

# Top 10 Tips

## Manage your stock and inventory



By managing your stock and inventory well, you can ensure that you have the right products in the right quantity; avoiding products selling out, wasting resources by producing products that may spoil or may not be sold; and/or funds being tied up in holding excess stock and inventory.

### Managing your stock and inventory will help you protect your cash-flow.

Here are some questions you can ask about your stock inventory to help you get the best results.

#### Which products represent 80% of your business' revenue?

- Talk with your Many Rivers business coach about doing some analysis on which products are the most profitable for you.
- Understand how long it takes from when you purchase stock and inventory and when your customer pays you.

#### What are your best sellers?

- Right now, people are buying different things to what they were 6 weeks ago. How have your customers buying habits changed?
- Many markets have moved and changed a lot- have you and your business kept up with these changes?

#### What can be done to reduce stock and inventory costs without sacrificing the quality of goods or inconveniencing customers?

- Is there extra packaging that you and your customers don't really need but that adds to your costs?

- Do you pay for postage costs and may be able to save by having it delivered another way?
- If your stock is perishable, are you tracking how quickly these items are ordered to ensure they are sold in time to avoid having to write the stock off?

#### Have you ordered too many of an item that is not selling?

- A lot of business owners become used to just putting in their "standard" order. Maybe it's time to have a fresh look at what is in that order?

**"Consider sale prices on older stock to move it on and create cash-flow". Use the cash you generate to improve your cash-flow position or to buy stock and inventory you know will sell quickly and at a profit."**

Charles Fisher  
Many Rivers local business coach, Townsville, QLD

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### Can an item be sourced somewhere else at a better price?

- Did you get a great deal on stock and inventory when you first started but haven't compared prices since?
- Has the price been increased gradually over time and you just accepted it?
- Maybe it's time to seek some fresh quotes from alternative suppliers or even ask your suppliers to give you loyalty or volume discounts.



### Get in touch

Many Rivers clients can contact their local business coach directly or via 1300 626 974.

For new clients, Many Rivers is here to help people start small businesses and grow existing businesses. Visit [manyrivers.org.au](http://manyrivers.org.au) for more information.

