**Examples**

1. Seller decides on the quantity of Colgate Toothpaste based on the following information and decides on buffer stock.

| Credit Period | Refill Frequency | Sale Qty / Time Unit | Time Unit | Quantity Unit | Expected Buffer | Actual Buffer | Buffer Stock |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 7 | 3 | 5 | Day | Pcs | 25% | 33% | 5 Pcs |

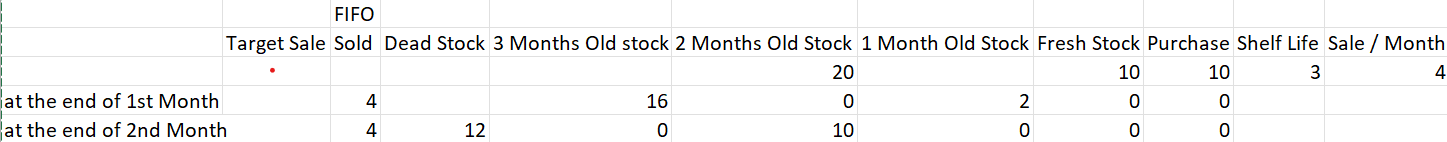
* Analytics model keeps getting trained on this data
* Becomes less reliant on manual data update and recommends an ideal quantity of inventory.
* Takes into account - time, purchase pattern and regional demographics.
* Provides suppliers with a trend on requirements to maximize sales.

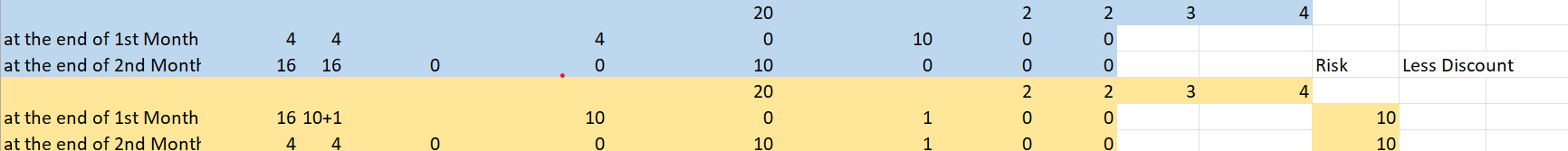
1. Decision on how to bring margin into picture while deciding the inventory for a product.

| Toothpaste Packs | Price | Profit | Profit % | Units | Revenue | Profit |
| --- | --- | --- | --- | --- | --- | --- |
| 50g | 10 | 1 | 10 | 10 | 100 | 10 |
| 20g | 4 | 0.2 | 5 | 51 | 204 | 10.2 |

* Margin should be considered in terms of sales profit and not percentage per unit.
* A faster moving product with lower margin can be prioritized if total profit is higher.

1. Discussion on how to minimize dead stock and optimize purchase.





Adaptation of sales strategy based on aging analysis of stock.