

# AI-Derived Product Lifecycle Insights Better Predict Customer Demand

## Challenge

The rise of the connected customer is compelling companies to keep a pulse on the pace of changing demand. It's imperative to profitably plan and deliver on customer expectations. The high-tech industry faces strong headwinds to stay ahead of customer expectations due to competitive disruption from new market entrants and the pressure to deliver agile, cutting-edge products.

This U.S. multinational computer technology company had a functional day-to-day demand forecasting process, but it narrowly relied on historical forecast performance. When it came time to ask questions of the data, they lacked an algorithmic method to fully exploit a broad set of causal data to inform them how to plan more accurately, risking excessive working capital costs and delays in bringing new products to market expediently.

### THE CUSTOMER TURNED TO LLAMASOFT TO HELP ANSWER THESE QUESTIONS:



## CUSTOMER GOALS



Reduce weighted MAPE by 10%



Right size working capital across short product lifecycles



Enrich process with forecast value add (FVA)



Develop systematic enterprise-wide capability

## Solution

The customer implemented Demand Guru, LLamasoft's demand modeling solution, to better understand their inherently short product lifecycles, filled with frequent transition curves due to predecessor and successor relationships.

Focusing on their finished goods assembly products first, they took advantage of Demand Guru's AI/machine learning technology to quickly synthesize and analyze how a wider set of causal data — including holiday schedule, prices, percentage discounts and sales pipeline — were impacting their customer demand patterns. In collaboration with LLamasoft, their advanced analytics and data science teams ran multiple scenarios to ask and answer questions related to product lifecycle improvements and promotions optimization.

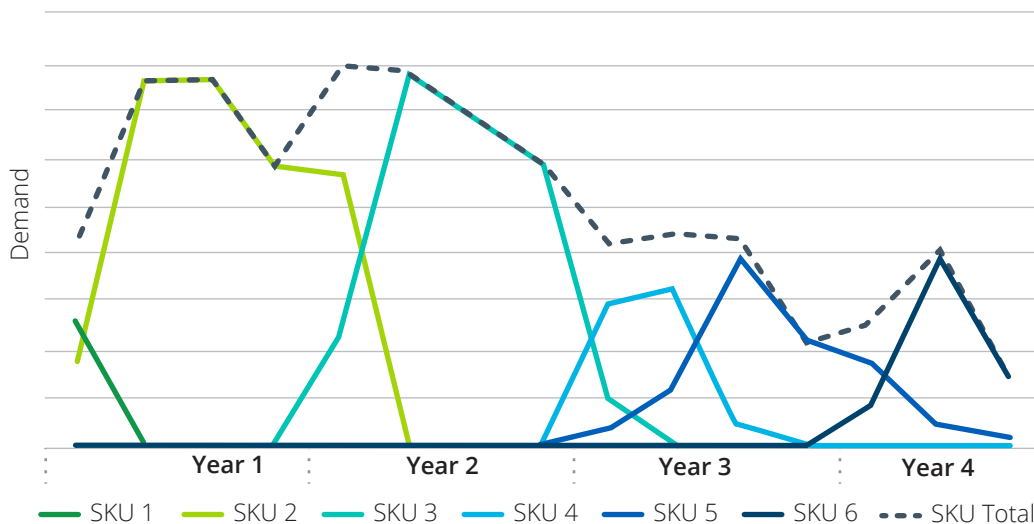
## Results

Using Demand Guru's enhanced demand insights to deliver greater value for their demand planning system and process, this high-tech company honed-in on their key drivers of demand and uncovered up to a 10-point/23% improvement in their forecast accuracy.

### SHORT PRODUCT LIFECYCLE PATTERNS

AI-powered longer-term demand history view using predecessor and successor relationships

#### Demand Transition Curves



Executive sponsors from the operations and business transformation teams see Demand Guru as a strategic enabler for enterprise decision-making to reduce costs, grow profitability and deliver on customer excellence.

Contact us at [+1.866.598.9831](tel:+18665989831) or [info@llamasoft.com](mailto:info@llamasoft.com) and see how Demand Guru can significantly improve your demand accuracy.

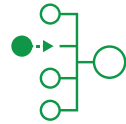
## CUSTOMER GAINS



Multi-million dollar working capital savings from forecast accuracy gains



Lower cost to serve while meeting customer service level agreements



Analytical, efficient, consistent demand forecasting across business units