

Inventory Planning:

A Definitive Guide
to Forecast Optimal
Inventory Levels



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Retail sales in November 2022 rose **4.5% YoY**. Senior Industry Analyst Ted Rossman explained that this rise “marks the slowest year-over-year retail sales growth since 2020,”. This shows that the pandemic significantly impacted consumer behavior, market demand, and supply chain operations. As retailers and manufacturers try to rebuild responsibly in a post-pandemic world, the importance of effective inventory planning has never been greater.

Forecasting optimal inventory levels is a big part of inventory management. It helps retailers and manufacturers minimize the fear of having too much or too little inventory during the forecasted period. However, it is also one of the most difficult aspects to get right.

In this detailed guide, we cover everything about inventory planning:

- What is inventory planning
- Why do you need to plan your inventory?
- What are the benefits of inventory planning?
- What are the main elements of an inventory plan?
- What is the inventory planning process?
- How to do inventory planning?
- What are the challenges of inventory planning?
- How can a unified xP&A platform enhance your inventory planning process?



A Quick Trip Back to the Basics of Inventory Planning



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What is Inventory Planning?

Inventory planning is defined as the process of:

“Determining the most optimal restocking strategy for a business to meet customer demand, reduce costs and increase profitability.”

Inventory is one of the most important assets of a business—whether it is in the form of raw materials, in-progress items, or finished goods. Planning inventory is simpler when a business sells a few products to limited customer segments. As a business expands its product offerings and spreads across the globe, basic inventory planning techniques become useless; it gets more complicated to understand the right balance between your restocking strategy and the cost-to-serve the forecasted inventory requirements.

Optimize for an Inventory Plan

An inventory plan helps you to answer a basic question:

| What to order and how often to place orders?

But a good inventory plan helps you to answer this question while optimizing other significant business parameters, such as:

1. Reducing the overall costs associated with inventory management, for example, out-of-stock or overstock situations, as well as storage, shipment, supplier, and service costs, etc.
2. Aligning inventory replenishment with long-term business goals and objectives of revenue growth and profitability.
3. Meeting market demand to enable customer satisfaction and loyalty.



3 Aspects to Optimize for an Inventory Plan

- 1 Reducing the *overall costs* associated with inventory management.
- 2 Reducing the *overall costs* associated with inventory management.
- 3 Reducing the *overall costs* associated with inventory management.



Why do You Need to Plan your Inventory?

Supply chain disruptions cause significant loss in terms of:

54%

Reputation

62%

Finances

54%

Logistics

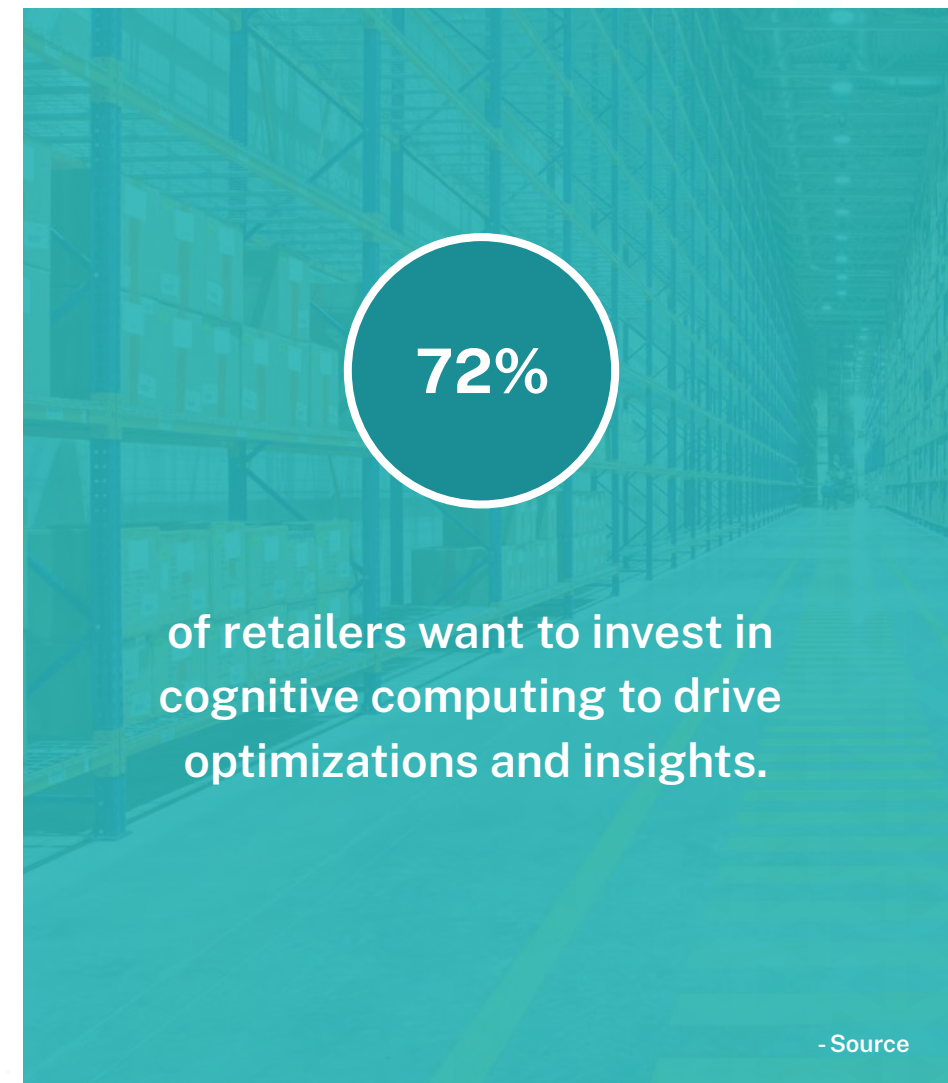
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In a data-driven world, it is detrimental for a business to rely on guesses and assumptions about customer demand. Today's inventory planning is a more sophisticated endeavor, requiring careful consideration of both the amount and kind of stock required at key points in time. A successful approach to managing supply can yield significant benefits for any business. It is also about connecting your inventory investment plans to overall corporate performance so that you can find answers to bigger questions like:

1. Which customer segments are the most profitable and require bigger inventory investments?
2. Where to hold inventory in the supply chain and in what quantities?
3. What are the potential impacts of varying demand, supply, and other factors on inventory levels?
4. Which product categories require safety stocks to prevent stockouts?
5. Which warehouse locations can potentially minimize inventory lead time and holding costs?

