

# Allocation

Harness the power of machine learning to optimize the allocation of goods to the ideal location or selling channel.

## // Allocation Planning at a Glance

ToolsGroup Allocation software uses allocation best practices to model demand and determine the best stock placement for your products. The system takes into account current stock, inbound stock, lead-time, and presentation standards, then quickly allocates inventory to the locations with the highest selling potential—giving you confidence in your allocation planning decisions.

## // Key Features and Benefits

- Increase profit margins by maximizing sales and minimizing excess inventory
- Improve your team's productivity with streamlined processes
- Identify future flow and stock holdings with the power of in-depth retail analytics backed by AI
- Adapt your orders with innovated stock optimization that moves at the speed of retail

**"ToolsGroup helps us more efficiently and effectively manage the complexity of planning. Without ToolsGroup, we would probably require 20-30% more planners to accomplish the same work."**

- Planning Executive, **Apparel Retailer**

## Allocation Planning: Maximize Sales and Increase Profits with Optimal Inventory Allocation

ToolsGroup Allocation software enables you to pre-allocate stock and increase warehouse efficiency by enabling cross-dock on arrival. Additionally, configurable allocation strategies mean you can effectively and easily manage multiple phases of the product life cycle, including new, ongoing and end-of-life products.

Define a holistic allocation strategy with an inventory optimization engine that couples user-defined criteria and machine learning to provide recommended orders to specified locations.

As customer purchasing behavior changes, re-trending of demand is automatically calculated for you, adjusting subsequent allocations. The solution's flexibility means that determining the ideal locations for allocations can be inherited from assortment plans or defined on the fly. In addition, built-in size curve optimization assists retailers who manage sizing.

Easily index locations against each other with ToolsGroup product models that create location-level demand for inventory items. Thanks to the powerful algorithm, you can focus on the strategic decisions around allocation planning, while the solution does the intensive, in-depth analysis.

## Meet and Exceed Your Inventory Goals with the Allocation Solution that Helps You:

**/ Increase Profit Margins:** Increase your margins—and profits—by increasing sales and reducing excess inventory. The system helps you meet revenue targets and lower costs by eliminating unnecessary spend to drive higher ROI.

**/ Improve Productivity:** Reduce workload and free users to focus on the bigger picture of strategy and analysis—instead of duplicate processes, data extraction, spreadsheet manipulation, and manual allocation decisions.

**/ Gain Full Visibility:** Multiple methods can be configured, and projections can be rolled up to gain visibility into the future flow and stock holding at both warehouses and stores. This can be done for any level of the product hierarchy or across attributes.

**/ Adapt at the Speed of Retail:** The innovative stock optimization engine uses projected store-level demand to send stock to stores, then automatically adjusts for demand shifts across the product life cycle—ensuring that the right quantity is going to the right channel at the right time.



**"The solutions are both modern and flexible and enable us to keep up with consumers' changing buying habits."**

– Kristine Becker, Sr. Director of Purchasing, ABC Fine Wine & Spirits

## ToolsGroup Allocation Planning Capabilities

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**/ Allocation Strategy:** Set up your holistic allocation strategy prior to stock arriving, then enjoy the freedom and flexibility to adjust it as needed with demand-driven allocation projections. Leverage machine learning algorithms to adjust allocations based on customer demand, define available products for allocation optimization, and utilize omnichannel demand and fulfillment.

**/ Exception Management:** Maximize your time and increase productivity by incorporating automation into your allocation strategy with a management-by-exception approach. Enjoy a streamlined process thanks to workflows that only require you to interact with items when the system alerts you to an exception.

**/ Pull Strategy:** Pull stock as needed over the product lifecycle based on actual and projected demand. Re-trending of demand automatically calculates subsequent allocations into the future as demand changes.

**/ Location Strategy:** Use product models to create location-level demand for items and create product attribute-specific location strategies. Enjoy the flexibility to create location strategies prior to allocation, on the fly, or inherited directly from the assortment plan.

**/ Product Model:** Forecast product needs across stores based on demand for the product itself—not just the size of the store. Ensure you're able to meet and exceed customer expectations by separately maintaining necessary safety stock in addition to customer demand.

**/ Size Curves:** Allocate inventory with confidence thanks to system-generated size curve optimization. Calculated at a store level, the system accounts for lost opportunities while automatically adjusting for subpar historical buying and allocations.

**/ Roll-up and Projection:** Get recommendations on stock, sales, and future allocation requirements with roll-up and projections by store and distribution center. Reconcile the projections from your allocation strategy by rolling them up to compare plans, determine capacity constraints, and estimate warehouse pick requirements.



## Go Beyond Allocation Planning Software

Explore more ways to surpass the competition with the end-to-end solution that maximizes margins and customer experience:

### Optimize supply chain and retail planning from production to purchase



Learn more about how to minimize wasted spend, maximize profits, and optimize your inventory:

[Book Your Demo Today →](#)