Reaching the Right Business Objective - Comparing impact and effort



Framework

High Effort Improve Customer Optimize Buying Retention Price Online Channels Reduce Leakage Improve Customer Optimize Logistics Acquisition Expected Effort Cost Optimize Prevent **Promotion Cost** Overstocking In-Store Prevent Promotions & Stockouts optimization **Low Effort**

Low Impact

Impact

High Impact



Low Effort High Impact

Prevent Overstocking/Understocking



Defining a Business Objective



Overstocking: Availability > Demand

Loss due to excessive storage space used



Defining a Business Objective



Overstocking: Availability > Demand

Loss due to excessive storage space used



Understocking: Availability < Demand

Loss due to lower supply of products

Inventory Management for Retailers

Business Objective: Prevent overstocking and understocking of goods







