

# CATEGORY DEMAND FORECASTER™

Merchandise actions of a single item can often have an impact—positive or negative—on the sales or margins of the total category. While much of today's focus is on the planning, forecasting, analysis and optimization of single item demand (or classes of merchandise), the real story can only be told when we understand the impact of merchandising actions on the demand of the entire category.

Challenge: What is the effect on forecasted demand when Dannon is placed on promotion and/or its price is changed? How will Yoplait and the Private Label be affected? What is the total impact on the category?

**Churchill's Category Demand Forecaster™** (CDF) software addresses the effects of new product introductions, pricing and promotions on a category's related items. CDF is a fully integrated solution within Churchill's Demand Forecast Manager v4.0.

Implementation of Category Demand Forecaster can occur in three phases to speed implementation:

- Static Analytics
- Category Impact
- Cross Elasticity Impact

Each level of implementation brings about an increase in the accuracy of determining the effects of pricing, promotions and new items on the entire category.

## ABC RETAILER

CATEGORY	YOGURT
PROMOTED ITEM	DANNON®
SUBSTITUTE ITEM	YOPLAIT®
SUBSTITUTE ITEM	PRIVATE LABEL

**Contact Churchill to learn more.**



# CATEGORY DEMAND FORECASTER™

## Features

- Multi-item demand elasticity using algorithms and neural networks
- Three levels of deliverables for multi-item demand forecasting
- Extensive reporting
- Extreme scalability
- Broad integration capabilities
- On-site enterprise software licensing

## Benefits

- Understand the impact of pricing/promotion actions on related items and entire categories
- Ability to recommend effective items for promotion
- Enables store-specific forecasting for large retailers
- Integrates with customer's existing planning software
- Supports demand elasticity analytics
- Customer-controlled on-site forecasting applications

## ***We provide demand intelligence software to enhance today's retail planning systems.***

Retailers—worldwide—rely on Churchill Systems to provide large scale demand forecasting, analytics and optimization solutions that work.

For good reason. Our company was an early pioneer and proven performer, partnering with IBM in 1990 to introduce neural network and optimization technologies that became the cornerstone of Churchill.

Our management team includes veteran retailing executives and information technology professionals that understand the world that you work in—and can provide and implement the answers that you need to:

- Determine actual customer demand before you buy.
- Optimize prices for competitive marketplaces.
- Forecast sales at store-level early enough to take action.
- Analyze promotional campaigns before implementation.
- Increase sell-through and reduce clearance markdowns.

Capable of processing millions of pieces of information every hour, Churchill's powerful software works seamlessly with most retail systems, delivering the answers that you need—when you need them.

During the past 15 years, Churchill created, implemented and continuously improved many new software packages used by leading retailers, including Wal-Mart, Sears, Talbots, Valero and Avon.

***Churchill's powerful proprietary software enables retailers at every level of the planning process to confidently forecast, analyze and optimize.***

