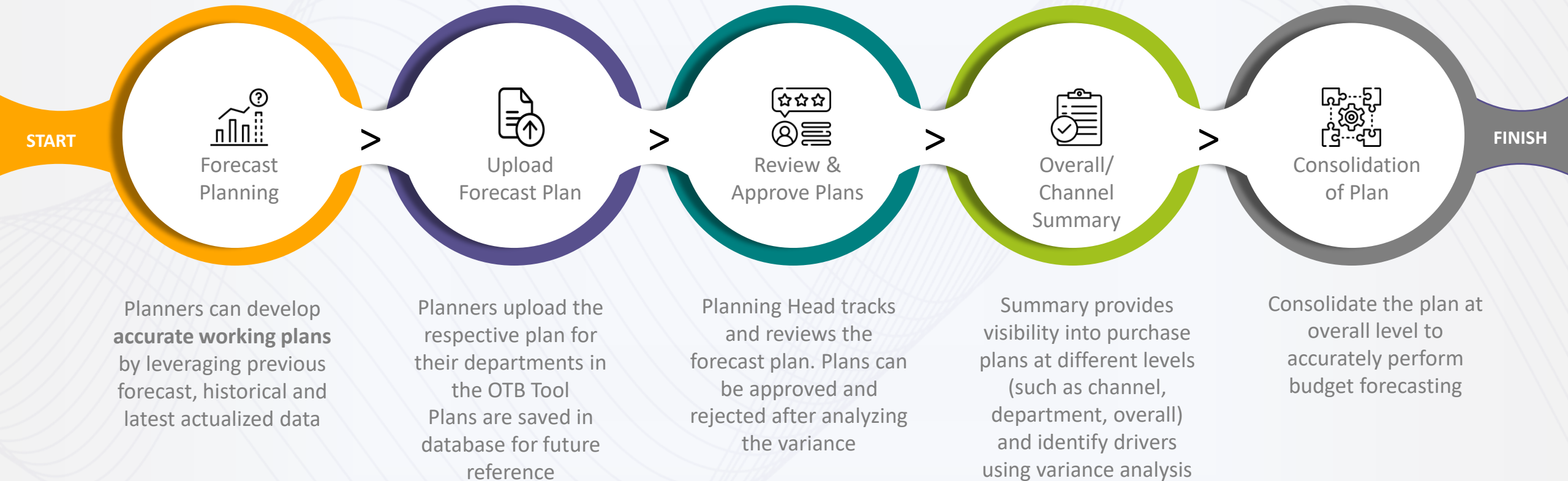
- **Enabled the planners** to plan at a channel level and compare the **forecast plans against actuals, last forecast and original plan** to improve future budgeting/planning.
- **Provided visibility into purchase plans at different levels** (such as channel, department, overall) and identify drivers of variance
- Enabled the Planning head to **track the entire process real time** with flexibility to view all previous forecast at one place and consolidate through the tool
- **Integrated the OTB tool with the Enterprise Data Warehouse** to **update actuals on the OTB tool** at weekly cadence and **store the forecasted plans in the Data Warehouse** for future plans/forecasts.

IMPACT



- **Streamlined and automated process** of monthly planning provided **detailed visibility into the budget forecasting** required to support Open to Buy process
- **Reduced the turnaround time** to forecast and upload plans **by ~70%** and removed manual consolidation of plans
- Automated process of **storing and updating data** with validation of the same **enhanced the data consistency and integrity** which enhances scalability

METHODOLOGY/ APPROACH



PLANNER VIEW – OTB TOOL

ILLUSTRATIVE

The interface consists of a top navigation bar with five tabs: **Current Plans Status**, **Upload Plan**, **View Submitted Plans**, **Sub-Department Summary**, and **View LRF**. The **Upload Plan** tab is currently active.

Below the navigation bar, the **Upload Plan** section contains:

- An **Attach file** button with a paperclip icon.
- A **Year** dropdown menu.
- A **Month** dropdown menu.
- An **Outlook** dropdown menu currently set to **Optimistic**.
- A **Download Forecast Plan Template** link with a downward arrow icon.
- Cancel** and **Upload** buttons at the bottom right.

