



Inventory Optimization

For a Global Chemicals & Consumer Goods Leader

Document Type
Case Study Report

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Leading Producer of Adhesives & Hair Care Products

DOCUMENT TYPE
Chemicals &
Consumer Goods

SCALE
Global Presence

LOCATION
India

Sector Focus: High SKU count, seasonal demand shifts, supplier variability, and inventory cost management.



Executive Summary

After implementing SAP-driven S&OP and MRP, a global chemicals and consumer goods company experienced a surge in excess and obsolete inventory with minimal visibility into root causes. Translytics' AI-powered Inventory Optimization Engine mapped processes, detected anomalies, and suggested targeted corrective actions—resulting in reduced inventory levels, lower carrying costs, and improved service reliability.

₹35 L

Monthly Saved

+15%

Stock Turnover Ratio

20–30%

Carrying Cost Savings

+12%

Fulfillment Reliability



Challenge

The company struggled with:



Excess Inventory

- High levels of obsolete and slow-moving stock
- Increased warehousing costs and working capital burden
- Poor visibility into demand-driven planning



Supplier Performance Gaps

- Long lead times from unreliable suppliers
- Limited corrective levers in the planning cycle
- Frequent firefighting to meet demand

Business Impact



High operational costs due to bloated inventory



Stock imbalance caused service-level disruptions



Reduced agility for new product launches

Solution



Translytics Inventory Optimization Engine

AI-driven analytics for excess inventory control and cost reduction.



Root Cause Analysis

- ✓ Identified drivers of excess stock
- ✓ Automated anomaly detection in inventory patterns



Recommendation Engine

- ✓ Suggested corrective actions for stock rebalancing
- ✓ Enabled proactive procurement alignment



Decision-Support Layer

- ✓ AI-assisted dashboards for inventory positioning
- ✓ Predictive alerts for abnormal trends



Impact & Results

Qualitative Improvements

- ✓ Reduced inventory risk and carrying costs
- ✓ Improved stock visibility across RM and FG
- ✓ Enhanced demand responsiveness & service levels
- ✓ Optimized inventory positioning for better flow

Annual Impact Projection

₹3.4 Cr

Saved Annually

13%

Inventory Reduction

+17%

Stock Turnover Ratio

+18%

Fulfillment Reliability

Technology & AI Implementation



AI & Machine Learning Components

- Inventory risk scoring
- Forecast bias cleansing
- Root-cause diagnostics for slow movers
- Automated alert triggers



Integration & Platform Features

- ERP connectivity for RM & FG tracking
- Centralized dashboard for KPIs
- Real-time anomaly alerts
- Customizable decision-support interface

Future Enhancement Roadmap



Phase 2: Multi-Tier Inventory Optimization

Include supplier and distributor-level stock balancing



Phase 3: Dynamic Safety Stock Calculation

AI-driven buffer adjustments for seasonal variability



Phase 4: Sustainability Metrics Integration

Track and optimize CO₂ footprint of inventory holding