



CUSTOMER CASE

Comfort Energy realises over 25% improvement in forecasts with Data & AI solution

Since 2011, Comfort Energy Group is the largest independent distributor of quality fuels in Belgium, with almost a billion liters shipped a year. With 50 years of experience, Comfort Energy takes a leading role in the energy transition, now focusing on sustainable liquid fuels with the new product 'Blue Diesel'. Since demand forecast plays a crucial role in their profit margin, they wanted to optimise their forecasting as much as possible. Cue in the data and AI solutions of AE.



In short...

Challenge



Comfort Energy Group wanted to forecast market demand as good as possible, to optimise their orders. In a volatile market where prices fluctuate strongly, this forecast is a commitment and has a huge and direct impact on margins and profits made.

Solution



AE developed a solution that focuses on improving demand forecasting and aligning orders and market demand. This avoids fines and lowers risks of slimmer margins.

Results



After the first months in production, an improvement of over 25% was achieved. The forecast made by the data & AI solution actively reduces the risk of receiving fines and losing margin.



Challenge

One of the biggest challenges of Comfort Energy Group was to align monthly orders from their suppliers as closely as possible to customer orders for the next month. Incorrect estimations of the required volume of liters leads to an incorrect stock which in turn results in a serious loss of margin. These estimations were done semi-automatically, and with limited data. Comfort Energy Group was looking for ways to improve the outcome of this process.



Solution

AE started by consolidating all historical data that was centralised in a data warehouse. We then build an AI model specific for demand forecasting. This model contains a large part of the employees' knowledge, and it provides a prediction that the purchasing department uses to adjust their own expectations. The purchasing officer certainly has not lost his job: the human - AI combination is crucial for the best results! The model was tested for several months and was validated by the purchasing department before it was put into production. Continuous analysis makes sure the model keeps improving and considers new market developments.



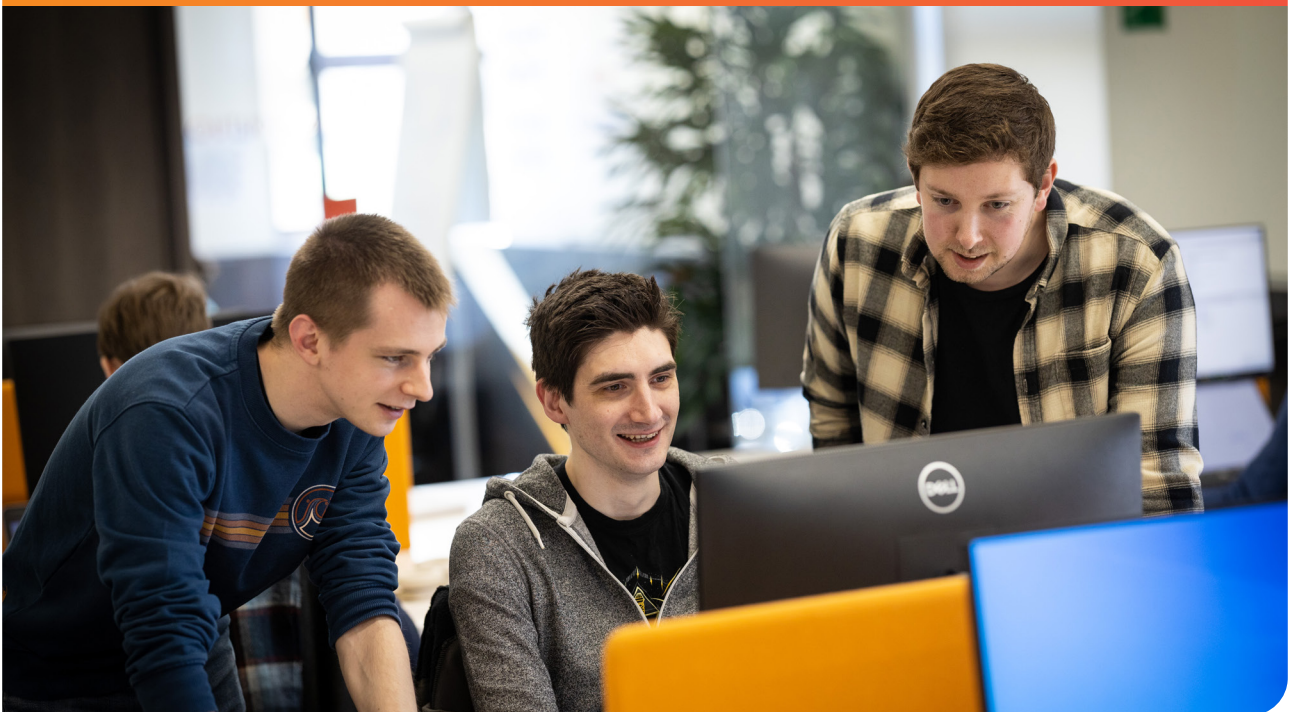
Results

The first month there was a 10% improvement in the forecast. After the first three months in production, an improvement of over 25% was achieved. The forecast made by the data & AI solution, and validated by the experts of Comfort energy, actively reduces the risk of paying high prices, building an incorrect stock or coming up with volume shortages.

How AE made the difference

Our Data Scientists helped guide Comfort Energy Group during the different project steps: defining uses cases, determining priorities based on ROI calculations, building a proof of value, developing and testing models, putting the models in production and maintaining the models after the go-live.

The combination of our expertise in data & AI and the experience of Comfort Energy with the entire process, made for a strong partnership.



DON'T TAKE OUR WORD FOR IT

"By combining our business knowledge with the AI expertise of AE, we saw a 25% improvement in forecasting after only three months."

Sander Reumers,
Chief Digital Officer at Comfort Energy

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**Talk
to our
expert**

