

Boosting Demand Forecasting in the Automotive Aftermarket Industry at Mevotech

The Client



Mevotech is a Canadian automotive company with headquarters in Ontario that designs and manufactures steering, driveline, and suspension aftermarket products. Mevotech is a leader in terms of engineering and building high quality products in mass quantity.

The Problem

Mevotech already had a system in place to forecast data at a SKU (stock keeping unit) level, but they were severely impacted by the limitations of said system. Generating forecasts and future projects was a particularly important problem that impacted their output and decreased their margin. Other issues included the inability to incorporate external variables and their impact on forecasts, and the inability to incorporate the shock in supply and demand that they were experiencing in a volatile and unstable market such as the automotive one. This issue required an expert's view, but they had no such expertise within their team. In 2020, they decided to contract SkuCaster to address this issue and provide them with an innovative solution.

The Solution

Mevotech's chief concern was moving towards a solution that was fast, easy to use and highly accurate, therefore our initial engagement consisted of carrying out a complete portfolio analysis and detailed segmentation. The ML-AI solution designed by SkuCaster was able to analyze multiple interacting dimensions relevant to orders like shipped quantity, special orders, vehicles already on road of different makes and models, geographical spans of sales at SKU levels and so on.

Once this step was completed, multiple machine learning algorithms were trained on Mevotech's data to optimize their predictions and forecast accuracy, from which the best models were produced. The growing performance of their forecasting tool was critical to the success of their operations. The client was now able to estimate the future order quantities very accurately for each SKU for the next 'N' months.

Following the success of phase 2, the client requested SkuCaster to develop a platform which can forecast SKU level order quantities for each individual customer. This involved analyzing billions of rows of data to accurately forecast the demand for each SKU for each customer. The team has made great progress and will soon have a platform to forecast each SKU for each customer.

The Value

- Mevotech praises the simplified solution which includes confident financial projections with 80-90% accuracy automatically generated by simply uploading company data in a few clicks of a button.
- Client determines that SkuCaster Forecasting Engine enables their team to be more productive and save time on critical tasks.
- Mevotech is looking forward to continuing its partnership into the future, for as long as it works

Client Testimonial



'Working with SkuCaster has helped us significantly in the automation and improvement of our forecasting process. They have been attentive and supportive towards our innovation goals and they were certainly capable of delivering a good product such as the SkuCaster model. Our working relationship extends for over more than 2 years and I would recommend working with them in the future.' – **Ricardo Plancarte, Manager, Analytics & Forecasting, Mevotech**