



8 MINUTE READ

Why Stock Availability Is Critical to the Last Mile & How To Improve It

Explore the significance of stock availability in last-mile delivery and discover strategies to optimize inventory and enhance customer satisfaction.

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Optimize stock availability in the last mile with [Circuit for Teams](#).

Imagine you've meticulously curated your online shopping cart, excitement brimming as you inch closer to checkout. But just as you're about to seal the deal, that dreaded message pops up: "Out of stock." Your elation deflates, and frustration sets in.

We've all been there, and it's a frustrating reality of the eCommerce era.

Stock availability is **vital to customer satisfaction and business profitability**. In today's fast-paced retail landscape, where every click counts, the last thing you want is to leave customers hanging.

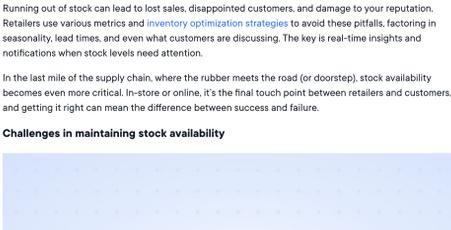
Now, let's delve deeper into a pivotal component of the supply chain: the last mile. **Last-mile delivery** involves the final transit of the product to the customer's doorstep. However, the success of this phase heavily depends on stock availability.

If the products aren't available when needed, it disrupts the entire last-mile process, potentially leading to delayed deliveries and dissatisfied customers.

In this article, we'll discuss the importance of stock availability in the last mile and strategies to master it.

Key takeaways

- Stock availability is pivotal for customer satisfaction and business success in the last mile of delivery.
- Implementing modern inventory management systems, demand forecasting, and supplier relationships can help improve stock availability.
- Real-time tracking and automation are essential tools for maintaining stock levels.
- Bridging inventory management with last-mile delivery is crucial for a thriving retail operation.



What is stock availability?

Stock availability is the lifeblood of the retail industry, whether it's the physical stores you stroll through or the virtual aisles you browse online.

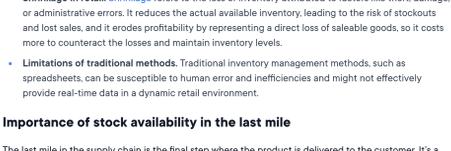
Managing inventory, or **stock levels**, is like walking a tightrope. You want enough products to meet customer demand, but you don't want to overstock and risk profitability.

This delicate balance is where **stock-keeping units (SKUs)** and inventory data come into play. SKUs help retailers track individual products, so they have the right amount available at any time.

Running out of stock can lead to lost sales, disappointed customers, and damage to your reputation. Retailers use various metrics and **inventory optimization strategies** to avoid these pitfalls, factoring in seasonality, lead times, and even what customers are discussing. The key is real-time insights and notifications when stock levels need attention.

In the last mile of the supply chain, where the rubber meets the road (or doorstep), stock availability becomes even more critical. In-store or online, it's the final touch-point between retailers and customers, and getting it right can mean the difference between success and failure.

Challenges in maintaining stock availability



Maintaining product availability comes with several challenges for retailers, including:

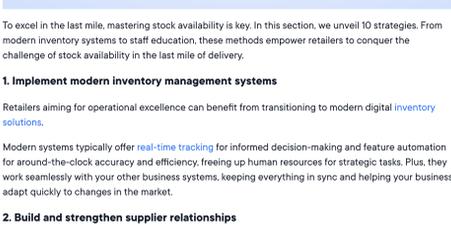
- **Overstocking vs. running out of stock.** Retailers may grapple with striking a delicate balance between maintaining surplus inventory and experiencing **stockouts**. Both scenarios have financial implications, with overstocking leading to tied-up capital and increased storage costs, and stockouts resulting in lost sales and disgruntled customers.
- **Seasonality's impact on inventory.** Seasonality introduces a dynamic variable in inventory management. External factors like holidays or weather changes can cause unpredictable fluctuations in demand. For instance, the holiday season may see a surge in demand for toys and gifts, while swimwear sales may decline during winter.
- **Shrinkage in retail.** **Shrinkage** refers to the loss of inventory attributed to factors like theft, damage, or administrative errors. It reduces the actual available inventory, leading to the risk of stockouts and lost sales, and it erodes profitability by representing a direct loss of saleable goods, so it costs more to counteract the losses and maintain inventory levels.
- **Limitations of traditional methods.** Traditional inventory management methods, such as spreadsheets, can be susceptible to human error and inefficiencies and might not effectively provide real-time data in a dynamic retail environment.

