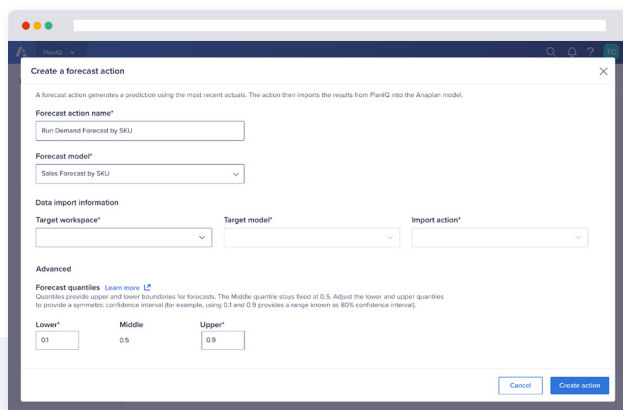# Anaplan

Anaplan PlanIQ™ with Amazon Forecast

Drive accurate decisions with seamlessly integrated intelligent forecasting

Executive summary

Business leaders face an ever-growing set of challenges spanning from the need to rapidly grow business, accurately predict future demand, and anticipate unforeseen market circumstances. With increasing volumes of data across the organization, it can be difficult for decision-makers to zero-in on the necessary data and extrapolate the proper insights to make a positive impact on planning cycles and outcomes. To further exacerbate the problem, many analytics tools leverage primarily high-level historical data, forcing decision-makers to re-forecast from scratch as soon as unforeseeable market shifts hit.

With Anaplan PlanIQ™ with Amazon Forecast, teams across finance, supply chain, sales, and human resources can make highly-accurate decisions with intelligent forecasting. This joint solution combines Anaplan's powerful Connected Planning platform with Amazon's machine learning (ML) capabilities and deep learning algorithms to generate accurate future forecasts, fast.

Anaplan PlanIQ with Amazon Forecast overview

The PlanIQ with Amazon Forecast solution brings together best-of-breed capabilities so teams can make more informed predictions while expending fewer resources. In 70% of predictions, ML or statistical-based forecasts are proven to deliver either the same or greater accuracy than an expert.[1]

PlanIQ with Amazon Forecast can ingest up to three types of data to deliver a predictor. While only one type of data is required to forecast, adding two other sets can help the forecast learn and output more tailored forecasts to a specific scenario. ML capabilities work to automatically learn and train forecast models to increase accuracy. This also allows users to create new forecasts with recent data, eliminating the need to retrain new models at each time.

Key decision-makers can rely on Anaplan platform capabilities within PlanIQ to get a deeper understanding of future drivers, predictions, and understand the impact of "what-if" scenarios. PlanIQ enables planners to model multiple scenarios to shape future demand across a variety of industries and use cases, helps speed analysis, optimize plans, and eliminates siloed decision-making—all while making intelligent forecasting accessible to business users.

> In **70%** of predictions, ML or statistical forecasts deliver the same or greater accuracy than an expert.[2]

Speed intelligent, accurate decisions

PlanIQ with Amazon Forecast delivers three key benefits that help teams achieve intelligent decision-making. Teams can improve accuracy of their predictions, make forecasting more accessible, and automatically track new insights as business grows.

Accurate

PlanIQ with Amazon Forecast has the power to improve forecast accuracy. Backed by ML capabilities via the industry-leading Amazon Forecast engine, decision-makers can evaluate multiple scenarios, predict, and drive future outcomes based on greater volumes of historical, internal, and external data.

In addition, teams can create forecasts fast, regardless of data set size and complexity. In fact, they can seamlessly increase data volume to make predictions more accurate and continuously improve forecasts. The more data teams have, the better the outcomes with PlanIQ.

Accessible

Decision-makers can easily access intelligent insights via PlanIQ with Amazon Forecast. Since this solution doesn't require any expertise from data scientists to configure, deploy, and operate, it helps democratize intelligent forecasting, empowering more users to unlock new insights. Now, decision-makers can visualize and examine results in Anaplan from every angle to fully understand the key drivers behind their choices.

Teams can also easily convert customer data into a forecast engine-friendly format, completely avoiding tedious manual data preparation processes and saving time. A simplified process for integrating first and third-party data into forecasts means that teams can spend less time processing data, and more time analyzing and making more informed decisions.

Scalable

Easily scale intelligent forecasting with PlanIQ across new use cases and data sets across your entire business as it grows.

Since PlanIQ is housed directly in Anaplan, you can set up and run forecasts all in one place. This eliminates the need for additional, tedious data integration processes to prepare for a forecast, freeing time for teams to dedicate to new value-add activities. Plus, business users can easily add additional data to PlanIQ from Anaplan to expand and start forecasting for new use cases.