Simply put, the main objective of an inventory plan is to **meet customer demand while remaining profitable**. Efficient warehousing, accurate inventory forecasting, and improved **cash flow management** play a big role in making that happen.

Benefits of Inventory Planning



You might create an inventory plan to forecast optimal inventory levels, but the process offers numerous other benefits. Some of the most common benefits include:

1. Reduced costs

Accurate inventory forecasting and planning can help reduce unnecessary costs incurred due to:

1. **Overstocks:** This is the surplus inventory that you purchased but failed to sell. As time passes, overstocks are labelled as deadstock because they either expire or go out of season.
2. **Oversells:** This is the inventory that your customers purchased – probably through an online channel – but it did not exist in the warehouse. This increases costs as you may run to make last-minute purchases or end up returning money to customers.
3. **Stockouts:** This is the inventory that customers came to buy from your store but did not find what they were looking for because the product was out of stock. This leads to unhappy customers who start looking for other options in the market.
4. **Holding and damage:** Another preventable cost is holding and moving inventory. Between suppliers, warehouses, stores, and customers, inventory must be managed and stored effectively to avoid inventory damage.

2. Satisfied customers

With enough inventory on hand to meet demand, you can prevent unfavorable situations like oversells and stockouts to satisfy customers. Advanced demand planning and scenario planning techniques can help business leaders determine how certain products may perform in different customer segments and the impact of varying factors such as seasons and trends on customers' purchasing behavior. Those insights can lead you to build personalized customer experiences and plans at different stages of the customer journey.

3. Improved business planning and performance

Inventory planning plays a huge role in the rise or fall of your business performance. Whether you want to remain within budget, gain a competitive edge in the market, increase sales and revenue, or enter a new market segment – everything is tied to accurate inventory planning and forecasting. For this reason, it is imperative for companies to analyze inventory drivers and correlate them to business success.

Moreover, by identifying and building such connections among inventory replenishment, product development, and marketing and sales operations, you can enable integrated business planning across the entire organization.

4. Managed omnichannel inventory

As your business continues to thrive and expand, diversifying sales channels can be a great way to increase overall retail success. By opting for an omnichannel experience, businesses face unique obstacles when modernizing their inventory and supply chain systems. For example, you decide to display most of the inventory in a physical store – only to realize that the forecasted demand came from online sales and the inventory should have been held in a distribution center.

To resolve such challenges, you need to have true visibility of your inventory levels and their sales across channels. By utilizing sophisticated methods to optimize and plan your omnichannel inventory, you'll be able to gain a better understanding of future demand across all sales channels while gaining key insights into their performance.

5. Integrated supply chain

Supply chain management today has become quite complex as it involves multiple distribution networks. Businesses need advanced techniques like multi-echelon inventory optimization that help [manage inventory levels between different centers](#). By leveraging the power of data analysis, you can optimize your inventory

allocation strategies to ensure that customers get their orders faster and at a reduced cost. This will enable significant savings in delivery times and travel expenses, allowing for improved customer satisfaction rates. An effective inventory optimization strategy can be a powerful tool to maximize profitability driving your bottom line upwards.



4 Pillars of an Inventory Plan: Building a Solid Foundation



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4 Pillars of an Inventory Plan: Building a Solid Foundation

Since an inventory plan forms the foundation of crucial inventory management processes, it is important to understand the main elements that usually shape the plan. We cover four basic pillars of an inventory plan here, but they may differ depending on the specific requirements of your business.



1. Inventory replenishment

Inventory replenishment is often interpreted as inventory planning, but both relate to something different. Inventory replenishment (a subpart of inventory planning) is the process of ordering and purchasing new stock to maintain suitable inventory levels. Inventory planning is a long-term consideration of how to reach inventory objectives, while short-term operational concerns focus on the immediate needs. Making sure that you consider both strategies can put your business in an advantageous position for success.

Inventory planning is a long-term consideration of how to reach inventory objectives, while inventory replenishment is a short-term operational concern focused on immediate needs

A key component of inventory planning is selecting a suitable replenishment strategy and model. Each of these is discussed below:

a. Inventory replenishment strategies

An inventory replenishment strategy helps you determine how and when to restock your inventory. Mostly, businesses choose one of the following replenishment strategies depending on their requirements.

- A. **Continuous or perpetual inventory system** that allows you to continuously monitor your inventory levels and place orders when it reaches a minimum amount. The threshold level can be determined using a replenishment model.
- B. **Periodic inventory system** that allows you to keep your inventory up to date with a periodic system that counts and forecasts demand. This streamlined process will enable you to replenish stock at the end of each week, month, or quarter.

b. Inventory replenishment models

Inventory replenishment models provide the key to efficient inventory management through sophisticated mathematical formulae that maximize warehouse stocking levels, enable cost-effective ordering frequencies, and ensure a steady supply chain. Some of the most common inventory replenishment models are mentioned below:

1. Economic Order Quantity (EOQ)

The EOQ model helps you to calculate the most optimal amount of inventory to order while minimizing costs associated with ordering and storage. The formula used to calculate the amount is:

$$\text{EOQ} = \text{Square root of } (2 * \text{Order costs} * \text{Demand rate}) / \text{Holding costs}$$

2. Safety stock

Many retailers and manufacturers keep safety stock that can be used in case of a supply chain issue or another emergency. The amount of safety stock can be calculated as:

$$\text{Safety stock} = (\text{Max daily demand} * \text{max lead time}) - (\text{average daily demand} * \text{average lead time})$$

3. Reorder point

To ensure that you are always well-stocked, the reorder point model can provide invaluable insight into when it is optimal to place orders. This helps you avoid costly stockouts and unexpected deliveries while keeping pace

with demand. The formula calculates the minimum inventory level at which you should place your next order with supplier. It takes inventory lead time into consideration to ensure that you have enough stock until the next batch arrives at your store or warehouse.

