Machine Learning Is Changing Demand Forecasting.

Autores: Chase, Jr., Charles W.[1]

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Descriptores: *MACHINE learning
*DEMAND forecasting
*CONSUMER goods
*RETAIL industry
*MARKETING channels
*RATE of return

NAICS/Códigos del sector: 532299 All Other Consumer Goods Rental
453998 All Other Miscellaneous Store Retailers (except Tobacco Stores)
453999 All other miscellaneous store retailers (except beer and wine-making supplies stores)
452999 All other miscellaneous general merchandise stores

Resumen: Large retailers and consumer packaged goods (CPG) companies are using machine learning combined with predictive analytics to help them enhance consumer engagement, and create more accurate demand forecasts as they expand into new sales channels like the omnichannel. Now with cloud computing using supercomputers' neural network, algorithms, along with ARIMAX, dynamic regression, and unobserved components models (UCM), are becoming the catalyst for "machine learning-based forecasting." Compared to traditional demand forecasting methods, machine learning-based forecasting helps companies understand and forecast consumer demand that, in many cases, would otherwise be impossible. Companies that have implemented machine learning have found it easy to use, and its ability to learn from existing data takes relatively less time to implement, deliver benefits, and produce high ROI (return on investment). [ABSTRACT FROM AUTHOR]

Afiliaciones del autor: [1]Executive Industry Consultant and Trusted Advisor for the Global Retail/CPG Industry Practice at SAS Institute, Inc

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