

# Measuring logistics costs and performance



Estd. 1990

# Main Title Goes Here....

- The lead-time gap
- Improving the visibility of demand
- The supply chain fulcrum
- Forecast for capacity, execute against demand
- Demand management and planning
- Collaborative planning, forecasting and replenishment

# The lead-time gap

Figure 4.1 Forecast error and planning horizons

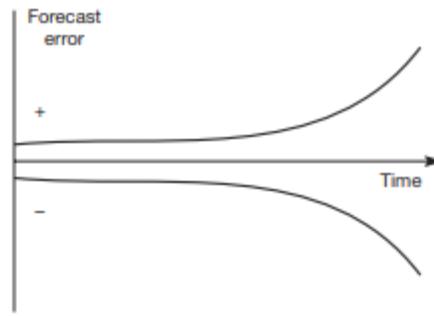
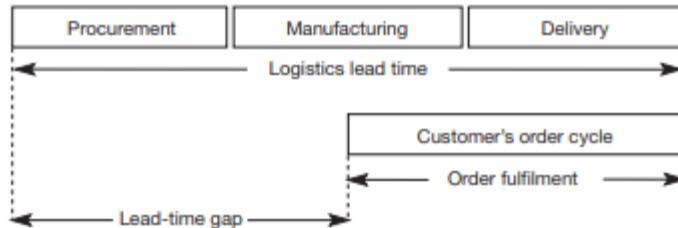


Figure 4.3 Closing the lead-time gap



Figure 4.2 The lead-time gap



# Improving the visibility of demand

In many cases companies have an inadequate ‘visibility’ of real demand. By ‘real’ demand we mean the demand in the final marketplace, not the ‘derived’ demand filtered upstream through intermediary organisations that may lie between the company and the final user. The challenge is to find a way to receive earlier warning of the customers’ requirements.

Figure 4.4 Demand penetration points and strategic inventory