Reorder point = (Average daily demand * Average lead time in days) + Safety stock

4. Day sales inventory (DSI)

The DSI model helps you to calculate the average time your current stock will last. A low DSI value is more favorable since it shows more demand leading to higher profits and less holding costs, while a high DSI value might relate to difficulty in clearing stock or making sales. DSI can be calculated as:

DSI = (Average inventory / Cost of goods sold) * 365 days

2. Demand forecasting

Inventory forecasting (also known as demand forecasting) is another important aspect of inventory planning. Demand forecasting is the process of **predicting future customer demand** for a product during a specific period. Depending on the stability of a market and demand variation, a forecast can be modeled in two ways: deterministically or probabilistically.

- i. **Deterministic demand forecasting** outputs a single demand value and is tied to the assumption that future demand is stable and predictable based on historical data and trends.
- ii. **Probabilistic demand forecasting** generates a range of possible solutions and assumes uncertainty and unpredictability of future demand.

There are different ways to estimate future demand. At a high level, depending on data availability, these methods can be classified as:

3. Driving factors

Although advanced demand forecasting and replenishment models consider the impact of crucial drivers on an inventory plan, there are several essential considerations that must be considered before finalizing the plan. These include:

- a. **Budget:** Forecasting accurate inventory levels is half the game. Having the necessary budget for effective plan execution and resource utilization is just as important. Inaccurate budget allocation can lead to undesirable outcomes irrespective of plan efficiency.
- b. **Product type:** Different product characteristics must be considered while planning your inventory, such as its shelf life, category, price, expiration date, and holding cost.
- c. **Lead time:** This is the duration between placing an order and receiving the inventory from your supplier. Inventory plans must consider the lead times of different product categories so that you can place orders on time and have enough stock to sell until the next batch arrives.
- d. **Seasonality:** Seasons and trends do have an impact on product demand. Your plan should account for these seasonal changes, for example, stocking up on winter clothes as the season arrives and clearing summer stock.
- e. **Promotions:** Marketing campaigns, discounts, and promotional offers directly influence product demand. They might boost sales and require you to have additional stock on hand.
- f. **Suppliers and vendors:** Different parameters must be considered when it comes to choosing suppliers, such as their locations, price ranges, and the possibility of product shortages during high season demand.
- g. **Economic factors:** Economic downturns, declining retail stock prices, and rising interest rates can impact your inventory plan as well.



4. KPI analysis

An inventory plan's success is measured by the progress of its KPIs, which provide vital feedback to track and maintain performance. This is necessary as it allows you to adjust and make improvements wherever needed. There are metrics that retailers and manufacturers calculate to measure the success of their inventory plan, and the most common ones include:

a. Inventory turnover rate

This metric shows how quickly you are selling your inventory. A higher turnover rate shows quick sales while a lower turnover rate shows slower sales and excessive inventory. It is calculated as:

$$\text{Inventory turnover rate} = \frac{\text{Cost of goods sold}}{\text{Average inventory}}$$



b. Order fill rate

The order fill rate shows how often you manage to fulfill customer orders from your inventory. A higher fill rate suggests that you can keep up with customer demand, while a lower fill rate means that you are unable to fulfill customer demand on time.

$$\text{Order fill rate} = (\text{Total orders shipped} / \text{Total orders placed}) * 100$$

c. Stockout rate

The stockout rate shows how often you fail to fulfill customer orders because of out-of-stock situations. It is calculated as:

$$\text{Stockout rate} = \text{Products out-of-stock} / \text{Total number of products available}$$

d. Gross margin return on inventory (GMROI)

GMROI metric shows how much profit your company generates for every dollar spent on inventory. A higher GMROI means that your inventory is generating more money than you initially spent on purchasing it. It is calculated as:

$$\text{GMROI} = (\text{Gross margin} / \text{Average inventory}) * 100$$

e. Inventory carrying costs

You should continuously track inventory carrying costs. This can help you to optimize your expenditure by making small plan adjustments. It can be calculated as:

$$\text{Inventory carrying cost} = (\text{Inventory holding amount} / \text{Inventory value}) * 100$$

You can calculate inventory holding cost by aggregating different costs, such as capital, service cost, storage, risk charges, etc.

A Deep Dive into the Inventory Planning Process



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A Deep Dive into the Inventory Planning Process

87%

merchants have plans
to automate alerts
of stockouts.

- Source

Previously we studied the four main pillars of an inventory plan. In this section, we bring everything together by reviewing the step-by-step process that companies can adopt to lay out a plan that is most suitable for their requirements. Let's dive in.

1

Consolidating data across systems is the first step in a successful planning process.

2

To ensure reliable forecasts, a **data model** should be crafted with high accuracy & precision.

3

Predict future customer demand for a product during a specific period of time.

4

Finalize **replenishment strategy & model** budget as well as reorder point & amounts.

5

Place inventory order & regularly **monitor inventory KPIs** with report dashboards.

6

Use tools that allows you to factor in the impact of last-minute changes & **adjust plan** accordingly.



