

## ABSTRACT

*Currently, the trend of society is undergoing a transition from offline to online. This also has an impact on interest in shopping using online media. With this phenomenon, the Cool Jacket SMEs which sell leather fashion products have taken advantage of the opportunity by marketing their products on online media. However, Jacket Keren has problems with planning for inventory management operations, namely the buildup and shortage of inventory. This was experienced because it was not well planned when procuring goods and limited production. This study aims to describe the problems of operational inventory management that are currently applied to the Jacket Keren SMEs. Then help Jacket Keren SMEs improve their inventory management strategy by providing solutions.*

*The method used in this research is qualitative. The data collection technique of this research uses in-depth interview techniques and triangulation. In this study, four resource persons were selected: owners, employees, craftsmen, and resellers of the SME Jacket Keren.*

*This study analyzes the problems that occur in economic order quantity, inventory cost, and safety stock. The problem that occurs with the cool jacket is not being able to meet consumer demand as a result of limited production and carelessness when ordering goods. And at the time of placing an order, there is no provision for a minimum quantity of goods procurement so that the goods accumulate because sales are slow.*

*The results obtained are in the form of planning when determining the minimum amount of inventory so that it can be a stock reserve when reordering to anticipate purchases. Then they can determine the minimum amount when procuring goods so that there is no buildup and they can meet purchase requests from consumers. So that the costs incurred for procurement and storage of goods can be used optimally.*

*Keywords: Inventory management, Economic order quantity, Inventory cost, and Safety stock*