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# 1. Purpose

Depending on the needs of customers and the state of the market, demand for a particular service can rise or fall. The main objective of the demand management process is to analyze, anticipate, and influence customer demand for services, as well as the process of provisioning adequate capacity to meet that demand.

# 2. Scope

Demand management activities should include the following:

* Identification and analysis of business activity patterns that are related to the services.
* Identification of user profiles and analysis of their service usage patterns.
* Identification, agreement, and implementation of measures that can influence demand, as well as capacity management.

# 3. Roles and responsibilities

## 3.1 Demand manager

* Supervises and participates in demand planning activities.
* Oversee the team's daily activities and offer assistance as needed.
* In demand planning operations, collaborate with management, inventory, supply chain, and sales teams.
* Determine the risks associated with demand forecasting and develop effective mitigation strategies.
* Create a demand strategy based on market trends and demand patterns.
* Analyze and troubleshoot demand-related issues as quickly as possible.
* Assist in the creation of annual budgets and cost-cutting initiatives.
* Maintain training materials and schedule team member trainings.

## 3.2 Business Relationship manager

Customer relations are the responsibility of the Business Relationship Manager. He/she

* Determines the needs of the customer
* Ensures that the IT Service Provider can provide these needs based on a service catalogue that is adequate.

# 4. Demand Management Process

* PBA (Pattern of business activity)- The business activity pattern reflects the company's dynamics and includes interactions with customers, suppliers, partners, and other stakeholders.
* User profiles- Based on roles and responsibilities within the organization, each User Profile can be linked to one or more business activity patterns. One or more predefined patterns of business activity are used to create user profiles.
* Activity based demand management- The demand for IT services that support the process can be predicted by analyzing and tracking business activity patterns.
* Develop differentiated offerings- An examination of the pattern of business activities may reveal that different levels of performance are required at different times.
* Management of operational demand- This involves controlling or influencing demand when services and resources are being used to their maximum capacity.

|  |  |  |  |
| --- | --- | --- | --- |
| **Activity** | **Frequency** | **Volume** | **Allowed delay** |
| User login | High | Medium | Medium |
| Client data backup | Medium | High | High |
| Safeguarding confidential data of customer | Low | Medium | Low |

# 5. Financial Management Process

To channel demand, financial management might authorize appropriate incentives. If demand exceeds expectations, further investments should be made to boost capacity to meet the increased demand. Financial management assesses investment options and approves incentives currently to meet the demands of customers and the business.

|  |  |
| --- | --- |
| **Demand** | **Investment alternatives** |
| New contract for building ticket booking software | Raise funds from Venture Capitalists |
|  |  |
|  |  |

# 6. Pattern of business Activity

The business relationship manager evaluates IT service use in demand forecast. This person will also anticipate future consumption based on known data, such as consumption trends and consumer comments on service quality. The customer may directly communicate when increased capacity or many services are required. This is known as the Pattern of Business Activity in ITIL (PBA).

The following components of customer service utilization are measured by the pattern of business activity:

* The duration of usage refers to how long a business usage pattern lasts. Is it true that peak database consumption occurs just during business hours, or only during specific months? How long has the rise or fall in usage been going on?
* The amount of activity is measured by the volume of utilization. This could be number of transactions processed or a service desk ticket number, for example. It is possible for volume to increase or decrease.
* The frequency of usage refers to the frequency with which the amount of usage happens.
* The place where the business usage took place is known as the usage location. For example, is it at the service desk or in the sales department?

|  |  |  |  |
| --- | --- | --- | --- |
| **Duration** | **Volume** | **Frequency** | **Location** |
|  |  |  |  |
|  |  |  |  |
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# 7. Key Performance Indicators

* Percentage of services that were used
* the number of unanticipated corrective measures for service capacity, In absolute numbers.
* the number of demand control activities, In terms of absolute numbers,
* Percentage of successful demand control activities