



sage

PRODUCT SUMMARY

# Sage Inventory Advisor

*Optimize your supply chain  
and stock management*



**acutedata**

# sage Inventory Advisor

Sage Inventory Advisor is a cloud-based solution that automates manual processes and leverages data to simplify and optimize inventory management. It offers mid-market companies a simple way to automate and improve accuracy, as well as reducing time spent on forecasting.

Sage Inventory Advisor is an app that integrates with an organization's existing Sage ERP solution: Sage 100cloud, Sage 300cloud, Sage 500 or Sage X3.

It analyzes historical stocking data to produce quality ordering forecasts, suggests optimal replenishment recommendations, and identifies which stock level improvements will have the biggest impact on business performance.

Sage Inventory Advisor is affordable, fast to implement, and accessible to all levels of a business via a mobile device. Sage Inventory Advisor is supported by staff across the USA as well as the rest of the world, who are ready to help customers any time they need advice.

Sage Inventory Advisor has already changed the way more than 1,500 manufacturing and retail businesses approach inventory management, reducing their inventory size, increasing profits, and releasing working capital for growth.

## Benefits

- Rapidly identifies what to order and how much
- Releases working capital tied-up in inventory and storage costs
- Identifies when to expedite orders on suppliers to prevent stock-outs
- Analyzes your inventory transactions and recommends the next best decisions
- Automated ordering and forecasting



# What is Sage Inventory Advisor?

Sage Inventory Advisor slices up real-time and historical inventory information in Sage ERP to deliver forecasts, item classifications, and other optimization tools to help businesses make data-driven decisions about what to order, when to order, and how much to order.

The simple-to-use dashboard shows performance metrics, problem items, sophisticated forecasts and order recommendations, inventory projections, min/max levels and dynamic reporting.

## Diagnostic Tool

- Stock classification
- Inventory valuation
- Excess inventory
- Stock-outs, lost sales, surplus orders
- Supplier delivery performance

## Forecasting Tool

- Sales analysis and desired stock availability
- Risk of surplus
- Risk of stock-outs
- Early warning and alerts

## Management Tool

- Optimal replenishment recommendation
- Ordering schedule
- Inventory planning and supplier management
- ERP integration (sales, purchasing, inventory, finance)
- Exception Reporting

It is quick to install, remotely, without the need for costly and time-consuming training sessions.

The onboarding process is managed remotely with a normal bedding-in time of 2 to 8 weeks.



# Target Organizations

Sage Inventory Advisor provides inventory planning functionality to customers who already use Sage X3, Sage 100cloud, Sage 300cloud, and Sage 500.

**Size:** More than 25 employees, over \$500k in revenue. Stock holding from \$200K - \$1millions

**Vertical:** Wholesale trade (e.g. spare parts, after-market, electronic goods, consumer products, chemicals), manufacturing and high assembly and retail (tools, parts and accessories)

**Ideal Customers:** Companies who source, buy, hold, and distribute 250+ SKUs in multiple locations, are large and complex and have or need a warehouse management system, EDI, eComm, Sage Inventory Advisor or automated shipping solution

# Talking Points

Sage Inventory Advisor customers report:

- Inventory reduced by 10%-15%
- Significantly less time spent on planning, forecasting and ordering
- Better inventory visibility, including early warning of items needing attention
- Improve fill rates by 10%
- The right inventory in the right place at the right time, freeing up capital to invest in growth
- Increase customer satisfaction and retention
- Buyers save time on ordering and spreadsheet management, leaving them time to manage inventory more effectively
- Business saves money on expedited shipping and emergency purchases

# Buyer Profiles

## Frontline Warehouse Managers And Buyers:

Buying and warehouse managers are the experts in their company's stock items and locations. Their specialist subject is what does and doesn't work with the current system, what needs to change to take inventory management to the next level and what in their opinion can never be fixed (and why).

Metrics such as fill rate may be their own personal responsibility, and any change to working practices could threaten their control over what is likely to be a very complex system.

In truth, Sage Inventory Advisor alleviates many of the "firefighting" aspects of warehouse or buying management, by predicting stock-outs before they happen and ensuring stock is stored in exactly the right place.

Sage Inventory Advisor brings warehouse and buying managers:

- A direct influence on the profitability of their company (sense of ownership)
- It helps them to meet and exceed their existing targets (achievement)
- It automates ordering and reduces a lot of day-to-day troubleshooting (time saving)

## C-Level Employees:

C-Level staff will be more concerned with the impact this app could have on the future of their business.

Sage Inventory Advisor reduces inventory size by 10-25% while increasing fill rates, saving time and emergency costs, and increasing customer retention.

A conservative 10% reduction in inventory size and cost has a huge impact on the rest of the business, freeing up working capital to invest in growth. When you also factor in such benefits as better order fill rates, customer satisfaction, and reduced time saved on forecasting and spreadsheet wrangling, the potential of this powerful tool becomes even clearer.

Training time is a concern both for those being trained and those who fund the training, so it's important to emphasize usability, round the clock support, and ease of picking out the top metrics to surface and track.