The continuous learning native to intelligent forecasts means that forecasts evolve and adjust over time, allowing users to scale solutions forward by years, as well as horizontally across the business.
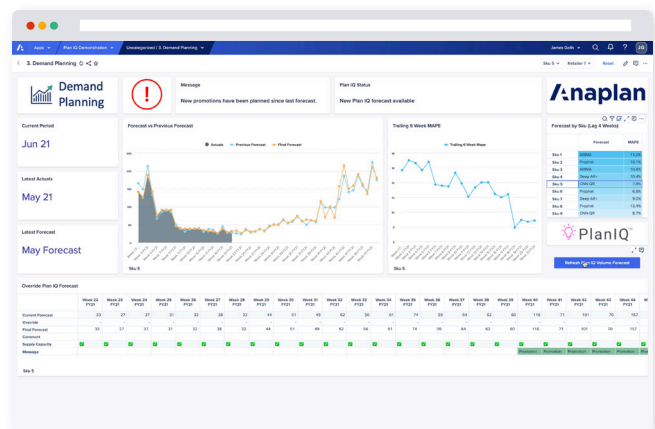
Key PlanIQ features

- Easily select Anaplan data for model training
- Train forecast models automatically or manually
- Attain highly-accurate metrics in an accessible format
- Gain transparency into automated configurations
- Validate model training data automatically
- Schedule operations to match your forecasting cycle
- Support ad-hoc predictions
- Compare forecasts with actuals automatically

Derive greater insights across a variety of use cases

PlanIQ with Amazon Forecast works across a range of industries and can help teams realize a breadth of new use cases. Teams across finance, human resources, sales, and supply chain can harness the power of intelligent forecasts.

Demand management/sales forecasting

Rapidly changing market dynamics make it difficult to accurately predict the demand for a specific product and pinpoint a customer's propensity to purchase. For example, inaccurate predictions based on assumptions or inaccurate data sets about the amount of a product needed per store results in excess inventory and reduced margins.

PlanIQ enables users to connect large volumes of historic data with internal data to accurately forecast demand so users can align on plans and optimize their inventories. Fully integrated with the Anaplan platform, PlanIQ empowers business users to easily improve the accuracy of their demand and sales forecasts and quickly achieve a consensus demand plan with collaborative planning.

Workforce planning

The sheer volume of variables required for manual workforce planning makes it difficult to predict. For example, forecasting the number of skilled dialysis staff needed at a clinic during the holiday season can be a time-consuming process that yields inaccurate results.

PlanIQ with Amazon Forecast transforms workforce planning from a time-consuming manual exercise to one that is flexible and quick. Organizations can leverage a transparent, automated process to accurately predict future staffing needs, reducing operating costs.

Commercial revenue planning

Understanding the amount of product a particular account or location will require can be a challenge without the right data and promotions in place. Pinpointing the gaps between sales targets and go-to-market plans to optimize spend is often a tedious manual process.

PlanIQ helps users forecast account-SKU level demand, so they can uncover the features and factors that are critical to their success. Understanding these drivers allows teams to build more effective strategies and marketing programs to improve return on investment (ROI).

Profit center revenue and OpEx forecasting

Financial planning can be a lengthy process that produces variable results. It is difficult to deliver accurate manual forecasts for revenue by profit center or generate timely OpEx predictions due to the quantity of drivers that can impact results.

Business users can leverage PlanIQ to easily input a wide set of data to accurately forecast revenue by profit center. In addition, users can quickly generate OpEx forecasts and analyze new scenarios, variances, and opportunities so board members can speed decisions.

Use cases across functions

Finance
- Profit center revenue forecasting
- OpEx forecasting

Sales
- Sales forecasting
- Commercial revenue planning

Supply Chain
- Demand planning

Human Resources
- Workforce planning

Boosting forecast accuracy in real-world scenarios

Pharmaceutical company improves forecast accuracy, freeing time for analysis

Use case: Demand planning/sales forecasting

Traditional demand forecasting for prescription pharmaceuticals is a driver-based process, which makes it difficult to accurately predict the number of people who might need a certain drug. Inaccurate forecasts can lead to demand shortages or missed opportunities to optimize spend. Yet, this pharmaceutical company's long-range forecasting was time consuming and tedious. Long-range forecasts were generated every six months, taking up to three months to build and run—any errors or changes might require up to eight extra weeks to prepare and delay execution.

With PlanIQ, the company was able to forecast over a 12-month horizon for a small subset of SKU-treatment phase combinations, incorporating nearly 10 years of historical data. The entire configuration process, from set up to running a forecast to visualizing the results generated by PlanIQ, took less than five days. The simple user interface required minimal configurations, allowing the company to generate highly accurate forecasts much faster than their previous solution.

