

SOLUTION BRIEF

5 Ways Alteryx Improves Demand Planning

Forecasting demand is a critical factor in your organization's continued growth and success

Accurate Demand Forecasting

A 10-20% improvement in forecast accuracy could translate into:

- a 2-3% increase in REVENUE
- a 5% reduction in INVENTORY COSTS
- a 10-20% reduction in STOCKOUTS

However, many organizations rely only on forecasts that look primarily at past usage across large swaths of products. Using more data, both internal data (e.g., promotions, product launches) and external data (weather, competitors, customer sentiments) can enrich demand planning with more accurate forecasts.

While demand planning is complex, gathering, prepping, blending, analyzing, and auditing your data shouldn't be. When you leverage Alteryx to gain insights into your supply chain processes such as forecasting and sensing demand signals, you will improve the accuracy, speed, and performance of your supply chain.

Find out more today at www.alteryx.com

[How Fender used customer sentiment data to build more accurate demand forecasts ►](#)

Common Challenges

This solution solves the following common challenges contributing to inaccurate, untimely demand forecasts.

- Data silos limit integrated analysis
- Inaccurate historical data distorts predictions
- Complexity in blending diverse data types
- Difficulty in handling seasonality and trends

5 Myths About Demand Forecasting

1. If it's on paper, it must be true
2. An average of past usage is a good enough forecasting formula (and buyers/planners don't need to know it).
3. Only one formula is needed to calculate demand for all products
4. Feedback loops to verify if forecasts were correct aren't practical
5. Reliable customer demand predictions aren't possible.

Catapult your organization into the best-in-class category in these five areas of demand prediction and planning with Alteryx

DEMAND FORECASTING: Organizations with a strong demand forecasting process do not just look at historical sales activity. They also incorporate more forward-looking signals, such as sales forecasts or marketing plans, as well as downstream demand data, such as retail point of sale or channel sales data. This data, however, is often incomplete and difficult to match. Alteryx allows planners to blend data from various extractions sources such as marketing and retail point of sale and match them in order to create a more accurate forecast.

DEMAND PLANNING: Companies can improve their demand planning process by increasing the frequency of forecasts, which will lead to using more accurate and timely data. In addition, to decide on a consensus demand plan, members of sales and operations planning (S&OP) teams should assess multiple forecasts. With Alteryx, you can run several demand forecasting models and evaluate against actuals and then automate the process to run as needed.

DEMAND SENSING: Real-time “sensing” of demand has replaced demand forecasts that are based on rules, particularly in the business-to-consumer world. A sure way to modernize and move from forecasting to sensing is to start combining external data that can help “sense” customer sentiment. Alteryx provides a web scraping capability that allow planners to collect and use customer sentiment to “sense” potential product demands.

DEMAND SHAPING: Demand shaping includes programs and capabilities such as price management, new product launches, and promotions to increase demand or profitability for products and services. Alteryx allows companies to A/B test and validate promotional assumptions before launching a new incentive or price reduction. Having the ability to validate customer sentiment and the potential impact on inventory can shape the promotion to be more effective to manage inventory conditions such as overstock or stock-outs.

DEMAND FULFILLMENT: Companies are increasingly realizing that they need to differentiate their demand fulfillment processes to serve different combinations of products, customers, and channels. Alteryx can help analyze and optimize fulfillment best practices such as decreasing routing time, increasing on-time shipment and maintaining carrier cost.

What You Will Need

- Historical Sales Data (Most Critical): Time series of past sales volumes
- Inventory Data: Stock levels, Replenishment cycles, Product availability
- Promotional Data: Marketing campaign details, Pricing strategy impacts, Discount/promo effects on demand
- External Contextual Data: Economic indicators, Weather patterns, Consumer sentiment,
- Competitive landscape shifts, Social media trends, Real-time market signals, Online search volume

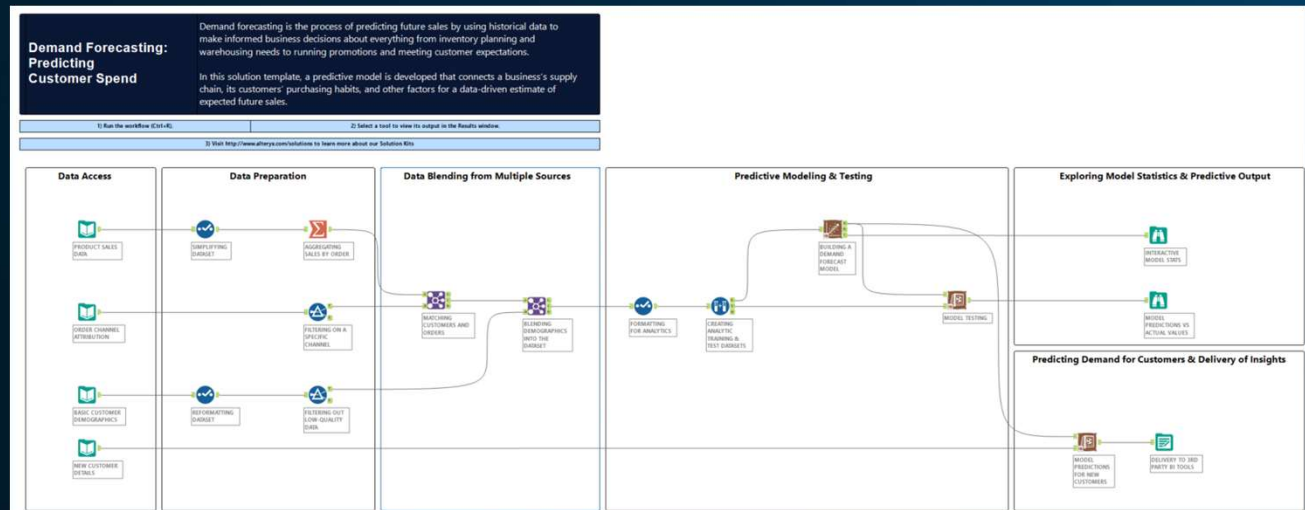
What Alteryx Provides

1. Automates workflows from data access to predicting demand and explain results
2. Cleans and prepares data efficiently
3. Generative AI to accelerate workflow build time, explainability and generate insights
4. Integrates data from diverse sources, from both internal and external sources
5. Empowers advanced analytics with ease

Alteryx platform system requirements

For a complete list of system requirements and supported data sources, visit

<https://www.alteryx.com/products/alteryx-platform>



About Alteryx

Alteryx offers an end-to-end, analytics platform which empowers people to break data barriers, deliver insights, and experience the thrill of getting to the answer faster. Business analysts and data scientists alike can discover, share and prep data, perform analysis, and deploy and manage analytic models. Enterprises all over the world rely on Alteryx to deliver actionable insights daily.

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