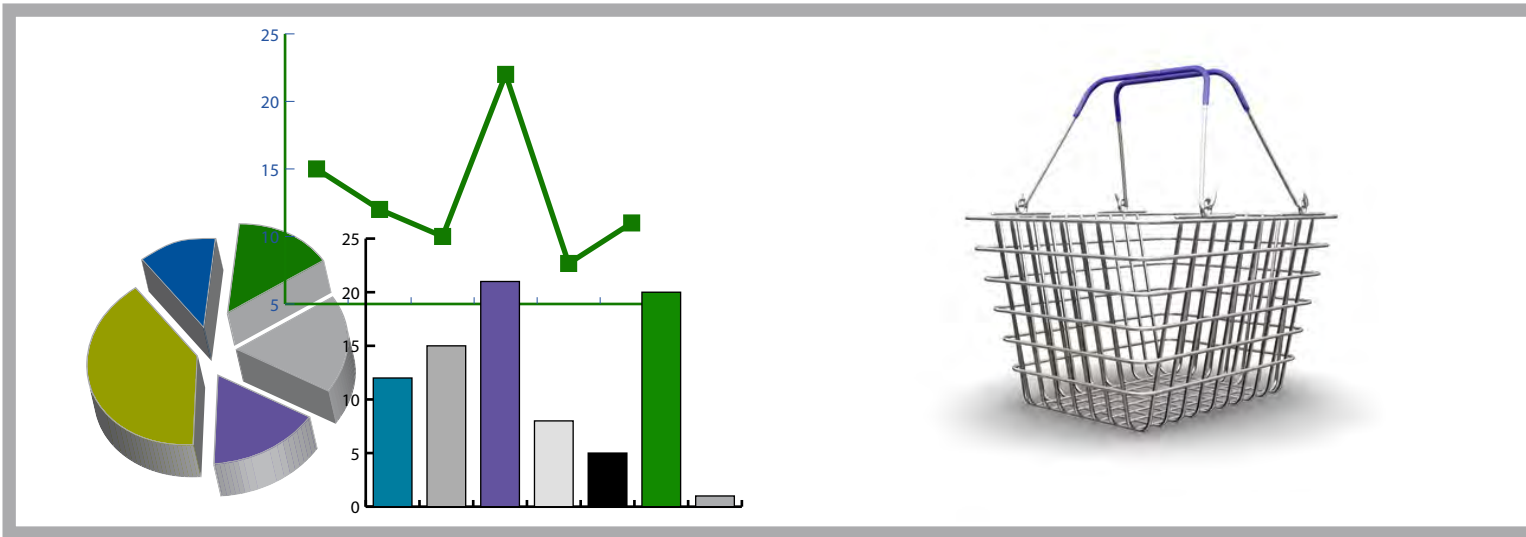


Business Intelligence for Retail



Kognitio has the right skills, experience and flexibility to develop a high value Business Intelligence environment for Retail companies

Having access to the right information and data is paramount in any business if it is to succeed, but none more so than in the Retail sector. In this vertical market, information tends to be spread across a vast array of disparate systems and the pace of organizational and business change can be high. In these circumstances, a comprehensive business intelligence and data analytics solution can unite all the data and operational systems and give business managers access to the right information at the right time, helping them to drive growth, performance, competitive advantage and, ultimately, profits.

The Business Challenge

Whilst most retailers have bought into the fact that they stand to gain immensely the more they understand their customers, few have the ability to gain true insight from the data they collect. All too often, data is spread across an entire organization and held in multiple repositories. Operational and transactional systems such as merchandise management, ERP and POS exist in isolation from information in other applications and many individuals within a retailer try to create their own analysis from different data sources. Their findings risk drawing inaccurate conclusions or focusing on many, near-random strategies.

As a result, reports from various sources proliferate and contradict each other creating work and an uncoordinated approach to achieving business targets. Not all managers use the same analysis tools to manage their businesses resulting in widely varying performance management.