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Step 1: Gather data

Businesses usually have valuable data dispersed across multiple systems, such as spreadsheets, inventory management systems, budgeting software, and other databases. Unifying data across systems is the first step in a successful planning process. It allows you to instantly unlock invaluable knowledge with a unified view of the most current, comprehensive insights to help you make fast, effective, and smart decisions.

Imagining the potential that data holds to inform your future inventory needs can be an incredibly powerful tool. Examining trends and patterns through analysis could provide you with a greater understanding of where demand lies, enabling smarter planning for successful business growth.

When you consolidate data accurately, you can make intelligent and informed decisions about inventory planning – ensuring that your predictions are reliable to stay in sync with market demands.

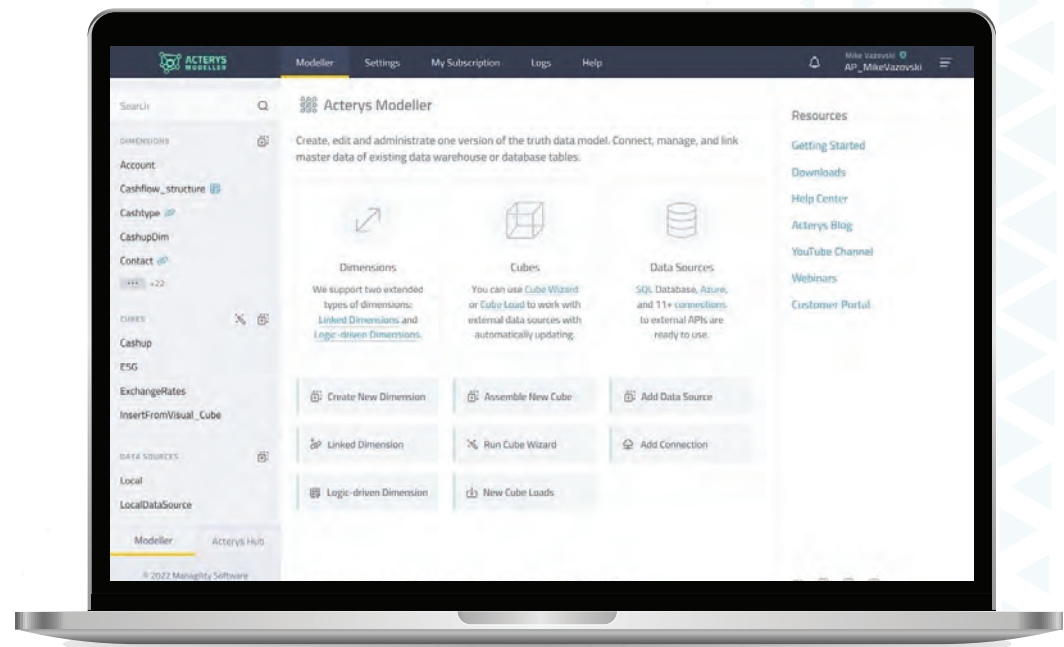
Step 2: Create data models

To effectively analyze data and generate forecasts for future customer demand, you need to **model your data**. A data model (such

as a star schema) visually connects the main data assets of your business and creates relationships between different data points.

With accurate data models, you can understand how changing attributes may affect your plan. For example, your business might have experienced an increase in sales last year when you hired more staff members to assist customers in physical stores.

Accurately predicting future demand depends greatly on finding the right relationship between multiple variables. To ensure reliable forecasts, a data model should be crafted with meticulous attention to detail and precision.



Step 3: Forecast Customer Demand and Account for Varying Factors

Ideally, companies should use probabilistic demand forecasting techniques instead of deterministic ones. In the post-pandemic world, the retail and manufacturing industry has experienced unexpected demand for various product categories.

56%

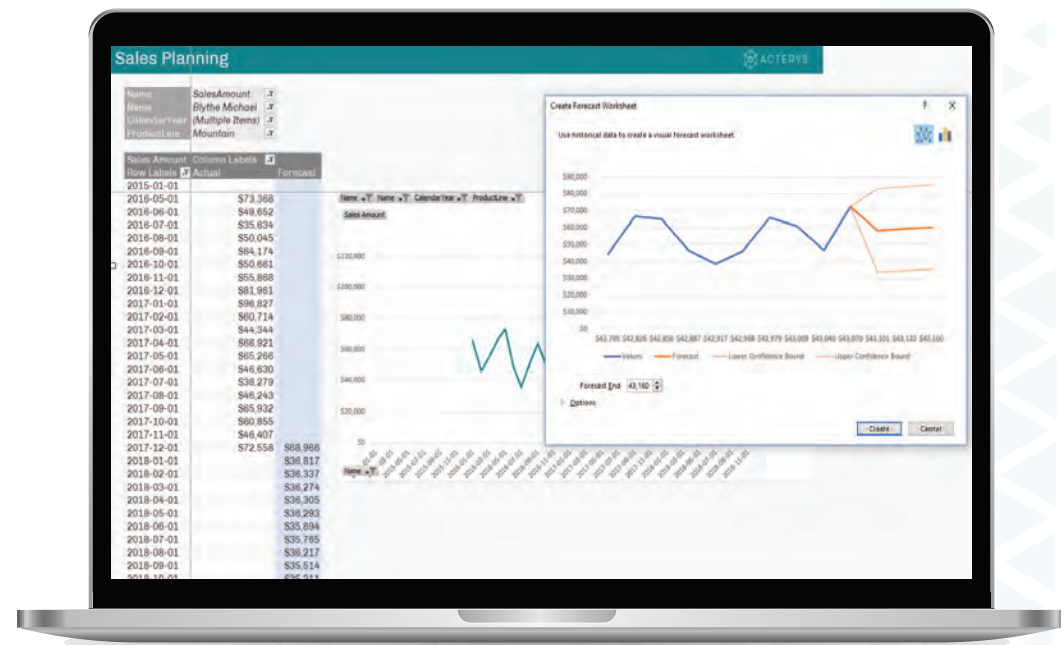
of retailers plan to increase their investment in demand forecasting and predictive planning.

