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D2C / HEALTH & WELLNESS · SUPPLY CHAIN PLANNING

How a Fast-Growing D2C Health Brand Reduced Stockouts by 60–70% and Cut Inventory Holding Cost by 25–30%

Demand-Driven Inventory Planning, Automated Replenishment and Upstream Material Intelligence for a High-Growth D2C Brand

INDUSTRY	CHANNELS	PLANNING	CHALLENGE	STAGE
D2C / Health & Wellness	D2C, Quick-Commerce, Modern Trade	Multi-SKU, multi-node	High demand variability by channel	Legacy Systems and Manual Processes.

IMPACT AT A GLANCE

60–70%	25–30%	~50%	95%+
Stockout Reduction — Previously frequent and unpredictable across channels	Inventory Holding Cost Cut — Capital unlocked from excess safety stock	Planner Bandwidth Freed — Reallocated to exceptions and strategy	OTIF at SKU Level — Enabled by demand-driven planning

BACKGROUND & SITUATION

The Operating Environment

A fast-growing health and wellness brand selling across D2C, quick-commerce, and modern trade faces a planning problem that compounds as it scales. Each channel has its own demand pattern, velocity, and service expectation. In quick-commerce, a stockout does not just lose a sale; it loses a customer review, a re-order, and sometimes a customer permanently.

At the same time, carrying excess safety stock on slower-moving SKUs ties up working capital the business needs to fund its next phase of growth. Getting this balance right requires planning that responds to actual demand at the SKU and channel level.

TRIGGER FOR CHANGE

The Scaling Pressure

Static parameters, set once and reviewed infrequently, cannot keep pace with the variability and velocity that characterise D2C growth. Stockouts were frequent and unpredictable across distribution nodes.

> *The planning team was consuming its entire bandwidth on routine replenishment tasks with nothing left for exceptions or strategic work. As SKU count grew and channel complexity increased, the manual model was not going to hold.*

THE CHALLENGE

Key Barriers to Inventory Excellence

Static planning parameters and manual processes created compounding barriers as the brand scaled across channels and SKUs.

Static Safety Stock Levels

Safety stock levels were static; set on historical assumptions that did not reflect current demand variability.

Fully Manual Reorder Planning

Every replenishment decision required planner time, limiting speed and consistency as SKU complexity grew.

Channel Demand Not Reflected

Channel-level demand differences were not reflected in inventory logic; the same approach applied regardless of velocity or mix.

Planner Bandwidth Consumed

Planners spent their bandwidth on routine tasks rather than exceptions and decisions that required human judgment.

Disconnected Upstream Planning

Upstream raw material and packaging planning was disconnected from finished goods demand, creating blind spots.

Growing Complexity Outpacing Team

Growing SKU and channel complexity was increasing strain faster than the team could absorb it.

THE SOLUTION

Demand-Driven Inventory Planning & Replenishment Platform

Enmovil replaced static inventory parameters with continuously updated logic. Safety stock levels, reorder points, and reorder quantities were recalculated in real time against actual demand variability, lead times, and service level targets across each SKU and channel. As demand patterns shifted, planning adjusted without requiring manual input.

Continuous threshold monitoring replaced manual replenishment checks. When stock breached a defined limit, automatic indent generation triggered the replenishment cycle without planner intervention. The team moved from running routine tasks to managing exceptions, freeing bandwidth for decisions that require human judgment.

Finished goods planning was connected upstream. Raw material and packaging requirements were derived directly from finished goods consumption signals, so upstream shortages were visible and resolvable before they became production bottlenecks.

CAPABILITIES DELIVERED

1 Demand-Driven Inventory Planning

- Dynamic safety stock recalculated against real demand
- Reorder point and reorder quantity optimization by SKU
- Continuous stock threshold monitoring across nodes

2 Automated Replenishment

- Automatic indent generation on breach
- Channel-aware inventory logic by velocity and mix
- Planner workflow shifted to exceptions and strategy

3 Upstream Material Intelligence

- Upstream raw material planning from FG demand signals
- Packaging planning integrated into replenishment cycle
- End-to-end planning from finished goods to raw materials

4 Service Level & Scalability

- Service level targeting by SKU and channel
- Scalable planning model without headcount addition
- Planning model scales with SKU and channel growth

KEY VALUE DRIVERS

Revenue & Availability

- 60–70% reduction in stockout incidents across all channels
- 95%+ OTIF at SKU level, up from frequent availability failures
- Brand equity protected across D2C and quick-commerce channels
- Product availability improved without adding inventory buffers

Working Capital & Efficiency

- 25–30% reduction in inventory holding cost
- Capital unlocked from excess safety stock on slow-moving SKUs
- Replenishment cycle automated end to end, removing manual steps
- Planner time reallocated from routine tasks to exception management

Scalability & Strategic Impact

- ~50% of planner bandwidth freed for strategic and exception work
- Planning model scales with SKU and channel growth without adding headcount
- Upstream material and packaging planning connected to demand signals
- Supply chain now responds to growth rather than constraining it

STRATEGIC IMPACT

Inventory planning moved from static parameters and manual routines to a demand-driven, automated model that adjusts in real time. Replenishment became a growth enabler, and the supply chain gained the responsiveness and scalability needed to support the business as it grows across channels and SKUs.