

Guide

The Five Biggest Inventory Management Fails and How to Fix Them

Introduction



Businesses struggle to see the problems and how to fix them

So often in business, it's hard to tell that you have a problem till it is staring you right in the face. When cracks start to show, that's when business owners act.

The reactive nature of this approach, however, can leave festering issues losing businesses thousands of dollars in lost productivity and unnecessary costs, without them even knowing.

Fishbowl software welcomed by Australian businesses to address critical inventory problems

Aussie accountant, Simon Jupe, discovered Fishbowl's inventory management software in 2011. At the time, he had spent years dealing with the aftermath of his clients' regret from this reactive approach to inventory management.

This prompted Simon to introduce Fishbowl software to Australia, with confidence that it would resolve the heartache faced by business owners across the country.

Fishbowl now has nearly a thousand customers in Australia. Businesses draw from industries including food & beverage, construction & trades, manufacturing, agriculture and more. That's every kind of business that needs to order, transport, warehouse and sell stock.

How to relieve the heartache of losing thousands and costing more

So many more businesses still struggle. Many don't realise what they don't know.

This resource is written to reveal those hidden issues. It will help business owners identify when they need help and how to transition to a better inventory management system to protect their business.

Find out:

- The 5 biggest inventory management mistakes you may not know you're making.
- How much you're risking by not taking charge now to fix these issues.
- How to take back control of your business with essential software from Fishbowl.
- How other small and medium businesses have benefited from Fishbowl.

The 5 Biggest Inventory Management Fails and How to Fix Them

At times of business growth or transition, most companies start to see the cracks appear in their inventory management system.

Often though, the underlying issues of poor inventory management have been going on for years. Ringing in our ears at Fishbowl are hundreds of examples of owners of small and medium sized businesses commenting, "I wish I'd done this sooner."

There must be a way to help business owners identify these underlying issues. In doing so, the insidious loss of efficiency and costs of stock mismanagement and customer confidence can be stopped sooner.

For 5 minutes of your time to read, Fishbowl offers 5 key indicators of inventory management failures which businesses commonly miss.

By dispensing with outdated legacy systems on spreadsheets and accounting platforms that are not fit-for-purpose, Fishbowl offers greater business resilience and unified operations.

“ Implementation of inventory management software can be a transformative process for businesses of all sizes. Once businesses get past the initial change management piece and staff start becoming avid adopters of the new solution, that’s when businesses can effectively streamline and optimise operations, reduce costs and boost profitability. ”

Fishbowl Managing Director, Simon Jupe



➤ Fail 1: Inaccurate Demand Forecasting

When it comes to ordering stock, too often it's hard to predict demand. During peak seasons or promotional periods, it's even harder. It's one of the most challenging aspects of inventory management.

The risks

It can lead to stockouts or overstocking. There are lost sales or excess inventory too. Thousands of dollars are often on the line each time. Not to mention customer confidence.

How to spot the issue

It may be hard to believe, but it's completely unnecessary to feel anxious and overwhelmed when you need to order stock. It is lack of reliable data that prompts the worry. There is understandable fear of overstocking that can affect cash flow. Then there is the regret you anticipate when sales are missed with being understocked.

The solution

Fishbowl forecasting tools go beyond those found in accounting software. However, as an easy plugin to Xero and other providers, Fishbowl complements and elevates your existing capability. With automated stock counts, up-to-the-minute data on existing stock levels are easily compared to any previous sales period. This is consolidated in easy-to-apply reports which can be tailored for what your business needs.



“

Fishbowl didn't just make things easier; it revolutionised the way ACIT managed its inventory. It gave us real-time data on inventory levels, informed decision-making about ordering and stocking, and improved resource capacity planning.

”

ACIT CEO, Frank Casamento
Food & Beverage Industry
Cold storage, import & export, logistics, sourcing,
wholesale and packaging

➤ Fail 2: Lack of Real-Time Inventory Visibility

The world moves faster now than ever. Sales are lost without being able to respond quickly to customers. Regardless of the industry in which you operate, immediate visibility of what is in stock and where it is means better business in so many ways.



The risks

Stockouts, overstocking, and misplaced items ultimately affect customer satisfaction and sales. Some industries under compliance scrutiny, such as food & beverage and pharmaceuticals, also particularly risk their licence to operate.



