



## DISTRIBUTOR REDUCES POTENTIAL STOCKOUTS BY \$27M+ WITH IKIGAI

### Business Challenge

- Distribution Co. had an issue: customers placed orders with insufficient lead time. Distribution Co.'s suppliers often require a lead time 12-24 months, but customers' orders routinely require much faster timelines
- This issue created two key operational problems: (1) Distribution Co. often overstocked inventory to avoid delays in fulfilling customer orders, which ate into profit margins; (2) even with this excess inventory, Distribution Co. still often delivered goods months late to customers due to unanticipated stockouts
- Distribution Co. needed better forecasts for their customers' orders so they could more accurately predict inventory needs, reducing both stockouts and excess inventory
- Before Ikigai, Distribution Co. had no forecasting solution to prevent stockouts; to guide their purchasing, they were stuck querying their inventory using a terminal-like, highly manual interface and working in spreadsheets

### Solution with Ikigai

#### Core Demand & Inventory Forecasting solution:

- Forecasted demand at a granular level (split by individual product and geographical division) to create 2 years of advance visibility into expected orders
- Developed stockout alerts to proactively recommend what products to order, when to order those products, and to which facilities to send those products, integrated with ERP

**\$27M+**

annual reduction in potential stockouts with Ikigai

### Key Benefits of Ikigai

- Ikigai's aiCast product enables accurate, long-range forecasting at the product and location level with 2 years of visibility and monthly updates
- Dynamic alerts based on orders, historical demand, forecasted demand, and current inventory empowers business to avoid stockouts
- User-friendly dashboard allows key stakeholders to quickly and easily understand state of inventory & anticipated demand

**\$31M+**

annual identified excess inventory with Ikigai