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*"(Reduction of Bullwhip Effect through accurate Demand Forecasting and Information Sharing - An analysis on the retail sector in the twin cities of Pakistan.)"*



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## **LIST OF ABBREVIATIONS**

**BW:** Bullwhip Effect

**IS:** Information Sharing

**DF:** Demand Forecasting

**SCM:** Supply Chain Management

**SC:** Supply Chain

## **ABSTRACT**

A major concern companies face while functioning is known as the Bullwhip Effect. The Bullwhip Effect is an undeniable bottleneck faced by all the members of a supply chain. In today's competitive era, it is really important for all companies to realize this issue present in their supply chain and how it's affecting their business. One of the biggest concerns that the Bullwhip gives rise to, is the excessive costs that the companies have to incur as a result of the inefficiency it causes. Thus, once realized, the next step is to work on its replenishment. Effective and efficient communication within the supply chain is one of the prime means of attaining the reduction of this Bullwhip Effect. Information Sharing between all members of the supply chain is essential as its absence creates more issues for them. One of the benefits of Information Sharing is accurate Demand Forecasting done by the upstream members of the supply chain. If they are given a clear picture of what the demand is like in the real world, over or underestimations would never take place. This means the better the Information Sharing, the accurate the forecasts made by the companies.

This research paper elaborates how efficient Information Sharing and accurate Demand Forecasting are both ways of reducing and improving the bullwhip effect in the supply chain. With other factors playing their part, these too play a vital role in helping businesses improve their processes and work on cost-cutting. This research focuses on exploring how these two factors impact the bullwhip effect in the Retail sector of the twin cities of Pakistan. A questionnaire was distributed to collect data from 150 employees working in the retail industry here. The questionnaire focused on all these three variables and how they affect the businesses in practical terms. The main target population was the clothing side of the retail industry in Islamabad and Rawalpindi.

The results concluded after an extensive research suggest that improved Information Sharing and Accurate Demand Forecasting lead to positive effects on the retail companies by improving their processes and reducing bottlenecks from their supply chain. This research evolves around the retailers in Pakistan however; it can be extended to different industries in future studies.

**Key words:** Bullwhip Effect, Demand Forecasting, Information Sharing, Supply Chain.

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