

# Inventory Optimization & Safety Stock Reduction by \$210,000/month with AI

How Streamline optimized unnecessary inventory expenses with the help of AI for an e-commerce furniture retailer

Case Study



|                               |                                      |                                      |
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| <b>Industry:</b><br>Furniture | <b>Business model:</b><br>E-commerce | <b>Region:</b><br>North America, USA |
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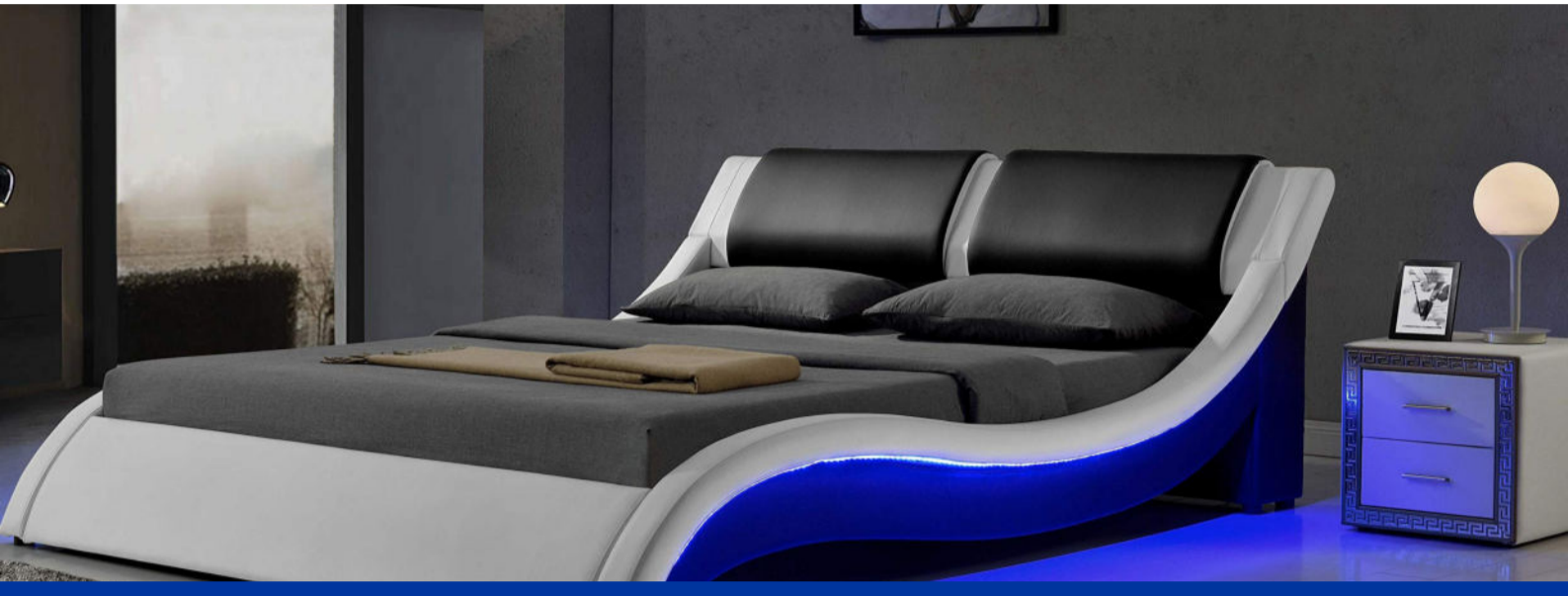
**Solution:** Inventory optimization (real-time Inventory Levels Visibility), Overstocks and stockouts management



## eCommerce Brand of D2C Furniture

ZTOZZ is a pioneer eCommerce brand of contemporary and affordable bed frames with embedded high-demanded LED-Light technology. The company is in the niche of Cross-Border Online D2C Furniture. The main goal is to re-engineer and adapt best-selling offline furniture for the eCommerce field for various home goods product verticals.

They offer their catalog on Wayfair.com as a product supplier. As an independent seller on Amazon.com and branded ZTOZZ.com website.



