

- ACTIVITY BASED FORECAST
- FORECASTING HORIZONS
- BUYING BEHAVIOUR AND CONSUMER DEMAND
- MARKET INTELLIGENCE
- FORECAST ACCURACY

The Promax PX approach to successful Total Volume Planning

- incorporates strong links between all stakeholders; supply chain, marketing, sales, finance and management.
- completely focused on CPG industry activities and variables
- not constrained by typical analytical timeframes of a monthly process - Promax PX analyses on demand!
- ground-breaking technology which is not constrained by traditional forecasting paradigms.
- captures all data options including scan data and has the capability of meeting the needs of Supply Chain Planning (SCP)

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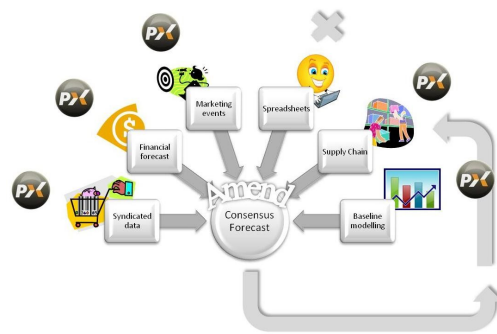
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Total Volume Planning — no longer considered an art. Promax PX, the analytical approach!

Developing a forecast ready for Supply Chain Planning has long been considered an art which few CPG businesses have mastered. The Promax PX volume planning capabilities demystifies this process and has transformed activity based forecasting, statistical modelling and market intelligence into an automated analytical approach.

Most demand planning systems have a supply chain bias and were derived to solve the problems of organisations with large non-promoted SKU counts. The nuances of demand management in today's leading consumer goods companies supersede the capabilities of these traditional demand planning systems. The large amount of promotional activity and the availability of consumer data, requires a fresh approach to demand prediction.

At Promax, we recognise that CPG companies need to understand the demand signals from the perspective of baseline and promotional uplift. This requires a multi-causal approach to data analysis that concurrently models baseline, trend, seasonality, the effect of price and other promotional factors such as store facings and advertising activities. We also recognize that the promotions are constantly evolving and therefore affecting the forecasts. With Promax the forecasting process is streamlined allowing predictions to use the most recent information, and not be out of date because of an arbitrary demand planning process.

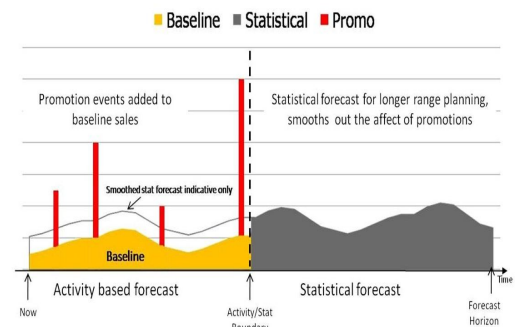


Promax PX captures all the key elements

- **Activity Based Forecast** - events such as promotions are individually defined and modelled. All the sales team has to focus on is keeping their promotion plan up to date and the system automatically generates a forecast. Promax PX enables the decomposition of consumption data and identifies the elements that make up the demand signal including the effect of price discount, catalogue advertising, media advertising, in-store display

location and the effect of competitor promotions on the baseline sales.

- **Forecasting Horizons** - the forecast of sales volume is of interest to many stakeholders in the business; supply chain, marketing, finance and management. Their requirements may extend the forecast horizon beyond the detail obtained from the activity based promotional plan. Promax PX can append the activity based approach and create a longer range forecast with a horizon that meets the needs of all the stakeholders. With Promax you have a forecasting environment that meets the operational and strategic needs of the business.



- **Buying Behaviour and Consumer Demand** - there is a strong link between the consumer response and retailer orders and the importance of having the stock available to meet demand – however the typical demand planning solution doesn't recognize this link. Promax PX solves this problem by learning the behaviour of the retail buyer for each promotion activity. The promotional lift is profiled over the lead time and life of the promotion in accordance with a model derived by analysing buying patterns of previous activities of a similar type.

- **Market Intelligence** - changes in distribution, store facings, marketing activities and product supply issues are just a few examples of the need to incorporate this intelligence into the forecast. New product introductions also represent a major challenge and Promax PX facilitates the ability to use existing product statistical data that may be of a similar nature to the new product.

- **Forecast Accuracy** - knowing and understanding the accuracy of the forecast process is important, however the most important consideration is to improve the forecast accuracy. The Promax innovative approach to Total Volume Planning improves accuracy through a focus on consumer behaviour.