



## Prevail8 Application Benefits

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Areté Prevail is a state-of-the-art demand planning application that can be used to create accurate Weekly Sales Forecasts. Prevail8 was developed to provide an **integrated forecasting solution that is more flexible, powerful, responsive, secure and measurable** than prior Prevail versions. Detailed forecasts developed within Prevail8 are designed to roll-up to highly accurate operational forecasts (by Product x Warehouse x Day) which are utilized within a Replenishment Planning system. Arété plans to retire the legacy Prevail7 application by the end of 2011, and we strongly encourage all clients to upgrade to Prevail8 as soon as possible to realize the significant benefits outlined below.

### *Flexible Forecasting Models*

#### More dimensions of data

Prevail8 features six dimensions of sales data in order to produce the best possible forecast models and results. The lowest level of data granularity within Prevail8 is the Detail Combo, which is a unique combination of a warehouse, product, channel, account, territory, and distributor. Though the use of all six data dimensions is not required, dimensionality will be adapted to fit specific material, market and delivery information for each client.

#### Sophisticated methodologies for bundling and slicing data

Bundling is an intelligent way to group Detail Combos into Model Combos across dataset dimensions using different rules to produce optimal forecast models. Bundling is now more flexible than in prior versions, allowing multiple levels at which to model forecasts that did not exist in legacy versions. The bundling dimensions and bundling order can be user-defined based on those groupings that are more stable and will improve forecast accuracy. Prevail8 also incorporates historical fluctuations which permits a more accurate slice of model forecasts to the detail-level forecasts resulting in more accurate warehouse-product level forecasting.

### *Powerful Forecasting Techniques*

#### Enhanced ability to handle exceptions

Prevail8 features eight configurable Exception event types (e.g., Special Events, Summer Holidays, Winter Holidays, Special packaging, Hot Price Promotion, etc.) and supports simultaneous occurrences of exceptions during a given sales week. Exception model calculations can now utilize outlet participation percentage in the specific exception to better predict the effects of promotion. These and other Prevail8 features will help facilitate product market launches in a time-phased fashion.

#### Advanced statistical tools

Prevail8 provides a more sophisticated statistical method for detecting sales outliers which should then be excluded from the Model-level data used to create forecasts. The application performs numerical analysis to evaluate multicollinearity of data more efficiently.

#### Improved management of seasonality

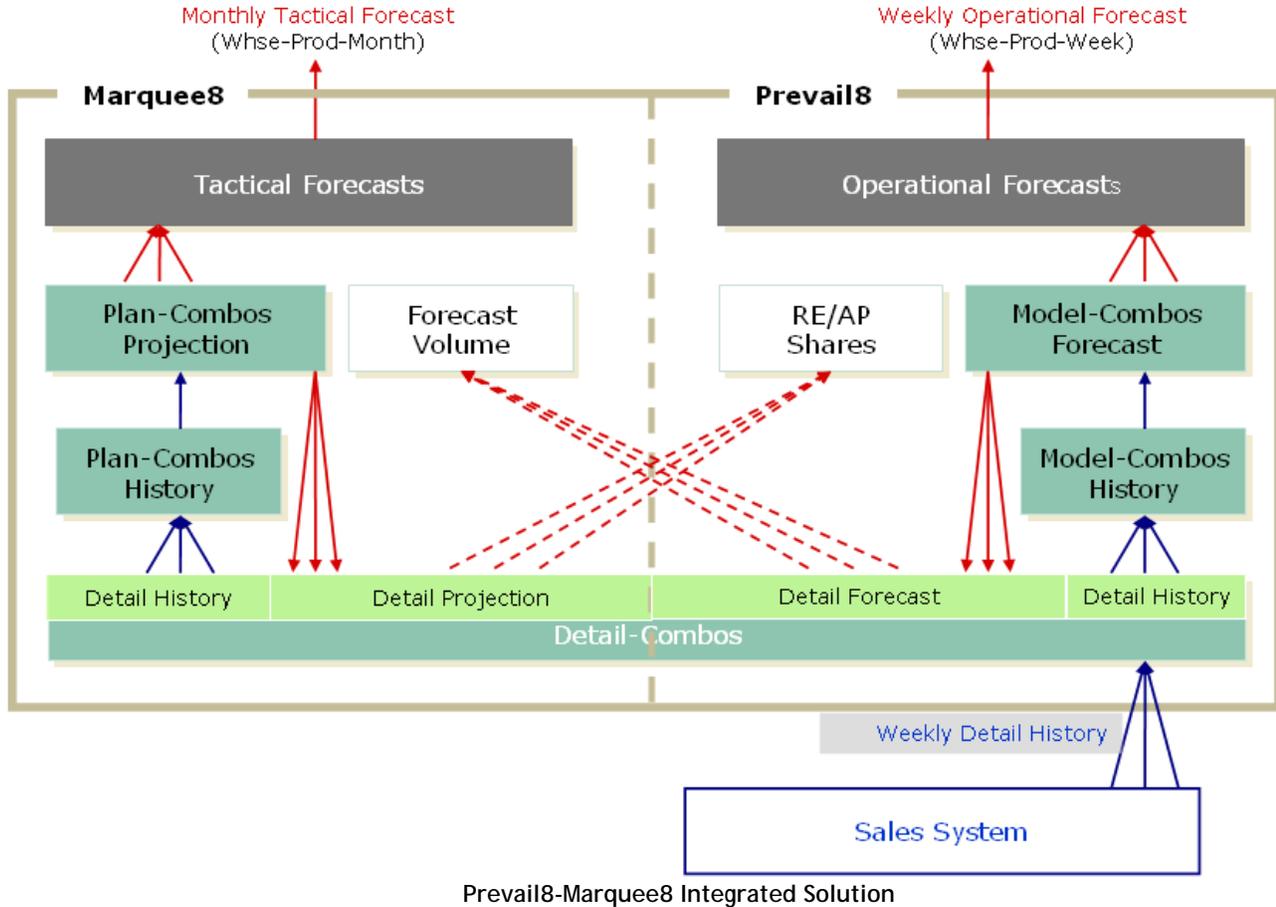
Seasonality patterns will now be identified within any data dimension rather than just warehouse-product. Prevail8 more readily recognizes non-seasonal dips and spikes in sales and will utilize alternative smoothing parameters for weekly seasonality computations. Users can choose to apply separate smoothing algorithms for weekly forecasting versus monthly planning for flexibility and accuracy.

