JOANN

JOANN uses InventorySmart to achieve high forecast accuracy and drastically reduce allocation time

OPPORTUNITY

JOANN, the nation's leading fabric and craft specialty retailer, operates 865 retail stores across the U.S. and sells over 140,000 SKUs yearly, 35% of which are seasonal. Their inventory allocation process has notable differences between seasonal vs. non-seasonal products. For seasonal products, the inventory allocation decisions amount to allocating fixed inventory quantities across all stores over a predefined selling season. This was a more complex task than allocating non-seasonal inventory, as JOANN required better data, processes, and visibility to accurately predict demand.

In 2020, COVID further exacerbated an already challenging forecasting environment for JOANN that remained open during the pandemic. As an essential retailer, JOANN provided much needed fabric, craft, and hobby items that increased in demand as wearing masks and work-from-home scenarios became the norm.

> "InventorySmart was really special, as it was a little more customized to JOANN, and we could adjust the front screens to our needs. More importantly, it enabled us to better predict what items we are going to sell, at which stores, and get those items to the store as quickly as possible. It also provided a pretty seamless integration, giving us the ability to connect with any of our existing systems the way we needed to."
>
> *-SVP Planning, Replenishment, and Supply Chain Optimization*

Ultimately, JOANN felt that their existing allocation process was tedious, repetitive, time consuming, and prone to human error. Spending over 5 minutes to allocate a single seasonal SKU and unable to cater to the demand shifts between brick-and-mortar and e-commerce during COVID, JOANN recognized the need for a superior forecasting and allocation solution.

ACTION

JOANN implemented InventorySmart, which is powered by IA's AI-driven forecasting engine. This helped predict demand accurately at the most granular levels, simplified the allocation process for the planners, ensured faster allocation, and reduced human error. During COVID, IA's models used non-conventional data including Google & Apple mobility data, and took recency into account to help JOANN allocate the right products to the right stores. The robust forecasting engine uses >20,000 ML models to capture consumer shopping behavior during and post COVID accurately.

OUTCOME

With this intelligent and automated solution, JOANN was able to automate the current multi-step allocation process, reduce manual effort, understand consumer demand better across channels during and post COVID, and integrate the output with their buy plans and other non-system generated files to vastly improve forecasting and allocation for JOANN.

10mins

to allocate 100 articles vs 5 mins to allocate 1 article

10x

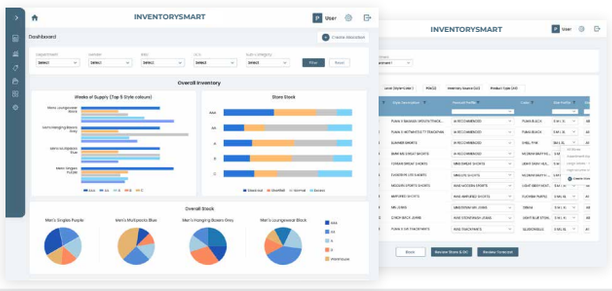
Increase in user feedback owing to the flexibility of the tool

>90%

forecasting accuracy achieved during & post COVID

WHAT'S NEXT?

IA continues to partner with JOANN to drive more visibility, automated processes, and business insights. Other areas of improvement include the effects of promotional and competitive pricing for on-going accuracy improvements.



About Impact Analytics

Impact Analytics is a proven leader in enterprise AI SaaS solutions, that combines the art and science of merchandising and supply chain optimization. Our cloud-native integrated platform's planning, pricing & promotions, inventory management, and intelligence suites, are built on the foundation of an innovative AI & ML-guided forecasting engine to provide quick visibility into your business, based on real time information to enable smarter data-driven decisions, while optimizing costs and adding millions back to the bottom line. To learn more, visit www.impactanalytics.co