Presenting management with trading results is only half the equation; being able to drill down and ask the question "Why is that?" is far more important. "Why is it that we sell more of product X than product Y at 7pm on a Wednesday when normally product Y is the best-seller?", "Why do we employ twenty members of staff at 7pm? Would ten do the job just as well?", "What effect would a BOGOF promotion have on lunchtime sales?" These are the sort of questions that many would like to ask but cannot.

Often, companies cannot cross-reference data in their current BI reporting environment due to the limitations of their systems. Answering business performance insight questions takes too long and requires more effort than is available. There are too many different data sources that are not joined and there is often too much duplicated data that does not easily reconcile.

This all leads to the fact that management at all levels of the business feel the need to challenge reports due to the uncertainty as to the source and compatibility of the data used.

Why the need for Business Intelligence?

The use of Business Intelligence (BI) in day-to-day business operations is growing rapidly, and has given many businesses from the Retail sector significant financial benefits.

Business benefits are traditionally derived from insight, and from the direct action generated as a result of that insight. Most businesses gain from the knowledge that tells them how to flex and target their resources more effectively in people, capital, supply chain and marketing. Many more have derived direct revenue benefits by enabling rapid deployment of analytically-informed decisions in real time.

Real value comes from systems that go beyond the limitations of operational software alone. A Business Intelligence (BI) system can take the operational data and create enterprise intelligence and predictive insights in real time to aid decision-making at the highest levels.

Kognitio has been working with companies in the Retail sector for over 15 years and has developed a proven, successful approach and methodology to meet this challenge.

The Kognitio Approach

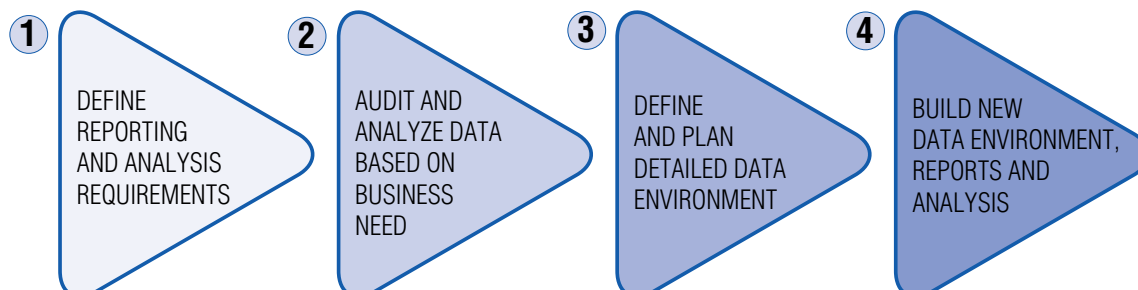
Kognitio consultants work with organizations to identify and deliver a complete BI solution right for their business.

Our approach is simple.

First, we define the requirements for analysis and reporting based on the prioritized business need. Second, data is audited and analysed, both of which are linked to the business need. Third, we then work with the client to define and plan the detailed data environment.

Upon agreement, Kognitio then design and build the new data environment, customer reports and analysis. If the client wishes, Kognitio can also manage the data environment and deliver analysis as and when needed to the business.

Equipped with such analysis, management are able to drive sales and profitability, reduce operational costs and ensure long term competitive advantage.



Kognitio's approach ensures that your business intelligence environment responds to your business needs - fast.

Key Benefits of Kognitio's Business Intelligence methodology

- By looking at your data, we will tell you something useful you didn't know about your business that will make you money, through saving costs or increasing sales.
- We pull together various data sources and allow users, from management to store level, to gain a holistic view of the business.
- We enable our clients to articulate what decisions and business processes they want to manage better using data.
- We deliver insight into which events, changes, behavior and circumstances have what impact on costs, revenue and margins.
- We offer a low-cost stepped approach to delivering Business Intelligence starting from basic functionality to full blown Business Intelligence solution.

