JUPITER PRIME

Consulting • Training • Advisory

جوبيتر برايم للاستشارات والتدريب

COURSE BROCHURE

Retail Open-to-Buy and Inventory Budgeting Training Course

22 – 26 March 2027
Geneva

jupiterprime.uk

info@jupiterprime.uk

Registered in the United Kingdom and Saudi Arabia

Retail Open-to-Buy and Inventory Budgeting Training Course

Ref: 2774_106149 **Date:** 22 – 26 March 2027 **Location:** Geneva **Fees:** 6500 GBP

Retail Open-to-Buy and Inventory Budgeting is a 1-week training course for merchandise planners, store operations leads and inventory controllers who build a category open-to-buy and inventory budget. Stock is the largest working-capital line in most stock-holding retailers, and a purchase budget tied to sales, markdowns and stock turn decides margin as much as pricing does. Jupiter Prime Training runs this course for retail operations and inventory planners.

Why Retail Open-to-Buy Matters Now

Three forces shape open-to-buy planning today. Shoppers move between store and online channels, so one pool of stock must serve both. Suppliers ask for earlier commitments and larger minimum orders, which pushes buying decisions further ahead of the selling season. Finance teams also watch cash tied up in stock closely. A retailer that sets purchase limits from sales, markdown and closing-stock targets protects margin and keeps fresh ranges on the floor. One that buys from last season's habit ends with deep markdowns or empty shelves. The course rests on the retail method of planning stock from sales, reductions and target closing inventory.

Who Gains Most from Retail Open-to-Buy

- Merchandise planners responsible for seasonal sales and stock plans by category
- Buyers who place purchase orders against an agreed open-to-buy limit
- Store operations leads accountable for stock levels, shrink and store budgets
- Inventory controllers who reconcile receipts, transfers and closing stock
- Finance business partners who review stock cover and working capital

A category team that sends its planner, buyer and finance partner together gains most, because each sees how the others read the same stock budget.

Retail Open-to-Buy Capabilities

Participants turn a sales forecast into stock and purchase limits they can defend at a range review.

- Calculate open-to-buy from planned sales, markdowns and target closing stock — buying limit sign-off
- Build a store and category stock budget by month — finance and category heads
- Set stock turn and weeks-of-cover targets by product class — replenishment and space decisions
- Apply markdown and shrink allowances to the purchase plan — margin protection
- Test the budget against actual sell-through and variance — in-season reforecast
- Communicate commitments and remaining open-to-buy to suppliers and stores — order timing

Key Retail Open-to-Buy Terms

- Open-to-buy — the value of stock a buyer may still order for a period after current orders and stock are counted.
- Stock turn — how many times average stock sells through in a period, measured at cost or retail value.
- Weeks of cover — the number of weeks current stock would last at the planned rate of sale.
- Planned reductions — the markdowns, shrink and staff discounts expected to reduce stock value in a period.
- Sell-through rate — the share of received units sold within a set period, used to judge range performance.
- Gross margin return on inventory — gross margin earned for each unit of average stock investment held.

Retail Open-to-Buy Day by Day

Day 1: Stock as a Retail Investment

- Retail Profit Chain — Linking Sales, Margin and Stock Investment
- Working Capital in Stock — Cash Tied Up Across the Season
- Category Roles and Seasonality — Which Ranges Deserve Deeper Stock
- Store Versus Online Demand Pools — Sharing One Stock Budget
- Historic Sales Cleansing — Removing Stockouts and Promotions From the Baseline

Day 2: Building the Sales and Stock Plan

- Monthly Sales Phasing — Spreading the Season Plan by Week and Month
- Beginning-of-Month Stock Targets — Setting Stock-to-Sales Ratios
- Stock Turn Targets by Class — Fast Sellers Versus Core Lines
- Weeks-of-Cover Calculation — Balancing Availability and Overstock
- Store Grading and Allocation — Splitting the Category Budget by Store

Day 3: Calculating Open-to-Buy

- Open-to-Buy Formula — Planned Sales, Reductions and Closing Stock
- Markdown and Shrink Allowances — Realistic Reductions in the Purchase Limit
- On-Order Commitments — Netting Placed Orders From Remaining Limits
- Cost and Retail Value Views — Converting Limits for Buyers and Finance
- Reserve Open-to-Buy — Holding Budget for In-Season Opportunities

Day 4: Tracking Variance and Reforecasting

- Sell-Through Tracking — Spotting Slow Ranges Before Markdown Season
- Budget Variance Analysis — Separating Volume, Price and Mix Effects
- In-Season Reforecast — Moving Open-to-Buy Between Months and Classes
- Gross Margin Return on Inventory — Ranking Classes for Future Investment
- Supplier Order Timing — Cancelling, Delaying or Pulling Forward Deliveries

Day 5: Practising the Category Open-to-Buy and Inventory Budget

- Sales and Stock Plan Rebuild — Applying Phasing and Turn Targets
- Reduction Allowance Review — Applying Markdown and Shrink Assumptions
- Variance Scenario Run — Testing the Budget Against a Weak Month
- Range Review Presentation — Defending Limits to Category and Finance Heads
- Category Open-to-Buy and Inventory Budget — Completing the Season Plan

Applying Retail Open-to-Buy After the Course

- Rebuild next season's open-to-buy for one category with explicit markdown, shrink and closing-stock targets.
- Start a weekly sell-through and weeks-of-cover report that triggers an in-season reforecast of remaining limits.

Retail Open-to-Buy Questions FAQ

What is retail open-to-buy and inventory budgeting, and why does it matter now?

Retail open-to-buy and inventory budgeting sets how much stock a retailer may still buy each month from planned sales, reductions and closing stock. It matters now because omnichannel demand, earlier supplier commitments and closer cash scrutiny make habit-based buying expensive.

Which roles gain most from retail open-to-buy and inventory budgeting?

Merchandise planners, buyers, store operations leads, inventory controllers and retail finance partners gain most. Each either sets the stock budget, spends against it or explains its variances to senior managers.

How does retail open-to-buy and inventory budgeting differ from an inventory accounting course?

It looks forward rather than back. An inventory accounting course values and records stock already held, while this course plans the stock a category should buy and hold next season and adjusts that plan as sales arrive.

What do you bring back from retail open-to-buy and inventory budgeting?

You bring back a category open-to-buy and inventory budget built during the course, with monthly sales, stock and purchase limits, reduction allowances and a variance routine you can apply to your own ranges.

Retail Open-to-Buy: The Way Forward

The category open-to-buy and inventory budget first informs how much a buyer commits before the season opens. Planners, buyers and finance partners use it together at range reviews and monthly trading meetings. After the first season, revisit the stock turn targets and markdown allowances against real sell-through, since those two assumptions move the purchase limit more than any other input.