



## Demand Manager

In today's highly volatile and competitive business environment, enterprises are increasingly focused on demand management as a means to drive supply chain efficiency and to provide strategic decision makers with the information they need to profitably capture customer demand.

i2 Demand Manager™ can provide a comprehensive closed-loop approach for the development of accurate forecasts that sense and adapt to changing trends, performance management, and demand-influencing price and promotional activities. By improving these processes, companies can reduce inventory, improve customer service, and increase sales and profitability.

The key to effective demand management relies as much on human judgment and communication as it does on pure quantitatively based forecasting algorithms. To address this need, i2 has developed the following set of role-based solution workflows that combine demand management best practices with the latest in software technology.

### Solution Capabilities

i2 Demand Manager capabilities include:

- **Adaptive forecasting.** i2 Demand Manager enables a sophisticated micro-segmentation of demand patterns and attributes using industry-specific libraries to continuously optimize and adapt forecasting models with changing market trends.
- **Event-based planning with real-time data availability.** To ensure that the demand plan is in sync with a fast-changing, highly variable demand signal, planners can constantly monitor the current demand plan for changes against key demand indicators and quickly make appropriate adjustments.
- **Lifecycle forecasting.** i2 Demand Manager has strong built-in capabilities to support lifecycle forecasting. With short product lifecycles, the ability to track the actual demand against forecast and make rapid course corrections is extremely important.
- **Collaborative forecasting.** Through targeted role-based views into the demand management process, i2 Demand Manager synchronizes the demand plans among all the stakeholders by dynamically linking data between different views.

### i2's Differentiation

#### ***Event-Based Planning with Real-Time Data Availability***

With i2 Demand Manager, an organization can automatically and accurately re-forecast based on the latest demand data and proactively send alerts on certain critical exception conditions that require in-depth attention.

i2 Demand Manager provides a comprehensive closed-loop approach to the development of accurate and profitable demand plans and the management of the performance-to-plan. It can synchronize supply, demand, and financial objectives in a "one-number" demand plan. i2 Demand Manager encompasses adaptive demand forecasting and planning; price and promotion optimization; demand prioritization and communication; as well as performance management.

“Because we are trying to understand our global business for the next 5–10 years, we need to understand what all of our locations are doing. With Demand Manager, we now have all of our information in one place, which means we can better understand the market in which we operate.”

—*Juanita Quintana*  
*Logistics Optimization Director,*  
**Cementos Argos**

### ***Develop Tailored and Adaptive Forecasts Based on Unique Business Requirements***

i2 Demand Manager is designed with a modeling language that can enable users to create custom forecasting calculations using exclusive business rules. Industry-specific templates use business rules to automatically adjust forecasting models and parameters to changing demand trends. “Rules-based” modeling can also be used to help automate the forecast process. For example, a model can be created to enforce business rules to ensure that the forecast never falls below a certain volume for specific top-selling items or rationalizing multiple plan inputs to automate the development of a consensus demand plan.

### ***Apply Market Intelligence to Improve the Forecast Accuracy***

Statistical forecasting and other quantitative analytics can be used by the demand planner in a variety of ways—an automatically generated “black-box” statistical forecast can be used as the final demand plan or used as a baseline forecast to which market intelligence is added to create the final plan.

### ***Demand-Supply Matching***

i2 Demand Manager is designed to provide closed-loop visibility into supply constraints across the supply chain through tight integration with downstream production planning systems. This visibility results in increased efficiencies and faster time to market by enabling planners to easily create more realistic demand plans.