Key Deliverables

- We create a suite of analytical reports based around the core metrics of **Sales, Labour, Margins, Customers, EBITDA, Forecasting** and **Environment**. Added to this, we create an ad hoc data universe enabling operational managers to investigate the relationships of assets and events.
- The analytical reports offer the user and the business a clear comparison of current performance vs trends, benchmarks and forecasts. They enable the business to cross reference EBITDA performance with operational performance and forecast or review the impact of events.
- We provide hourly, daily, weekly, period, Year-to-Date (YTD) time series analysis of all measures where our clients collect the data.
- We take away manual data collection and speed up the time to the delivery of analytical results.
- We deliver the hardware, software, analysis and maintenance of the analysis environment to take the pain out of getting insight.
- We ensure that the infrastructure and reporting and analysis environments are built up to address the business issues
- Here are examples of the analysis and reporting we provide:

- Customer Behavior Analysis (Basket Analysis)
- Weekly and Period Performance Reporting
- Labour Cost Management - Sales vs Labour Reporting
- Outlet Manager Recruitment and Retention
- Supplier Management
- Product Promotions and Pricing Analysis
- Like-for-Like Reporting
- Daily Performance Reporting
- Business Modelling
- Asset/Product Yield

Examples of Reporting Output

Sales: Company Level Divisional Summary

Week No - 24 Date Range 05-Feb07 - 11-Feb07

Actual Week	Actual Period to Date	Actual Year to Date
£1,113,529	£3,783,166	£9,481,942
Budget Week	Budget Period to Date	Budget Year to Date
£199,734	£3,782,059	£9,346,777
Last Year Week	Last Year Period to Date	Last Year Year to Date
£198,734	£616,005	£1,101,643

Door Income	Drink	Food	Other	Total
£36,386	£892,871	£125,192	£4,980	£1,113,529
Period to Date	Period to Date	Period to Date	Period to Date	Period to Date
£92,270	£3,425,243	£527,830	£46,001	£3,783,166
Year to Date	Year to Date	Year to Date	Year to Date	Year to Date
£122,952	£8,623,607	£1,052,181	£103,041	£9,481,942

Week	Division	Door Income	Drink	Food	Other	Total	Week vs Week LY
Operations Director		£36,386	£892,871	£250,192	£10,080	£1,113,529	£963,665
PTD	Operations Director	£92,270	£3,425,243	£927,830	£46,001	£28,778	£3,783,166
YTD	Operations Director	£122,952	£8,595,775	£1,049,153	£103,041	£36,161	£9,481,942
	Disposals		£27,832	£3,028			£15,861

WEEK NO. 26 DATE RANGE: 26 February 2007 to 04 March 2007 Week 4 of Period 6

LEVEL: COMPANY

Theoretical

Actual	Period to Date	Year to Date
32%	35%	59%
£23,341	£111,465	£230,341

Budget	Period to Date	Year to Date
49%	49%	55%
3%	6%	6%

Last year	Period to Date	Year to Date
42%	49%	54%
10%	6%	5%

Previous

Week	Period to Date
49%	49%
3%	6%

Area	Week	Vs Week LY	PTD Vs Budget	YTD Vs Budget	Year To Date
City Metro	£6,201	-2%	12%	6%	£226,290
Club	£11,002	-9%	15%	8%	£323,587
Food Top Chain	£2,070	12%	59%	29%	£163,111
Food Other	£401	-15%	4%	3%	£74,298
Neighborhood Local	£245	0%	0%	2%	£25,797
Town Centre Young	£1,994	26%	88%	49%	£100,799
Town Centre Senior	£211	31%	71%	35%	£18,212
Student	£2,421	1%	1%	1%	£133,344
Gay	£1,327	-4%	6%	5%	£99,439

