

AUTO PARTS RETAILER INVENTORY COUNT TO REDUCE SHRINK

Case Study: Retail Store Inventory – Auto Parts

The largest retailer of automotive replacement parts and accessories needed a solution to **reduce the shrink number that was increasing year-on-year**







AUTO PARTS RETAILER INVENTORY COUNT TO REDUCE SHRINK

Case Study: Retail Store Inventory – Auto Parts



The leading retailer and a distributor of automotive replacement parts and accessories required the support of RGIS. The retailer has more than 6,000 stores and more than 85,000 customers supporting operations on four continents.

REQUIREMENT

The auto parts retailer needed a solution to reduce the shrink number that was increasing year-on-year. The retailer's inventory accuracy had eroded, creating a ripple effect throughout the supply chain, and stock outs were impacting profitability and customer satisfaction.

The auto parts retailer required RGIS to provide the following:

- · Identify why shrink rate had risen by 34.6% on the previous year
- Reduce shrink, as profit margins were adversely impacted
- Improve inventory accuracy through accurate inventory counts at all stores

6.5 SOLUTION

The auto parts retailer partnered with RGIS to complete the inventory accuracy and shrink project, and RGIS provided the following:

- Scheduled an experienced team of RGIS auditors .
- Accurately counted inventory at all stores
- **Identified variances**
- Reporting was sent directly to the customer after each count by location



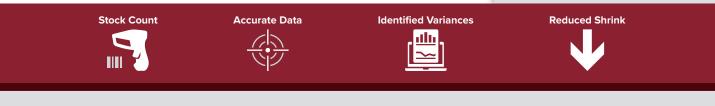
The auto parts retailer found by outsourcing the inventory accuracy and shrink project to RGIS, the following results were achieved:

- Inventory accuracy was improved
- · Shrink decreased by 33% in the first year
- Shrink rates have decreased every year since
- Shrink further dropped to 64% of sales
- · Stock outs reduced dramatically

By partnering with RGIS, the auto parts retailer found that the **inventory** accuracy improved and the shrink decreased by 33% in the first year



© 2021 RGIS. All rights reserved. RGIS CS 0237 01



CONTACT RGIS TODAY TO SEE HOW WE CAN HELP YOU