- Source



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Probabilistic demand forecasting can help you to analyze a range of possible outcomes for a given set of variables. With scenario planning, you can accurately predict and assess customer demand fluctuations based on influencing factors. Get ahead of the game by preparing for various scenarios that could potentially affect your future business.



Step 4: Lay out the plan

After determining demand forecasts, you need to define the remaining factors of the plan:

1. Choose a suitable replenishment strategy and model

Sometimes, businesses choose different strategies and models for different product categories and customer segments. For example, ABC analysis is a replenishment strategy that divides inventory into three categories. Category A represents high-value products with low sales, Category B represents average-value products with average sales, and Category C represents low-value products with high sales. This can help you to replenish low value–high sales products more often than high value–low sales products.

2. Determine reorder point and amount

By utilizing advanced forecasting practices, followed by selecting a replenishment model that suits your business needs, you can ensure a successful inventory management strategy. By doing so, smart choices can be made on product categories and their restocking frequency, maintaining optimal stock flow rates for maximum profitability. Models like Economic Order Quantity and Reorder Point are used to determine these metrics.

3. Finalize budget

Before you can lay out your inventory plan, you must understand the cost-to-serve every possible demand outcome. With probabilistic demands in hand, you can figure out the cost requirements of different scenarios and realize the budget to allocate for efficient inventory replenishment and customer demand fulfillment.

4. Factor in lead time and safety stock

To ensure a seamless customer experience, your inventory plan culminates in the creation of strategic buffers. Careful calculation will yield optimal stockpiles ready to be sold while new orders come in - providing an extra layer of protection against unexpected gaps!

Step 5: Execute and Track KPIs

With your inventory plan ready, you can now execute the plan by investing the cost required to purchase the forecasted inventory.

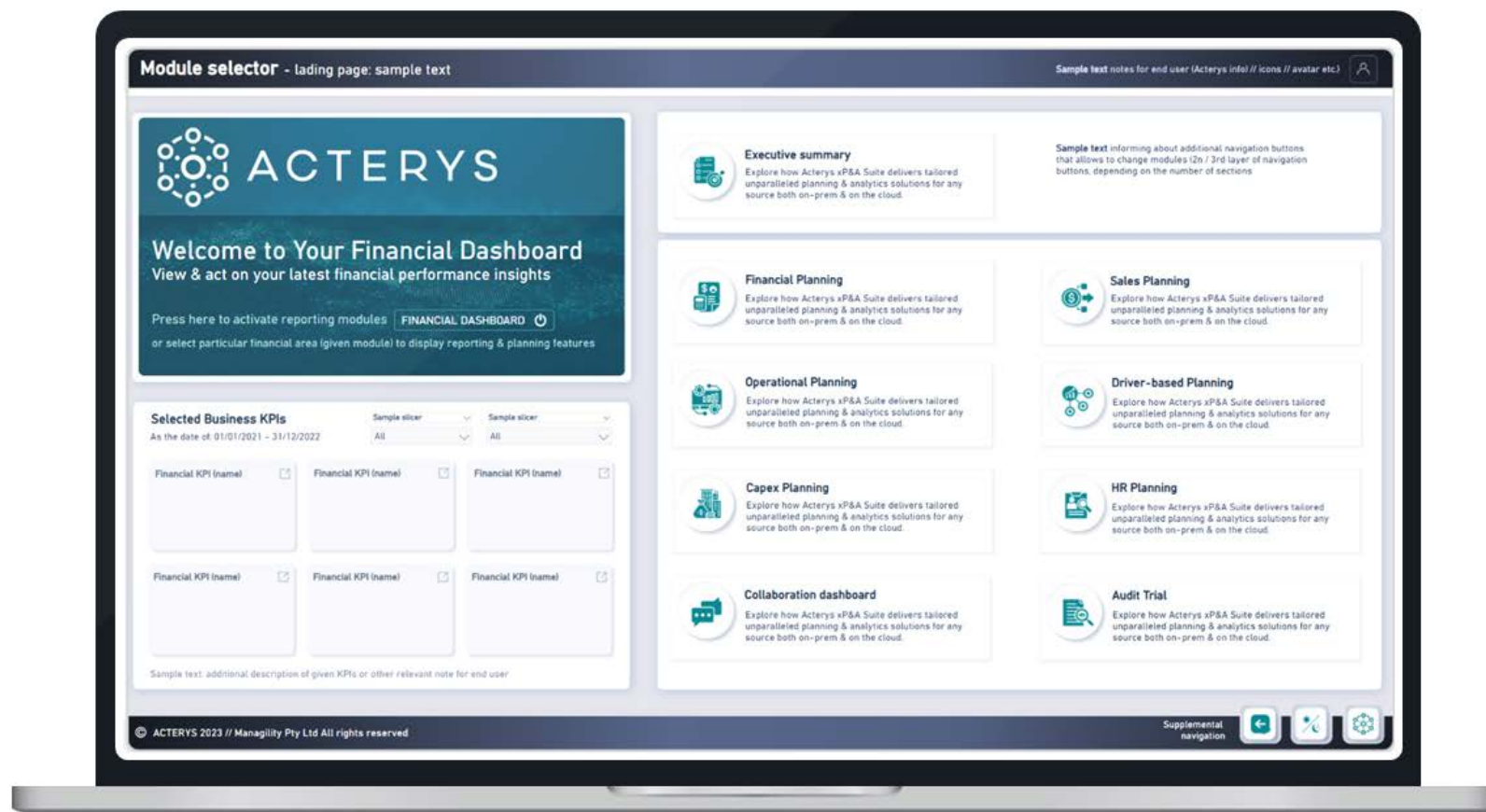
Consistent inventory auditing is key to maintaining a successful business strategy. Keeping track of merchandise and monitoring supplies helps guarantee resources are utilized efficiently-leading to ultimate success. Customized dashboards that monitor and display inventory levels, cost of goods sold, selling expenses, and gross profits can provide great value to a business.