Wet Products	90%	Dry Products	88%	Top 10 Wet	Top 10 Dry				
Draught Lager	92%	£160,068	Menu 1	83%	£126,325	Fosters	98%	French Fries	100%
Draught Cider	96%	£151,097	Menu 2	99%	£78,002	Guinness	98%	Chilli	93%
Draught Bitter	92%	£152,273	Menu 3	82%	£134,371	Smirnoff Ice	93%	Burger	92%
Draught Stout	91%	£238,540	Menu 4	77%	£11,911	Stella Artois	92%	Chicken	89%
Wines	91%	£185,553	Menu 5	45%	£70,100	JC Chandonay	90%	Crisps RS	88%
Spirits	89%	£80,709	Menu 6	99%	£99,197	Magners	89%	Crisps S&V	81%
Cocktails	88%	£95,151	Menu 7	39%	£99,466	Bacardi	76%	Sausage & Mash	80%
Minerals	87%	£180,222	Menu 8	46%	£46,177	San Pellegriano	74%	Fish	74%
Liqueurs	85%	£65,111	Menu 9	88%	£15,946	Coitnreau	72%	Peanuts	66%

Area View
Division View
Print

Reports can be run on all areas of the business, including Sales, Labour, Margins, Customers, Forecasting, Environment and EBITDA

Why talk to Kognitio about Business Intelligence and Data Analytics?

Kognitio has a proven methodology with regards to delivering Business Intelligence and Data Analytics environments that result in tangible benefits, profits and competitive advantage for the Retail sector. Our proven methodology minimizes risk and reduces costs.

We are experts in understanding data. Our focus is on business intelligence, data migration and data warehousing solutions.

We are different from the norm. We take a consultative approach that matches the client culture. We listen to the client and respond accordingly. However big or small the project, we will always ensure that it meets the goals set by the customer.

We are responsive. We act in accordance with the requirements of the client and we react quickly. If the project changes, we will adapt.

We minimize risk. The experience gained on the solutions we have implemented is available to each new project. The benefit to our customers is a high-quality project delivered on time with minimized risk.

We offer future-proof solutions. Our business intelligence solution designs and data models have proven capability to evolve, scale and grow to meet the future demands of multiple business functions over time.

We are technology experts. We have implemented solutions using Oracle, Sybase, SQL Server and DB2 as well as our own analytical database solution, Kognitio WX₂. Furthermore, we are experts in market-leading BI tools including Business Objects, Cognos, MicroStrategy and Panopticon.

We have the experience. Our Consultants have vast experience working in the Retail sector. This domain knowledge reduces the time spent learning about your business. Moreover, we have in-depth technical skills in integration of applications as well as in database engineering, allowing us to develop scalable and re-usable Business Intelligence environments.

FREE DATA DISCOVERY EXERCISE

As part of our approach, we invite you to discuss how, using your data, we can prove our expertise to you. For no charge.

Simply tell us your pain points with your current operational platform and, using your data, we will run a free data discovery exercise and show you insights into your business you never thought possible.

The data will show you what your business needs to do.

To arrange your free data discovery exercise, email us at info@kognitio.com or go to www.kognitio.com/freedatadiscovery

About Kognitio

Kognitio is an innovative, technology-rich company, providing leading-edge solutions to business problems that require the acquisition, rationalization and analysis of large or complex data.

Kognitio's offering is centered around three areas: WX₂, the fastest and most scalable analytical database on the market, DaaS and data migration expertise. All three areas are complemented by an extensive professional services team helping businesses to gain a competitive advantage from their data.

With its industry-leading analytical database offering, WX₂, Kognitio is able to turn a company's raw data into valuable business insight fast, empowering its customers to realize comprehensive answers to critical business questions.

Kognitio's DaaS model allows its customers to focus on running their businesses and increasing the bottom line. By also adopting Kognitio's outsourced approach, customers are able to reduce start-up time and costs, as well as avoid expensive product acquisition costs.

With a strong specialization in the insurance (life and pensions) as well as financial services, Kognitio's data migration services help companies to provide lower risk and lower cost solutions to companies that are rationalizing and consolidating operational platforms.

Kognitio delivers competitive advantage to clients in various industries, including telecommunications, retail, the financial sector, leisure, hospitality and utilities.

Kognitio provides solutions to business problems that require acquisition, rationalization and analysis of large and/or complex data

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