

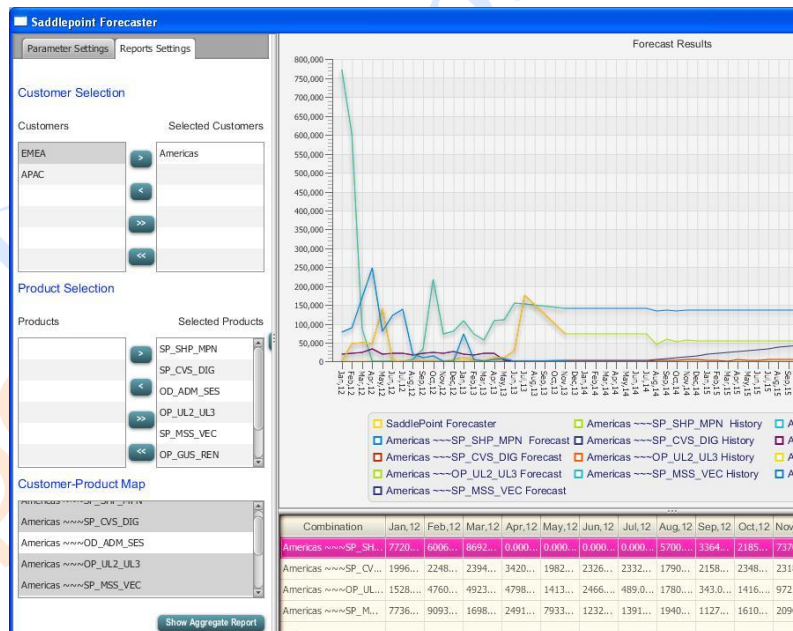
Forecasting solution for an integrated logistics company

Business Case

An upcoming logistics company owned a fleet of vehicles. It also hired vehicles on short term lease depending on the demand. Since it could not predict the demand mid-term demand accurately, it used to land up with excess fleet inventory, missed opportunity or simply having excess fleet at the wrong places. It wanted to use its historical shipping data to predict the future probable demand and manage its fleet better.

Solution

Our forecasting algorithm block included algorithms to detect seasonality, trend and cyclicity in the historical data and to forecast based on that. Causal modeling was also included to factor in external influences like number of active companies, new vehicle registrations etc. and both the forecasts were combined in the best possible way to generate the final forecast. Special



algorithms were also written for handling missing data and negative values. Croston method for intermittent and sporadic demand was also part of the algorithm block.