



Demand Forecasting in the Modern Data+AI Platform

So you've got your sales and product data in your Data Lakehouse, and have Machine Learning tools aplenty - surely its easy to build a model to predict demand?

Unfortunately, while it's possible to take the first step of predicting sales with some success, many people confuse Demand Forecasting with Sales Forecasting. They aren't the same - let's find out why.

UNDERSTANDING THE BASICS

It's common for people to mistake demand forecasting for sales forecasting. However, there's a critical difference between the two. Sales forecasting predicts the number of goods or services sold, while demand forecasting factors in what you could have sold if all conditions were ideal. This distinction is essential for making informed business decisions and ensuring accurate predictions.

BUILDING A FOUNDATION

A comprehensive demand forecast model is integral if you want to make informed and effective business decisions. This model delves into the intricate relationships between sales, demand, sell-out rates, wastage, and substitutability. By considering these factors, businesses can create a solid foundation for accurate forecasting and optimisation.

SIMPLIFYING THE PROCESS

Developing a solution for demand forecasting may seem like a complex undertaking, but starting with a simple approach and gradually adding complexity is integral to success. By storing data in a Data Lakehouse and utilising various tools, businesses can explore data and build insightful models step by step. Each stage of the process delivers benefits, making the journey more manageable.

REAL-WORLD APPLICATION

Demand forecasting is a crucial aspect of various industries. For instance, convenience stores face a considerable challenge in managing the "bakers list" as it requires balancing inventory levels for fresh products. However, building accurate models using Python and SQL on a Data Lakehouse has proven to be an effective solution to this challenge. The scalability of cloud computing further enhances the effectiveness of this approach.

We can deliver an initial MVP as part of our delivery framework

Accelerating time to value by meeting clients where they are and driving their data program forwards.



WHY ARREOBLUE:

While demand forecasting is complex you can still get quick results. We have helped clients start demand forecasting or double the accuracy of their existing demand forecasting in weeks by taking an iterative approach focused on empowering you.



GET IN TOUCH WITH US TO START YOUR DEMAND FORECASTING JOURNEY

Reach out to the team today

 info@arreoblue.com
 www.arreoblue.com

EFFICIENT | AGILE | INNOVATIVE | TRUSTED

ArreoBlue™ is a trademark owned by ArreoBlue Ltd.