Step 6: Adjust and repeat

To keep your car running smoothly, you constantly maintain it with oil changes, tire rotations, and gas refills. Similarly, regularly adjusting the plan to accommodate new data is the most crucial part of inventory planning.

Before you know it, the expected replenishment cost for a certain

product may increase due to shortages in the market. And without timely modifications to your plan, you could miss important objectives with no concrete explanation as to why. Make sure that regular tweaks are made so you can stay on track and reach those business goals. Using advanced planning tools that allow you to factor in and visualize the impact of last-minute changes can be valuable to create practical inventory plans.





Perform Inventory Planning: Common Tools and Challenges



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Perform Inventory Planning: Common Tools and Challenges



A long list of demand drivers and other external factors can make the planning process quite overwhelming. For this reason, opting for the right planning tool can offer huge benefits to your business. In this section, we cover the tools and technologies that organizations use to create their inventory plans.

1. Spreadsheets

The most common tools used to forecast customer demand and create inventory plans are **spreadsheets**, such as Microsoft Excel or Google Sheets. These tools can be useful for small and new businesses that have limited datasets, product categories, and customer segments.

Spreadsheets fail to offer accurate forecasting and advanced planning capabilities. They can quickly become time-consuming and burdensome and provide limited value.

However, if we consider thousands of products, spreadsheets can fail to offer accurate forecasting and planning capabilities. Plus, if we factor in the manual effort required to collect data from several sources, cleaning and consolidating them into one sheet, and manually creating formulae, spreadsheets can quickly become time-consuming and burdensome - not to mention, provide limited value.

2. Inventory management systems

Organizations often use their inventory management systems (IMS) for planning and forecasting. IMSs are designed to store real-time data about inventory levels, lead times, and reorder points. Some vendors do offer basic inventory analytics, but they are limited since the focus of these applications is to effectively manage inventory, supply chains, warehouses, and distribution networks.

Some IMSs do offer basic inventory analytics, but they are limited since the focus of these applications is to effectively manage inventory by saving updated, real-time data values. Business leaders want to explore potential consequences of decisions and strategize by understanding the different "what-if" scenarios.

By understanding the different "what-if" scenarios, business leaders can be better prepared for future opportunities or challenges that arise in this ever-changing economy. Such scenario planning is not possible with an IMS since it represents the actual, real-world values of all data points. To plan effectively, you need to integrate a comprehensive database that forecasts potential values and evaluates probable results.

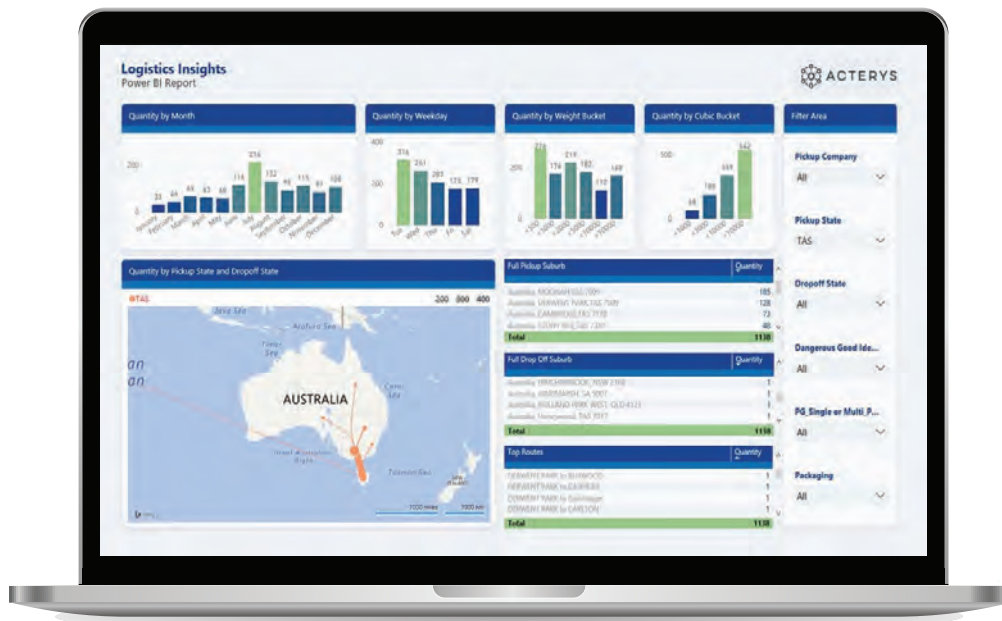
An xP&A platform offers detailed dashboards that allow you to visualize the impact of real, dynamic factors on inventory levels and clarifies how you can accommodate them in your planning process.

3. Corporate performance management solutions with advanced xP&A capabilities

Today, organizations have access to powerful corporate performance systems that provide sophisticated planning and analytics capabilities. This cutting-edge technology enables businesses to maximize efficiency while optimizing their future objectives. CPM solutions can connect with virtually any data source, extract the required data, optimize it using custom data models, and generate probabilistic forecasts about future demand. Moreover, they allow you to conduct driver-based planning where you can predict outcomes by weighing the impact of crucial inventory drivers.

An xP&A platform offers detailed dashboards that allow you to visualize the impact of real, dynamic factors on inventory levels and clarifies how you can accommodate them in your planning process. Such dashboards can help you to perform:

- Multi-dimension spend analysis.
- Multi-dimension price forecasting based on categories, material/cost drivers, suppliers, etc.
- Price analysis across the supply chain.
- Inventory requirement planning based on sales forecasts.
- Top-down cost saving analysis.
- Risk monitoring, and much more.



