toolsgroup®

+ Give New Life to SAP APO With ToolsGroup

ToolsGroup Supply Chain Planning Automation complements SAP APO to reduce demand uncertainty and profitably balance service and cost

Today's supply chains are challenged with product line proliferation, shorter product life cycles, increased complexity, massive amounts of data and ever more demanding and unpredictable customers—and the trends are only accelerating. To compete in this complex, fast-paced world, you need to be ready for whatever tomorrow will bring.

SAP APO (Advanced Planning and Optimization) is what Gartner calls a System of Record (SOR), a foundational planning layer that acts as the planning repository for an enterprise supply chain. It was not designed to handle today's demand volatility, service expectations and dizzying pace of new trends proliferated online. As a result, a growing number of SAP APO customers are unable to unravel complex demand data and efficiently balance inventory to guarantee service. Over time your business can become crippled by excessive working capital tied up in the wrong inventory, lost sales and reduced profitability.

ToolsGroup Service Optimizer 99+ (SO99+) complements SAP APO by layering on advanced analytics and automation to guarantee service to demanding customers in today's complex supply chains. Our machine learning-augmented demand modeling and inventory optimization interpret complex demand data and dynamically optimize inventory mix across the supply chain so you can deliver exceptional service at the lowest cost.

// ToolsGroup transforms APO installations into highly automated supply chains

Decode demand uncertainty: Our probability forecasting and machine learning engines crunch multiple demand variables to automatically generate a reliable demand forecast. This self-tuning approach allows you to predict demand behavior much more accurately than considering demand history alone. By extracting the demand signal from the noise, you reduce demand volatility and risk.

> "One of the biggest issues for SCP is uncertainty — especially unknown uncertainty. The application of machine learning helps to convert this unknown uncertainty to known variability." – Gartner[1]

Speed your reaction time with demand sensing: Further refine your probability forecast by applying machine learning-driven demand sensing. In addition to requiring continuous tuning, traditional forecasting typically forces you to work with larger time buckets and for a longer time with more uncertainty. With ToolsGroup demand sensing your forecast reacts to short-term trends immediately. You can get started with short-term forecasting: using sell-in data. When you're ready, incorporate sell-out data such as customer, PoS, channel data or other external variables correlated with the demand. This self-learning automated model identifies demand trends, provides advanced warning of problems and removes the latency between the plan and what's really happening in the supply chain.

Achieve a smarter stock mix: Using your reliable demand forecast ToolsGroup's proprietary inventory model now shows you how to plan and guarantee service levels to customers. With probability forecasting you can better understand specific demand patterns for both fast and slow-moving items to achieve aggressive service level targets with minimal inventory. Our self-adaptive demand and inventory models automatically define the optimal mix of inventory across the multi-echelon supply chain to meet planned service levels.

> "Despite its power and level of sophistication, ToolsGroup MEIO is highly automated for an extremely low cost of ownership."[2]

It's easy to plug ToolsGroup into SAP APO

Don't replace your process—augment it with planning automation. Our self-adapting models layer perfectly atop SAP APO to enable simplified integration and rapid ROI.

(1) Gartner — Mastering Uncertainty: The Rise of Resilient Supply Chain Planning. Published: 15 November 2019 ID: IDC
(2) 2019 IDC MarketScape for Worldwide Supply Chain Inventory Optimization

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