DEMANTRA DEMAND MANAGEMENT

Is your company trying to be more demand driven? Do you need to increase your forecast accuracy or quickly converge on a consensus forecast to drive your supply chain planning processes? Do you need to improve your management of product lifecycles, promotions, and other events? Oracle's Demantra Demand Management solution enables you to sense demand real time, improve forecast accuracy, and shape demand for profitability. The result is a demand-driven organization with higher service levels and sales, more satisfied customers, and lower inventory and distribution costs.

The Oracle® Demantra Demand Management solution helps you maximize profitability and enables you to better sense, shape and respond to demand with a single, precise forecast. A consensus plan built from this superior forecast aligns your organization across departments and users enabling you to be more demand-driven. Built-in analytics and adaptable business process automation capabilities enable a wide range of day-to-day decision making with real-time demand intelligence that ensures your plans are based on the most accurate, forward forecasts without the need of statistical knowledge. The result is a demand-driven organization with higher service levels and sales, more satisfied customers, and lower inventory and distribution costs.

Demantra Demand Management Features:

- Automated forecast analytics—uses mixed model approach to ensure out-of-box forecast accuracy
- Real-time forecast capabilities—allows planners to get instant answers even in the most data-intensive planning scenarios
- Multidimensional data modeling with flexible data hierarchies—enables up-to-date demand visibility for all departments and makes one-number planning feasible
- Chaining, attribute-based forecasting, and shape modeling—predicts new product demand and product phase-out while reducing the overall planning effort
- Dashboards, automated exception management, and workflow—quickly respond to changing market conditions
- Web-based, real-time internal and external collaboration, with role-based security—monitor and respond in real time
- Rapid implementation—faster time to benefit and greater return on investment

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Key Benefits:

- Sense demand real-time
- Improve forecast accuracy
- Shape demand for profitability
- Evolve to real-time sales and operations planning
- Incremental deployment – get benefits quickly without the loss of integration

Sense Demand Real-Time

Rapid response to changing market demand starts with getting demand signals at a very granular level close to the point of consumption, and automating the evaluation of those signals to raise alerts only for issues that need attention. Designed to enable demand-driven planning, Oracle® Demantra Demand Management enables you to sense demand from multiple data sources including shipment and order history, distribution center withdrawals, customer collaboration, point-of-sales, and marketing data. By maintaining data at the lowest level, Demand Management provides accurate demand visibility and generates more accurate forward-looking forecasts using the unique characteristics of the specific demand stream.

Collaborate with your key customers

Oracle® Demantra Demand Management enables easy and effective collaboration with your customers enabling you to improve your prediction of demand. Customers can be provided secure access to only their data for more efficient collaboration.

Comprehensive exception management and audit trail

Oracle® Demantra Demand Management also enables a high degree of automation of the evaluation of demand data with tools like alerts, flexible worksheets, color coding to highlight areas of interest, all enabling a management by exception driven process to enable you to efficiently and effectively monitor and respond to customer demand. Configurable business rules enable users to spot trends, identify forecast variances, and respond to other demand stream changes easily and efficiently. All adjustments are kept in a comprehensive audit trail as well as on-line notes to document assumptions and decisions made during the demand management process complete with digital signatures for accountability.

Integrated performance management

Oracle® Demantra Demand Management calculates a wide variety of key performance indicators (KPIs) that highlight the true effectiveness and efficiency of your planning process and its results. These KPIs include statistical measures of forecast accuracy such as mean absolute deviation (MAD), mean and absolute percentage error (MAPE), and weighted MAPE. Tracking signals and measures of forecast bias are also calculated and combined with extensive reports and

exception alerts to show you areas for improvement and to let you track the benefits of continuous improvement programs.

Easily tailor to your business process

Oracle® Demantra Demand Management is built on a flexible, multidimensional data architecture that gives users slice and dice analytic capabilities along any dimension and level of granularity. All departments can organize the data in hierarchies and units of measure so that each has their own view of up-to-date plans, while sharing the same granular base data. Oracle® Demantra Demand Management serves as the hub for automating all of your demand-driven business processes by providing personalized dashboards with tasks, alerts, and KPIs; configurable spreadsheet-like user-specific worksheets with tables and graphs; and fully configurable, role-based workflows to automate collaboration and the resolution and escalation of problems.

