CASE STUDY

Pharmaceutical

Product Sales Predictions Provide Opportunity for Logistical Optimization

Customer Profile
Multi-National Pharmaceutical Firm

Location
Europe

Industry
Healthcare

The Challenge

This multinational pharmaceutical company sells thousands of different drugs. In order to optimize logistical operations and storage needs, the company needed to know future sales. If the company just looked at sales from the previous month as a predictor for the next month, the error could be 20 percent off in either direction. Better predictions = better process and huge logistical savings.

The Solution

By using RapidMiner and looking at a variety of factors (not just the previous month’s sales), the company was able to predict its upcoming month’s sales within three percent across multiple product lines.

Employing some of the predictive models in the RapidMiner Platform on data that had been collected from a variety of different locations, they were able to figure out what the most important influence factors were and use those to help predict future sales.

The Results

The ability to accurately forecast future sales allowed the company to contract for the correct amount of storage space, thereby avoiding waste and cutting unnecessary cost. In addition, the ability to predict what would be required moving forward was key to optimizing their logistic strategy and transportation investments.

“Forecasting future events is often like searching for a black cat in an unlit room, that may not even be there.”

-Steve Davidson, The Crystal Ball