

How Tailored Brands anticipates demand and increases revenue with invent.ai in its tuxedo and formal wear rental business

Key Results

10%

reduction in
substitution rate

15%

inventory
investment savings

Solutions

Buy Optimization
DC Replenishment
Returns Forecasting



Case Study

About Tailored Brands

Annual revenue: \$2 Billion
Number of employees: 16,000
Number of stores: 1,000
Number of brands: 4

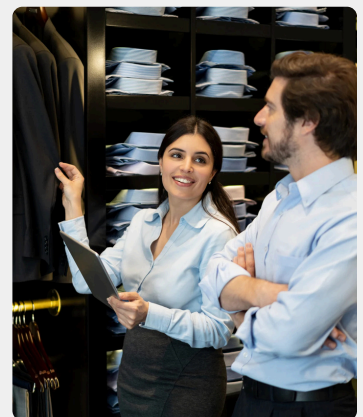
Background: Leading retailer with a rental focus

Tailored Brands is a leading omni-channel menswear and formalwear retailer, operating 1,000 stores under brands such as Men's Wearhouse, Jos. A. Bank, Moores and family retailer K&G Fashion Superstore. A key component of its business is tuxedo rentals for weddings, proms and other formal events.



Inventory optimization means growing your sales and customer service, while lowering inventory investment. It's doing more with less. Invent.ai's solution not only helped us grow customer satisfaction and service on a lower inventory base, but also avoid disappointing the customer with substitutions. We saw great results very quickly. Speed to value was also crucial for us. The default assumption is that a project like this would take up to 12 months. But thanks to invent.ai's agile approach to implementation, it was just five months from start to value realized.

Scott Vifquain
CTO, Tailored Brands



Challenge:

Inventory gaps, circular supply

Tailored Brands is dedicated to delivering exceptional customer experiences. To achieve this, the retailer needed to ensure that inventory was available in the right place, at the right time, while maintaining optimal inventory levels to drive revenue growth. However, managing inventory for its tuxedo rental business presented significant challenges.

Handling millions of reservations annually, Tailored Brands had to anticipate evolving customer preferences for various styles, colors and sizes. With a vast number of SKUs to manage and only spreadsheets and outdated systems in place, planning teams lacked a scalable solution for making precise inventory allocation and replenishment decisions.

The rental model added another layer of complexity. Apparel rental supply chains are inherently circular, with items returning to one of four distribution centers (DCs) for reallocation. Some items are returned damaged or not returned at all, contributing to inventory imbalances if not properly accounted for.

These challenges led to frequent stockout-based substitutions. Customers arriving to pick up their reserved items would often find that their selected choices were unavailable, resulting in substitutions that diminished the shopping experience and negatively affected earnings.

To modernize inventory management for its tuxedo rental business, Tailored Brands sought a retail allocation software solution capable of:

1. Identifying high-demand items
2. Enhancing inventory availability
3. Managing the complexities of a circular supply chain
4. Optimizing inventory investments to drive revenue growth



Solution:

AI-powered rental planning

Recognizing that conventional rule-based inventory management systems would not meet its needs, Tailored Brands sought a solution that could power a more advanced approach to inventory optimization.

Tailored Brands chose to partner with invent.ai, a global retail planning solutions provider that delivers measurable profit improvements to large retailers. Invent.ai stood out for its ability to provide rapid implementation and prove quantifiable results.

Quickly, the company was able to implement invent.ai's AI-driven profit-optimization platform to automate return forecasting, buy and inventory decisions. The solution uses AI to analyze massive amounts of data, accounting for hundreds of internal and external variables, to accurately predict future reservations and returns down to the individual store/SKU level.

With this predictive capability, planning teams receive prescriptive recommendations in advance. Rather than adhering to simple inventory planning rules, the AI platform evaluates every possible scenario and determines the optimal inventory placement to maximize earnings. These intelligent allocation decisions ensure inventory is distributed optimally across styles, colors, sizes and locations.