Businesses now have access to the next level of intelligence systems, allowing them to gain greater insights into their operations and make better decisions. Power BI is at the forefront of this new generation of analytics tools. They not only provide valuable insights into your inventory but also enable **integrated business planning** by identifying relationships between different data dimensions – for example, the impact of staffing on sales, sales on inventory, inventory on business revenue, and so on. Retailers and manufacturers that have complex demand and budget constraints are adopting systems to prepare for the future.

Challenges to Inventory Planning

Out-of-stock items in 2020 were estimated to be more than \$1 trillion due to the COVID19 pandemic.

- Source

When companies decide to invest their time and effort into inventory planning, they may come across several challenges. To select a suitable strategy, technique, and tool for your inventory planning requirements, you must consider these challenges to understand how they can impact your plan and how you can potentially resolve them.

1. Disconnected data systems

Most businesses have their data spread across multiple applications, databases, local files, and servers. When forecasting demand and optimal inventory levels, **data must be pulled from all necessary locations**, otherwise, you may end up basing important decisions on incomplete information. Disconnected data systems are the main reason behind inaccurate forecasts, poor communication between different business departments, and inefficient resource utilization.



To overcome this challenge, you need to opt for a solution that offers the functionality to:

1

Connect to any data application or SQL database,

2

Extract necessary data points,

3

Consolidate them in a new database,

4

Create data models, and

5

Generate customized reports and analytics.



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2. Outdated demand planning and forecasting techniques

The retail and supply chain management industry experienced some inevitable changes during COVID. Nowadays, simple, and straightforward forecasts do not account for future unpredictability, possible variations in customer demand, and the impact of inventory drivers.

For this reason, businesses, more than ever before, must utilize probabilistic and continuous demand forecasting techniques, like scenario planning, driver-based planning, rolling forecasts, and prescriptive analytics. The goal should be to account for all possible outcomes so that you can create flexible forecasts that can be changed as market and economic changes are encountered. These changes can include product shortages, delayed lead times, supply chain problems, insufficient warehouse capacity, seasonal changes, trend hype, and so on.

3. Lack of automation

Forecasting optimal inventory levels can be quite difficult, especially if your team doesn't have access to a tool that automates labor-intensive tasks like data extraction, transformation, consolidation, and modeling. You may end up spending hours manually connecting data sources and getting the required information in one place.

Apart from this, automation can provide a lot of operational benefits to your business, such as enabling automated triggers and workflows for placing orders when reorder points are reached or alerting necessary staff to collect and move inventory when the stock reaches the warehouse.





Streamlining Your Inventory Planning Process with an xP&A Platform



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Streamlining Your Inventory Planning Process with an xP&A Platform

Traditional inventory planning methods and tools can generate biased and inaccurate forecasts. We briefly discussed how modern corporate performance systems can transform your inventory planning process by enabling greater visibility and integrated planning.

Acterys is one solution that helps organizations prepare for the future with more certainty and predictability by plan-enabling virtually any data source. It offers a complete suite of smart data modeling, planning, and forecasting solutions on the cloud and on premises.



Acterys integrated Inventory Management System.

Acterys offers these capabilities by integrating with familiar tools like Power BI, Excel, SQL Server, and Azure Cloud. Users do not have to set up new systems or acquire knowledge of new technologies. With Acterys , you can transform your inventory planning process with advanced concepts like:

1. **Integrated business planning (IBP):** Identify hidden connections between inventory investment, customer segment profitability, cost-to-serve, and customer service.
2. **Probabilistic and continuous forecasting:** Avoid overcompensating or undercompensating demand variation by utilizing more accurate techniques that lead to inventory reduction of about 10-20%.
3. **Revenue and demand planning:** Combine collaborative demand planning with financial revenue planning and align your revenue targets with resource and inventory plans.
4. **Multi-network inventory optimization:** Determine inventory planning drivers by using techniques like multi-Echelon inventory optimization and reduce your inventory by 10-20%.
5. **Cash flow and product development:** Identify the impact of free cash flow on product development and sourcing to enable effective decision and performance management systems.

6. **Scenario planning:** Predict the worst case, best case and most likely case based on the changing variables and create different plans to handle those scenarios beforehand.

Key features of Acterys

Acterys is designed to deliver unparalleled speed, accuracy, and flexibility to its users. Some of its key features include:

1

Unified platform: Streamline data extraction, integration, modeling, and reporting processes with an all-in-one solution for planning, budgeting, and forecasting across each vertical.

2

Instant database connectivity: Connect to virtually any database or source with a few clicks and plan-enable your CRM, ERP, or any other application.

3

Smart data warehousing: Host your planning and analytics data in a dedicated SQL data warehouse and enable real-time data synchronization with multiple sources.

4

Standard styles and formats: Apply standard table formats and styles to all reports and control them centrally within data models.

5

Write-back functionality: Carry out scenario planning by changing different data points and visualizing its impact on the plan or forecast.

6

Built-in workflows: Minimize managerial overhead by automating data syncs and refreshes at scheduled time intervals.

7

Pre-built templates: Leverage built-in Power BI report templates and customize them according to your needs.

8

Collaborative planning: Involve necessary team members in your planning process by integrating your forecasting and budgeting reports into Microsoft apps like Teams, PowerPoint, and Flow to enable real-time collaboration.



Conclusion

In conclusion, inventory planning is a vital aspect of any successful business. It is the key to striking the right balance between customer demand and business profitability. In today's fast-paced and ever-changing business environment, it is essential for organizations to adopt solutions that enable flexible, user-driven planning, budgeting, and forecasting. These systems provide businesses with the tools they need to prepare for the future and meet their goals and objectives.