## Challenge

eCommerce has its own approach when it comes to inventory management and analysis. It's "day-and-night" compared to traditional brick-and-mortar. When product listing has the market-driven pricing and quantity on hand, the demand grows almost exponentially. Thus, ZTOZZ company has been underselling most of its bestsellers and was unsure about the stored SKUs. **The ordering process has always been challenging** as many important metrics were neglected, and the forecast accuracy was questionable. **Stockouts and overstocks were commonplace, along with frozen money in non-liquid goods and cash flow gaps.**



*"The most important criteria for all eCommerce companies are budget, functionality, and implementation timeline. Streamline was a no-brainer when we tested it internally. We realize that customized integration will take much more time, but the result will be incomparable to other market alternatives."*

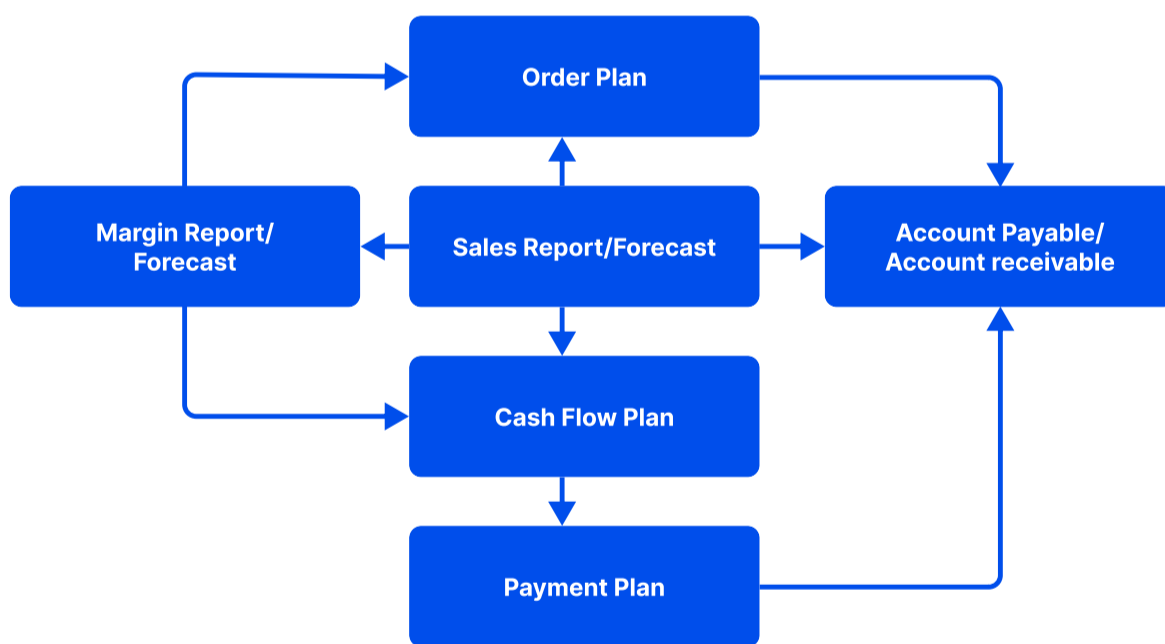
**Alex Nikitin**

Founder of ZTOZZ,  
US-based eCommerce Brand of D2C Furniture

## Project

The implementation process took almost 6 months to complete as the company was the first to connect the SellerCloud platform and Streamline forecast solution from scratch, and now this connector works for all SellerCloud clients.

Most complex calculations happen on the backend, and being a user, you focus on what you need the most - inventory and profit optimization. The procurement department utilized it from day one in all possible verticals.



## Outcomes

The procurement and sales departments have improved forecast accuracy and reported irreplaceable weekly reports. It gives the ability to make informed business decisions and develop data-driven strategies. ZTOZZ company was able to achieve the following results:

- Avoid bestsellers stockouts, which turned into an additional profit of **\$180,000/month**
- Reduce unnecessary inventory expenses by **\$210,000/month**
- Achieve real-time Inventory Levels Visibility



*"E-commerce has changed in the past years. Its competitive environment requires dynamic solutions. Timely data-driven decisions may distinguish the unique company from its competitors. Streamline provides affordable unprecedented data analysis flexibility and easy access to all required tools for the decision-making process. It's a MUST on a company's software bucket list if you are a manufacturer, distributor, retailer, or eCommerce (especially omnichannel SellerCloud users)."*

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