



# OPTIMIZING WORKING CAPITAL THROUGH ACCURATE FORECAST

Leading Retail Corporation  
Prevedere & Anaplan Case Study





# Leveraging more accurate forecast to inform major decisions

For this retailer, growth is a key driver of success. But, how can you grow if you are holding back working capital due to inaccurate expense forecasting?

Inaccurate forecasts tie up millions of dollars each year that could be used to open new stores and increase revenue and profit.

# THE PROBLEM

Historical forecasting of significant expense items such as utilities was overestimating each year. As a multibillion-dollar company with thousands of stores, this adds up quickly. This conservative culture under forecast sales by major category, as well.

**Without a data-driven and fact-based forecast available, finance was using this inaccurate forecast to plan major working capital decisions.**



# THE CHALLENGE

## Creating a more holistic forecast

1. Identify external leading drivers to major expense items and category sales.
2. Work with economist to validate the potential impact of these leading drivers.
3. Create forecast models to incorporate into the planning process and inform the business.
4. Integrate the forecast into the financial planning tool for ease of use.
5. Monitor and track accuracy to ensure the optimization of working capital could be realized.





# THE STRATEGY

**Partner with Prevedere to build forecast and leverage OneCloud to connect Prevedere and Anaplan**

1. Prevedere's global data and AI/ML solution identified leading indicators in days.
2. The company provided access in Anaplan to their financial model to OneCloud for data integration.
3. Prevedere built and tested forecast and econometric scenarios on major expense items and category forecast.
4. OneCloud connector leverages Prevedere API to access econometric forecast on-demand from within Anaplan.

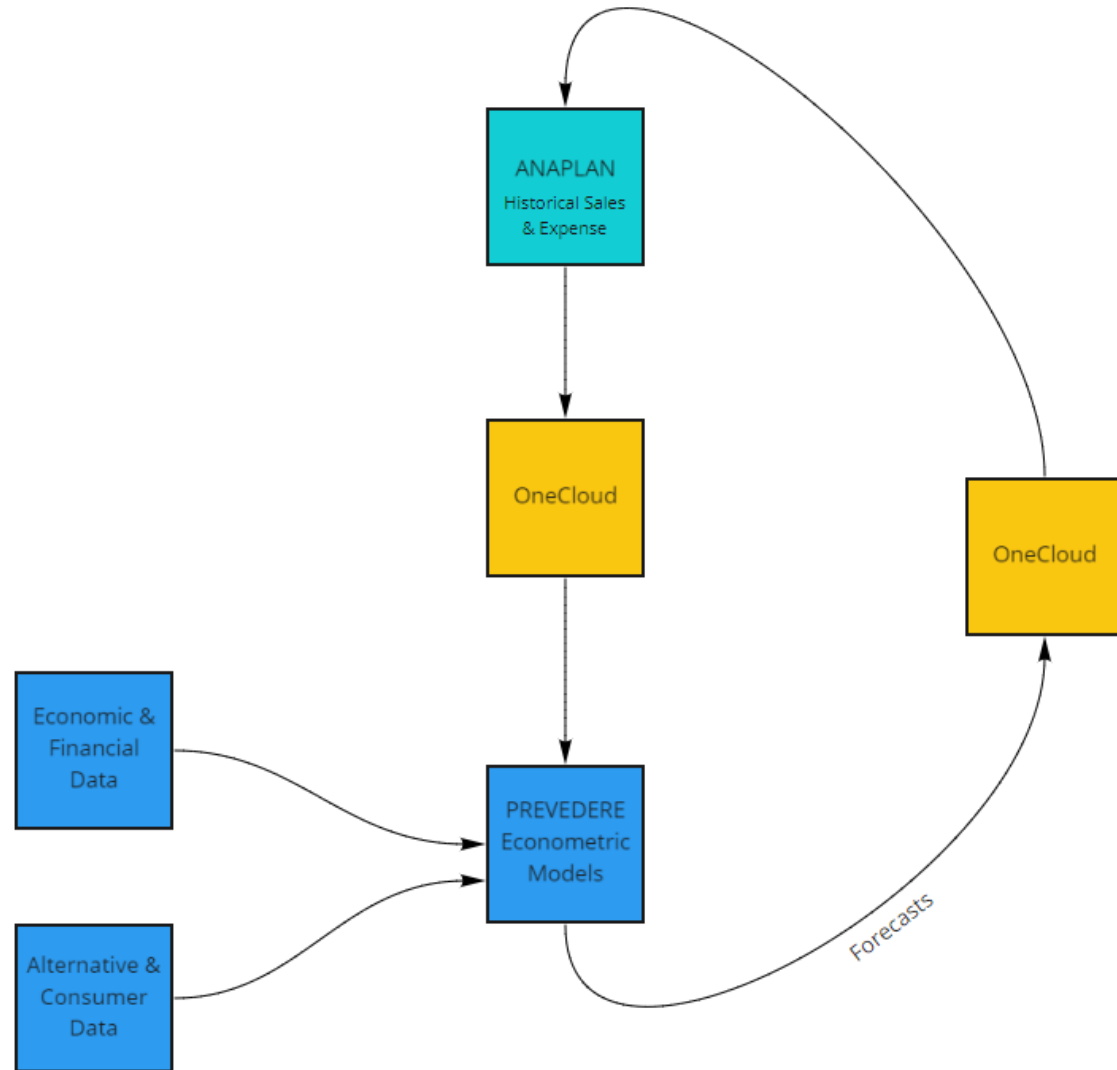


# THE TECHNOLOGY

**Prevedere:** AI-Powered Econometric Engine with billions of calculations, millions of potential signals, and thousands of models built and tested

**OneCloud.io:** Intuitive and code-free, OneCloud easily connects Prevedere to Anaplan

**Anaplan:** Cloud-native financial planning platform used by finance for all financial planning and forecasting

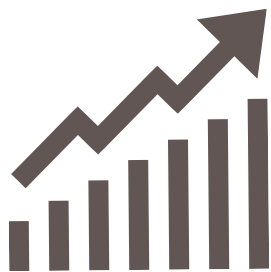


# THE RESULT



Forecast models were created for the companies highest expense items: gas, electric, water & sewer, recycling, rent; and top revenue categories of perishables, health care, beauty care, candy, snacks, pet, cleaning, and sundries.

*Company saw:*



## 40%

Reduction in forecast  
error on average



Representing



## Millions

In working capital that was  
now confidently deployed  
toward growth



# CONCLUSION

***Intelligent forecast powered by AI provides a competitive advantage to a major retailer, allows for more confidence in-store expansion.***

Business leaders now how more accurate forecasts for future working capital expenses by leveraging Anaplan and Prevedere.

This company took the opportunity to provide external insights to the financial planning team in the platform they are used to working in.

In just a few weeks, the leadership team was armed with forecasts that enabled them to make better decisions more confidently and timely, creating new profits and shareholder value.





## FOR MORE INFORMATION:

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