

# Historical Forecast v/s Actual

## Objective:

This grid provides the comparison of the last 6 months forecasted numbers for kit shipped or returned with respect to the actual number of kits shipped and returned. The Variance is calculated as a measure of accuracy of the forecasting model.

## Navigation:

Historical Forecast vs. Actual						
	Kits - Out	Kits - In				
Month	Sep-2020	Oct-2020	Nov-2020	Dec-2020	Jan-2021	Feb-2021
Forecast	647,601	698,320	608,945	720,362	750,932	661,063
Actuals	556,906	690,228	862,655	734,031	754,129	762,023
Variance	14%	1%	-41%	-1%	0%	-15%

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Callout 1: Toggle between Kits-Out & Kits-In  
The data will update in the grid as per the selection.

Callout 2: The data used for the visualization can be exported to excel with a single-click.

Callout 3: The grid displays the data for last 6 months.

Callout 4: Month Level Macro Forecast for Kits-Out/ Kits-In forecasted in the beginning of the month.

Callout 5: The actual number of Kits shipped or kits returned in that month.

Callout 6: Variance is calculated as:  $\frac{[Forecast - Actual]}{Forecast} * 100$  to check the accuracy of the forecast.

## Interpretation:

This grid provides the following information:

- Forecast:** The number of kits to be shipped and returned forecasted in the last 6 months.
  - The forecast is at macro level for the whole portfolio.
  - The Forecast shown is for the month same as the Run Month, i.e.,
    - The Forecast shown for Sep-2020 is the model output for the Run Month of Sep-2020. The forecast shown for Oct-2020 is the model output for the Run Month of Oct-2020.
      - The Run Month is the month in which model output is generated.
      - The Model generates the Forecast for Next 12 months as the output.
      - For example, in the Run Month of Sep-2020, the model will generate the output for the months from Sep-2020 to Sep-2021.
      - Similarly, for the Run Month of Oct-20, the model generates the output for the months from Oct-20 to Oct-21.
- Actual:** The number of kits actually shipped or returned in that month.
- Variance:** Variance is calculated as the measure of accuracy of the Forecasting model.
  - The variance is calculated as:

$$\frac{[Forecast - Actual]}{Forecast} * 100$$

- If Variance value is
  - **Negative:** Forecasted number is less than the Actual Numbers
  - **Positive:** Forecasted number is greater than the Actual Numbers.
- The model has high accuracy if the Variance is less (~-10% to 10%)
- More negative variance means the model is under forecasting. More positive variance means over forecasting.