## Business Problem

## Extensive inventory holding cost and implicit cost of lost sales at ABC In. due to excess inventory and occasional stock-out as a result of inaccurate demand forecast.

Description: current SKU-level inventory planning relies on managerial judgement of the commodity manager based on empirical rules, which leads to suboptimal and less justifiable replenishment decisions.

## Analytics Problem

Increase the accuracy of demand forecasts within the next 12 periods by at least 10%.