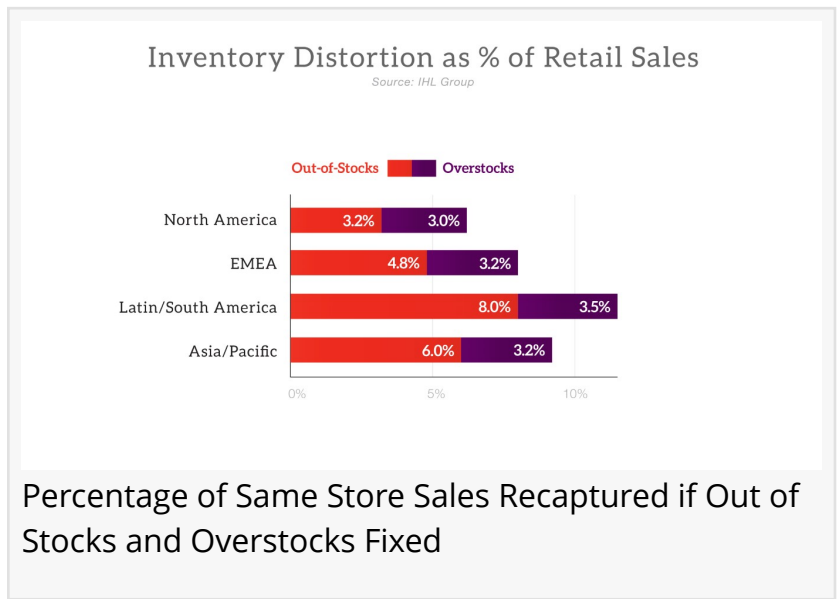


# Consumers Say 1 in 5 Items They Want To Buy Is Out-of-Stock at Their Local Retailer

*Despite systems improvements, retailers continue to struggle with labor and supplier issues, amounting to over \$349b in total sales losses*

NASHVILLE, TN, US, September 7, 2022 /EINPresswire.com/ -- The disconnect between what consumers want to buy at their local stores and what they actually do buy continues to drive discontent according to new research from analyst firm IHL Group. The total cost to retailers for Inventory Distortion (combined cost of overstocks and out-of-stocks) amounts to \$349b in lost sales for US and Canadian retailers in 2022.



“

Retailer’s inventory counts can be off as much as 25%, resulting in consumers leaving stores without buying 1 in every 5 items they planned to buy.”

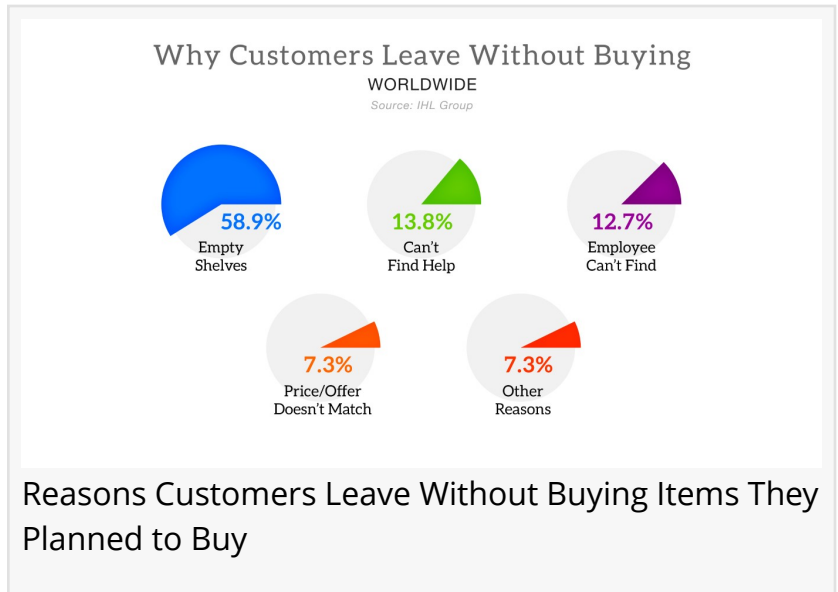
*Greg Buzek, President IHL Group*

“While there have been considerable improvements in systems and processes in recent years, labor challenges and continued supply chain disruptions continue to frustrate both consumers and retailers,” said Greg Buzek, President of IHL Group. “In addition, challenges from theft, mistakes by employees, and spoilage cause retailer’s inventory counts to be off as much as 25%, resulting in consumers having a shopping experience where they left the stores without buying 1 in every 5 items they planned to buy.”

The research study – [“Can Retailers Handle the Truth? – True Cost of Out-of-Stocks and Overstocks”](#) looks at the true costs and experiences of consumers as they report reasons that they leave stores without buying items they planned to purchase other than the price was too high. These reasons range from sizes not being available, lack of employees to help, product locked up or in the stockroom, or simply empty shelves. The research also looks at the cost of overstocked merchandise, which is merchandise that was simply mis-forecast or didn’t arrive in

time for the season that then has to be heavily discounted.

All the news is not negative, however. [According to the research](#), the lost sales to retailers from out-of-stocks dropped 29.6% in fast moving consumer goods categories from 2020 to 2022 as better systems and less panic buying led to shelves that were not as bare. Alternatively, the costs of overstocks increased 23.6% due to the abrupt change in consumer spending due to the war in Ukraine and increased inflation, leaving major retailers with excess seasonal merchandise.



Some other highlights of the research:

- Supplier issues are by far the largest causes of Inventory Distortion in 2022, amounting to \$129.2b in sales losses (+150% increase from 2020)
- Personnel Issues (either not having enough employees or poor training) amounted to \$63b (+54% increase from 2020) in sales losses
- Losses from COVID lockdowns dropped over \$103.8b, improving nearly 80% from 2020.
- Better systems and processes by retailers helped retailers recapture \$15.1b in sales that were otherwise lost in 2020

The independent research study [is available here](#) for free thanks to distribution partnerships with sponsors IBM, Zebra, SES-imagotag, ToolsGroup and Itasca.

#### About IHL Group

IHL Group is a global research and advisory firm headquartered in Franklin, Tennessee, that provides market analysis and business consulting services for retailers and information technology companies that focus on the retail industry. For more information, see [www.ihlservices.com](http://www.ihlservices.com), call 615-591-2955 or e-mail [ihl@ihlservices.com](mailto:ihl@ihlservices.com).

For press inquiries contact [press@ihlservices.com](mailto:press@ihlservices.com)

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