M AI-Driven Forecasting in Procurement

Smarter Decisions. Lower Costs. Higher Accuracy.

Q What is AI Forecasting in Procurement?

AI forecasting uses algorithms and machine learning models to:

- Predict demand
- Optimize inventory
- Automate supplier selection
- Reduce stockouts and overstocking

See New Components

1. Data Integration

- Historical purchase orders
- Supplier performance data
- Seasonal trends
- External signals (weather, inflation, etc.)

2. Machine Learning Models

- Time-series forecasting (ARIMA, LSTM)
- Classification models for supplier risk
- Clustering for vendor segmentation

3. Real-Time Analytics

- Dashboards update forecasts hourly/daily
- Early alerts for procurement delays

AI Forecasting Workflow

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text
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[Data Sources] → [Preprocessing] → [Model Training] → [Forecast Generation]

→ [Actionable Insights]
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• Input: Sales, stock, supplier data

• Output: Automated purchase suggestions, replenishment triggers

Benefits to Procurement Teams

Benefit	ımpacı		

Enduce errors by 30–50%

☐ Lead Time Optimization Faster supplier engagement

Cost Efficiency 15–25% savings from better stock decisions

Risk Reduction Early detection of supplier failure risks

† Industry Application Example: Healthcare Procurement

- Predicts medicine stock needs during outbreaks
- Reduces expired drug waste
- Ensures critical stock availability

Future-Ready Features

- AI + IoT: Real-time data from smart shelves
- AI + Blockchain: Transparent and verified supplier data
- AI + Chatbots: Predictive voice-based procurement assistants

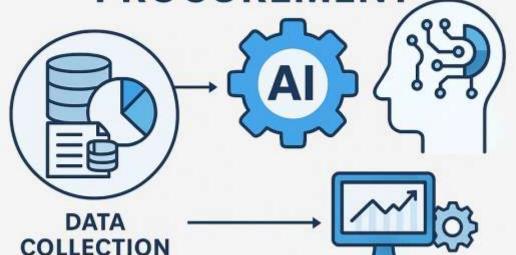
Conclusion

AI forecasting empowers procurement with:

- Data-driven decisions
- Streamlined supply chains
- Lower costs and higher service levels

Smart Procurement Starts with Smart Forecasting.

AI FORECASTING IN PROCUREMENT



Internal data (sales, inventory, production)

- Market trends and economic indicators
- · Supplier performance data

DEMAND FORECASTINIG

- Al algorithms analyze historical data and external factors
- · Identify patterns and trends
- Generate accurate demand forecasts
- Adapts to changing market conditions



PROCUREMENT PLANNING

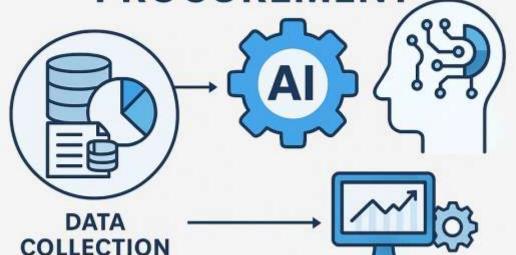
- Align purchasing plans with forecasted demand
- · Optimize inventory levels
- · Identify cost-saving opportunities



SUPPLIER SELECTION AND EVALUATION

- Assess suppliers based on forecasted demand
- Evaluate supplier reliability and capacity

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