Improve Forecast Accuracy

The patented Bayesian analytical forecast engine offers the most accurate forecasts possible. Automated algorithms consider 15 industry-standard and proprietary forecasting models, each geared to different demand patterns. The forecast engine automatically combines different forecast models in the same time series. This produces a forecast that accommodates seasonality, promotions, trends, and other causal factors. Self-learning and self-adapting algorithms combine the different models to maximize predictive accuracy (rather than historic fit) and to respond to changing market conditions. Multiple, simultaneous causal factors are taken into account, as are external factors such as weather or macroeconomic factors. Special algorithms predict new product demand based on sales of products with similar attributes. Causal factors and other analytic parameters such as promotion lift are maintained at lowest level of data to ensure forecasts reflect local differences. Oracle® Demantra Demand Management hides statistical complexity from demand planners ("PhD in a box") and managers, yet can be extensively modeled by statisticians as required for your business.

Shape Demand for Profitability

Oracle® Demantra Demand Management enables you to move beyond sensing and reacting to demand to proactively shaping and managing your demand for profitability. One example of shaping demand is managing the timing of changes to your product mix for profitability. Another is proactively managing promotions and sales incentives to profitably shape demand.

New product introductions

Predicting the demand for new products presents unique challenges, and Oracle® Demantra Demand Management provides several tools to solve this challenge including chaining, shape modeling, and attribute based forecasting. Oracle® Demantra Demand Management enables you to model new products based on the lifecycle of existing products, or you can model new products or versions that supersede existing products.

Shape modeling and attribute-based forecasting enable an accurate new product history to be created and used as the basis for a new forecast. You can also represent how your new products phase-in and phase-out. For example, you may be launching a new product in a test market before introducing it to the rest of your markets. You can also manage the cannibalization of existing products by new products.

Events and promotions

Leveraging the Oracle® Demantra Advanced Forecasting and Demand Modeling option, you can define and manage events and promotions. This sophisticated promotion-modeling engine generates lift factors from historical data representing the effect of the events. Lifts are decomposed to identify both positive and negative (cannibalization) effects, so you can also model the impact on other related products. Events can be assigned along any dimension in your demand plan. Demand Management enables you to shape demand with marketing programs and promotions with greater predictability. Promotion forecasts consider local differences, seasonality, and other causal factors for that unique period in time.

Evolve to Real-Time Sales and Operations Planning

Oracle® Real-Time Sales and Operations Planning integrates with Oracle® Demantra Demand Management and enables an easy evolution to real time sales and operations planning. It provides seeded templates, measures, worksheets, and workflows to provide a representative best practice process as a starting point. It is however highly configurable and extensible to enable you to easily tailor it to your specific business process. It also enables a continuous real-time process of collaboration for simulating demand and supply strategies and driving to internal collaboration with a high degree of automation through workflow.

Quickly Add Functionality with a Fully Integrated Planning Solution

Oracle® Demantra Demand Management is part of the Oracle® Advanced Planning solution and provides synergy when used with other Oracle® Advanced Planning products. For example, Oracle® Demantra Demand Management provides both a consensus demand forecast and a measure of forecast error to Oracle® Inventory Optimization for calculation of inventory postponement strategies. It also seamlessly provides demand data to drive your supply planning in Oracle® Advanced Supply Chain Planning.

As part of the Oracle® Advanced Planning solution, Oracle® Demantra Demand Management shares a common infrastructure and data model, which means there is no redundant setup or modeling of your supply chain. Each additional module you deploy requires only the incremental setup required to use the unique capabilities of the product, enabling you to quickly add functionality at low cost.

Oracle® Advanced Planning seamlessly operates with the other Oracle E-Business Suite components, such as order fulfillment, manufacturing, procurement,

warehouse management, sales, marketing, enterprise planning and budgeting, and supply chain intelligence, to provide the best possible solution to manage your extended supply chains.