

Improved Auto-Replenishment Processes for a \$250 Million Military **Exchange Retailer**

Client Challenge

The client is a \$250 million exchange supporting service members and their families through over 60 multicategory retail locations across the U.S. and online. The retailer sells apparel, hardlines, convenience items, uniforms, and home goods and operates a lean organizational structure with limited standard, documented processes. The retailer desired a thorough review and analysis of its auto-replenishment processes and systems and the identification of changes to improve inventory productivity.

Parker Avery Solution

The Parker Avery Group worked closely with the retailer to review and assess its current processes and system capabilities and make recommendations for improved auto-replenishment processes.

The team's approach involved:

- Assessing current auto-replenishment processes
- Evaluating existing system capabilities
- Analyzing the replenishment assortment
- Developing a testing process for replenishment methods
- Identifying opportunities to optimize inventory productivity
- Creating a deployment strategy for the retailer's improved auto-replenishment processes

Key project outcomes included:

- Identified gaps between replenishment strategy objectives and current processes
- Developed and tested alternative replenishment methods within the existing system to better align with inventory management goals
- Established an iterative testing process to assess replenishment methods and optimize settings
- Shifted replenishment process from reactive to proactive inventory management
- Uncovered additional system opportunities to improve the purchase order process
- Implemented a standardized store assortment feedback process to streamline communication

RESULTS







IMPROVED AUTO-REPLENISHMENT PROCESSES ESTABLISHED

REPLENISHMENT SYSTEM OPPORTUNITIES UNLOCKED

INVFNTORY PRODUCTIVITY GOALS OPTIMIZED

A deeper understanding of system capabilities and establishing a standard, repeatable testing process enabled the retailer's team to consistently test, measure, and implement improved auto-replenishment processes and strategies.

The client has been actively implementing the improved autoreplenishment processes and system changes. Once fully implemented, these initiatives will continue to support replenishment strategies that align with its overall inventory productivity goals.







