



Anticipate Future Inventory Needs with Demand Forecaster

SITUATION

Sales forecasting is a challenging process. Many e-commerce sellers don't have a data science team on staff to forecast inventory, and a basic forecast calculation based on previous sales periods may not be reliable enough to predict future needs.

Due to the nature of its business, AvidMax cannot afford for an item to be out of stock leading up to regional fly fishing seasons. "As fly fishing anglers are preparing for a season, they need to gear up," said Brady Laehr, director of purchasing at AvidMax. "If we don't have the items they're looking for, they'll go to a competitor. It's not a matter of waiting until the item comes back in stock — they need it now. Forecasting demand is very important to the success of our business. Making sure we have enough product on hand is critical," continued Laehr.

AvidMax is not alone. Many businesses could lose out on sales if they don't have enough inventory on hand. Sellers have to predict inventory well ahead of time to capitalise on seasonal buying trends and upcoming consumer demand.

"We were using another product to anticipate demand, but it had some limitations against our business structure — namely it didn't account for out of stock loss of sales. Overall, we ran into a lot of issues and wished we had more insight," said Laehr.



Location: Centennial, CO

URL: www.avidmax.com

Industry: Sports and Outdoors

COMPANY OVERVIEW

With a mission to provide fly fishing enthusiasts with the gear they need, AvidMax offers an outstanding selection of products paired with the guidance and service fly fishing fanatics demand. Located just a "cast's length away" from some famous fly fishing rivers, the company's headquarters in Centennial Colorado is home to both a brick-and-mortar store and the company's e-commerce business.

SOLUTION

ChannelAdvisor's Demand Forecaster was built to provide critical insights into product-level demand by supplying a target forecast of future sales. The Forecaster applies machine learning to provide predictions, informing future purchasing decisions for seasonal inventory needs by providing detailed targeted forecasts for what to expect over the coming days, weeks, and months.

Using Demand Forecaster, sellers have the ability to make tactical inventory decisions to help increase sales.

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—Brady Laehr, Director of Purchasing, AvidMax

RESULTS

"When we were first presented with the idea of the Demand Forecaster, our CEO said it was 'exactly what I want' to help with future inventory planning needs," said Laehr. "I have utilised the reporting and seen some great insights into the variables that surround online and third-party selling."

"With ChannelAdvisor's Demand Forecaster we could evaluate future demand while logged into the ChannelAdvisor platform," continued Laehr. "We also didn't incur any additional charges for the predictions from the Forecaster, so it was a win-win."