

# Data Profits Empowers a Demand-driven Strategy for Retailers Gearing up for Holiday Shopping



ATLANTA, October 13, 2015 – For retailers, planning for the 2015 holiday shopping season – the season that can make or break the sales year—has been in process for months. In the case of shelf-stable stock, large purchase orders are already sitting on retail shelves. Leveraging technology to deliver actionable insights and forecasts, [Data Profits](#) provides retailers with the tools to ensure a profitable, nearly worry-free holiday season. Retailers can now take advantage of their free download "[Data Profits' 5 Step Checklist for Retailers to Gear Up for Holiday Shopping Season.](#)"

"Demand forecasting is about giving consumers what they want," explains Stuart Dunkin, founder of Data Profits. "Retailers must obey the three Rs – right product, right place, right time – because today, consumers have so many limitless options."

Anticipating demand and optimizing inventory are critical during the run-up to October, when e-commerce shopping really takes off. In-store shopping follows close on its heels. Poorly managed inventory has one of two outcomes – lost sales because of depletion or inventory holding costs when too much stock has been ordered. These year-round challenges are amplified during the holidays.

## Holiday Forecasting Pivots on Seasonality

Parsing out the difference between seasonality, market trends and external events is challenging. In the context of holiday shopping, seasonality is clearly in full effect, but retailers cannot fall into the trap of using prior year data alone to construct a forecast for the upcoming year. Data Profits can help retailers develop precise, accurate seasonal indices that will optimize inventories and maximize ROI.

The factors one must consider in a useful seasonal index are myriad. For instance, calendar days on which certain holidays like Thanksgiving or Hanukkah fall can influence shopping patterns significantly. Data Profits' algorithmic approach to seasonality incorporates all of these relevant variables needed to generate demand, not sales forecasts.

## Demand Forecasting Trumps Sales Forecasting Every Time

Among the biggest obstacles to a profitable holiday, shopping season is misguided forecasting. This happens when retailers rely solely on sales forecasting, which amounts to predicting future behavior based on past behavior. Problems ensue when the data obscures confounding variables like foul weather, promotional sales and local or world events. New products are the most telling example of sales forecasting's failings: how does a retailer lean on past data when there isn't any?

"Manual" demand forecasting, however, is notoriously difficult. Lacking the right data and tools, demand forecasting can feel like alchemy. Data Profits demystifies the process and takes the manual number crunching out of the equation; the iKIS platform tunnels into sales

data to account for all relevant factors in demand forecasting, making for 93% accuracy out of the box – all without needlessly taxing IT resources.

## **Some Holiday Shopping Trends Worth Noting**

According to the digital marketing analysts at [DigiDay](#), online sales will continue on their upward trajectory, yet still fall well behind in-store purchases. The "mobile showroom" effect makes for good copy, but it is largely exaggerated. Increasingly, mid-market retailers are omni-channel, so if an item isn't physically available, shoppers can quickly bounce to the retailer's e-commerce storefront.

Another intriguing trend is that the holiday shopping season has been starting earlier and ending later, all while growing in absolute dollars. A longer season puts even more pressure on retailers and their supply chain ducks in a row.

Data Profits' solution to supply chain management has been helping mid-market retailers align their data and people with their business goals since 2007. iKIS 5.2 is the most recent iteration of the company's flagship SaaS.

## **About [Data Profits](http://www.data-profits.com) ([www.data-profits.com](http://www.data-profits.com))**

[Data Profits](#) provides mid-market retailers, distributors and grocers with meaningful insights into inventory management, helping them identify opportunities to improve their demand forecasting and increase profits. After spending more than two decades working with top-tier retailers and software suppliers, Stuart Dunkin founded Data Profits in 2007 with the goal of facilitating the relationship between demand forecasting data, business goals and people. Developed from the ground up as a flexible SaaS solution, iKIS™ by Data Profits delivers a set of critical abilities including [demand forecasting](#), inventory replenishment, collaboration with deep demand forecasting visibility, and proactive management alerts. Using iKIS™, teams can work within one business network to see immediate results on demand forecasting activities. Data Profits' real-world experiences demonstrate solid thought leadership with a 30 day install that returns significant ROI for customers in 90 days, driving actions to "Tighten the Links in Your Chain™."

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