

PALADIN DATA CORPORATION™

BizCoach Webinars



FREE ADVANCED TRAINING



PaladinNaight™: Hunt down lost revenue with the Lost Opportunity Tool

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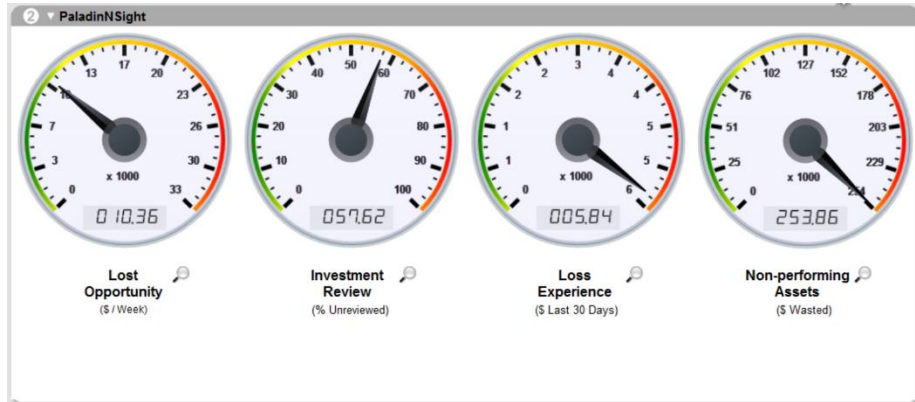


- PaladinNsight™ overview
- What is “lost opportunity”?
- Lost Opportunity Meter
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PaladinN Sight™: Hunt down lost revenue with the Lost Opportunity Tool



PaladinN Sight™ overview



- The **PaladinN Sight**™ dashboard and tools help managers and store owners make informed decisions that maximize profits and minimize losses.
- Paladin's sophisticated Market-Driven Inventory Management™ system provides **PaladinN Sight**™ with inventory-related details and statistics that are useful for business decisions.
- The first time you open the **Inventory** module, **PaladinN Sight**™ shows you an up-to-the-minute analysis of your inventory investment. To refresh the information at any time, click **Refresh** or press F5.



What is 'lost opportunity'?



- When a customer cannot find an item in your store because it's out-of-stock, you have lost a sales opportunity.
- This lost sales opportunity can multiply if the customer takes their current shopping list and future business to another store.
- Your business loss can multiply further if the customer tells other customers about their experience.
- The **Lost Opportunity Tool** predicts potential lost opportunities, so you can take action and stop the revenue loss.



