

# Forecasting



# Demand Forecasting Solution from Tiger Analytics: Industry Context

CPG industry is facing a perfect storm driven by rapid growth of **digital business models, changing consumer preferences, new sources of competition** and **Supply chain uncertainties**. This has manifested itself in the form of **increased business volatility** and **operational complexities** as companies struggle to address these forces.

Companies have responded to this situation by envisioning Smart factories supported by Intelligent supply chains and strong S&OP processes. There is a need to advance planning capabilities across these dimensions and this will be driven by **reliable demand forecasts**.

## But getting a reliable forecast is **challenging**

- **Need for higher granularity**  
Millions of forecast points, Forecast Accuracy across the hierarchy and at the most granular level is a challenge
- **Demand Volatility**  
Significant volatility in demand patterns
- **External Shocks**  
Rapidly adjust current forecasts due to external shocks and forecasting for future BAU
- **Inflexible Tools**  
Solutions need extensive customization and there is a dependence on vendors
- **Maintainability & Scale**  
Solutions are a black box resulting in challenges to scale and maintain



### Resulting in Challenges Faced by the business

- **Senior Executives**  
Lack of predictability of the business  
Non-productive meetings due to lack of appropriate visibility and insights to demand
- **Demand Planner**  
Inability to come to a consensus view on demand due to lack of right visibility and analytics
- **Finance**  
Inability to forecast the results accurately  
Inability to optimize investment decisions
- **Sales & Marketing**  
Inability to make the case for the right investment decisions in the business.
- **Supply Chain**  
Challenges in making right manufacturing and distribution plans resulting in poor customer service and inventory levels

## Leading to lost opportunities

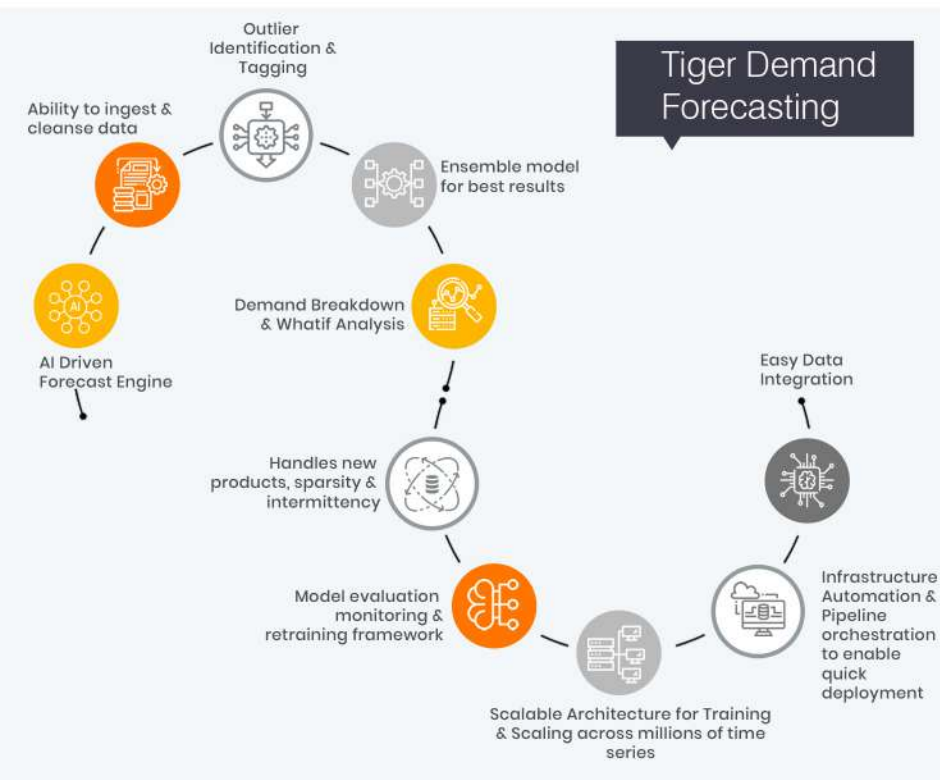
- 1** Poor Service Levels
- 2** Misaligned Inventory Levels
- 3** Increased Lead Times and Stock-Outs
- 4** Inter DC Shipments
- 5** Ineffective Meetings

# Demand Forecasting Solution from Tiger Analytics: Value Proposition



Our Demand Forecasting Solution helps **improve the forecasting accuracy** by supporting the forecasting process with the **right analytical capabilities**. The solution has been enabled for Consumer Product companies across sectors including Food & Beverages, Personal & Household Products, Durables & Appliances and QSR.

Our completely **white box solution** meets the challenges of forecasting in a dynamic environment while **addressing** complexities around **client product hierarchies** and **business scale**. It also provides **easy integration into planning tools** like SAP, IBP, O9, OM Partners, etc.



## Case example

### Large Food & Beverage Major

#### Context

Undergoing a supply chain transformation with implementation of a Best of Breed Package. Wanted to improve the forecast accuracy and forecasting process.

#### What we did

Leveraged our forecasting solution to develop the entire pipeline of forecasting across data ingestion, ensemble modeling and reporting.

#### Benefits Delivered

Forecast accuracy improvement: **5% to 20%**.  
Time to implementation optimized by **60%**.

### Large Pharma Major for OTC Products

#### Context

Improve trade planning for key wholesalers and retailers by improving shipment forecast accuracy. Existing forecasts were not aligned with finance forecast.

#### What we did

Forecasting solution was used to generate accurate trade forecasts. This was integrated to a scenario planner built for evaluating Target Days on Hand.

#### Benefits Delivered

Forecast error rate of only **±10%** across key customers and product groups.

### Global Quick Service Restaurant

#### Context

Replace existing forecasting solution with an improvised scalable version to generate more accurate forecasts and help in improved inventory and labor planning.

#### What we did

Built a scalable forecasting solution leveraging sophisticated modeling algorithms like DeepState and provided more accurate forecasts.

#### Benefits Delivered

Forecast accuracy improvement: **5% to 10%**  
**40%** reusable components for new market scaling.

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# About Tiger Analytics



**Tiger Analytics** is pioneering what AI and analytics can do to solve some of the toughest problems faced by CPG organizations globally. Delivering value leveraging AI & Analytics is as much an art as it is a science. We have honed this through a combination of our **talent, methodologies, technology accelerators and business solutions.**

We have helped deliver **100's of Millions of dollars** in value to our CPG and Retail clients through our services and solutions. Tiger offers a full range of Insight services including **Data Engineering, AI & Analytics services and ML Operations.**

## Our Open Solutions Approach

We believe that our clients should not tie themselves down to analytical products and solutions in areas that offer **competitive advantage.** Hence we make our investments in Intellectual Property available and open to our clients so that they can manage and enhance the solution by themselves, if they so desire.

### Solutions from Tiger Analytics

- Driver Base Forecasting
- Emerging Business Opportunities
- Strategic Revenue Management
- SKU Rationalization
- Market Mix Modeling
- Omni Channel Insights
- Route to Market Optimization



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