Dropit Technology automates Micro decision to drive Macro impacts

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Overview of Dropit's intelligent engine

Dropit optimizes your existing OMS, enabling real-time decision-making and determining the most profitable and cost-effective pick location (warehouse/store) for new DTC delivery. Additionally, it applies the same logic to streamline customer returns.

Our technology ensures swift and seamless integration, featuring a user-friendly interface with minimal learning curves. The integration process is structured for easy adoption, requiring little to no extensive training.

- Integration with Diverse Data Sources: Beyond first party data, Dropit can incorporate a wide range of external data such as weather, traffic, CO2 emissions, events etc. to make more informed decisions.
- Micro decisions, Macro Impact: Dropit's tech excels at real-time micro decisions. From peak-hour stock suggestions to seasonal return routing, these tiny yet efficient choices across numerous transactions lead to significant cumulative benefits.
- Proactive and Predictive Approach: Dropit's AI-powered tech goes beyond reacting; it learns. Integrating first-party data and external datasets, we enrich the decision engine for optimal real-time decisions. Analyzing historical and real-time data enables us to predict future trends, providing enhanced recommendations.

Key advancements for retailers using Dropit

Key Performance Indicator (KPI)	Standard OMS Applications	Enrichments with Dropit	Estimated Improvements
Demand Forecast Accuracy	• Historical sales data for trend analysis • Seasonal adjustment factors • Manual adjustment based on experience • Basic predictive analytics	• Machine learning models to analyze patterns and predict future demand • Real-time data ingestion from multiple 1st and 3rd party sources for a holistic view and increased accuracy • Automated adjustments to forecasts based on latest trends and market changes	• Higher accuracy in predicting demand surges and lulls • Reduced overstock and understock situations • Optimized inventory levels, reducing carrying costs and increasing sales opportunities
Inventory Levels	• Inventory tracking across channels • Stock level alerts • Reorder points based on historical sales	• Real-time inventory visibility • Dynamic safety stock levels based on predictive analytics • AI-driven demand forecasting incorporating market trends and seasonality	• Reduction in out-of-stock instances by up to 8% • Decrease in excess inventory by 5% • Enhanced inventory turnover ratio
Inventory Turnover Ratio	• Calculation of turnover through sales and inventory level reports • Periodic review of historical sales data to inform purchasing decisions	• AI-enhanced inventory level predictions and sales forecasts • Demand sensing to adjust inventory levels in real-time • Proactive inventory redistribution based on predictive trends	• Increase in inventory turnover ratio by up to 15%, indicating more efficient use of inventory and alignment with customer demand
Sell-Through Rate	• Sales velocity tracking • Historical sell-through rate calculation	• Real-time sell-through analytics • AI-powered pricing optimization • Product affinity and market trend analysis	• Up to 7% increase in sell-through rate • Better alignment of inventory with customer demand patterns
Order Fulfillment Time	• Benchmarking against industry fulfillment standards • Standard lead times for pick, pack, and ship processes	• Predictive analytics for faster picking and packing • AI-optimized routing and batching of orders for efficient processing	• Reduction in average order fulfillment time • Dynamic adjustment to workflows resulting in decreased downtime and faster turnaround

	• Historical data analysis for process improvement • Manual tracking of fulfillment stages	• Real-time adjustment of fulfillment operations based on current demand and staffing • Machine learning models to forecast and adapt to peak periods, ensuring scalability	• Better customer satisfaction due to consistent and predictable delivery times
Stock Outs	• Monitor stock levels and set reorder alerts • Basic analytics on stock movement	• Real-time inventory visibility across all locations • Predictive analytics for demand forecasting • Proactive inventory redistribution based on sales velocity and trend analysis • Automated replenishment triggers • Inventory balancing to reduce overstock and understock scenarios	• Reduction in stock outs by up to 30% • Increased sales through better product availability • Improved customer satisfaction and retention • Enhanced inventory turnover ratio
Store Transfers	• Manual request and approval process • Batch transfers based on periodic analysis • Historical sales trends • Fixed transfer schedules	• AI-driven analysis for optimal stock distribution between stores • Real-time tracking of inventory levels across locations • Predictive analytics to forecast store-level demand & automate transfer triggers • Dynamic transfer scheduling based on real-time sales data, trends, & unforeseen changes	• Reduction in excess inventory by up to 20% • Increase in stock availability where needed by up to 15% • Improved customer satisfaction due to product availability
Transit Time	• Determine transit time based on historical information • Estimated shipping and arrival forecasts • Real-time order status updates	• Improved accuracy transit time leveraging external data geographical locations, carrier efficiency, weather & traffic • Predictive order status pre-alerting delays in shipping process and transits • Carrier performance and rates with route and SLA suggestions • Fulfill from any location based on location, inventory age, stock, and destination	• Up to 10% improvement in transportation costs due to carrier management and optimal service levels • 5% to 10% fulfill rate improvement • Improved inventory turn
Return Rate	• Percentage of returned items • Reason for returns analysis	• AI-driven return reason predictions • Optimal routing of returns • Customer behavior analysis for return reduction strategies	• Reduction in return rates by up to 5% • Improved customer retention and satisfaction
Cost of Returns	• Track return rates and associated costs • Manual processing of returns • Standard return shipping methods	• Dynamic return routing to reduce transit distances • Automated processing based on return reason codes • Analysis of return patterns for preventative measures • Implement returnless refunds for items that it isn't efficient to process or ship back	• Reduction in return costs by up to 20% through intelligent routing and streamlined processing • Increased recovery value of returned items • Lower net loss on low-cost items with the returnless refunds
Markdown Percentage	• Tracks the percentage of goods sold at a reduced price	• Integrates real-time sales and returns data with predictive analytics to anticipate demand trends	• Significantly reduces markdowns and waste by ensuring inventory is sold

		• Uses AI to source orders from the most optimal location and intelligently route returns to balance inventory	from and returned to the optimal location • Enhances profit margins and sell-through rates by minimizing deep discounts

Implementation & integration

Understanding the importance of time-to-value for our clients, Dropit's integration is significantly faster than conventional retail technology system integrations. On average our partners are up and running within four weeks—2 to 6 times faster than the industry average.

Our light API integration layers AI into your existing tech stack. Our mission is not to replace existing systems but rather to consolidate data from various sources into a unified location, improving accuracy and decision-making. We're system-agnostic and seamlessly integrate with existing technologies, including inventory, warehouse, POS, and order management systems.

Steps for Integration:

- Product Inventory Integration: Integrate your product inventory data with the Dropit platform
- Technical System Connection: Use our API to connect your existing technical systems
- Business Rule Configuration: Set up and configure unique business rules and conditions to best meet your company's objectives