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Len Tashman, *Founding Editor*

# FORESIGHT

*Foresight* is published by the International Institute of Forecasters, with the purpose of advancing the practice of forecasting. We encourage submissions from industry practitioners, software and consulting vendors, and academic researchers. Manuscripts should be written in language accessible to analysts, planners, managers, and students. All manuscripts are peer reviewed and edited for clarity and style.

See the Guidelines for Authors (page 68) for full details on suitable topics, manuscript preparation, and manuscript submission.

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# note from the editor

The 2023 International Symposium on Forecasting is behind us, and congratulations to *Foresight*'s Deputy Editor **Stephan Kolassa** for being named a Fellow of the IIF. We can now look forward to the *Future of Forecasting and the M6 Competition Conference* in November (***mofc.unic.ac.cy/conference-overview/***).

## Preview of Foresight Issue 70

### Special Feature: Pitfalls in Forecast Evaluation

Data scientists are turning up everywhere, including roles in forecasting. Yet the data scientists thrown into forecasting roles may lack specialized training and be unaware of the many pitfalls in forecast evaluation. To lead this issue's special feature, **Christoph Bergmeir** explores forecast evaluation hazards that data scientists need to be aware of, and offers better practices to avoid them. In commentaries, **Zeynep Erkin Baz** notes that these same risks apply generally to any forecasting practitioner, arguing that understanding the business problem before starting the solution is a key to success. Then, **Shari De Baets** takes a decision science perspective to focus on one pitfall, that a forecast needs to be a realistic scenario.

### Cross-Learning

The familiar Error-Trend-Seasonality (ETS) taxonomy helps define how components of a time series interact with each other. Now, **Huijing Chen**, **John Boylan**, and **Ivan Svetunkov** propose an enhanced taxonomy, based on vector exponential smoothing models, that can aid in cross-learning from similar series with very short histories. Their approach addresses a challenge common in retail forecasting. In commentaries, **Stefan de Kok** proposes a further enhancement to the new taxonomy, and **Malvina Marchese** notes the continuing value of exponential smoothing, especially in this new cross-learning-enhanced version.

### Commentary on 2023:Q1 Special Feature: Does Forecast Accuracy Even Matter?

*Foresight*'s issue 68 special feature continues to generate discussion, with Integrated Business Planning Editor **Niels van Hove** exploring the limitations of forecasts and plans on decision making. Niels's foray into decision making – an area of significant relevance for forecasting – coincides with a shift in his editorial role, from IBP to Decision Intelligence.

### Government and Public Policy

In 2005 (*Foresight* issue 2), **Elaine Deschamps** organized a special feature on the "Organizational Politics of Forecasting." As our Government and Public Policy Editor, Elaine now revisits the topic and her earlier guidance, adding key learnings from the disruption brought by the COVID pandemic.

### Book Reviews

In his review of Nouriel Roubini's *Megathreats*, **Ira Sohn** warns us that the future is going to be a bumpy ride. **Stephan Kolassa** recommends Nicolas Vandeput's *Demand Forecasting Best Practices* as an alternative to painful experience, especially for anyone just starting out in demand forecasting. And new contributor **Sara Barradas** finds a valuable read in two complementary Hans Levenbach books, *Change & Chance Embraced* and *Four P's in a Pod*.

### Practitioner's Corner

*Late Night with David Letterman* introduced its Top Ten list back in 1985, and similar lists have become a popular format in blogs and other media. Now **Patrick Bower**, joined by **Chip Gretok**, share their list of 10 lies told in consensus meetings, gleaned from the over 50 years of supply chain experience between them.

### Preview of 2023:Q4 Special Feature: The Current State and Future Direction of Forecasting Software

Excel is usually the starting point when organizations begin forecasting, and many organizations fall back to Excel after failed implementation of more advanced demand planning software. So why does this continue to happen, and what can be done? These are just two of the questions posed by **Igor Gusakov** in the search for what is wrong with demand planning software. Motivated by Igor's discussion, *Foresight*'s Q4 issue will have a special feature on "The Current State and Future Direction of Forecasting Software," with contributions from Anne-Flore Elard, Johann Robette, and other vendors and practitioners in the field.

### Spotlights

**Mark Chockalingam** is founder and president of Valtitude/Demand Planning LLC.
**Malvina Marchese** is *Foresight*'s Financial Forecasting Editor and a Senior Lecturer at Bayes Business School in London.

### Opinion-Editorial

Our OpEds continue to be popular with contributors, with three more this issue:

- **Thanos Goltsos** and **Aris Syntetos** on forecasting for a circular economy.
- **Stephan Kolassa** on flatline forecasts.
- **Malte Tichy** on the technological limits to forecasting.

### Minitutorial

**Lawrence Vanston** has served *Foresight* for many years, as both a column editor and now on the Advisory Board. In this issue's Minitutorial, Larry encapsulates his many years of long-range forecasting experience into a two-page infographic on using S-curves for forecasting new product adoption.

## The Future of Forecasting and the M6 Competition Conference

For 2023's *Foresight* Practitioner Conference, we have joined with the University of Nicosia and the Makridakis Open Forecasting Center to host the Future of Forecasting and the M6 Competition Conference, November 6-7 in New York City. The conference will cover many critical and emerging aspects of forecasting, including the role of AI and large language models, forecasting for the new era and the changing role of the forecaster, how to best measure the performance of your forecasts, and the value of the results from forecasting competitions in practice. Check out the agenda (*mofc.unic.ac.cy/agenda/*) and see the ads in this issue for a link to register.



Butters goes bananas

*—Mike Gilliland*
*Dragonfly Farm*
*Seagrove, NC*
*USA*