

Salient **Retail**

Enterprise Performance Management Suite



“Value added is getting back greater return for the same or lesser investment. It is the penny saved by using less, going faster or repeating less often. It is the expansion of potential in spite of constraint.”

A handwritten signature in black ink, appearing to read "Guy Amisano". The signature is fluid and cursive, with a large initial "G" and "A".

Guy Amisano
Founder and CEO
Salient Corporation

Create an organized source of performance information:

- Buying, Selling & Promoting Products
- Merchandising & Category Management
- Store Execution Management (SEM)
- Marketing
- Inventory & Supply Chain

Salient Retail is a suite of applications that can join operational, HR, financial and consumer data and organize them according to the many dimensions of your retail operation—people, assets, products, vendors, space, contracts, etc.

You will get a top-to-bottom model of your entire retail enterprise that can be explored quickly, easily and thoroughly by everyday managers and executives. Unit productivity—P&L, growth, efficiency and constraint—can be tracked from any or all points of view—per unit of space, per ring, per operating hour, per head count, per customer, per dollar of payroll and operating expense and more.

Salient Streamlines Implementation

1. Connect

Reach into existing systems to leverage data. No IT changes required.



2. Precisely Measure Value Add

Immediately drill down into data sets and metrics. No support or waiting necessary.



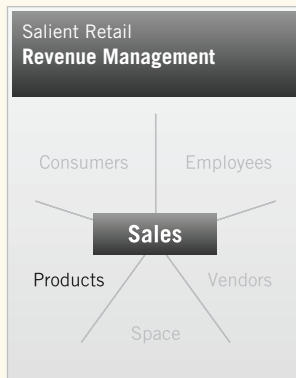
3. Make Information Actionable

Take immediate, fact-based action. Guesswork no longer required.



Mastering Sales Activity

The Foundation for Profit and Growth



Revenue Management

- Sales Volume
 - Revenue
 - COGS
- Vendor Rebates
 - Margin
 - Ring Count

Revenue Management

Top-Line Sales and Profit Management

Everything your professionals need for efficient buying, selling and promotion management.

Drawing from scanner and financial systems, Salient Revenue Management automatically computes net economic value added by sales activity – revenue, costs, margins, adjustments – which is then made available for interactive interrogation and exploitation.

Phenomena such as per-ring values, lift, elasticity, cannibalization and demand erosion can be observed graphically which, in turn, can be drilled further to expose outliers. Embedded expert analytics let business managers quickly locate those short lists of problems and opportunities they can attack immediately and monitor continuously.

Improve Promotion Effectiveness

Visualize how profits and growth are affected by promotional discounting, product mix, deal duration and frequency. With clear graphic views of elasticity and lift, sales managers can optimize SKU mix and display inventory for maximum sell-down, reduced over-stocking and minimal category cannibalization.

Rationalize New Product SKUs & Product Mix

Track the effects of new products on vendor and category performance.

Optimize Price-Points

Provide a continuous visual feedback loop that enables managers to test different merchandising and pricing strategies with minimal risk. Immediate feedback allows in-time corrections.

Monitor Vendor Rebates from SKU to Category

Allocate rebate information with sales data down to the SKU and store, irrespective of time or data source, providing a more reliable picture of profitability.

I. Merchandising & Category Management

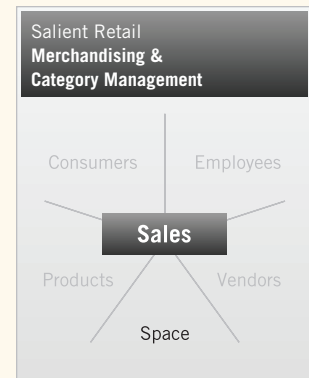
Salient's UXT® compute engine matches up scan records, costs-of-goods, vendor rebates, plan-o-gram data and more to deliver a complete accounting of net profitability:

- By day
- By individual SKU
- Per unit of space (facing, square or linear foot, etc.)
- And all roll ups, including vendor, section, department, store, market, etc.

Salient's Windows-based interface makes business intelligence truly self serve. Everyone who needs to know, from store managers to strategic decision makers, will have all the facts available and easily accessible in drillable graphical forms, with no report more than three mouse-clicks away. Once hidden or latent information becomes immediate and actionable, for example:

- Product movement and actual profit to space ratios
- Promotional event profitability and cannibalization within product line / category
- P&L, ROA, ROE, EVA down to store / department / vendor
- and any other information the user wants

Salient's user software eliminates all of the barriers to self serve intelligence: it is stream-of-thought fast, easy for non-technical managers to use and it delivers all the details necessary for fact driven decision making.



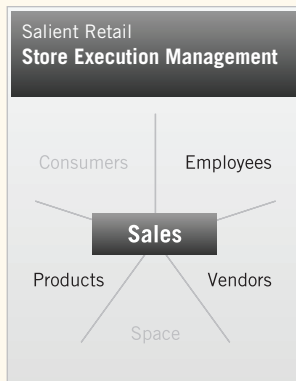
Revenue Management

Plus:

Merchandising & Category Management

- Plan-o-Grams
- Displays
- Flow/Position
- Shelf Inventory

II. Store Execution Management (SEM)



Revenue Management

Plus:

Store Execution Management

- Head Count
- Hours
- Skill Sets
- Vendors
- Traffic Count
- Shrink

Optimize Scheduling – Time & Attendance

Add in time and attendance data to allow managers to correlate store traffic, volume and revenue with employee head count, hours and payroll costs to optimize scheduling and match skill sets with shift needs to achieve the best balance of labor support for traffic, promotions and seasonal changes.

