



Jose Duarte on How to Manage Inventory in eCommerce

Costa Rican entrepreneur Jose Duarte discusses how to implement and manage a proper inventory management solution for an eCommerce business.

SAN JOSE, COSTA RICA, June 26, 2019 /EINPresswire.com/ -- Inventory Management isn't only the mix of taking care of the stocks, costs and physical location of a company's products. There's a science behind inventory management that is more complex, and which requires complete control over every aspect of the stock and its fluctuations. Managing inventories for eCommerce businesses is even more critical because it has to match – to the minute – what's available, considering purchases, holds, returns, etc. [Jose Duarte](#), an eCommerce expert from Costa Rica who has owned businesses for more than 20 years, offers advice on how to manage eCommerce inventories.

It appears like an easy decision, yet an incorporated stock administration framework ought to be your initial step when structuring a compelling inventory management procedure. This sort of programming is fundamental to stay away from chaos caused by maintaining multiple spreadsheets and other manual systems. A stock administration management framework likewise stays away from human mistake, which is the most common issue with regards to managing inventories. Explains Duarte, "At the point when a business starts to develop, the volume of items, requests and sales will be difficult to follow physically and you will require a focal database that gets and sends refreshed data to every one of your channels."

A well-developed inventory management system can save money and time, while allowing for routine checks of the database against the stock to ensure that they match.

First in, first out is required for any online business, particularly in the event that you sell items with an expiration date such as food or cosmetics. But, it's not just for these – non-perishables can go bad, as well, if they're not sold within a certain time, and a software system can keep track of stock so you will know what needs to be selected first. It will also manage par levels – the minimum amount of inventory to maintain – and JIT (just in time) stock that is purchased on demand.

Product quality is just as important as age. Through sales tracking, you will know which products move faster than others. These must be prioritized but, even if they're in high demand, you still can't warehouse a large amount. Prices will increase and there are greater storage risks. Asserts Duarte, "Categorize your inventory by one of three types – high value in low quantity, regular value in moderate quantity and low value in high quantity."

With the products organized, the next step can be a little tricky. They have to be allocated based on sales channel, if more than one channel exists. This can be done based on which channel performs more or which one you want to push more or, simply, you can allocate the same amount to each channel. Getting started, you may want to test different options to see which works best.

Outsourcing and drop shipping may seem to some as "anti-inventory" management solutions, since they both employ third-party options, but they are still viable alternatives. Since inventory is going to be assigned to them, they still need to be incorporated into the inventory software

management system. Says Duarte, "Outsourced solutions can be very lucrative if utilized correctly. You may lose a part of the revenue by selling to the third-party, but you also get a guaranteed sale, without leaving products on the shelves for too long. You also don't have to worry about shipping or returns, since the third-party vendor handles everything."

It's important to have an inventory solution established before the site is up and running. Trying to catch up afterwards is time-consuming and inefficient, which will lead to unhappy customers, lost sales and lost revenue.

About Jose Daniel Duarte

Jose Duarte is originally from Heredia, Costa Rica. He has been an entrepreneur and business owner for more than 20 years, and divides his time between his existing operations and researching new possibilities in which to invest. When he's not dedicating time to his businesses, he spends time with his supporting wife and two children.

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