How to spot the issue

This can feel like navigating a ship in fog. Every decision becomes a gamble, fraught with uncertainty, financial strain, and operational inefficiencies. It's an incredibly stressful way to manage and grow the business effectively. You'll be happy to know though, it doesn't need to be this way.



The solution

Knowledge is power, as they say. Fishbowl is advanced software that can provide extensive reports and dashboards to help make informed decisions on the fly. Fishbowl's barcode and scanning capabilities streamline order management and digitise the entire warehouse to give immediate information. From sales, logistics, production, to finance—Fishbowl enables your business to operate as a unified whole.



“

All of a sudden the business has real-time visibility into their inventory levels, locations, and stock movements. With information in real-time, companies can make truly informed purchasing, restocking, and order fulfilment decisions. This visibility helps prevent stockouts, overstocking, associated costs, and customer dissatisfaction.

”

Fishbowl Managing Director, Simon Jupe.

➤ Fail 3: Ineffective Reordering Processes

There's just no excuse anymore for not taking advantage of automated tools that preempt low stock and facilitate regular ordering based on previous needs.



The risks

Manual handling of reorders increases risk of errors, and unnecessarily burdens staff who oversee the ordering. Not only is staff time wasted doing repetitive tasks, but the potential errors can tie up capital, increase holding costs, and lead to missed sales.



How to spot the issue

From a morale perspective alone, manual reordering of commonly held stock feels like a waste of time when there are so many other balls to juggle.



The solution

Fishbowl's automated systems can generate purchase orders when stock levels reach certain levels. In addition to this, Fishbowl utilizes maximum inventory levels to automatically generate the ideal number of units to reorder without going overboard.

Plus, users can set up a default supplier for each item so that they are automatically added to the purchase order, saving a step and speeding up the reordering process. It keeps track of supplier lead times and performance to ensure timely and accurate deliveries. That's an absolute win for business resilience.



“

Fishbowl has been a game-changer for us. Previously, we lacked insight into batch costing, often it was a complete guess and we struggled to meet the demands of our expanding operations. Fishbowl's integration streamlined our processes, providing granular detail and empowered us to meet Asahi's rigorous standards.

”

Lisa Coller
Company Accountant
Green Beacon Brewing

➤ Fail 4: Inefficient Warehouse Management

The frustration is real when it has become increasingly difficult to locate stock in the warehouse. Irritation builds with inaccuracy of stock counts and inability to predict when inventory needs replenishment.

The risks

Stockouts, lost sales, and far too many staff hours are wasted in receiving, picking and shipping. Disruption to operations and delays to distribution affect the bottom line. Scalability becomes out of reach and the business can start to fall behind competitors.

How to spot the issue

The primary culprit is manual handling which fails to keep pace with modern processes. There's just no need to remain vulnerable any longer.

The solution

Fishbowl's barcode and scanning capabilities streamline order management with automated pick lists and mobile app support. Fishbowl's centralised system enables tracking and management, and automating stock counts. This turns a struggling warehouse into a well-oiled machine, driving profitability and customer satisfaction. Fishbowl ABC analysis feature enables businesses to organize their warehouses according to which products are selling fastest. Using this feature you can also map the warehouse by department, aisle, shelf, and bin to make picking easier and you can group multiple picks together to speed up the fulfillment process.



“ Our biggest problem was managing our stock. Without Fishbowl, we would have a lack of usability and accuracy within our business if we were to still rely on spreadsheets and our accounting system. The key deciding factor was that we could grow as a business and Fishbowl was able to support us at every stage of growth. The fact that Fishbowl integrated seamlessly with Xero was also a huge plus. ”

Husk Distillers Head Distiller, Quenitin Brival
Food & Beverage Industry

Alcohol wholesaler and retailer

➤ Fail 5: Poor Sales Efficiency and Customer Satisfaction

For sales staff, dealing with poor inventory mismanagement is stressful. Minimal availability of accurate, real-time information on stock levels complicates the ability to fulfil customer orders and manage expectations.

The risks

How can you focus on driving sales and maintaining high levels of customer service when you lack confidence to deliver what you promise? Business credibility is at risk alongside opportunities for growth.

