

A Study on Inventory Management at Pantaloons

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Abstract

Inventory management is one of the most important operational functions in the retail industry. Effective inventory management ensures the availability of products at the right time, in the right quantity, and at the right place. In organized retail sectors such as fashion and apparel, inventory management plays a significant role in improving customer satisfaction, reducing operational costs, and increasing profitability. Pantaloons, one of India's leading fashion retail chains under Aditya Birla Fashion and Retail Limited (ABFRL), manages a wide range of products across multiple categories and locations. Therefore, maintaining efficient inventory control is essential for its business success.

The present study focuses on analyzing the inventory management practices followed at Pantaloons. The study evaluates stock control systems, replenishment processes, inventory accuracy, and customer satisfaction regarding product availability. Data were collected through questionnaires administered to store employees and customers. The collected information was analyzed using percentage analysis and statistical tools.

The findings reveal that Pantaloons maintains an efficient inventory management system supported by technology-driven tracking mechanisms. However, challenges such as stockouts, replenishment delays, and seasonal demand fluctuations continue to affect inventory performance. The study concludes with recommendations to improve stock forecasting, inventory visibility, and supply chain responsiveness.

Keywords: Inventory Management, Retail Industry, Stock Control, Pantaloons, Customer Satisfaction, Supply Chain Management.

1. Introduction

Inventory management refers to the process of planning, organizing, controlling, and monitoring stock levels within an organization. It ensures that sufficient inventory is available to meet customer demand while minimizing excess stock and carrying costs.

In the retail industry, inventory management is particularly important because product availability directly affects customer satisfaction and sales performance. Fashion retailers face additional challenges due to changing consumer preferences, seasonal demand variations, and short product life cycles.

Pantaloons operates a large network of retail stores across India and offers a diverse range of apparel, footwear, and accessories. Managing inventory efficiently across multiple product categories requires accurate forecasting, timely replenishment, and effective stock monitoring systems.

2. Company Profile

About Pantaloons

Pantaloons is one of India's largest fashion retail chains and a flagship brand of Aditya Birla Fashion and Retail Limited (ABFRL). Established in 1997, the company has expanded rapidly and serves customers through hundreds of retail outlets across the country.

Pantaloons offers:

- * Men's wear
- * Women's wear
- * Ethnic wear
- * Kids wear
- * Footwear
- * Fashion accessories

The company focuses on providing trendy fashion products at affordable prices while ensuring customer satisfaction through efficient retail operations.

Vision

To become the most preferred fashion destination for Indian consumers.

Mission

To deliver quality fashion products, enhance customer experience, and maintain operational excellence through efficient retail management systems.

3. Objectives of the Study

Primary Objective

To study the inventory management system followed at Pantaloons.

Secondary Objectives

1. To analyze inventory control practices used by Pantaloons.
2. To evaluate stock replenishment efficiency.
3. To study customer satisfaction regarding product availability.
4. To identify challenges in inventory management.
5. To suggest measures for improving inventory performance.

4. Research Methodology

The study adopts a descriptive research design.

Sources of Data

Primary Data

Collected through structured questionnaires distributed to:

- * Store employees
- * Inventory controllers
- * Customers

Secondary Data

Collected from:

- * Company reports
- * Retail management journals
- * Websites
- * Books related to inventory management

Sample Size

A total of 105 respondents participated in the study:

- * 25 Store Staff
- * 80 Customers

Tools Used

- * Percentage Analysis
- * Chi-Square Test
- * Trend Analysis
- * Graphical Representation

5. Review of Literature

Inventory management has been widely recognized as a critical success factor in retail organizations.

Silver, Pyke, and Thomas (2016) emphasized that efficient inventory systems reduce stockholding costs and improve customer service levels.

Ton and Raman (2010) found that inventory inaccuracies result in stockouts and negatively affect customer satisfaction.

Cachon and Terwiesch (2018) highlighted that reduced lead times improve inventory turnover and operational performance.

Fisher (1997) argued that fashion retailers require responsive supply chains due to rapidly changing customer preferences and short product life cycles.

These studies collectively demonstrate the importance of inventory management in achieving operational efficiency and customer satisfaction.

6. Data Analysis and Interpretation

Inventory Accuracy

Response	Percentage
Strongly Agree	20%
Agree	52%
Neutral	12%
Disagree	16%

Strongly Disagree	0%
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Interpretation

Most employees believe that inventory records accurately match physical stock levels, indicating the effectiveness of barcode scanning and ERP systems.

Stockout Incidence

StockoutFrequency	Percentage
Frequently	22.50%
Sometimes	57.50%
Rarely	20%

Interpretation

A large percentage of customers experience stockouts occasionally, suggesting the need for faster replenishment mechanisms.

Replenishment Lead Time

Response	Percentage
Highly Efficient	24%
ModerateDelays	56%
Delayed	20%

Interpretation

Most employees report moderate delays in replenishment, indicating opportunities for improving supply chain responsiveness.

7. Findings

1. Pantaloons uses technology-based inventory management systems.
2. Inventory accuracy levels are generally satisfactory.
3. Stock replenishment processes are moderately efficient.
4. Product availability significantly affects customer satisfaction.
5. Stockouts continue to occur during high-demand periods.
6. Inventory tracking systems help reduce discrepancies.
7. Seasonal demand fluctuations create inventory management challenges.
8. Effective inventory control contributes positively to operational performance.

8. Suggestions

1. Improve demand forecasting using advanced analytics.
2. Reduce replenishment lead times through better supplier coordination.
3. Increase safety stock levels for fast-moving products.

4. Strengthen real-time inventory monitoring systems.
5. Conduct frequent stock audits to improve accuracy.
6. Enhance inventory visibility across stores and distribution centers.
7. Utilize artificial intelligence for demand prediction.
8. Improve coordination between stores and warehouses.

9. Conclusion

Inventory management plays a crucial role in ensuring operational efficiency and customer satisfaction in retail organizations. The study reveals that Pantaloons maintains an effective inventory management system supported by modern technology and structured operational procedures.

Despite maintaining satisfactory inventory accuracy, challenges such as stockouts and replenishment delays still affect performance. Addressing these issues through improved forecasting, faster supply chain coordination, and advanced inventory monitoring can further strengthen operational efficiency.

The study concludes that effective inventory management directly contributes to customer satisfaction, sales growth, and overall organizational success. Therefore, continuous improvement in inventory control practices will help Pantaloons maintain its competitive position in the organized retail sector.

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