# Cognizant’s Inventory Optimization Solution Recognized as Artificial Intelligence Excellence Award Finalist

Cognizant was recently recognized as a finalist for the Artificial Intelligence Excellence Awards 2020 for Cognizant AI’s Inventory Optimization Solution. Sponsored by Business Intelligence Group, the annual award recognizes organizations, products and people for bringing AI to life and apply it to solve real problems.

Leveraging the power of Cognizant’s Learning Evolutionary Algorithm Framework (LEAF), the Inventory Optimization Solution transforms back-end operational processes to be digitally intelligent, helping clients realize greater cost efficiencies as it relates to inventory.



Recently, a medical devices firm with a global presence came to Cognizant with no visibility on their supply chain and an inability to predict backorders. Leveraging Causality Engine, the Inventory Optimization solution analyzed more than 200 variables and enabled the client to identify the key variables that led to backorder creation and derive <10 key super variables from generic causal variables, which can be used to better predict backorders. The solution also features an AI-enabled simulator powered by LEAF to simulate various what-if-scenarios to recommend the optimal stock level to be maintained, thus reducing backorders. By implementing the solution, the client realized:

- Up to 30 percent reduction in backorders.
- Up to 90 percent accuracy in predicting backorder quantity by material and location
- Reduced operational expenses.
- Improved customer service level.

“Suppliers of goods all agree that it’s difficult to find the right balance when it comes to keeping items in stock,” said Bret Greenstein, Senior Vice President and Global Head, Artificial Intelligence & Analytics, Cognizant Digital Business. “Too few items means a loss of revenue when unavailable; too many items means sitting on a surplus. By harnessing the power of AI, retailers are able to optimize these decisions to find the right balance, even in the most dynamic of times.”

Click here to read more.

Artificial Intelligence, AI, AnalyticsCognizant Digital BusinessRetailRetail, Consumer Goods, Travel & Hospitality

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