As customer preferences evolve, the transfer optimization solution continuously adjusts inventory distribution across locations. It identifies underperforming inventory and reallocates it to where demand is higher, ensuring maximum revenue potential.

Finally, invent.ai's solution tackles one of Tailored Brands' biggest uncertainties: rental item attrition. By predicting when and where rented items will be returned—and in what condition—the solution factors these insights into future demand forecasts and determines precise replenishment needs for each DC.



Results:

Fewer substitutions and stronger margins

Invent.ai integrated its platform with Tailored Brands' existing technology infrastructure in just 90 days.

Using invent.ai's Proof of Value approach, Tailored Brands saw results immediately:

✦ **Accurate forecasting and optimized buying at the style-size level:** Tailored Brands can now precisely predict future reservations, enabling more strategic inventory decisions that reduce excess inventory and enhance revenue growth.

✦ **Increased product availability and minimized stockout-based substitutions:** Optimized inventory allocation ensures customers receive their preferred rental items, virtually eliminating substitutions.

✦ **Enhanced customer satisfaction and higher sales:** With increased inventory availability, customers enjoy a seamless experience, leading to greater sales and improved revenue margins.

✦ **Automated processes and greater productivity for inventory planners:** The transition from spreadsheets to AI-driven insights has freed planning teams from time-consuming manual tasks, allowing them to focus on strategic initiatives.

Inventory optimization means growing your sales and customer service, while lowering inventory investment. It's doing more with less. Invent.ai's solution not only helped us grow customer satisfaction and service on a lower inventory base, but also avoid disappointing the customer with substitutions. We saw great results very quickly. Speed to value was also crucial for us. The default assumption is that a project like this would take up to 12 months. But thanks to invent.ai's agile approach to implementation, it was just five months from start to value realized.

- **10% reduction in substitution rate, from 14% to 4%**
- **15% inventory investment savings**

Tailored Brands' inventory optimization initiative has driven value across customers, inventory planners and the business. With the right products readily available, customers enjoy a superior shopping experience, while the company achieves stronger sales and revenue growth.



The Tailored Brands team is always thinking about how to leverage AI to continue to drive value utilizing our unique platform and we welcome the collaboration. A partnership like the one with Tailored Brands is strategic and mutually beneficial. We enjoy growing together.

Tav Tepfer
Chief Revenue Officer, invent.ai



About invent.ai

Invent.ai is a multi-agentic AI-decisioning platform that enables retailers to turn data into real-time decisions and automated actions across inventory, pricing and merchandising. Powered by a multi-agentic AI architecture, the platform predicts outcomes, refines strategies and executes merchandising decisions at scale —driving measurable sales, revenue and margin performance. By combining advanced AI with deep retail expertise, invent.ai helps retailers across the globe navigate dynamic markets, improve operational efficiency and achieve sustainable financial outcomes.

Invent.ai is recognized in the Gartner® Market Guide for Retail Forecasting, Allocation and Replenishment Solutions and for Retail Unified Price, Promotion and Markdown Optimization Applications – Short Life Cycle. The company has also received the RetailTech Breakthrough Awards' Customer Experience Award, SupplyChainBrain's Great Supply Chain Partner recognition and Supply & Demand Chain Executive's Top Supply Chain Projects award. With SOC 2 and ISO 27001 certifications, invent.ai ensures security and data protection across all AI-powered solutions.



Our Offices

Philidelphia

100 S. Juniper St. Floor 3
Philadelphia, PA 19107
USA
+1 484 423 4433

London

293 Green Lanes
London, N13 4XS
United Kingdom
+44 20 7096 5488

Amsterdam

De Weesper
Weesperstraat 107-121 Unit 3.16
1018 VN Amsterdam
+31 97010260098

Istanbul

ITU Teknokent, ARI-2 A Blok
No:302 Maslak, Istanbul
Turkey
+90 212 286 10 25



Contact Us

invent.ai
info@invent.ai