

# Planalytics<sup>®</sup> Consumer Insights

**UNDERSTANDING AND OPTIMIZING THE IMPACT OF WEATHER ON BUSINESS**



The screenshot shows the Planalytics Consumer Insights dashboard for May 11, 2011. It features navigation links for Market Insights, Weather Insights, and Energy Procurement. The main content is divided into two columns: Applications and Reports. The Applications column lists three tools: Weather Driven Demand - 20/20 (a graphical report card), Weather Driven Demand - EXECUTIVE VIEW (a color-coded location-by-location comparison), and Planalytics Planner<sup>SM</sup> with Allocation (a pre-season and in-season sales planning tool). The Reports column lists 21 subscribed reports, including Tropical Storm Forecast, AgriBusiness Insights Report, Consumer Insights Alert, Energy Alert, European Wind Report, Executive WeatherBrief, FlashWeather<sup>SM</sup> Plus Consumer NA, FlashWeather<sup>SM</sup> Plus Consumer UK, Hurricane Path Alert, Month-In-Review Report, and Planalytics LOOKBACK.

Planalytics  
Consumer  
Insights quantifies  
how weather  
influences  
consumer  
buying behavior.

Consumer-focused businesses know all too well just how much weather affects demand. Retailers, restaurant chains and consumer product companies often point to the weather as a driving force behind both positive and negative variations in sales or traffic. Weather causes people to seek out or avoid certain activities, products and services.

Planalytics Business Weather Intelligence is the one source companies can count on to answer the following questions:

- How does your company remove the impact of weather from last year's sales and create a better "baseline" for planning?
- What effect will weather have on the shape and strength of the upcoming season?
- Which regions will see a spike in demand due to weather?
- How can weather's influence on consumer buying behavior be factored into marketing or promotional decisions?

Ignoring or ineffectively managing weather risk can result in bloated inventories, steep markdowns, stock outs and lost sales. Businesses that are unprepared for periods of favorable weather can miss opportunities to sell seasonal merchandise at higher margins.

The ability to identify and manage weather's impact requires more than a simple weather forecast. Companies need product-specific, market-specific, and time-sensitive weather-driven demand intelligence that can be incorporated into planning, distribution, marketing, pricing and inventory management systems or decision-making processes.

**PREDICT. PERFORM. PROFIT.**

**800.882.5881**  
**www.planalytics.com**

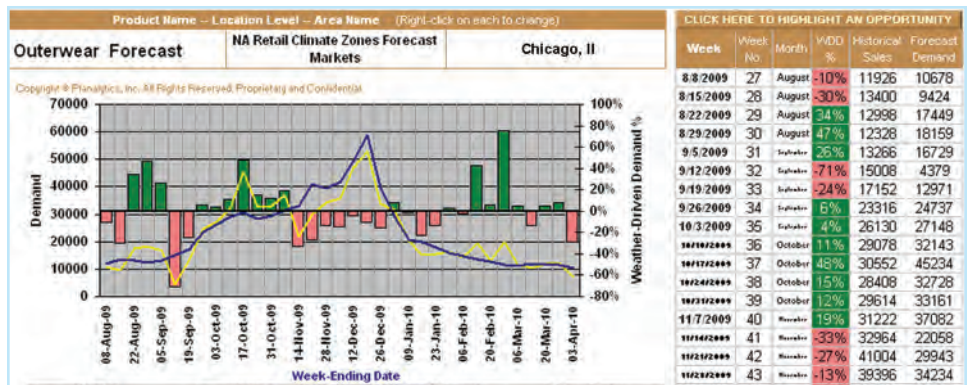
“We look for weather as an opportunity and try to take it into account when we’re looking into the future and doing our plans.”



“Improving our forecast accuracy just a couple of points is worth a lot of money in terms of our deployment costs, our production costs, and out of stocks. Planalytics is helping us drive the business.”



“Planalytics has been a huge help to us. We’ve gone from reactive to proactive and we couldn’t have done it without Planalytics.”



**Planalytics Planner**

**Demand Planning / Buying**

Planalytics helps businesses more effectively plan the season ahead by accounting for how much weather influences the demand for products or services. Planalytics starts with Deweatherization, a process which normalizes demand curves by removing the impact that weather had last season or last year. This critical step provides a “clean” baseline for businesses, significantly reducing the overplanning or underplanning specific locations and time periods by understanding how much weather boosted or deflated demand the previous year.

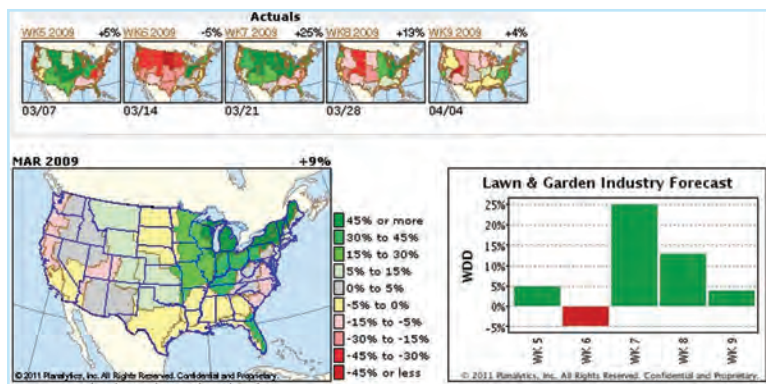
**Season Timing**

Planalytics helps companies identify how weather impacts the core selling season of a product or service. By identifying key weather thresholds that trigger consumer demand, Planalytics is able to show when each location will have a true season “start” and “end” supporting better-timed launches of categories and sub-assortments in order to maximize sales. This information can also