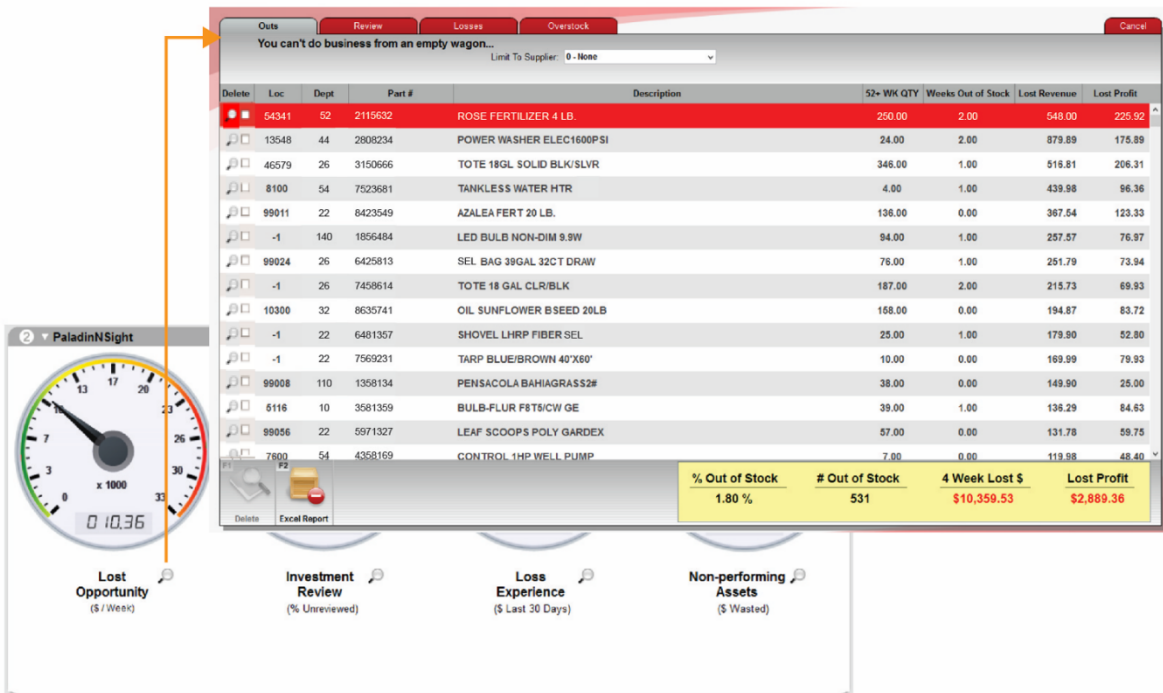
Lost Opportunity Meter



- Identifying lost opportunity starts with the **Lost Opportunity Meter**.
- The **Lost Opportunity Meter** is the first dial the **PaladinNsight™** dashboard.
- Multiply the meter value by \$1000 to discover the potential lost opportunity from out-of-stock items in the next four week time period.
- In the example, the meter estimates a \$10,360 revenue loss if steps are not taken to resupply the store.
- This number is a low estimate. The actual financial loss will likely be higher because customers will take their shopping elsewhere.

PaladinN Sight™: Hunt down lost revenue with the Lost Opportunity Tool

Lost Opportunity Viewer



- To see an itemized list of your out-of-stock inventory, click the magnifying glass to open the **Lost Opportunity Viewer**.
- The **Lost Opportunity Viewer** shows the estimated revenue loss details for active out-of-stock items that do not have purchase orders
- The revenue loss estimates are provided by Paladin's expert Market-Driven Inventory Management system, and incorporate information such as sales history, seasonality, customer purchase habits, and much more.
- To view an inventory item's details, click its magnifying glass. When you are done, press ESC to return to the **Lost Opportunity Viewer**.

PaladinNsight™: Hunt down lost revenue with the Lost Opportunity Tool

Lost Opportunity Viewer

The screenshot shows the 'Lost Opportunity Viewer' interface. It features a table of items with columns for Item #, Loc, Dept, Part #, Description, 52+ WK QTY, Weeks Out of Stock, Lost Revenue, and Lost Profit. The top of the interface includes a header with 'Inventory item information', '# Items sold in the last year', '# Weeks out-of-stock', 'Lost revenue estimate (next 4 weeks)', and 'Lost profit estimate (next 4 weeks)'. A callout points to the 'Out-of-stock items (active inventory)' section on the left. Another callout points to the 'Export table to Excel' button at the bottom left. A summary bar at the bottom right displays: '% Out of Stock 1.80%', '# Out of Stock 531', '4 Week Lost \$ \$10,358.53', and 'Lost Profit \$2,889.36'. Callouts also point to '% Items out-of-stock', '# Items out-of-stock', 'Total lost revenue estimate (next 4 weeks)', and 'Total lost profit estimate (next 4 weeks)'.

Item #	Loc	Dept	Part #	Description	52+ WK QTY	Weeks Out of Stock	Lost Revenue	Lost Profit
54341	52	2115032		ROSE FERTILIZER 4 LB	205.00	2.00	548.00	228.82
13545	44	2000234		POWER WASHER ELEC1000PSI	24.00	2.00	879.89	173.89
48579	28	3150966		TOTE 18GL SOLID BLU/SLVR	246.00	1.00	816.81	206.81
8100	54	7523981		TANKLESS WATER HTR	4.00	1.00	428.88	94.36
88011	22	8423549		AZALFA FERT 20 LB	136.00	0.00	367.54	123.33
-1	140	1956484		LED BULB NON-DIM 8.5W	84.00	1.00	287.57	78.87
99024	26	8425813		SEL BAG 25GAL 32CT DRAW	78.00	1.00	201.70	73.94
-1	26	7456614		TOTE 18 GAL CLR/BLK	187.00	2.00	216.73	69.83
10300	32	8636741		OIL SUNFLOWER SEED 20LB	158.00	0.00	184.87	83.72
-1	22	8481357		SHOVEL LHRP FIBER SEL	25.00	1.00	179.90	52.80
-1	22	7569231		TARP BLUE/BROWN 40 X80	10.00	0.00	169.89	79.93
99008	110	1368194		PENSACOLA BAHAGRA S28	38.00	0.00	149.90	25.00
8116	10	3581368		BULB-FLUR F8TS/CW GE	29.00	1.00	126.28	84.83
89006	22	5571527		LEAF SCOOPS POLY GARDEX	87.00	0.00	121.70	59.75
7100	54	4258189		CONTROL HP WELL PUMP	7.00	0.00	115.88	63.80

Summary Statistics:

- % Out of Stock: 1.80%
- # Out of Stock: 531
- 4 Week Lost \$: \$10,358.53
- Lost Profit: \$2,889.36

- **Lost Opportunity Viewer** item details include:
 - **52+ WK QTY:** # of items sold in the last year
 - **Weeks out of stock:** # of weeks out-of-stock
 - **Lost Revenue:** Estimated revenue you would receive, if the item was in stock
 - **Lost Profit:** Estimated profit you would receive, if the item was in stock
- The item with the largest revenue loss estimate (largest lost opportunity) will be at the top of the list. Click a column title to sort by the values in that column.



