

Does one size fit all?

Motivation / Background



One supply chain

Many products & sales channels

One size fits all strategy for a diversified business model is resulting in low inventory turnover.

Key Question / Hypothesis

How can BAGSZCORP **segment** their supply chain for **optimal inventory levels**



Relevant Literature

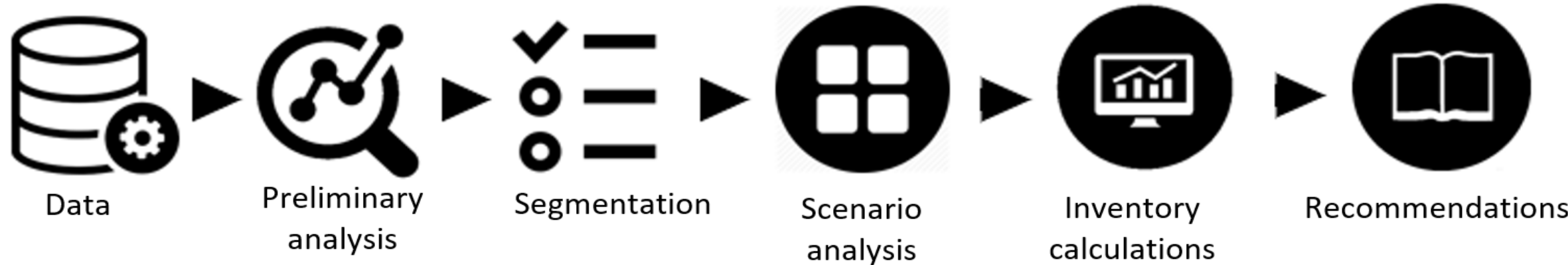
Fisher, M. L. (1997). What is the right supply chain for your product?. Harvard business review, 75, 105-117.

Alicke, K., & Forsting, M. (2017). Supply chain segmentation scientific frameworks. In Supply Chain Segmentation (pp. 5-13). Springer, Cham.