Importance of stock availability in the last mile

The last mile in the supply chain is the final step where the product is delivered to the customer. It's a crucial phase, and it's here that having the right stock available is essential.

- **Final touch point with customers.** The last mile is what customers remember. If a delivery is on time and goes off without a hitch, it can make a customer stick around. But if something's out of stock and it messes up the whole order, it can ruin the entire experience. Think about a birthday gift arriving late — it's a real letdown.
- **Timely deliveries in eCommerce.** In today's online shopping world, people expect their orders to arrive fast, sometimes on the same day they order. Having items in stock is key to meeting these expectations. If it's not in stock, it can't be delivered quickly.
- **Real-time inventory data.** In the last mile, having up-to-the-minute inventory data is crucial. It makes sure that if a product is listed as available online, it really is ready to go, avoiding any last-minute issues or unhappy customers.
- **Customer satisfaction and brand reputation.** Keeping items in stock during the last mile means happy customers. When orders arrive on time, it helps build trust in the brand and makes customers more likely to shop again.
- **Operational efficiency.** Beyond customer satisfaction, efficient stock availability management streamlines **retail supply chain operations**. It reduces the complexities of last-mile logistics, leading to smoother, cost-effective deliveries that satisfy everyone.

10 strategies to improve stock availability



To excel in the last mile, mastering stock availability is key. In this section, we unveil 10 strategies. From modern inventory systems to staff education, these methods empower retailers to conquer the challenge of stock availability in the last mile of delivery.

1. Implement modern inventory management systems

Retailers aiming for operational excellence can benefit from transitioning to modern digital **inventory solutions**.

Modern systems typically offer **real-time tracking** for informed decision-making and feature automation for around-the-clock accuracy and efficiency, freeing up human resources for strategic tasks. Plus, they work seamlessly with your other business systems, keeping everything in sync and helping your business adapt quickly to changes in the market.

2. Build and strengthen supplier relationships

For retailers, having a **good relationship with suppliers** is crucial. It's important to keep in regular contact, communicate openly, and work together to solve any problems that come up.

This isn't just about keeping stock levels steady. It also puts you in a better position when it comes to negotiations. Building and maintaining strong supplier relationships is a smart move that can help make the last mile run a lot smoother for everyone involved.

3. Harness demand forecasting tools

Knowing your future stock needs is essential. That's where **demand forecasting** tools come in handy. These tools use information like past sales and market trends to help you figure out what products you'll need.

It's all about using the right data to avoid having too much or too little stock. By accurately predicting your stock needs, you can keep your inventory balanced and avoid unnecessary costs or lost sales.

4. Maintain an optimal level of safety stock

It's smart to have a bit of extra stock on hand, just in case. This is called **safety stock**. You'll need to figure out the right amount for your specific business by considering how fast items sell and how your supply chain operates.

Having this extra stock can help protect you from sudden spikes in demand or any issues in the supply chain, making sure you always have products available for your customers. Think of it as a safety net for keeping your stock levels just right.

5. Adopt real-time inventory tracking

It's crucial to know your stock levels as they are, right now. That's why **real-time inventory tracking** is so important. It gives you immediate insights into your stock levels, allowing you to make quick decisions and adjustments.

Modern tools and technologies, like RFID tags and advanced inventory management software, can help you keep track of your inventory in real time. This way, you can avoid running out of stock and make sure your last mile is always well-stocked and runs smoothly.

6. Regularly audit your inventory

Regular check-ups or audits make sure there are no surprises and that what you think is on the shelves is really there. It's easy for things to get mixed up, and these regular checks help sort out any mix-ups between what's recorded and what's in the stockroom.