How to spot the issue

When there are missed orders or stagnant sales, this is a surefire indication improvements need to be made.

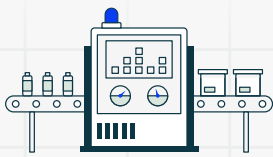
The solution

Modern inventory management software like Fishbowl is miles ahead of spreadsheets or other basic accounting package reporting. You can get real-time visibility into inventory levels, automate reordering, and receive predictive analytics to forecast demand accurately. This optimises stock levels, reduces human error, and allows for more strategic decision-making.



“ As we import peanuts mostly from Australia and manufacture peanut butter for both local and export markets, our business needed an inventory management solution which handled everything from purchasing to dispatch. Before implementing Fishbowl, we relied on multiple spreadsheets in Excel which meant we were unable to effectively manage our inventory across multiple locations and required a lot of manual entry, resulting in endless hours chasing errors and corrections. ”

Heath Bowman
Operations Manager, Pics Peanut Butter



CASE STUDY: Food & Beverage

Coyo

Sunshine Coast based family business Coyo sells certified organic, dairy free coconut yoghurt and ice cream available from coast to coast across all supermarkets Australia-wide.

How Coyo slashed order time from 1-2 days a week to 2-3 hours a week.

It's a big task to run a thriving wholesale yoghurt and ice cream business delivering to supermarkets Australia-wide. That combined with it being a highly regulated industry requiring precision in storage and transport. Errors of just a few hours can potentially demand entire orders to be destroyed.

Coyo's Sandra Gosling, could see that managing inventory via spreadsheets was costing them thousands of dollars in stock and hundreds of unnecessary hours spent ordering and handling.

Upon choosing Fishbowl's inventory management software, Sarah worked with Fishbowl's specialist team to deploy the software.

"Fishbowl provided great support, but it was hard at first. The change management piece was significant. You know, getting people to endorse

and use the new system, but then all of a sudden, things started to happen and here we are!"

"Fishbowl has emerged as an invaluable asset to our entire organisation, not to mention offering us an environmentally conscious shift away from mountains of paper."

"Since implementing Fishbowl, Coyo has experienced substantial gains in efficiency and workflow improvement. You get instant visibility, you can trace everything back; it's been a game changer!"



"We were having stock shortages, every one to two weeks. I do remember a lot of spreadsheets. It was very, very difficult to see where the errors were happening. Traceability for compliance was a critical factor and we were struggling."

Coyo Co-founder, Sarah Gosling

Highlights

Challenges

- ✓ Time critical stock management needs not met with spreadsheets.
- ✓ Erratic shifts in demand and supply during major growth.
- ✓ Stock shortages every week or so.
- ✓ Limited visibility of stock.
- ✓ Impossible to see or fix errors quickly.

Solution

- ✓ Fishbowl centralised all stock information.
- ✓ Barcode system supports real-time visibility into stock levels, locations, and movements.
- ✓ On-the-ground Fishbowl support staff eased transition to new system.

Results

- ✓ Time it takes to place orders weekly reduced from 1-2 days to just 2-3 hours.
- ✓ Sales, logistics, production and finance are now unified.
- ✓ Fewer stockouts, overstocking, and less customer dissatisfaction.

Ready to Enhance your Inventory Management?

Fishbowl is the industry's most flexible and popular Inventory Management System. With the ability to connect to and integrate with core business solutions, like Xero for accounting, FedEx for shipping, and Shopify for eCommerce, business owners can operate virtually their entire system through Fishbowl's powerful platform.

For warehouse and manufacturing professionals, Fishbowl offers real-time visibility into current stock levels to help you run a smooth operation. Automation features for routine processes, like reordering, reduce the manual workload to minimise errors.

You also get actionable data to improve decision-making, thanks to robust reporting features that provide insights into sales trends and other essential metrics.



Book a demo to learn how Fishbowl can help you manage inventory with ease.

[Book a demo](#)

“Inventory is oftentimes the largest asset a business holds. It's also the biggest liability for many organisations. Having the right tools to manage your inventory can eliminate that liability and turn the most challenging aspects of your business into your greatest strength and competitive advantage.”

Simon Jupe
Fishbowl Managing Director