PlanIQ yielded better predictions than the company's existing manual process for about 75% of the SKU-treatment phase combinations by 2-16%, than the driver-based forecast solution. These results demonstrated millions of dollars in under or overestimated forecasts for the brands that were forecasted.

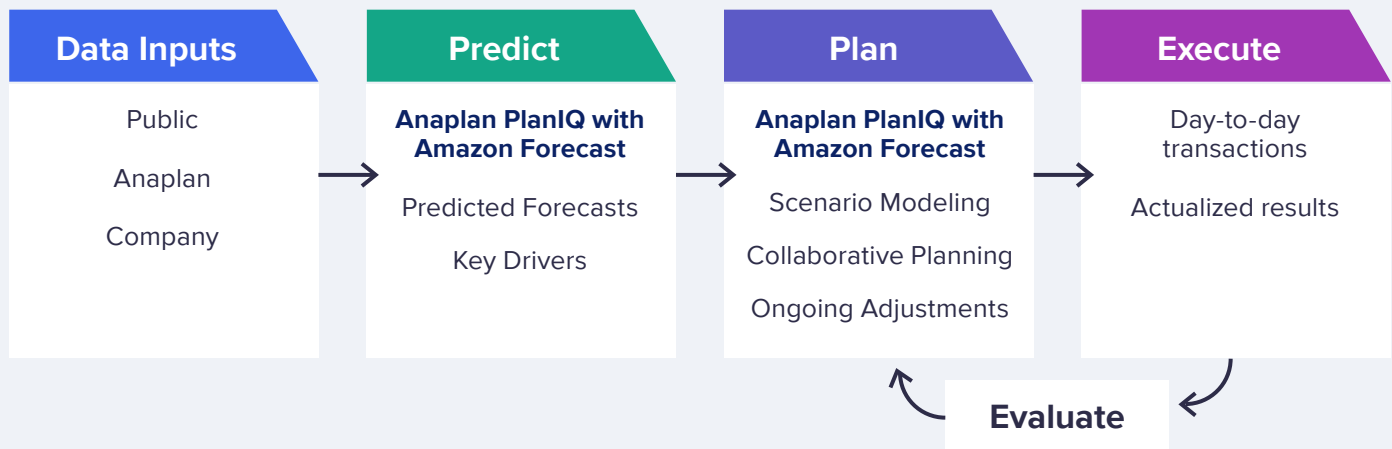## Health services provider improves service with more accurate forecasts

Use case: Workforce planning

A health services provider wanted to improve the accuracy of their staffing forecasts for emergency and non-emergency response workforce to better serve the community's needs. However, their time-consuming, legacy forecasting process was spreadsheet-based, resulting in discrepancies and errors due to manual processes. They wanted to find a way to improve trust in the long-term strategic plan by leveraging advanced algorithms across a five-year horizon.

PlanIQ forecasts for their emergency and non-emergency workforce staffing is based on daily call center data to improve response times and make dispatches more efficient. By incorporating four years of historical data at a daily level, the health services provider can now generate more detailed weekly forecasts. They also increased the forecast accuracy in their six-week rolling forecasts, revealing potential cost savings.

Further, direct integration with Anaplan simplifies the process of running forecasts and visualizing the results. The team found that PlanIQ implementation was also easier to get up and running and access than their existing forecasting solution.

Data Inputs	Predict	Plan	Execute
Public	**Anaplan PlanIQ with Amazon Forecast**	**Anaplan PlanIQ with Amazon Forecast**	Day-to-day transactions
Anaplan	Predicted Forecasts	Scenario Modeling	Actualized results
Company	Key Drivers	Collaborative Planning	
		Ongoing Adjustments	

Evaluate

Conclusion

The mounting pressures decision-makers face to expand business in the midst of volatile markets is not expected to ease anytime soon. The only choice is to adapt to a new reality of unforeseen changes, which can be easier said than done. However, the peace of mind that a powerful intelligent forecasting solution two industry leaders can help decision-makers gain a competitive edge.

PlanIQ with Amazon Forecast empowers teams to more nimbly anticipate change and make more informed plans. Embedded intelligent forecasts from Plan IQ with Amazon Forecast provides the continuously accurate predictions and automated analysis to a larger set of business users—delivering everything key leaders need to not only keep pace, but stay ahead.

[1] Marc Rodt and Gerhard Unger, *"The Power of Algorithmic Forecasting,"* BCG, December 5, 2019.
[2] Ibid.

About Anaplan

Anaplan, Inc. (NYSE: PLAN) is a cloud-native enterprise SaaS company helping global enterprises orchestrate business performance. Leaders across industries rely on our platform—powered by our proprietary Hyperblock® technology—to connect teams, systems, and insights from across their organizations to continuously adapt to change, transform how they operate, and reinvent value creation. Based in San Francisco, Anaplan has over 20 offices globally, 175 partners and approximately 1,600 customers worldwide.

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