Weekly promotions led by a high-low pricing strategy require strategic safety stock investments to ensure inventory levels are adequately controlled.

Dynamic, multi-criteria, item segmentation will allow high-low retailers to set cycle service levels that meet changing business needs.


Methodology

1. Create a dynamic cycle service level calculation that can adapt to changing business needs.

2. Decrease inventory holding costs by procuring the correct promotional inventory at the right time. Decrease labor costs through a reduction of manual orders on promotions and holiday items.