

Demand Planning

Dramatic Forecast Improvements with Advanced Algorithms and Collaboration

Supply chain management begins with demand planning, and getting demand right is essential for maximizing service and revenue while minimizing costs. Using automation and machine learning algorithms, e2open Demand Planning creates the most accurate forecasts possible. Organizations can then understand, anticipate, and shape demand by engaging all stakeholders in a collaborative process.

The level of forecast accuracy achieved by traditional demand planning techniques — based on sales history and manually adjusted modeling parameters — has plateaued in recent years because of the fundamental limitations of these methods. Significant improvements are unlikely without a new approach. Companies that want to increase accuracy and gain competitive advantage need a fresh demand planning strategy that takes advantage of new data sources and recent innovations in data science.

Part of the e2open Planning suite, e2open Demand Planning considers multiple demand signals and uses machine learning technologies such as intelligent clustering and pattern recognition to generate more accurate forecasts than traditional time-series methods. Efficient, streamlined workflows are built into a single planning platform for increased productivity and scalability. Multiple internal functions and external trading partners can use collaboration features to participate in the planning process. The result is more accurate forecasts that yield improved revenues, service, and profitability.

Key Features

- Advanced machine learning algorithms to generate highly accurate forecasts for all products and key components, including new and end-of-life products
- Ability to leverage multiple demand signals, both internal and external, to improve forecast accuracy
- Ability to drive profitability by evaluating how cannibalization, supersession, pricing, and product mix will impact revenue and margin
- Consensus planning capabilities to synchronize all operational and strategic business functions with the S&OP process
- Attach rate planning to forecast dependent component demand for configured products

Key Benefits

- Improvement of more than 10% in long-term forecast accuracy through advanced algorithms
- 1-2% lift in revenue and 3-5% margin improvement through more accurate forecasting and fewer stock-outs
- Faster analysis and 50-70% reduction in planning cycle times through source system integration and process automation
- Best forecast for any time horizon when used in conjunction with e2open Demand Sensing

Advanced Capabilities for Improved Accuracy and Productivity

E2open's next-generation algorithms bring speed, scalability and increasingly accurate predictions to demand planning. Superior analytics, automation, and integration result in ease-of-use and high productivity.

Machine Learning and Analytics

Advanced technology helps increase accuracy and efficiency:

- Self-tuning algorithms that use pattern recognition to automatically combine numerous demand signals with time-varying weights to maximize predictive accuracy
- Automatic generation of statistical models
- Algorithmic clustering of product-location nodes with common properties as the basis for new product forecasts
- Modeling of promotional lift, cannibalization, and other indirect effects
- Rapid what-if scenario analyses and reporting capabilities for timely and informed decision-making

Collaborative Forecasting

Planning unifies stakeholders:

- Dynamic planning hierarchies tailored to each user's needs
- Cross-functional internal collaboration that includes sales, marketing, finance, and supply chain
- External collaboration with customers, channel partners, manufacturers, and key suppliers, including the use of customer and channel data from e2open Demand Signal Management and e2open Channel Data Management.

Process Automation

Automation increases efficiencies so planners can spend more time on strategic issues rather than repetitive tasks:

- Easy conversion from volume-based to monetary value measures
- Automation for essential demand planning processes, including network realignment, promotion pacing, account team collaboration, and model tuning
- Report generation on demand or as scheduled for a specified time and frequency with downloadable or emailed reports

Data Integration

Ease of integration empowers companies to take advantage of multiple internal and external data sources:

- Certified enterprise resource planning (ERP) adapters to acquire data from ERP systems, such as orders and shipments, and publish data back to close the loop
- Use of downstream data, such as point-of-sale data, inventory, and warehouse withdrawals
- Use of causal data, such as weather and housing starts

Attach Rate Planning

Attach rate planning enables sales to forecast in terms of customer-specific product configurations while operations can plan demand for base models and components. E2open Demand Planning offers attach rate planning using both fixed and statistically calculated attach rates.





Organizations receive a unique combination of high-quality data, powerful algorithms, and collaborative demand management among internal and external stakeholders. The application improves forecast accuracy significantly while streamlining the demand management process.

About e2open

E2open is the connected supply chain software platform that enables the world's largest companies to transform the way they make, move, and sell goods and services. With the broadest cloud-native global platform purpose-built for modern supply chains, e2open connects more than 400,000 manufacturing, logistics, channel, and distribution partners as one multi-enterprise network tracking over 12 billion transactions annually. Our SaaS platform anticipates disruptions and opportunities to help companies improve efficiency, reduce waste, and operate sustainably. Moving as One™. Learn more: www.e2open.com

E2open and the e2open logo are registered trademarks of e2open, LLC, or its affiliates. All other trademarks, registered trademarks and service marks are the property of their respective owners.

DSDP2282