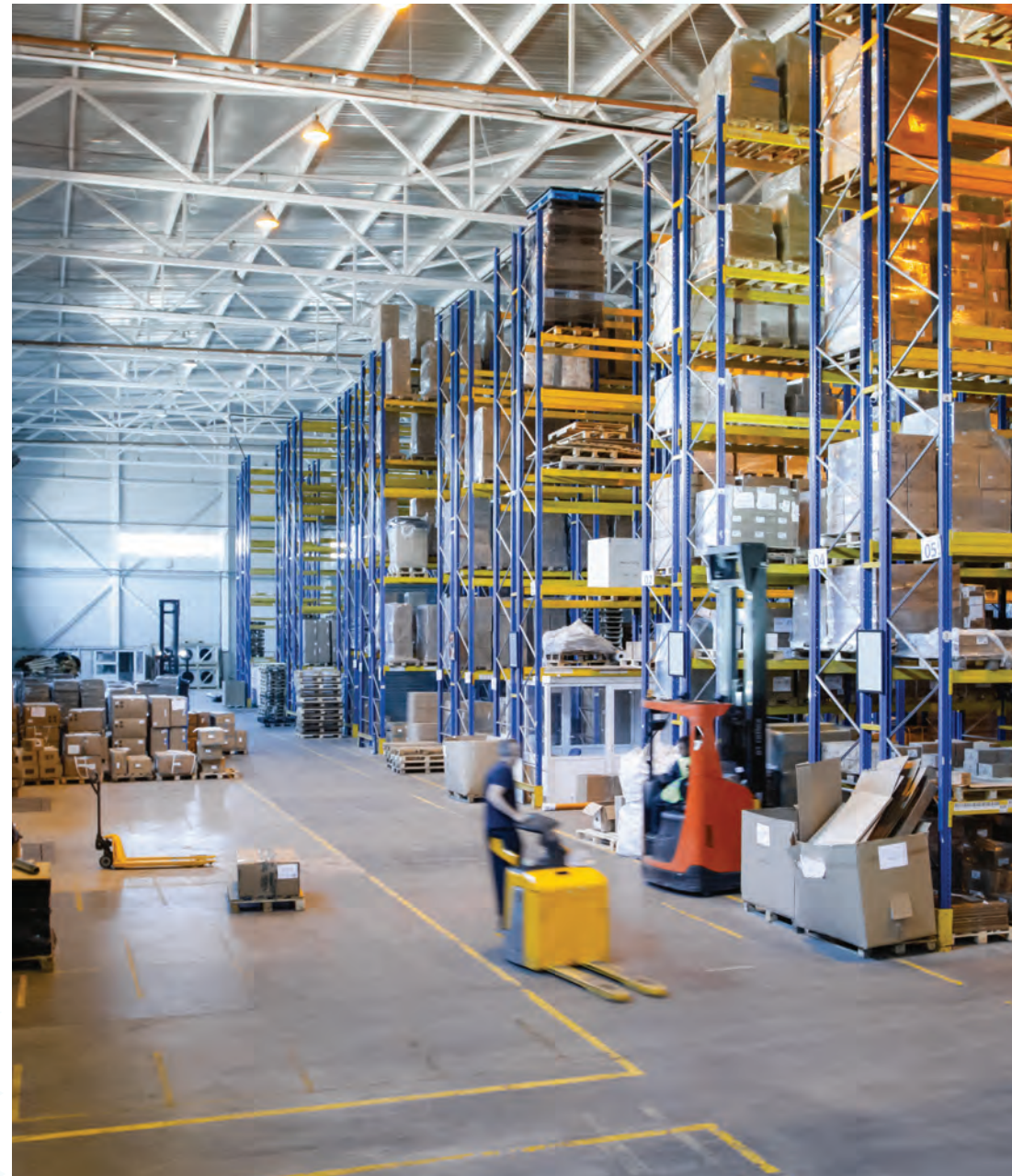
Modern inventory planning solutions offer a variety of features that make it easier for businesses to manage their inventory. For example, they can provide real-time inventory information, automated ordering, and alerts for low stock levels. These features help businesses to stay on top of their inventory, ensuring that they always have the products they need to meet customer demand. Additionally, modern inventory planning solutions also allow businesses to forecast future demand, which helps them to plan and avoid stockouts.

Another important benefit of modern inventory planning solutions is that they enable businesses to make data-driven decisions. These systems provide businesses with detailed insights into their inventory, including sales trends, stock levels, and customer demand. This information can be used to identify patterns and trends, which can help businesses to make informed decisions about their inventory. Additionally, businesses can use this information to identify areas where they can improve their inventory management and increase their profitability.



Finally, it is worth mentioning that modern inventory planning solutions are user-driven, which means that they can be customized to meet the specific needs of a business. This flexibility enables businesses to tailor their inventory management to their unique requirements and processes. Furthermore, these solutions are usually cloud-based, which means that they can be accessed from anywhere, at any time, which makes them ideal for businesses with multiple locations or employees who work remotely.

Effective inventory planning is a cornerstone of any successful business. By utilizing modern solutions that create flexibility and allow users to take control, organizations can build budgets and forecast with confidence – enabling them to set ambitious goals for the future while remaining prepared for whatever comes their way. Sign up for a **14-day free trial** of Acterys today and see how it enhances your inventory planning process and outcomes.



About Acterys

Acterys enables instant clarity for present and future through end-to-end analytics and planning solutions for major ERP and SaaS solutions.

On top of the single version of the truth data model, the solution offers out of the box templates for all performance management aspects that can be easily customized by business users in their familiar environments like Power BI & Excel.

This typically guarantees significant cost savings as multiple disparate CPM solutions e.g., separate applications for data analytics, consolidation, and planning, are consolidated on a single platform based on Microsoft standard technologies.



Our Global Presence



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