Understanding how a manufacturing major stays competitive using Cloud Analytics Solutions to forecast international shipping requirements

Business Challenges and Objectives

- The existing Container Forecasting was done separately by different business units based on historical shipping information and sales growth.
- The forecasts were erroneous, resulting in either under or over-forecasts.
- Many containers moved with more than 10% empty space resulting in an increased expenditure for the client.
- No actionable insights on materials that could be shipped together, and no insights based on the material dimensions.
- All of it together eroded the competitiveness in trade while spending more than $300 Mn on shipping

Client

- Our client is an American manufacturer, marketer, and distributor of consumer and commercial products with an extensive portfolio of brands. They employ over 30,000 people across the globe with a distribution network that caters to the world.

Industry

- Manufacturing

Function

- Supply Chain & Logistics

Technology

- Cloud Analytics

The Solution

- The TekLink Team optimized the solution for accommodating multiple layers of calculations for different container combinations based on height, weight, volume, quantity, and location.
- The container forecasts are based on business-specific roles and container specifications.
- The Team created a reporting solution that allows forecasting containers' exact number, size, and location to minimize freight expense and adjust for inflation exposure.
- The solution can dynamically calculate the forecasts for different combinations.
- The forecasts are now tied to the known POs to get containers, requisitions, and space on the decks for better accuracy.

Outcomes and Benefits

- The dynamic calculation of containers allowed for the more accessible allocation of resources.
- By ensuring that the largest container is filled first and sequentially filling the rest of the containers provides optimum utilization of resources.
- The forecasting for the following six months is tied to the actual and projected PO.
- Additionally, capturing weekly snapshots helps the clients analyze the container forecasts regularly, enabling better decision-making.