

ABSTRACT

Grow Commerce is a result of rebranding from the previous company called Berrybenka. This company is engaged in fashion and beauty for men and women based in Jakarta. Based on the data on the amount of inventory, the company experienced a buildup of inventory (overstock). Overstock occurs due to method factors regarding inventory replenishment policies. In addition, there is no product classification to determine which products are prioritized and strictly controlled.

These problems can be overcome by designing inventory policies that are appropriate to the conditions of the company. Before designing an inventory policy, this final project classifies products using ABC analysis. The ABC analysis classification determines three categories, namely categories A, B, and C. The results of the ABC analysis classification, namely 3 types of products are included in category A, 3 types of products are included in category B, and 2 types of products are included in category C. Based on the results of the ABC analysis classification, categories A and B are calculated using the method continuous review (s, S) which will return the value reorder point, order lot size, and maximum inventory level optimal. While category C will be calculated using the method periodic review (R, s, S) which will return the value review interval, reorder point, and maximum inventory level.

Based on the results of data processing, the amount of proposed inventory produced has decreased by around 39% or by 101645 pcs for all products. In addition, the proposed inventory cost also decreased by around 90% with a difference in the total inventory cost of IDR 698,253,282. The proposed inventory policy has a total inventory cost of IDR 76,386,405, while in actual conditions it is IDR 774,639,687. Therefore, it can be concluded that the proposed inventory policy uses the method continuous review (s, S) and periodic review (R, s, S) is able to minimize overstock that happened to Grow Commerce.

Keywords— overstock, fashion, ABC analysis, continuous review, periodic review