Stockout Forecasting Operator Checklist

25-point self-audit to find the forecasting gaps putting your inventory and margin at risk

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Go through each section and tick every item that currently applies to your operation. Any unchecked box is a forecasting gap that is putting your inventory, your margin, or your ad spend at risk. Tally your score at the end.

Section 1 — Velocity and Demand Signal Accuracy (5 points)

- [ ] **I use trailing 14-day sales velocity as my primary demand signal for reorder calculations, not annual averages.**
  Annual averages hide the velocity variance that causes stockouts
- [ ] My reorder velocity inputs are updated at minimum every Monday for my top 20 SKUs by revenue.
- [ ] **I check whether ad campaign velocity is inflating my baseline before using it as a forecasting input.**
  Campaign-inflated velocity will create a stockout when the campaign ends
- [ ] I track velocity variance week over week and flag any SKU where velocity has increased more than 15% in 14 days.
- [ ] I know my trailing 14-day velocity for my top 5 SKUs right now without having to look it up.

Section 2 — Lead Time Verification and Reorder Calibration (5 points)

- [ ] **My lead time assumptions are based on actual PO history, not supplier-quoted lead times.**
  Calculate: average of last 6 PO receipt dates minus issue dates, per supplier
- [ ] I have verified actual average lead time against my reorder model within the last 90 days.
- [ ] My reorder points are calculated using actual average lead time plus one standard deviation as a buffer.
- [ ] I recalculate reorder points every quarter using current velocity and current verified lead times.
- [ ] No SKU in my top 20 has a reorder point that has not been reviewed in more than 90 days.

Section 3 — Safety Stock and Seasonal Planning (5 points)

- [ ] **My safety stock is calculated as a function of velocity variance and lead time variance, not a fixed number of days.**
  Fixed-day safety stock does not account for the variance that actually causes stockouts
- [ ] I have a seasonal demand calendar built for my top 10 SKUs showing historical peak period start dates and multipliers.
- [ ] **Seasonal reorder point adjustments are applied at least 10 to 12 weeks before historical peak periods begin.**
  Orders placed after demand accelerates arrive too late
- [ ] Purchase orders for seasonal SKUs are based on peak velocity, not baseline velocity.
- [ ] I have reviewed my seasonal multipliers against last year's actual peak velocity within the last 6 months.

Section 4 — Multi-Channel Inventory Consolidation (5 points)

- [ ] **Before running any forecast or placing any PO, I consolidate inventory across all channels into a single total.**
  Forecasting from one channel's count while ignoring others creates phantom shortages and unnecessary reorders
- [ ] My inventory management system shows total units available across my store, Amazon FBA, and any 3PLs in one view.
- [ ] Channel sync delays do not affect my forecasting accuracy because I verify consolidated counts before each review.
- [ ] I have not placed a purchase order in the last 90 days based on a single-channel inventory count.
- [ ] My forecasting model uses total available inventory, not just the count in the channel running the lowest.

Section 5 — Ad Spend Inventory Gating (5 points)

- [ ] **I calculate inventory runway at projected campaign velocity before launching any paid campaign on any SKU.**
  Rule: do not launch if runway is below 21 days at projected demand
- [ ] I have a defined rule that pauses or reduces ad spend when inventory runway drops below 14 days.
- [ ] No campaign has gone live in the last 6 months on a SKU with less than 14 days of inventory at projected velocity.
- [ ] I track whether campaigns I run created demand I could not fulfill, and I have not repeated that error.
- [ ] Inventory health is a required check in my campaign launch process, reviewed before any campaign goes live.

Your Score

Score	What it means	Recommended next step
20 - 25	Strong forecasting system. Stockouts are rare and recoverable.	Book a Modonix review to optimize your next margin opportunity.
12 - 19	Moderate gaps. Stockouts are likely costing you in 2 to 3 areas.	Start with your lowest-scoring section. That is your biggest inventory risk.
0 - 11	Critical gaps. Your forecasting system is not calibrated to your current business.	Get a free Modonix forecasting audit at modonix.com/services.

Ready to stop stockouts before they happen?

Book a free data audit at modonix.com/services — we identify your top 3 margin leaks in one session.

Created by Ahmed Abuswa • Modonix.com • E-Commerce Operations Consulting