



DemandPlanning.
Net Consulting
includes

Demand Diagnostics

Demand Modeling

Metrics Design

**Supply Chain
Process
Development**

**Forecasting
Systems
implementation**

What is your market share? Do you expect the market share to increase over time? Why should the supply chain care about market planning and market share analysis?

Market Planning is the process of sizing up your market and calculating your share versus your competitors. A *Marketing Plan* is the tool used to increase your share of the market through marketing activities such as advertising, branding, and promotions. Supply Chains should care about market planning models and the outputs from the market planning models presented to senior management as this affects long-term capacity planning and to build the infrastructure and the network for expansion.

A key component of Market Planning is market share forecasting. In the manufacturer to retailer to consumer model, what matters most is the shelf take-away or sales at retail. Marketing Strategies aim to maximize shelf consumption (and usage) and thus increase your share of that consumption.

The first step is calculating the total market potential for your products. The second step is to estimate your retail sales and derive your share of the total market. The third step is to forecast your base case market share as well as target market share given your advertising budget and your marketing plan. Let us use the case of a infant car seat manufacturer to illustrate this process. [Learn more...](#)

If we divide by Actuals, and when actuals are zero, MAPE is undefined (excel gives #DIV/zero error). What to do?

When actual demand is zero, MAPE is infinite. By definition, forecast error can be greater than 100%. However, accuracy cannot be below zero.

Forecast Accuracy = $\max(1 - \text{forecast error}, 0)$

If Actual demand is 25 and forecast is 100, then error is 75 implying a 300% error. But accuracy is always zero for cases where error is higher than 100%. You can use the ISERROR function in excel to overcome the DivisionByZero error. Although this is an excel workaround, this actually preserves the impact of the actual being zero in calculating the total forecast error. See the excel accuracy template available at [DemandPlanning.Net Downloads](#).

Is calculating and reporting forecast accuracy becoming a daunting task every month?

Although most companies use state of the art software for modeling and maintaining the demand plans, measuring and reporting the forecast accuracy as well as other supply chain metrics become an after thought. This is not part of their process design or implementation, so this all gets left to the imagination and creativity of the planners. So the task is left to the mercy of huge excel spreadsheets and massive downloads of item level data and complicated VLookups to make it work.

DemandPlanning.Net provides an user-friendly tool that is highly customizable to your data model and creates analyzable reports in Excel spreadsheets with pivot capabilities. All the metrics required are already built into this software. It also comes with a rich set of exception management reports. This is also available on a hosted basis where we maintain the database of forecasts and actual sales and provide the reports through a repository accessible on the web. **Please contact us for further info at 781-995-0685 or through email at info@demandplanning.net!**

Pharma Business Intelligence Summit: Make smarter strategic decisions faster

The eyeforpharma's Business Intelligence Summit will provide you with the latest industry intelligence on the areas that matter most, including: trends and directions, strategies, organizational competencies, the role of CI, MR and forecasting, metrics, application analytics, and key marketplace and vendor developments across the BI spectrum.

This event guarantees insightful conclusions and takeaway messages for the senior-level pharma audience.

[Learn More...](#)

Demand Planning on-site workshop for your Planners, Marketers and Sales Professionals!

This workshop will explain the methodology and process behind accurate demand forecasts and how to effectively use sales and marketing intelligence to arrive at a consensus plan. The focus will be on demand modeling using popular statistical models, the methodology to perform model diagnostics, forecast accuracy measurement and the process to incorporate market intelligence and a brief overview of Sales and Operations Planning process. Remember: This is top notch training workshop at a fraction of cost to send your team to a training conference.

This highly informative workshop will be conducted on-site by a Demand Planning expert. Our Principals include Mark Chockalingam, Mark Lawless, and Joan Kopp. The workshop runs approximately two days and includes extensive materials, an electronic case study and excel templates to take away and be used in your work. **Special price for May bookings at \$6,995 for upto 12 Attendees. [Learn more...](#)**

On Tuesday, April 15, 2008 Boston APICS will conduct the second [Plant tour](#) for the year at the Boston Scientific Distribution Center in Quincy MA from 6:00 to 8:00 PM.

Our contacts there are preparing a tour for us featuring their new automation and conveyor systems showcasing their world-class





operations. Don't miss this one! Register early: sorry, you must not be from a competing medical device company. See special instruction in the registration page. [Registration now!](#)

Light Dinner will be provided as part of your visit. Regular PDM fees will apply with discounts for students.

Demand Planning LLC - Niche Consultancy that specializes in Demand Management and S&OP!

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