## **Key Features**

### ***Analysis***

- High-performance multi-dimensional OLAP database
- Multiple configurable views of product, geography, and time
- Continuous exception monitoring
- Multiple graphical and spreadsheet data display promotes easy analysis
- Microsoft Excel® integration for easy collaboration
- Real-time edit capability at database levels—defined by role-based security
- Changes to demand at higher levels automatically affect demand at lower levels
- “What-if” scenario planning

### Statistical Forecasting

- Modeling techniques: exponential smoothing—single, double, and triple; multiple regression; modified Croston's; periodicity; and variable response smoothing
- Automated selection of the best statistical forecast based on lowest MAPE
- Forecast error measurement: mean error, mean absolute error, mean percent error, mean absolute percent error, mean error as percent, and mean absolute error as percent
- Rules-based forecasting for automatic forecast creation using customized business rules

### Process

- Consensus planning
- Collaborative planning
- Top-down, middle-out, and bottom-up forecasting
- Documented demand planning best practices
- New, discontinued, promoted, and transition product planning
- Relationship forecasting: support options, BTO/CTO, "kitting," component, and "mix pack" forecasting
- Exception management
- Consumption/POS forecasting
- Supply-constrained forecasting
- Performance reporting and monitoring
- Real-time forecast conversion (currency, unit of measure, etc.)
- Financial planning—ASP, revenue forecasting, pricing analysis

### Usability

- Pure web-based client architecture for easy access and maintenance
- Configurable workspace and data display
- Increased user productivity through familiarity with Excel-like features
- Comments
- Graphs
- Advanced search, sort, and filtering of data
- Messaging and alerts
- Batch capability

### Supported Hardware and Software Platforms

#### Server

- Windows
- AIX
- HP
- Solaris

#### Databases

- DB2
- Oracle

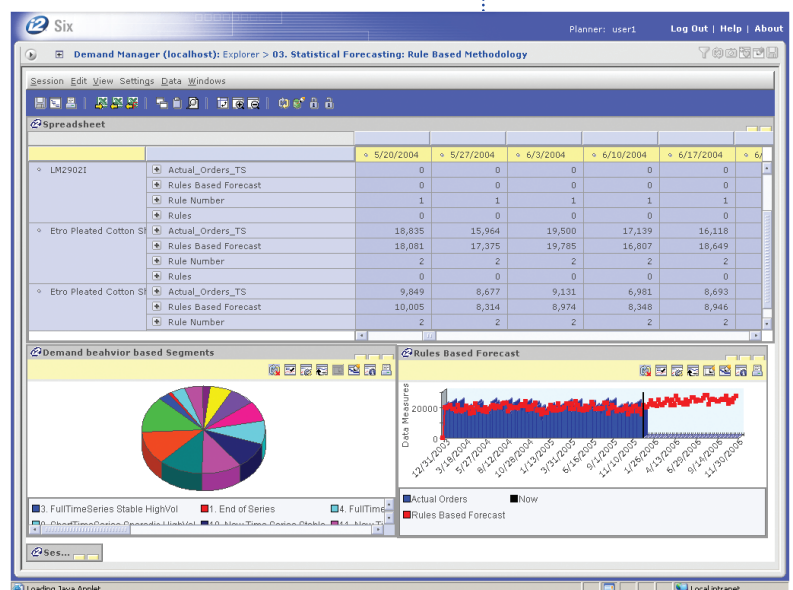
#### Client

- Windows

#### Browser

- Internet Explorer

(For exact versions and combinations, please contact i2.)



Statistical Forecasting

## Benefits

With its advanced statistical forecasting and quantitative analytics, i2 Demand Manager can improve forecasting accuracy and consumer demand visibility. The solution can enable companies to constantly monitor and dynamically adjust their plans accordingly to increase customer satisfaction while minimizing inventory-carrying costs.

By allowing planners to conduct product lifecycle forecasting, i2 Demand Manager can increase inventory turns. The solution can apply market intelligence to improve the forecast accuracy and ensure a faster response to changes in the demand signal. The business improvements enabled by i2 Demand Manager can result in increased sales and profitability.

## Summary

Building and influencing demand is vital in every market segment. i2 Demand Manager can enable companies to track and analyze existing demand, launch price and promotional activities, support new and existing products, and match product availability with customer orders.

i2 Demand Manager can provide end-to-end visibility, precise forecasting capability, and collaboration with key retailers and suppliers. By facilitating these improvements, i2 Demand Manager can help companies to potentially reduce both manufacturing and inventory costs, improve customer satisfaction, and provide the insight into consumer demand required to win market leadership.

For more information on i2 Demand Manager and other i2 solutions, visit [www.i2.com](http://www.i2.com).



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