

# SUPPLY CHAIN PLANNING IN ANAPLAN IMPROVES SERVICE AND REDUCE COSTS

**"Anaplan allowed our organization to transition from being reactive to proactive. Accelytics really helped us transform our processes."**

JUUL spun off from PAX Labs in 2017. Today, JUUL is the world's top manufacturer of electronic cigarettes and flavor packets with 72% market share and 30% revenue growth each quarter.

JUUL has approximately 300 different products that are sold throughout convenience stores, grocery stores, big-box retailers, and specialty shops, which make up to \$2B in revenue. These products are sold across Europe, North America, South America, Asia, and the Middle East.

The majority of JUUL products are regulated by country, state, and local governments which create many complexities for product development, supply chain, and sales.



## INDUSTRY

Retail, CPG, Manufacturing



## USE CASE

Demand, Supply, Production, Sales, and Operations Planning, Material Costing and Inventory Optimization



## TECHNOLOGY

Anaplan

## CHALLENGES

From a technology perspective, most planning at JUUL was done manually in Excel. The IT infrastructure consisted of a home-grown ERP tool and a PLM tool that housed much of the product and raw material data. As plans were generated in Excel, poor data integrity led to inaccurate plans. This caused increased costs and decreased customer service levels.

From a process perspective, JUUL manufactures most of the products in China. The product is then shipped on vessels to a global distribution network and distributed to each market. Due to long lead times and inaccurate plans, JUUL was forced to make constant inventory allocation trade-offs. This led to a lack of internal and external alignment of plans, increased inventory costs, and supply chain capacity bottlenecks.

## SOLUTION

JUUL partnered with Accelytics to standardize and optimize their planning processes, both technically and functionally. Accelytics created a multi-phased project timeline leveraging its proprietary Accelerated Approach Methodology. This enabled the JUUL team to implement an in-depth supply chain planning solution in a 26-week time frame.

First, the solution focused on creating accurate forecasts in Anaplan. These forecasts were then sent to the supply planning team, which used the data to plan distribution requirements, master production schedules and optimized inventory inside a very robust Anaplan model. Once production requirements were finalized, a BOM explosion happened inside of an BOM costing application to project material costs.

Through all of these models, JUUL had robust scenario planning to compare multiple “what if” scenarios side by side. All of the info from demand, supply and procurement fed into a Sales and Operations Planning (S&OP) application, enabling JUUL to understand future bottlenecks, capital expenditure impacts and align finances with operations and sales.

## RESULT

From a demand planning perspective, JUUL gained the ability to forecast at the customer level. Using Anaplan for S&OP, JUUL is able to share forecasts in real time internally, and formally conduct a demand consensus review as part of an Integrated Business Planning Process. The impact to forecast accuracy is an immediate increase. The supply planning solution enabled the JUUL supply planners to optimize inventory, view network capacity constraints, and identify when out of stocks may occur in advance. This solution directly improved working capital costs and case fill rates.

From a raw material planning perspective, robust scenario planning allowed the JUUL team to make trade-offs for item and supplier substitutions while costing out total material spend.

JUUL's integrated business planning process will help JUUL be more proactive as they continue to grow and make educated decisions to support the business both short and long term.



Accelytics stands for "accelerated analytics." Our team specializes in business process optimization and technology enablement within the scope of supply chain, sales performance management, and financial planning and analysis.

Accelytics leverages its Accelerated Approach methodology to help clients establish industry focused sustainable processes while using technology as a true enabler to the process.

Our experienced team delivers a broad range of services to help client throughout their entire transnational journey. We provide solutions that include business process optimization, technology enablement and support services.

Accelytics is headquartered in Houston, TX with offices in Dallas, Denver, Minneapolis and New York.  
Learn more at [www.acceltytics.com](http://www.acceltytics.com).