# Market Context

## Sage customers report the following problems with inventory management:

- 42% rate stock-outs as the #1 concern for inventory management
- 37% find excess inventory to be a key problem for the business
- 21% say they spend too much time calculating reorder quantities

## Why is inventory optimization so difficult?

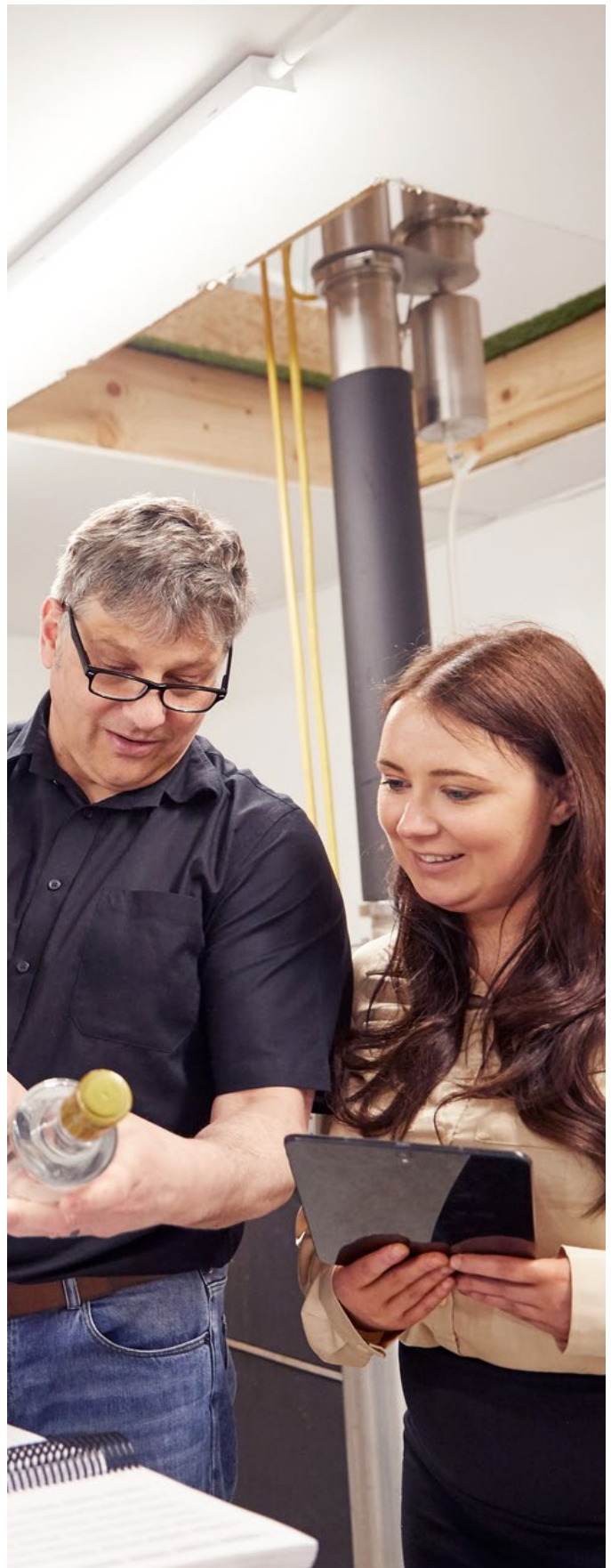
- Demand is unpredictable. High velocity SKUs can be relatively easy to manage, but many large inventories hold low velocity "long-tail" SKUs, which pose a real challenge to keep in stock without overstocking or letting customers down. Managing these SKUs is either a highly manual process, or not done at all
- Internal inventory targets are often contradictory. Upper management would rather keep the company's assets as liquid as possible, but the temptation to over stock is strong when an individual buyer is measured on fill rate

## Good inventory management can lead to huge cost savings

- Inventory is one of the largest business expenses for a distribution or manufacturing company
- Accurate forecasting of demand leads to a reduction in capital invested in stock, warehousing costs, depreciation costs, insurance, asset taxation, discontinuing stock, and shrinkage costs
- Customers expect fast fulfilment and will go elsewhere, potentially spreading negative reviews if they don't get what they need, when they need it
- Even a small improvement in overstock or stock-outs rates can bring a relatively large percent increase in profit

## Market opportunity

Overstocks come at a high price in storage space, insurance, taxation as assets and tying up working capital that would be better used to invest in company growth. Even a small improvement in overstock rates can have a huge impact on the bottom line.



# Key Discovery Questions

How do your inventory turn and fill rates measure against industry averages? Do you have internal targets for improvement for these metrics? How do you expect to meet them?

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Do you struggle with overstocks and stock-outs? Do changes in demand and seasonality catch you out? How do you handle these problems right now?

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How do you cope with low and intermittent demand SKUs? Do you tend to keep too much stock or be taken by surprise when stocks run out?

Are you reliant on spreadsheets for forecasting? How would you rate your ordering process? Do you suffer from changes to ordering and forecasting when key employees are sick or on vacation?

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How long does it take to provide an inventory report outside of the normal reporting cycle? Is it quick and easy to get answers to ad hoc inventory questions?

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How do you manage SKUs (and production when appropriate) across locations? Do you generally have what you need where you need it or can fill rates be impacted by location?





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