A note at the bottom left states: "Note: Please use Forecast Plan Template file to upload the plan".

Five callout boxes provide additional context:

- View Submitted Plans**: View all Submitted Plans at a class level along with version #, upload date etc.
- Sub-Department Summary**: View Summary at Sub-Department, Department and Overall level for each Channel
- Current Plans Status**: View Plan Status for the Current Month (Submitted, Approved or Not Available) and Reupload plan
- Upload Plan**: Upload plans for single or multiple classes in Sub-Department
- View LRF**: View and Download Last Month forecast file with transactional data actualized till previous week for the respective sub-department

View Plan Status for the Current Month (Submitted, Approved or Not Available) and Reupload plan

Upload plans for single or multiple classes in Sub-Department

View and Download Last Month forecast file with transactional data actualized till previous week for the respective sub-department

PLANNER VIEW – OTB TOOL

ILLUSTRATIVE

Track status of Current planning cycle and review Plans Submitted. Approve/Reject them along with Notes/remarks.

Consolidate overall plan for Optimistic and Realistic outlook. Department selection is disabled unless all plans in that department are approved

View Previous Consolidated plans (Draft and Final versions)

View Summary at Department and Overall level to understand how plans roll up before approving them

Review Submitted Plans		Consolidate Plans		Previous Consolidated Plans		Department Summary	
Department		Realistic		Optimistic			
Department 1		<input type="radio"/>		<input type="radio"/>			
Department 2		<input type="radio"/>		<input type="radio"/>			
Department 3		<input type="radio"/>		<input type="radio"/>			
Department 4		<input type="radio"/>		<input type="radio"/>			
Department 5		<input type="radio"/>		<input type="radio"/>			
Department 6		<input type="radio"/>		<input type="radio"/>			

REFORECAST FILE PLANNER

Selection of if the forecast is complete for the class so that it can be included while uploading on OTB Tool

Is Class_1 Included	Yes						
Metric	Class	January	February	March	April	May	June
Overall Sales	1	\$100	\$100	\$100	\$100	\$100	\$100
Overall Margin%	1	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Retail Sales	1	\$50	\$50	\$50	\$50	\$50	\$50
Retail Markdown Sales %	1	8.40%	8.40%	8.40%	8.40%	8.40%	8.40%
Retail Regular Margin%	1	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Retail Markdown Margin%	1	46.26%	44.94%	45.60%	46.34%	47.71%	47.35%
E-comm Sales	1	\$30	\$30	\$30	\$30	\$30	\$30
E-comm Markdown Sales %	1	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%
E-comm Regular Margin%	1	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
E-comm Markdown Margin%	1	34.90%	33.91%	34.41%	34.97%	36.00%	35.72%
Pro Sales	1	\$20	\$20	\$20	\$20	\$20	\$20
Pro Markdown Sales %	1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Pro Regular Margin%	1	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Pro Markdown Margin%	1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
On Order	1	\$0	\$0	\$0	\$0	\$0	\$110
Inventory Adjustments	1	\$10	\$10	\$10	\$10	\$10	\$10
Inventory Receipts	1	\$20	\$20	\$20	\$20	\$20	\$20

Forecast class plan at month and channel level for all metrics (Sales, Margin, Margin rate, inventory metrics)

SUMMARY AND VARIANCE ANALYSIS

ILLUSTRATIVE

Summarize and analyze purchase plans by channel, department, overall) with comparison to last year actuals, last forecast and plans

