Document.
Forecast.
Identify.

Technology Contributors

Rene Cardenas
Vice President, Head of
Marketing & Strategic Planning
iTradeNetwork

Martha Montoya
Founder & CEO
AgTools

Are Traasdahl
CEO and Founder
Crisp

pma

Members Helping Members™

Data Tools and Forecasting Counsel During Uncertain Times

PMA reached out to technology companies for advice as our industry grapples with the COVID-19 pandemic. Remember that messages are changing every day, so it is important to stay informed and alert.

→ Stay connected by emailing **PMA Member Services** to receive COVID-19 updates and by visiting **www.pma.com**

Thank you to our industry contributors who took time to offer their thoughts and advice relevant to data tools and forecasting for the benefit of all PMA members. We count on them for thoughtful, relevant advice even as they are also coping with these turbulent times.

Business leaders are looking to data, analytics and technology to help them predict and make decisions about planning for the fluctuations in consumer demand and changing supply chain mechanics.

The increase or decrease in demand for particular products during the crisis makes the estimation of realistic final-customer demand harder and more important. Leaders must question whether demand signals received from their immediate customers, both short and medium term, are realistic and reflect underlying uncertainties in the forecast.

Here are some suggestions from our members to prepare for digitization of supply chain and forecasting of demand:

Rene Cardenas

Vice President, Head of Marketing & Strategic Planning, iTradeNetwork

Assessing supply chain management tools means considering short-term, intermediate-term, and long-term needs. As the dust settles and we again see normal demand patterns emerge, there will be a need to address the abnormal demand patterns in the historical data.

During this process, digitizing supply-chain management improves the speed, accuracy, and flexibility of supply-risk management. Selecting and using data analytics tools should happen incrementally. Start with small projects and build momentum. This keeps things manageable, plus you'll learn important lessons about your data, like its cleanliness, that will help set realistic expectations and ensure buy-in from the organization going forward.

To turn data into insights, isolate key questions that make a measurable difference and avoid getting distracted by the abundance non-solutions being marked. Develop a clear, concise set of questions that the data needs to provide answers to. This will allow you to continuously improve the supply chain processes, and also helps pick the right analytics toolkit.

Are Traasdahl

CEO and Founder, Crisp

Document the disruption as it is happening, because sales history is the foundational input of sales forecasting algorithms. Outlier events, such as COVID-19, natural disasters, extreme weather, short-term international trade restrictions have the potential to distort demand trends if they aren't recognized and weighted appropriately in forward-looking projections. Formally documenting extraordinary events allows organizations to:

- Explain unusual variances to history and/or forecast
- Create evergreen institutional knowledge (vs. relying on individuals, scattered notes, and memory)
- Build a "disruption database" that can be used to make fact-based overrides to algorithm-generated statistical forecasts when a similar disruption is predicted or occurs in the future.

In times of significant demand and supply disruption, as we are experiencing today, companies with an established demand forecasting technology platform and S&OP process can more readily take informed action to navigate even the most unexpected and extreme demand/supply challenges.

pma

Members Helping
Members™

Best practice demand forecasting isn't just about technology platforms and algorithms. It's about processes built on a culture of teamwork, transparency and trust that helps the organization efficiently and effectively navigate significant disruptions as well as 'normal' (or 'new normal') times.

Martha Montoya
Founder & CEO, AgTools

Forecasting will become essential from farm to distribution with lots of elements of adaptability and variables as part of the plan of any company/farm of any size.

No longer can we assume straight line supply chains, in fact they were never straight. Rebuilding supply chains with new elements, vision and technology will be crucial to ensure resilience for next global event.

Financial systems must also adapt to new supply chain business models to ensure rebuilding, growth and sustainability.

Together, we can detect abnormalities faster, identify immediate shifts in demand patterns, and make decisions in real time. There's no time for hesitation or mulling over options.