Dr. Tao Huang

Surrey Business School, University of Surrey  
Guildford, Surrey, GU2 7XH, UK

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Dear Professor Teunter,

We would like to thank you for the opportunity to resubmit a revised copy of this manuscript.

In this study, we propose more effective forecasting methods for retailer product sales at SKU level by taking into account the structural change problem.

The manuscript has been revised to address all the comments made by the reviewers. For example, we follow the reviewer’s suggestion and modify our models to capture the seasonal effect using trigonometric variables. We re-run the entire analysis and we find the results consistent. The modified models generate slightly more accurate forecasts compared to previous models which capture the seasonal effect using deterministic four-week dummy variables (we thank the reviewer for this helpful advice). We simplify the previous section 8 and we also revise the manuscript by reorganizing the paragraphs, clarifying ambiguities, and revising grammar/typing mistakes, etc. We carefully proofread the manuscript and in that respect have a professional proofreading editor help us with the task.

We would like to express our thanks to the reviewers for the helpful comments and suggestions for the revision and also for the positive feedback.

We believe have resulted in an improved revised manuscript, and we very much hope the revised manuscript is accepted for publication in Journal.

Thank you for your consideration of this manuscript.

Sincerely,

Dr. Tao Huang on behalf of the authors (Dr. Tao Huang, Professor Robert Fildes, and Dr. Didier Soopramanien).