Metric	Sub-Dept/ Clas	Sub-Dept/ Class Name	Last Month (May)											Curr			
			T	LRF	LY	OP	v LRF	v LY	v OP	vLRF	vLY	vOP	TY	LRF	LY	OP	v
Overall Sales	1	Sub Dept 1	\$ 100	\$ 90	\$ 150	\$ 200	11%	(33%)	(50%)	\$ 10	\$ (50)	\$ (100)	\$ 200	\$ 180	\$ 300	\$ 400	
Overall Sales	11	Class 1	\$ 20	\$ 18	\$ 70	\$ 80	11%	(71%)	(75%)	\$ 2	\$ (50)	\$ (60)	\$ 40	\$ 36	\$ 140	\$ 160	
Overall Sales	12	Class 2	\$ 10	\$ 9	\$ 10	\$ 15	11%	0%	(33%)	\$ 1	\$ -	\$ (5)	\$ 20	\$ 18	\$ 20	\$ 30	
Overall Sales	13	Class 3	\$ 10	\$ 9	\$ 10	\$ 15	11%	0%	(33%)	\$ 1	\$ -	\$ (5)	\$ 20	\$ 18	\$ 20	\$ 30	
Overall Sales	14	Class 4	\$ 10	\$ 9	\$ 10	\$ 15	11%	0%	(33%)	\$ 1	\$ -	\$ (5)	\$ 20	\$ 18	\$ 20	\$ 30	
Overall Sales	15	Class 5	\$ 10	\$ 9	\$ 10	\$ 15	11%	0%	(33%)	\$ 1	\$ -	\$ (5)	\$ 20	\$ 18	\$ 20	\$ 30	
Overall Sales	16	Class 6	\$ 10	\$ 9	\$ 10	\$ 15	11%	0%	(33%)	\$ 1	\$ -	\$ (5)	\$ 20	\$ 18	\$ 20	\$ 30	
Overall Sales	17	Class 7	\$ 10	\$ 9	\$ 10	\$ 15	11%	0%	(33%)	\$ 1	\$ -	\$ (5)	\$ 20	\$ 18	\$ 20	\$ 30	
Overall Sales	18	Class 8	\$ 10	\$ 9	\$ 10	\$ 15	11%	0%	(33%)	\$ 1	\$ -	\$ (5)	\$ 20	\$ 18	\$ 20	\$ 30	
Overall Sales	19	Class 9	\$ 10	\$ 9	\$ 10	\$ 15	11%	0%	(33%)	\$ 1	\$ -	\$ (5)	\$ 20	\$ 18	\$ 20	\$ 30	
Retail Sales	1	Sub Dept 1	\$ 50	\$ 45	\$ 75	\$ 100	11%	(33%)	(50%)	\$ 5	\$ (25)	\$ (50)	\$ 100	\$ 90	\$ 150	\$ 200	
Retail Sales	11	Class 1	\$ 10	\$ 9	\$ 35	\$ 40	11%	(71%)	(75%)	\$ 1	\$ (25)	\$ (30)	\$ 20	\$ 18	\$ 70	\$ 80	
Retail Sales	12	Class 2	\$ 5	\$ 5	\$ 5	\$ 8	11%	0%	(33%)	\$ 1	\$ -	\$ (3)	\$ 10	\$ 9	\$ 10	\$ 15	
Retail Sales	13	Class 3	\$ 5	\$ 5	\$ 5	\$ 8	11%	0%	(33%)	\$ 1	\$ -	\$ (3)	\$ 10	\$ 9	\$ 10	\$ 15	
Retail Sales	14	Class 4	\$ 5	\$ 5	\$ 5	\$ 8	11%	0%	(33%)	\$ 1	\$ -	\$ (3)	\$ 10	\$ 9	\$ 10	\$ 15	
Retail Sales	15	Class 5	\$ 5	\$ 5	\$ 5	\$ 8	11%	0%	(33%)	\$ 1	\$ -	\$ (3)	\$ 10	\$ 9	\$ 10	\$ 15	
Retail Sales	16	Class 6	\$ 5	\$ 5	\$ 5	\$ 8	11%	0%	(33%)	\$ 1	\$ -	\$ (3)	\$ 10	\$ 9	\$ 10	\$ 15	
Retail Sales	17	Class 7	\$ 5	\$ 5	\$ 5	\$ 8	11%	0%	(33%)	\$ 1	\$ -	\$ (3)	\$ 10	\$ 9	\$ 10	\$ 15	
Retail Sales	18	Class 8	\$ 5	\$ 5	\$ 5	\$ 8	11%	0%	(33%)	\$ 1	\$ -	\$ (3)	\$ 10	\$ 9	\$ 10	\$ 15	
Retail Sales	19	Class 9	\$ 5	\$ 5	\$ 5	\$ 8	11%	0%	(33%)	\$ 1	\$ -	\$ (3)	\$ 10	\$ 9	\$ 10	\$ 15	