

Store Inventory Diagnostic

Comprehensively assessing the store inventory management environment and developing a strategic roadmap to improve inventory accuracy and visibility, reduce shrink, enhance on-shelf availability and promote store labor efficiency.

Retailers experiencing anemic comp sales with growing inventories and rising labor costs must consider if issues with their inventory accuracy are creating imbalances with demand and causing these negative downstream impacts. Most retailers struggle with keeping store inventory counts accurate, and many have simply given up hope that anything can be done about it. Parker Avery's **Store Inventory Diagnostic** is designed to get to the root causes of these issues and forge an actionable roadmap for resolution with the objective of achieving optimal store performance.

This diagnostic leverages Parker Avery's deep store operations experience to establish a thorough understanding of your company's goals and current store performance levels, including key metrics, operating processes, technology, organizational structure and store facilities. We also assess the upstream supply chain environment to ensure your entire inventory management process is considered and addressed. We compare your current state to relevant industry leading practices, allowing us to quickly identify the key initiatives that must be launched to achieve your desired future state objectives.

The ultimate deliverables are a financial model and prioritized roadmap to provide a clear picture of how, when and at what cost your future state objectives can be achieved. We understand the issues and challenges associated with store-level inventory management in omnichannel models, and we provide thought leadership, best practices and guidance to ensure the identified opportunities and roadmap enable the achievement of sustainable operational improvements.

7% EBIT

6% GMROI

improvement

- Improved On Shelf Availability
- Reduced / Refocused Workforce
- Reduced Shrink
- Reduced Inventory

While establishing or improving omnichannel execution may be a primary motivating factor for optimizing your in-store inventory management environment, the benefits that will impact your operations are at a much deeper level: improving on-shelf availability, reducing inventory levels, reducing or refocusing store labor to customer service, and reducing shrink / other losses. Following the successful implementation of initiatives identified in the diagnostic, retailers can expect EBIT improvements of up to 7% and over 6% in positive GMROI impacts, as well as other tangible and intangible benefits.

With the results of the Diagnostic in hand, clients will ultimately be able to refine their goals into an actionable plan that can deliver meaningful business process and systemic improvements.

To learn more about The Parker Avery Group's services, please contact:

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Store Operations

As a leading retail, softlines and consumer goods consulting firm, The Parker Avery Group is a trusted advisor to world-class brands. We provide comprehensive consulting services and practical experience in Store Operations, including inventory management, labor management and customer experience. Our deep domain expertise and proven methodologies help retailers streamline business processes, optimize investments in inventory, create more efficient store organizations and reduce overall product, labor and operational costs.

Parker Avery's Store Operations offerings include:

- Store Inventory Diagnostic
- Business Process Improvement
- Strategy & Software Selection
- Solution Implementation
- Change Management

We have worked with some of the world's leading retail, softlines and consumer goods companies, providing comprehensive services to support and enable key Store Operations capabilities with the overarching objective of improving business performance.

Representative Clients

Parker Avery has built successful long-term relationships with some of the most recognizable names across the globe.

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| • ALDO | • L.L.Bean |
| • Bealls | • Lands' End |
| • Belk | • lululemon |
| • Cabela's | • Orvis |
| • Carter's / OshKosh | • PetSmart |
| • Charming Charlie | • Pottery Barn |
| • Crate & Barrel | • Talbots |
| • Dollar General | • Toys"R"Us |
| • Dollar Tree | • Walmart |
| • Harry & David | • West Elm |

Why Us?

We have deep expertise based on our collective 200+ years of practical experience gained from leadership roles held within the retail, softlines and consumer goods industries as well as in consulting capacities. The Parker Avery approach combines the best talent with experience and methodology.

Our team has a proven track record and skills across all aspects of Store Operations:

- Significant experience assessing existing environments and designing future state models for inventory management, labor management and customer experience
- Insights into key software vendor differentiators to help clients make successful software selections
- Development and execution of system implementation roadmaps
- Hands-on implementation experience with leading retail solutions serving in project management, business analysis and Change Management roles
- Assumption of overall accountability for clients' implementation success

Combined with our consulting expertise, best practices and proprietary methodologies, Parker Avery delivers results that add tremendous value to our clients.

- Our strong client relationships are the outcome of focusing on **a select number of clients at a time** and delivering results.
- Our team's combination of executive retail experience and consulting expertise ensures our clients are fully informed of industry **leading practices and can get to the answers faster**.
- With backgrounds in **store operations**, merchandising, digital commerce, **customer experience**, product development, sourcing and supply chain, our professionals have in-depth business process and solution knowledge enabling us to quickly deliver meaningful client results.
- We strive to exceed our client's expectations and have a **highly successful track record** of projects delivered on time and on budget while securing high client satisfaction ratings.