Keeping things straight with regular audits means fewer headaches with stock issues when getting products to the customers in the last mile.

7. Optimize product storage and warehousing

Efficient warehousing makes sure products are readily accessible, enabling faster retrieval times and facilitating quicker responses to customer demands. It minimizes the risk of product damage, preserving the integrity of your inventory. For instance, implementing a robust **warehouse management system (WMS)** can automate various warehousing processes, reducing manual errors and improving overall efficiency.

Regularly assess and refine your warehousing strategies. Consider the **layout of your warehouse**, the adequacy of the storage conditions, and the effectiveness of your inventory retrieval systems. Streamlining these elements will not only optimize your storage practices but also have a substantial indirect impact on stock availability.

8. Leverage technology for automated replenishment

Consider the advantages of automated replenishment systems. These systems are designed to enhance efficiency by reordering stock based on predefined criteria, minimizing the need for manual oversight and reducing the likelihood of errors.

This method is a strategic approach to **demand planning**, allowing you to anticipate and meet market needs proactively, maintaining a balanced relationship between supply and demand. Implementing automated replenishment is a practical step toward enhancing the reliability and efficiency of your last-mile delivery experience.

9. Educate and train your staff

Investing in your team's knowledge and skills is pivotal for effective stock management. A team well-versed in inventory management best practices is invaluable. Conduct regular training sessions so your team is up to date with the latest industry standards and methodologies.

By fostering a learning environment, you can enhance operational efficiency and minimize errors related to inventory management. For instance, a staff member who understands the intricacies of stock rotation and inventory turnover can help in maintaining the freshness of the stock and reducing holding costs.

10. Analyze and respond to customer feedback

Understanding the experiences and pain points of your customers provides invaluable insights into potential inventory gaps and highlights areas that require attention and improvement. For instance, if multiple customers point out the unavailability of a specific product, it signals a need to reassess the stock levels of that item.

By addressing the concerns and needs expressed in the feedback, you can develop more informed and effective stock availability strategies. This proactive approach makes sure your services in the last mile align well with customer expectations, leading to enhanced customer satisfaction and loyalty.

Bridge inventory management with last-mile delivery

In the fast-paced and dynamic world of retail, mastering stock availability is crucial, especially in the last mile of delivery. The strategies outlined in this article are pivotal in ensuring that products are available when customers need them. By optimizing stock availability, retailers can enhance customer satisfaction, protect brand reputation, and promote timely deliveries, fostering business success and profitability.

Circuit for Teams is your partner in mastering the last-mile delivery, making sure your stock availability is optimized and your deliveries are efficient and timely. With our advanced features, you can gain real-time insights, automate your delivery processes, and make sure your customers are never left disappointed due to stockouts or delayed deliveries.

By integrating Circuit for Teams, you can bridge the gap between inventory management and last-mile delivery. Don't let stock availability issues hinder your success in the eCommerce era.

Try [Circuit for Teams](#) free today.

ABOUT THE AUTHOR



Heather Reinblatt is a managing editor currently living in St. Louis, Missouri. She spends her free time reading, trying new recipes, and cuddling her cat Paisley. You can find [Heather on LinkedIn](#).

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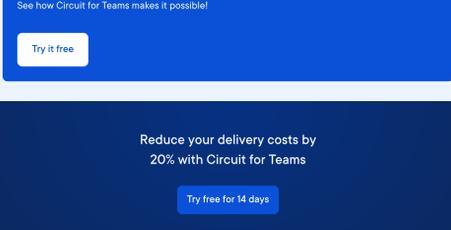


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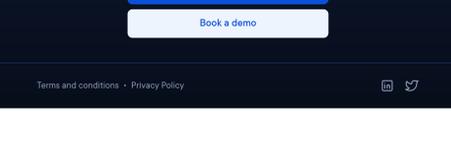
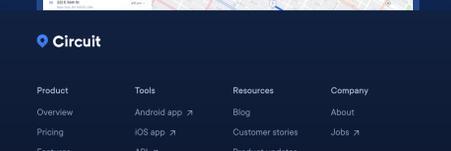


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