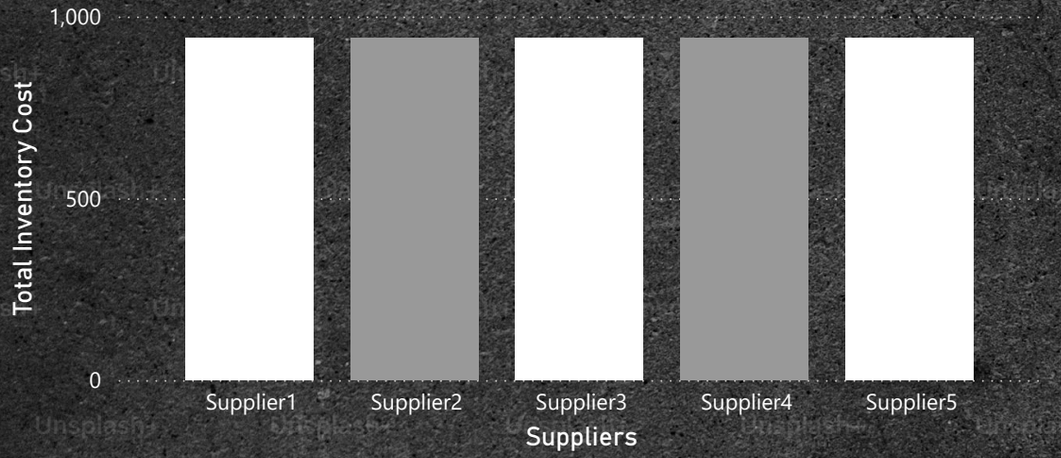
Cost Optimization Analytics

Total Units	Cost Per Unit	Total Inventory Cost	Total Transport Cost
785	3.21	942.00	1575

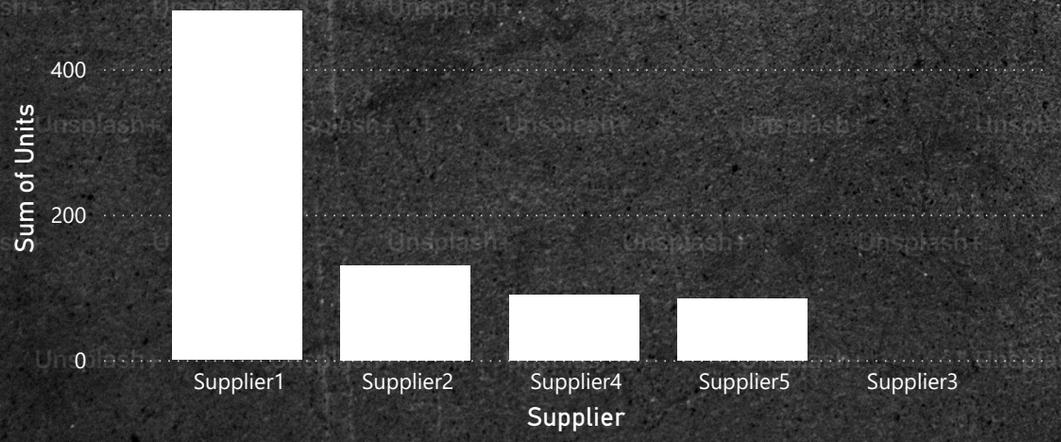
Inventory Cost by Suppliers



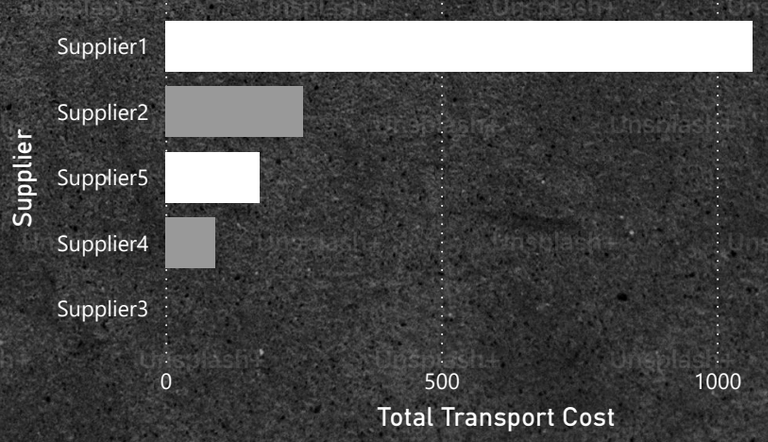
Customer	Supplier1	Supplier2	Supplier3	Supplier4	Supplier5	Total
Customer1	70	70	0	0	0	**140**
Customer2	80	0	0	0	0	**80**
Customer3	60	60	0	0	0	**120**
Customer4	90	0	0	90	0	**180**
Customer5	85	0	0	0	85	**170**
Customer6	95	0	0	0	0	**95**
Total	**480**	**130**	**0**	**90**	**85**	**785**

Supplier
- Supplier1
- Supplier2
- Supplier3
- Supplier4
- Supplier5

Unit Allocation by Supplier



Transport Cost by Supplier



Customer
- Customer1
- Customer2
- Customer3
- Customer4
- Customer5
- Customer6

Quick measure

Key Insights

- Supplier1 is the **primary cost-efficient supplier**, fulfilling the highest share of customer demand at the lowest cost per unit
- Supplier3 and Supplier5 have **higher transport & inventory expenses**, resulting in reduced allocations
- Transport cost optimization has lowered logistics expenses by **~24%**
- Supply distribution is now **balanced with actual customer demand**
- Customer4 and Customer6 represent **high-volume demand zones**, critical for business continuity

Recommendations

- Continue leveraging Supplier1 & Supplier2 as primary fulfillment sources
- Gradually reduce reliance on Supplier3 & Supplier5 due to cost inefficiency
- Strengthen logistics capability on Supplier1 → High-demand customer routes
- Implement real-time demand forecasting for continuous cost control
- Review supplier contracts to negotiate better rates with low-volume suppliers

Final Conclusion

Strategic unit allocation has enabled a **cost-effective and scalable supply chain**, while ensuring customer demands are fully met. The organization can sustain profitability and operational stability through continued optimization.

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