



Global, multibrand luxury lifestyle house cuts lost sales 50%, hits 95% stock levels with no excess using InventorySmart

OPPORTUNITY: Optimize Inventory Decisions and Processes

Comprising several category-defining brands, this leading luxury lifestyle retailer and wholesaler delivers unique, differentiated customer experiences across full-price stores, retail outlets, online e-commerce, and more for 100,000+ products.

To become a forecasting leader and promote long-term profitability, the company's leadership decided to move beyond its industry-standard enterprise allocation system and instead embrace today's most innovative artificial intelligence (AI) and machine learning (ML) planning tools. Any improvement to inventory management for its various retail and wholesale lines would minimize stockouts and boost margins due to greater on-shelf availability.

To achieve its goals, the company selected Impact Analytics InventorySmart™. This cloud-based, AI-driven solution uses predictive analytics and ML algorithms to optimize, integrate, and automate allocation and inventory management in stores and across channels, simplifying even the most complex allocation and replenishment processes.

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Our company today is using data and analytics to drive sustainable, profitable growth for our brands. Through our test and learn process, we identified store allocation as a significant opportunity to leverage AI and ML to optimize inventory. Our partnership with Impact Analytics enables us to capitalize on that opportunity, reducing lost sales due to suboptimal allocation and streamlining inventory decision making.

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—Senior Director of Advanced Analytics

ACTION: Rapid Rollout, Universal Adoption

The Impact Analytics implementation team worked closely with the company to develop specific requirements and parameters for each brand's auto-allocations in all three of the company's geographies. Once InventorySmart was fully implemented, the company began transforming the allocation process for more than 10,000 SKUs in just two of its divisions.

The company was particularly eager to take advantage of the following product capabilities:

- End-to-end allocation and replenishment automation
- AI-backed SKU/store/week-level forecasting precision leveraging dynamic best-fit modeling
- Automated style chaining and similarity algorithm-based demand forecasting for new launches
- Configurable, automated early alert system that streamlines the day-to-day allocation task flow
- Regular inventory-level monitoring with reporting metrics on excess inventory, stock drill downs, and lost sales

It's easy to see why the company's inventory planners so quickly adopted the new platform—and the results more than justified doing so.

OUTCOME: AI-Driven Inventory Transformation

The company's CEO credited the power of data analytics for its record-setting quarterly revenues, noting new AI-powered tools enable it to place consumer data at the heart of day-to-day decision making. The result has been to optimize allocation, better position its inventory and stores, boost inventory availability, and ultimately deliver superior customer experiences.

Now its planners save time allocating and replenishing products in stores and across channels. They also take guidance from InventorySmart granular recommendations to accurately allocate new and core products as well as measure all-important allocation KPIs, and they use the solution's configurability to make manual adjustments in response to unique store- and business-level needs.

"Our company today is using data and analytics to drive sustainable, profitable growth for our brands," said the company's Senior Director of Advanced Analytics. "Through our test and learn process, we identified store allocation as a significant opportunity to leverage AI and ML to optimize inventory. Our partnership with Impact Analytics enables us to capitalize on that opportunity, reducing lost sales due to suboptimal allocation and streamlining inventory decision making."

50%
reduction in
lost sales
due to stockouts

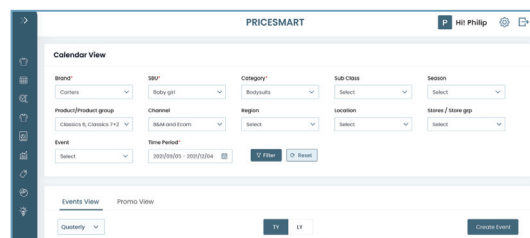
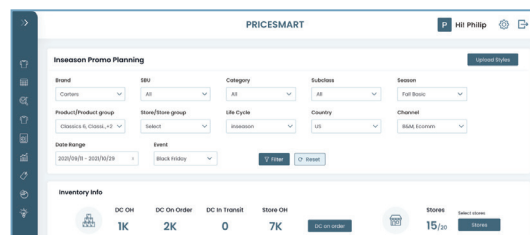
95%
in-stock levels
with no excess
inventory

WHAT'S NEXT?

This multibrand luxury lifestyle provider continues to partner with Impact Analytics to drive more visibility, data-driven insights, automation, and bottom-line growth through our leading AI-powered platform. It appreciates working with a partner dedicated to understanding its business and whose proven innovations enables it to better serve its customers.

The company is committed to using InventorySmart data-driven insights to ensure better decisions in real time in everything from pricing and promotions to placement, and to reveal opportunities for driving higher lifetime value.

We anticipate eventually moving all the company's brands and geographies to the InventorySmart system—as well as expanding our footprint with Impact Analytics PriceSmart™, the market's only end-to-end lifecycle pricing solution for accurately predicting demand and price sensitivities to optimize sell-through and margins.



About Impact Analytics

Impact Analytics is a proven leader in enterprise AI SaaS solutions, that combines the art and science of merchandising and supply chain optimization. Our cloud-native integrated platform's planning, pricing & promotions, inventory management, and intelligence suites, are built on the foundation of an innovative AI & ML-guided forecasting engine to provide quick visibility into your business, based on real time information to enable smarter data-driven decisions, while optimizing costs and adding millions back to the bottom line. To learn more, visit www.impactanalytics.co

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