## Seamless Application Interface Management

Prevail8 includes a flexible import/export engine that saves time and effort when creating interfaces. The built-in import/export engine enables complex data extracts and imports that can be read from or exported into a separate backend system. Prevail8 offers the flexibility to run local (XML parcels) and remote (Oracle tables) interfaces.

## Integrated Solution for Tactical and Operational Demand Planning

Marquee8 Tactical Planning is now fully integrated with Prevail8, providing a complete tactical and operational solution from a single database. Marquee8 manages user-defined Planning Combos in support of developing accurate annual business plans and rolling monthly sales estimates. Marquee8 models can include macroeconomic variables including up to sixteen economic metrics (e.g. GDP, currency exchange rates, purchasing power, etc.) and up to sixteen market indicators (e.g. market share, sunny days in period, industry growth, etc.)



## Responsive Forecasting Solution

### Increased amount of data supported

The current release of Prevail8 is configured to take advantage of Oracle's performance optimization and will run against very large Oracle databases. This allows a single integrated dataset for an entire organization to be implemented in place of the multiple datasets required in prior versions, and almost unlimited data scaling.

### Standardized approach to information and interfaces

Prevail8 can now integrate multiple business units onto the same application and database, thereby standardizing the interface and data format used to manage the demand planning process.

## Automated seasonality and predefined vista assignments

Prevail8 saves the user time and effort by performing auto assigning routines rather than requiring manual mapping for new products or combos. The user simply defines the rules by which new combos will be assigned to seasonal groups and vistas.

## Easier offline editing

Prevail8 allows for exporting at any level of aggregation to Excel for offline editing. The edited Excel parcel can then be easily merged back into the application to import any changes made off-line.

## More ways of reviewing forecast data

Prevail8 allows users to group and edit entities with similar behavior at two levels through the Model and Detail Vistas™. At each level, two new Vistas are featured: the Summary Vista which captures data on the fly based on user-defined grouping and the Outline Vista which presents a more intuitive view of data by pivoting weeks or periods across the screen.



Model-Level Forecast by Outline Vista Editor

## Secure Forecasting System

Prevail8 provides state-of-the-art security control through authentication, authorization and auditing. Among these security processes, Role-based security (a type of authorization controls) is now available. Role-based security is a form of control where a security administrator assigns users to roles with specified rights for a given step, and combination of master dimensions. Prevail8 security features are easily configurable and manageable through a series of security editors. Users can be assigned to multiple roles when they have different rights for different accounts, such as read-only access to one account and write access to another. The new security functionality helps to maintain process transparency and accountability according to business functions.

## *Measurable Forecasting Process*

### Detailed review process

After forecasts are generated by Prevail8, they are typically revised by following a certain approval process. Each type of revision can now be managed in steps for weekly forecasting (up to three steps based on how the forecasts are passed off for approval from different teams in the business). The forecast volume published at each step is preserved and distinct forecast Vistas based upon a specific process step may be set up to facilitate following the defined forecast approval process.

### Editions

An edition is a frozen snap shot of forecasting data (i.e. future net price and retail price, forecasted exceptions, forecasted volume, etc.) which allows planners to compare the accuracy of forecasts at different moments prior to a given week. Prevail8 editions permit the demand manager and planning team to produce reports that effectively evaluate the accuracy of forecasts against various lead times to the supply process (production).