

# CHAINalytics

EMPOWERING FACT-BASED DECISIONS ACROSS YOUR SUPPLY CHAIN



## Sales & Operations Variability Consortium

### What Is It?

#### Improve Forecast Accuracy and Demand Planning Performance with Peer Group Benchmarking and Analysis

Chainalytics' Sales & Operations Variability Consortium (S&OVC) quantitatively benchmarks the critical drivers of supply chain uncertainty to create a unique supply chain improvement opportunity. By helping member companies understand how effective they are at managing variability relative to their peers and by identifying the sources of variability, the consortium helps each member improve the effectiveness and efficiency of their supply chain. Participation in the S&OVC allows your company to confidentially share forecasting information and demand planning practices for the purpose of benchmarking performance across a peer group and defining the drivers of your company's demand planning success.

*"Benchmarking forecast accuracy is difficult. Current self-reported benchmarks are not sufficient. To do it right, data must be scrubbed and normalized to ensure an apple to apple comparison. To be useful, the data sets need to represent a like peer group from the same point in time."*

Lora Cecere  
Partner  
Altimeter Group

*"The results of the S&OVC Charter Round were impressive. Chainalytics has a truly unique approach to benchmarking demand planning performance. The potential value to ours and other organizations is tremendous"*

Robert Lim  
Vice President, PPIC  
Del Monte Foods

### What Do We Do?

Chainalytics' S&OVC approach integrates the best elements of traditional benchmarking with advanced quantitative modeling methodologies. Unlike conventional approaches which rely entirely on survey responses from participants, Chainalytics collects, normalizes, and analyzes both transactional data and demand planning policies and practices to create forecast accuracy and bias models that faithfully allow member companies to evaluate their demand planning performance and identify specific areas for improvement.

These robust models provide:

- **Snapshot of forecast accuracy and bias.** Using granular data, the S&OVC takes a precise snapshot of a firm's actual forecast accuracy and bias, as measured using common, standard metrics. The analyses and models capture the effect of specific demand, product and network characteristics and demand planning policies and practices on an organizations' ability to forecast demand.
- **Peer-comparative tool.** The S&OVC approach provides a robust set of descriptive and predictive tools that can be used to compare accuracy among consortium members – all while keeping actual product sales and forecasts confidential for each member company.
- **Precursor to supply chain optimization.** Participation in the S&OVC allows member companies to estimate dollar savings associated with lower inventory investments, lower obsolescence, and reduced expediting costs due to an improvement in forecast accuracy, forecasting models, and related demand planning business processes.

### Is It Right For You?

Can Chainalytics' Sales & Operations Variability Consortium help you reduce supply chain operating costs and working capital investment or improve service levels? In today's complex and demanding business environment, managing product demand and supply variability is a challenging but necessary task. You are an ideal candidate to join the S&OVC if you strive to:

- Reduce forecast error to a workable minimum,
- Change business practices to minimize variability in customer and supplier behavior,
- Improve the management of material supply, transportation and manufacturing variability, and
- Bridge the remaining gaps in the value chain with improved inventory planning.

Join the S&OVC today so your company can begin to understand and better predict how your supply chain will respond to the evolution – both planned and unplanned – of your business.

*Chainalytics is a professional services firm that enhances competitive advantage and shareholder value through optimized supply chain strategies. Using a fact-based decision making approach, Chainalytics accelerates and improves supply chain performance. Chainalytics offers both project-based and managed services using a unique combination of domain expertise, resilient methodologies, and exclusive research and content — all supported by the world's most advanced decision sciences tools and techniques. Chainalytics targets enterprises with a high degree of complexity created by their unique combination of scale, variability, and geography. With locations in North America and Asia, Chainalytics serves companies globally in a borderless fashion.*