



Presents:

CPG DEMAND PLANNING One-Day Training Workshop

Presented by Mark Chockalingam, Ph.D.

*September 11, 2009
Las Vegas, NV*

You will learn to...

- ☑ **Understand** the unique characteristics of Demand Planning for CPG
- ☑ **Work** the Mechanics of Forecast Modeling
- ☑ **Leverage** Time Series Models and Exponential smoothing
- ☑ **Formulate** accurate baseline models
- ☑ **Calculate** Demand Metrics **and perform** Model Diagnostics
- ☑ **Utilize** retail data to increase the accuracy of your forecasts
- ☑ **Appreciate** the Dynamics of Retail and channel inventory
- ☑ **Derive** the total supply chain forecast using Account Based Forecasting
- ☑ **Set up** a consensus demand planning process

CPG Demand Planning

Overview

Consumer Packaged Goods companies are faced with a changing retail landscape dominated by a few large retailers and higher uncertainty from consumer preferences and retail promotional policies. Just a few of your customers can exert a great influence on your planning, logistics and execution processes. However, the large retail customers have also created the infrastructure and the technology that provides consumer and retail shelf take-away data, as well as enhanced visibility into the inventory positions at both store and warehouse. The key is for the CPG companies to leverage both consumption data and inventory data to create accurate demand plans.

We take on the challenges and work through the mechanics of obtaining and using retailer data and syndicated POS data from sources like Nielsen's and IRI. If you are using



We will illustrate the methodology to address challenges specific to CPG Demand Planning:

- ☑ How can customer inventory and POS data be leveraged into creating accurate customer demand plans?
- ☑ How are the principles of Account Based Forecasting (ABF) used to create the total supply chain forecast for manufacturing?
- ☑ Why is event modeling important for CPG companies, and how should the impact of promotional events be captured in your forecast models?

This workshop will also explain the process to create a demand-driven pull forecast that incorporates the effects of changes in market, consumption patterns, and inventory cycles to model a supply chain forecast.

Wal-Mart Retail Link or Target Partners Online data, this will be a productive workshop that helps you build the analytics to create the correct forecasts.

Who Should Attend?

*Demand Planners & Directors
Forecast Analysts and Managers
Director of Value Chain
Analysts in the Supply Chain
Inventory and Operations Planners
Financial Analysts
Director of Logistics
Marketing Managers
Product Managers
Sales Managers
Customer Business Managers*

Workshop Agenda

CPG Demand Planning

Demand Planning for CPG - Overview

8:30 - 9:30

- a. Demand Forecasting Basics
- b. Key Terminology & Concepts
- c. Demand Planning for CPG companies
 - Forecasting in the S&OP process
 - Role of the Demand Planner
 - Shipment forecasting vs Customer Planning
 - Key challenges of CPG Demand Planning

Demand Driven Forecasting

9:30 – 11:45

- a. Push versus Pull Methodology
- b. Modeling Customer Demand
- c. Retail Customer Segmentation – Analysis of your customer Pareto
- d. Modeling the retail shelf take-away – The use of POS data
- e. Understanding your Distribution Channel Network
- f. Demand Volatility created by Channel inventory
- g. Changes in Retail Inventory Policies
- h. Calculation of the total supply chain forecast
- i. Challenges in setting up the Process – Data Mapping, Calendar Conversions

Case Study: Creating a Customer POS forecast and arriving at a supply chain plan for Jhumpa Juice – Products

11:45 - 12:00

Lunch

12:00 - 1:00

Forecast Modeling of POS Data

1:00 - 3:00

- a. Smooth patterns in the POS data
- b. Effect of Marketing and Sales Promotions
- c. Data Anomalies – Shifts, Outliers & POS Coverage
- d. Statistical Modeling
- e. Model Diagnostics using Demand Metrics
- f. MAPE versus Root Mean Squared Error
- g. Ex-post Forecasting
- h. Modeling Level, Trend and Seasonality

- i. Exponential Smoothing Models
- j. Promotional Planning using Intervention Models
- k. Baseline Forecast and Lift for Promotional events
- l. Change in the Promotional Calendar
- m. Phase-in and Phase-out Modeling

About The Instructor

Dr. Mark Chockalingam is Founder and Managing Principal, Demand Planning LLC, a Business Process and Strategy Consultancy firm.

He has conducted numerous training and strategy facilitation workshops in the US and abroad, and has worked with a variety of clients from Fortune 500 companies such as Wyeth, Miller SAB, FMC, Teva to small and medium size companies such as Au Bon pain, Multy Industries, Ticona- a division of Celanese AG.

Prior to establishing his consulting practice, Mark has held important supply chain positions with several manufacturing companies. He was Director of Market Analysis and Demand Planning for the Gillette Company (now part of P&G), and prior to that he led the SunCare, Footcare and OTC forecasting processes for Schering-Plough Consumer HealthCare.

Mark has a Ph. D. in Finance from Arizona State University, an MBA from the University of Toledo and is a member of the Institute of Chartered Accountants of India.

Discussion of the Case Study to set up the forecasting process for retail data

3:00 - 5:00

Demand Planning LLC, based in Boston MA, is a consulting boutique comprised of seasoned experts with real-world supply chain experience and subject-matter expertise in demand forecasting, S&OP, Customer planning, and supply chain strategy. We provide process and strategy consulting services to customers across a variety of industries - pharmaceuticals, CPG, High-Tech, Foods and Beverage, Quick Service Restaurants and Utilities.

Through our knowledge portal DemandPlanning.Net, we offer a full menu of training programs through in-person and online courses in Demand Forecast Modeling, S&OP, Industry Forecasting, collaborative Forecasting using POS data. DemandPlanning.Net also offers a variety of informational articles and downloadable calculation templates, and a unique Demand Planning discussion forum.

Testimonials

Boston, October 2008

“Dr. Chockalingam’s presentation was simple, well organized, easy to follow, and contained plenty of interaction with the class. He knew the material well, and presented it in an interesting manner! Furthermore, the information was highly relevant and practical, and would be very useful in my work.”

Mid-West, February 2006

Demand Planning Manager, CPG Company

“It was a good week of training. It was fun and also at the same time an insightful learning experience. Hope you had a good time too with our team. We would really appreciate your feedback, thoughts and suggestions on our processes.”

IBF Conference, May 2006

“Good information, some new insights learned to bring back to company. Great examples, good discussion on best practices and ideas.”

*VP Logistics,
Cumberland Swan*

“I thoroughly enjoyed the presentation and think the learnings will be of value to us. Thank you.”

