

# Case Study : Regional Utilization

PUMA, one of the **leading global footwear brands**, operating multiple warehouses, was facing **order mismatch issues** due to **incorrect inventory placement**. Suboptimal inventory distribution led to **higher logistics costs** and **slower deliveries**.



**Iris Regional Utilization (RU)** module helped map orders at the **customer pincode level**, so that the right inventory is placed in the right regional warehouse and order fulfillment can happen from **the nearest warehouse**. This promoted **surface shipments** for faster and cost-effective deliveries. It facilitated **higher regional fulfillment** and minimized redistribution of inventory through inter-warehouse transfers.



## Objective



**Intelligently optimize inventory distribution** across multi-warehouse network to reduce delivery time and logistics costs.



**Give recommendations on distributed warehousing;** where to open a new warehouse and what capacity to keep for the existing and new warehouses.

## Solutions

Implement the Iris Regional Utilization module for automated inventory distribution across multiple warehouses.



**Use proximity logic** to conduct customer pincode level analysis and place inventory as per regional demand



**Build supply chain resilience** with intelligent inventory distribution based on product attributes, history, and upcoming trends



**Determine future distributions** keeping in mind demand and supply chain capabilities



**Consider business constraints** like warehouse capacity and days of stock cover it can hold when devising an ideal strategy



**New Style distribution** based on attribute group performance of similar sister styles to gauge demand



**Allocate based on warehouse-style-size ranking** such that every piece of inventory is optimized to its maximum potential

## Results



Iris RU was implemented for **1.5 months**

- ▶ **Better visibility on marketplaces** and greater conversion rate
- ▶ **Lower rate of returns** and higher customer satisfaction
- ▶ **Reduced days on hand & minimized stock-outs** of local demand from regional warehouses

**~ 15%** (from 42% to 57%) increase in **regional utilization** across all warehouses in the country

**~ 16k USD** saved on **logistics cost**

