



CASE STUDY

Leading CPG Manufacturer Improves Near-Term Forecast Accuracy with Touchless Demand Sensing

A major global consumer packaged goods manufacturer with a broad portfolio of everyday products across tissue, personal care, and healthcare categories needed to improve the accuracy of short-term forecasts used to guide inventory deployment and distribution decisions. The company had an established demand planning process and an incumbent planning tool, but near-term performance was not consistently strong enough to support service-level and inventory goals.

The situation

For high-volume CPG manufacturers, the final weeks before demand are especially important. This is when inventory deployment decisions are being made, and inventory coming out of production must be directed to the right channels, regions, and retailers so the business can meet demand while avoiding unnecessary buffer stock or corrective action.

The company's planning process began with a statistical forecast, then planners enriched it through collaboration with sales, marketing,

and other stakeholders. This process supported broad planning needs, but the near-term horizon required a more responsive way to sense current demand shifts and convert them into daily forecast updates.

The challenge

The company identified poor forecast performance in the near-term horizon. When short-term forecasts were inaccurate, the business risked sending inventory to the wrong locations, creating stockouts in some areas, excess inventory in others, and higher costs from last-minute corrective action.

The organization needed a more accurate and scalable way to improve short-term demand forecasting without adding manual work to an already complex planning process.





Industry

Consumer packaged goods

Challenges

- Near-term forecast performance was not consistently strong enough to support service-level and inventory goals.
- Forecast errors created stockouts, excess inventory, and higher costs from corrective action.
- The business needed scalable improvement without adding manual planning effort.

Solution

- E2open Demand Sensing added a touchless, AI-led forecasting layer inside the near-term planning window.
- The solution used current demand signals, including point-of-sale activity, store inventory, warehouse withdrawals, and open orders.
- Daily forecast updates were routed back into downstream execution systems for distribution planning.

Application

- e2open Demand Sensing

See how a touchless, AI-led forecasting layer delivered MAPE and bias improvement in the near-term window. **Get the details on how e2open Demand Sensing works inside your existing planning process.**

Explore **Demand Sensing**

The solution

The company implemented e2open Demand Sensing as a short-term forecasting capability operating inside the near-term planning window.

The existing demand plan remained an important input. Once the forecast moved into the near-term 7-week horizon, the demand plan was sent to e2open, where Demand Sensing generated an updated forecast using AI-led modeling and current demand signals.

The solution incorporated point-of-sale activity, store inventory, warehouse withdrawals, and open orders. Demand Sensing automatically selected and weighted the best-fit forecasting approach for each situation, continuously updating the forecast as new data became available. Because the process was touchless, planners and analysts did not need to manually tune the forecast. It ran autonomously on a daily basis rather than following a fixed review cycle.

The outcome

By adding e2open Demand Sensing to the near-term planning process, the company achieved sustained improvement over its existing demand plan.

Documented MAPE improvement ranged from 13% to 38%, depending on the forecast horizon, while bias improvement was up to 78%.

Two years of historical performance confirmed that the gains were sustained rather than a one-time improvement. Better short-term forecast accuracy gave the company greater confidence in inventory deployment decisions, helping place product closer to expected demand while reducing the need to carry excess buffer inventory to compensate for forecast uncertainty. This improvement in forecast accuracy also meant the company could hold less buffer stock. With less uncertainty in demand, it could rely on getting inventory to the right place at the right time.



13% to 38% MAPE

IMPROVEMENT

COMPARED WITH THE EXISTING
DEMAND PLAN, DEPENDING ON
THE FORECAST HORIZON.



Up to 78%

BIAS

IMPROVEMENT
DEPENDING ON
THE HORIZON MEASURED.

TWO YEARS OF
**historical
performance
confirmed
sustained gains.**

TOUCHLESS OPERATION
**reduced the need
for manual
tuning or
analyst intervention.**

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