Lost Opportunity Tool: Best Practice

Best Practice

- In the **Lost Opportunity Viewer**, evaluate the item with the largest revenue loss estimate first.
- To prevent revenue loss, create purchase orders in the suggested amounts.
- Each day, take a few minutes to check the top 10 items in the **Lost Opportunity Viewer** and create purchase orders. This daily practice will help you maximize your business success.
- Use Paladin's **Suggested Order Report** to keep just enough inventory on-hand to meet customer demand while preventing outs. This report uses Paladin's Market-Driven Inventory Management system, and is designed to minimize the lost opportunity from out-of-stock items.

PaladinNsight™: Hunt down lost revenue with the Lost Opportunity Tool

Lost Opportunity Tool example: An out-of-stock water heater represents lost opportunity

Delete	Loc	Dept	Part #	Description	52+ WK QTY	Weeks Out of Stock	Lost Revenue	Lost Profit
<input type="checkbox"/>	8100	54	7523681	TANKLESS WATER HTR	4.00	1.00	439.98	96.36

Column	Value	Description
52+ WK QTY	4	You sold 4 in the past year (52 calendar weeks plus the days in this calendar week).
Weeks Out of Stock	1	Sometime last (calendar) week you stock-on-hand went to 0, and you have no open purchase orders.
Lost Revenue (estimated)	\$439.98	In the next four weeks, there is a high likelihood that you could sell this item and make \$439.98 in revenue—if you had it in stock.
Lost Profit (estimated)	\$96.36	In the next four weeks, there is a high likelihood that you could sell this item and make \$96.36 in profit—if you had it in stock.

What these values say:

- There is a good chance you can sell this item in the next four weeks.
- By not having this item in stock, you risk losing, conservatively, an estimated \$439.98 in lost revenue and \$96.36 in lost profit.
- This loss does not include the additional items a customer may have purchased or the potential loss of customer loyalty.

PaladinNsight™: Hunt down lost revenue with the Lost Opportunity Tool



Lost Opportunity Tool example: Out-of-stock fertilizer can have a long-term effect on your business

Delete	Loc	Dept	Part #	Description	52+ WK QTY	Weeks Out of Stock	Lost Revenue	Lost Profit
<input type="checkbox"/>	99011	22	8423549	AZALEA FERT 20 LB.	136.00	0.00	367.54	123.33

Column	Value	Description
52+ WK QTY	136	You sold 136 in the past year (52 calendar weeks plus the days in this calendar week).
Weeks Out of Stock	0	Sometime this (calendar) week you stock-on-hand went to 0, and you have no open purchase orders.
Lost Revenue (estimated)	\$367.54	In the next four weeks, there is a high likelihood that you could sell this item and make \$367.54 in revenue—if you had it in stock.
Lost Profit (estimated)	\$123.33	In the next four weeks, there is a high likelihood that you could sell this item and make \$123.33 in profit—if you had it in stock.

What these values say:

- This is popular item; 136 were sold in the last year.
- If you had this item in stock now, you could, conservatively, earn an estimated \$367.54 in revenue and \$123.33 in profit over the next four weeks.
- This revenue does not include additional items that the customer may purchase or future revenue from customer loyalty.



Demo



Learn more

To learn more, see the following resources in our [Help Portal](#):

- [Hunt down lost revenue with the Lost Opportunity Tool](#)
- [Boost your business with PaladinNsight™](#)
- [About PaladinNsight™](#)
- [About Suggested Order Reports](#)
- [Webinar: Suggested Order. Better than a magic 8 ball](#)

A recording of this webinar will be available at portal.paladinpos.com/webinars.



Our PaladinNsight™ webinar series

This is the first of a five-part PaladinNsight™ webinar series. Here's what's coming next.

- | | |
|---------|--|
| May 16 | PaladinNsight™: Clean up your inventory with the Lost Opportunity Tool |
| June 6 | PaladinNsight™: Manage your inventory investment with the Investment Review Tool |
| June 20 | PaladinNsight™: Catch items that are slipping away with the Loss Experience Tool |
| July 11 | PaladinNsight™: Discover losses and loss trends with the Loss Experience Tool |

All webinars are on Tuesdays at 9:00 am PST.

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