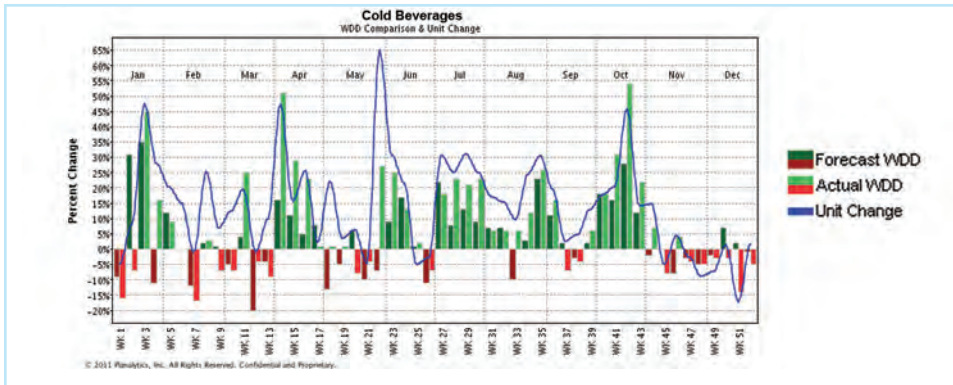
be used to adjust pre-season promotional and/or markdown plans and to improve decisions related to the transition of seasonal merchandise.

**Allocation / Replenishment**

Once merchandise is purchased, Planalytics’ weather-driven demand (WDD) information enables allocation and distribution teams to optimize decisions on where to place product, aligning inventories with opportunities. Once in-season, Planalytics highlights key geographical regions of opportunity and risk for the upcoming weeks. This is extremely useful for replenishment decisions since most replenishment systems focus on placing product back into locations where they were sold. Planalytics replenishment combines in-season trends with weather-driven demand projections to clearly identify the top and bottom markets for the upcoming period, enabling companies to ensure adequate product is available where demand **will be** strongest (not where it **has been** strongest).



**WDD Monthly and Weekly Details**



**WDD Comparison and Unit Change (sample region)**

**Marketing / Promotions / Markdowns**

Planalytics' market-by-market, week-by-week WDD information shows companies where and when weather will create the best opportunities for their products or services. With this insight, businesses can more effectively target marketing and promotional programs and expenditures. Whether it is TV or radio advertising, direct marketing or internet programs, Planalytics helps companies tailor messages to customers who are experiencing immediate need or elevated levels of demand. Planalytics Business Weather Intelligence also provides valuable insight for pricing and markdown decisions. When favorable weather creates late season demand, businesses can alter their markdown schedules or magnitudes, thereby preserving margin and effectively clearing inventories

**Manage "Game Changers"**

During the season, Planalytics helps companies plan for major weather events such as hurricanes and snowstorms.

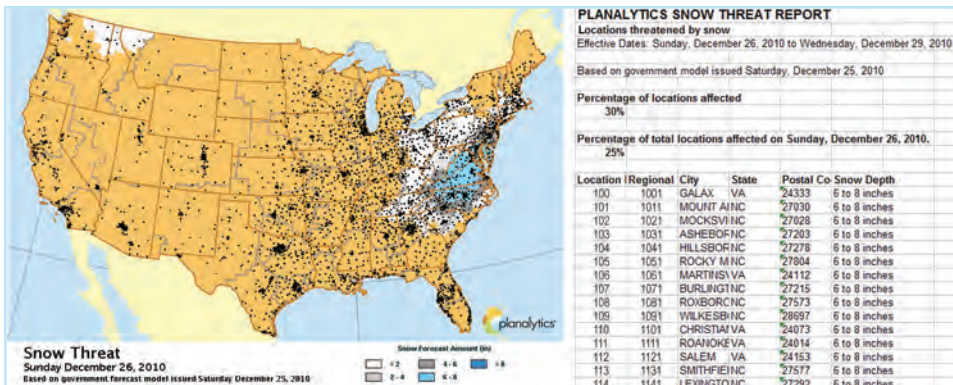
Planalytics combines short-range weather outlooks and WDD analyses to "weatherize" demand forecasts for the periods both ahead and immediately following a severe weather event. This enables businesses to position high demand products or services in affected areas as well as make other tactical decisions regarding operations and logistics.

**Post Period Reporting / Analysis**

Planalytics enables organizations to review how weather affected business throughout the season and to validate sales results with WDD percentages. Companies can answer:

- How much did weather impact sales, transactions and traffic?
- Which specific products or services were most affected by the weather?
- Was the business able to make decisions to manage risks and costs?
- Was the business able to maximize opportunities when weather was favorable?
- Did the business outperform the weather?

**Snow Alert**



"Our weather-driven demand number is tied directly to what percentage of our sales were up or down. You would be amazed at the correlation between how our volume performs and how the weather performs."



"We have been able to make weather part of the DNA and culture at Ace Hardware, so that when we talk about sales opportunity, sales risk and past performance, weather is now just a part of that."



"MTD is looking at weather-driven demand percentages and incorporating them into our forecasting systems. Knowing preseason where to anticipate demand is huge."



Planalytics, Inc. is the singular global source of Business Weather Intelligence — the actionable information companies need to understand and optimize the impact of weather on their business. Powered by an unparalleled database of weather's financial and volumetric impacts, proprietary forecasting technologies and market-specific expertise, Planalytics Business Weather Intelligence is essential to any company, in any industry, looking to effectively shape strategies, pinpoint opportunities and make more profitable decisions.

For more information, visit [www.planalytics.com](http://www.planalytics.com).

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