

Fulfillment Optimization Roadmap

Client

A \$2.8+ billion specialty retailer and direct marketer of outdoor merchandise

Challenge

The client struggled with poor retail service levels and frequent out-of-stock issues, leading to lost sales and frustrated customers. The root causes?

- Incorrect product assignments in the replenishment system
- Ineffective strategies for slow-moving and unpredictable-demand items

The goal: Optimize fulfillment processes to ensure the right products were managed by the right systems (allocation vs. replenishment) and improve overall efficiency.

Approach

Over nine weeks, our team collaborated with the client to:

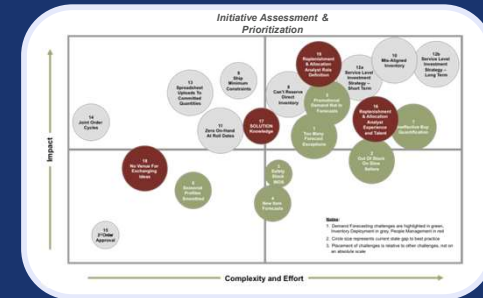
- ✓ Audit fulfillment processes, tools, and roles
- ✓ Benchmark performance against industry standards
- ✓ Identify & prioritize key improvement opportunities
- ✓ Develop a roadmap with actionable initiatives and ROI-driven business cases

Impact

\$25M–\$30M in projected EBITDA gains from:

- Higher margins on recaptured sales
- Lower inventory holding costs
- Reduced supply chain expenses

\$3M inventory reduction in just 3 months—all while maintaining service level targets



Case Study