

# Product Demand Influencing Factor Analysis

## for SAP Forecasting and Replenishment

*SAP Retail Data Scientists of the F&R Center of Excellence evaluate the characteristics of your product Demand Influencing Factors (DIFs) such as promotions and advertising campaigns. They check and evaluate the effectiveness and stability of the forecasting model. This provides you a solid basis in the decision process for customizing SAP F&R.*

### Initial Situation

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- You are in the implementation phase of SAP F&R and need support during definition of the forecasting model.
- You are already running SAP F&R and want to improve forecast accuracy and robustness.

### Description

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- Joint definition of optimization scenario and required data basis.
- SAP checks the main characteristics and the consistency of the data and discusses the results with your team to ensure a clear understanding of your data.
- SAP evaluates and documents the characteristics of your DIFs and the forecasting model.
- SAP identifies trouble spots and optimization potentials and develops recommendations.
- Presentation of the detailed result report to your team.

### Your Benefits

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- Get insight in the characteristics of your DIFs from a forecasting point-of-view.
- Get actionable information to optimize DIFs and forecasting model.

### Questions to answer with the Product DIF Analysis

- What advertising activities shall be transferred in a DIF?
- Do I have the right number of DIFs and are they defined correctly?
- Are there opportunities for improvement of forecast accuracy and robustness?
- Are there reasonable DIF grouping possibilities?

SAP will analyze **1 to 3 locations** with up to **20,000 products each** and a total of **20 different promotion types**. The analysis is very flexible and will be adapted to your individual business requirements.

### Data requirements of the Product DIF Analysis

- Consumption data for a minimum of 2 years on daily base
- Product number of items replenished via F&R
- Promotion information on location product level

Alternatively a complete SAP F&R environment is required.



## Delivered by the **SAP Retail Forecasting Center of Excellence**

- Team of experts **focused** on retail forecasting
- Global implementation and optimization experience since more than **15 years**
- Unique Retail Data Scientists and **optimization experts**
- Creation and delivery of **standardized services**
- Pilot implementation **best practices**
- Different **engagement models** with customers or partners available



# SAP Retail Forecasting CoE – Services Overview

Design

Optimize

Operate

- Standard classroom trainings (*F&R, CAR - UDF*)
- Proof of Value (*Business case or forecast calculation - F&R / UDF*)
- Implementation Starter Pack (*Store or DC*)
- Location DIF\* (*Modeling of the global DIF setting*)
- Product DIF\* Analysis (*Modelling of promotions*)
- Expert Consulting on Demand
- F&R / UDF parameter optimization (*check and improve business results*)
- Inventory Diagnostics for Retail  
(*Visibility of root causes for OOS and overstock situations*)
- What-If Analyzer for F&R (*Tool for experts*)
- **New** Automated reference item detection – Forecast for new items  
(*Add on for F&R – automated detection, assignment and frequent quality check*)

\* Demand Influencing Factor



# Are you interested?

Please contact us for more information

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