

A survey of the inventory control techniques adopted by supermarkets in Nairobi

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Abstract:

This study sought to survey the inventory control techniques adopted by supermarkets in Nairobi. To achieve this, primary data was collected through a questionnaire. The questionnaire was administered to 50 supermarkets as per appendix (iii). Data was received from 39 supermarkets. It was established that all the supermarkets applied more than one inventory control technique. EPOS was quoted as most popular technique followed by FIFO, EOQ and minimum stock levels respectively. Techniques such as just-in-time were also applied by some supermarkets that dealt with huge supplies and had limited storage space. The basic (Q,r) inventory technique was the least popular technique. The respondents generally pointed out a number of challenges regarding the application of the respective inventory control techniques. EPOS registered the highest number of challenges mainly because it was also the most widely used. The main challenge of applying the EPOS technique was that, it was expensive to install and maintain. FIFO was also quoted as not applicable to all types of inventory and not accurate in predicting reorder levels. Similar sentiments were also raised in respect of the minimum stock level technique, batch control, periodic review and just-in-time inventory control techniques. EOQ was quoted as not easy to learn and that it was expensive to install and maintain.