

Beyond accuracy: what makes for a *good* forecast?

Stephan Kolassa

Data Science Expert, SAP Switzerland AG

As forecasters, we are trained and socialized to mainly focus on ever higher forecasting accuracy. However, this is not, and should not be, the end of the story. On the one hand, forecast accuracy is harder to measure meaningfully than one would believe, so we should pay less attention to accuracy than we might be inclined to do. And on the other hand, other considerations than accuracy should be taken into account when thinking about forecasting, such as interpretability, debuggability, robustness, resource requirements from data and computing power across expertise to just plain electricity, and finally the impact of our forecasts on business value.