Supply chain segmentation is the answer

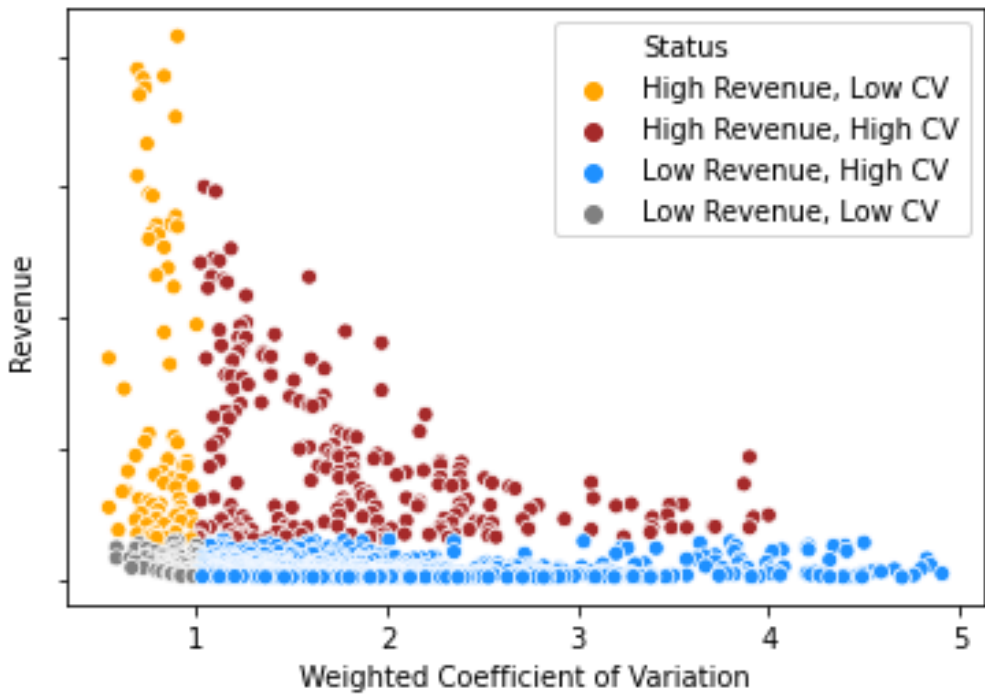


Methodology



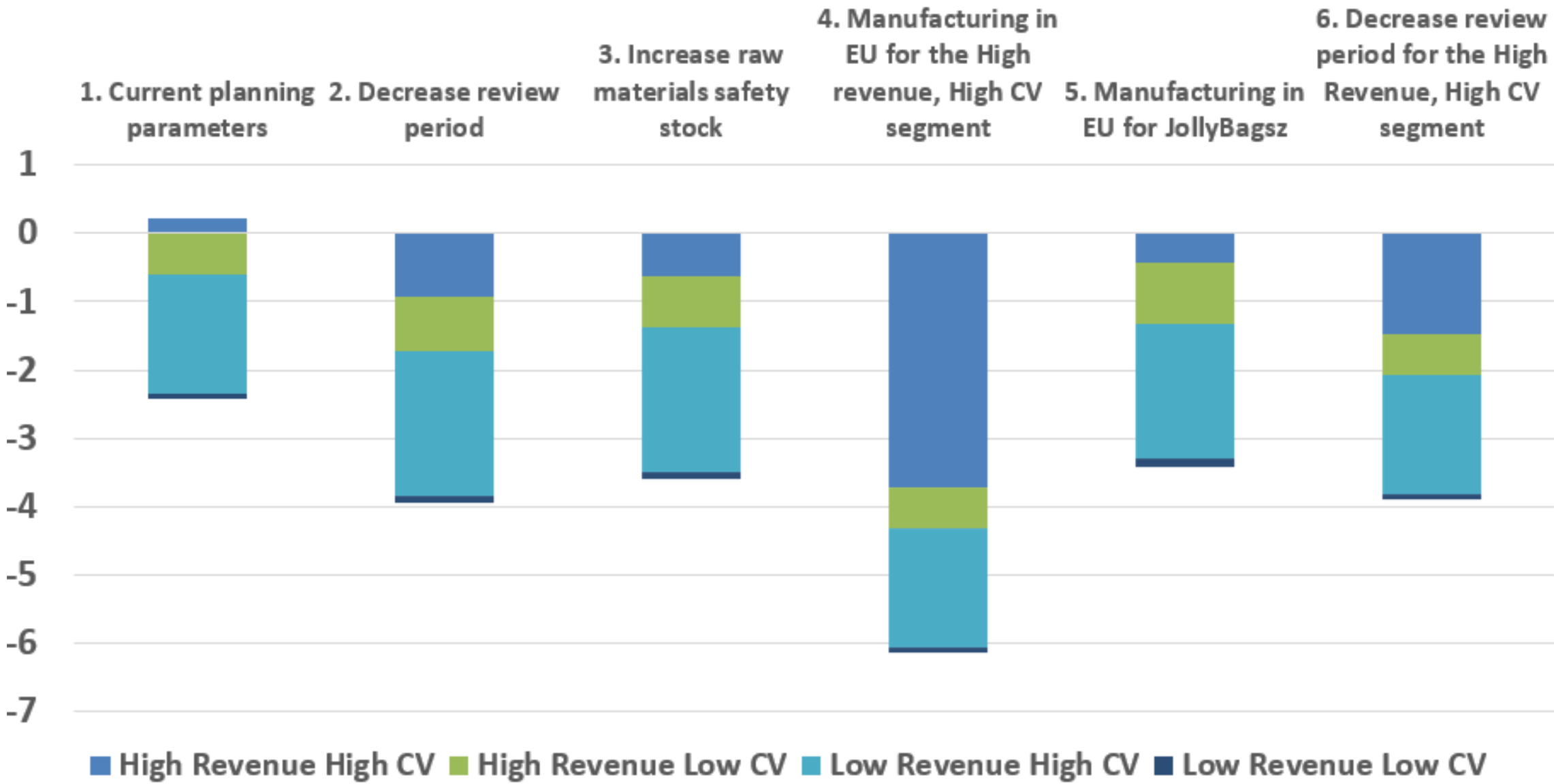
Preliminary Analysis and Segmentation

Brand	Coefficient of Variation	Average Density Interval
JollyBagsz	0,58	1,44
CoolBagsz	0,88	1,38
SportyBagsz	1,07	1,67
KidsBagsz	1,22	1,40
StyleBagsz	1,47	4,93



Results

Inventory reduction opportunities (in M€)



Best Case: 6,2 Million € Inventory Reduction Potential

Project Contributions

1. Development of product and customer segments and identification of inventory reduction opportunities
2. Contribution to literature by underlining the importance of timing in segmentation in the apparel industry



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