Tie In Customer Traffic & Ring Counts

Integrate traffic counts and ring counts with transactional data to determine conversion rates and sales over traffic (SOT) for immediate insight into relationships of traffic to labor, volume and profit.

Score Associates' Productivity at All Levels

Track employee performance metrics from headquarters, down to the district, the store, the manager and the sales associate at the register. Capture overall sales, average sales figures, sales volume, hours worked and shrink to identify top performers as well as those who need improvement.

Score Third-Party Service Vendors

Salient provides a clear graphical accounting of third-party suppliers and their services, rates, durations and frequencies, giving store managers, supplier-relationship managers and up-stream executives a deeper insight into the full cost of store operations.

III. Marketing

Advertising & Other Marketing Costs

Marketing expenses, such as television, radio, newspaper, billboard, couponing, point-of-sale and other expenses can be compared directly with sales throughput and profit at SKU, category, store, territory and enterprise levels.

Loyalty & Demographic Intelligence

Salient draws on all the information of the census and customer loyalty cards to allow retailers to graphically compare destinations of marketing expenses with sources of revenue—territories, stores and customers. Salient presents the information in a host of analytical formats, perhaps the most valuable of which is its geo-spatial presentation that allows retailers to see these facts from many geographical perspectives—all customers at once or a subset by attribute (for example, all customers in a particular county), or sales characteristics (for example, customers whose purchases represent significant profit).

Thematic mapping shows averages and totals for distinct areas within the map. Shades of color indicate whether a region, state, county, town, or other area has unusually high or low results. Set performance criteria, then instantly map locations that pass or fail... drill into individual locations for deeper analysis.



Revenue Management

Plus:

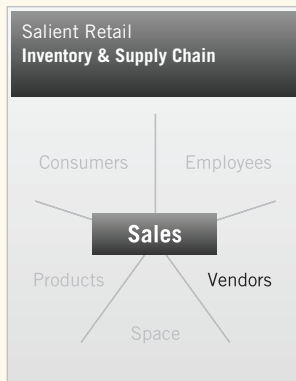
Marketing

- Advertising & Other Marketing Costs
- Consumer Data

"Half the money I spend is wasted; the trouble is knowing which half."

John Wanamaker (attributed)

IV. Inventory & Supply Chain



Revenue Management

Plus:

INVENTORY & SUPPLY CHAIN

- Capacity
- Production
- Back-room/Warehouse / En-route Inventory
- Supplier Performance
- Fill Rates & On-time Performance
- Purchase-Price Variance

Inventory Availability

Salient Retail shows inventory details in a way that makes it easier to see flows of product from supplier to consumer. It computes ratios of inventory and supply chain constraints to volume and turn and helps improve re-stocking and re-order timing. Managers can more easily determine reasons for stocking errors, and then adjust appropriately to achieve maximum supply chain efficiency.

Vendor Performance Management

Near-real time P&L and net productivity statements by SKU, including vendor pricing and variances history, on-time performance and fill rates further refine capability to optimize vendor performance.

Salient Retail shows over- and under-performing vendors by total sales, profit and volume, from many different perspectives and in common business language, to give the facts needed to continuously refine decisions.

V. More You Can Do

Customer Service Management

Salient Retail with Customer Service Management introduces service desk data that helps retailers improve the customer experience and control quality—quantity of returns, reason codes and cost-of-goods returned. These facts can be correlated with POS and other data to better understand costs associated with the vendor relationship, including how customers feel about them.

Vendor Payment Tracking / Accounts Payable (A/P)

A/P data can help refine scoring of the vendor relationship. Granular data on invoice amounts, paid amounts, adjustments, rebates, freight and balances integrate with sales and other data to provide an in-depth, value-added scorecard for each vendor.

E-Commerce

Track benefits and costs associated with doing business across electronic channels, down to a specific item. Make correlations between profitable channels and promotional spending. Determine if specific channels warrant promotion, price incentives or expansion.

Management by Objective

The Profit & Loss (P&L) responsibility of each store manager, regional supervisor or category team can become much more meaningful when the targeted figures are automatically correlated with actual sales performance day-to-day. Measure sales per manager, per location and per salesperson to set goals and develop bonus programs.

Weather Conditions

Are sales sluggish because of warmer-than-usual temperatures? Did customer traffic come to a halt because of a bad storm? Salient Retail provides the answers. Daily weather updates from the National Oceanic and Atmospheric Administration (NOAA), combined with sales activity, provides another tool to assess performance. Weather information can be collected from any weather station in the world—providing additional insight into performance. Information can be collected from one or two specific weather stations, or track an entire geographic region. Indicators show the amount of rain, snow, and wind, as well as visibility and temperature.

Revenue Management

Plus:

More You Can Do

- Everything Mentioned Above
- Optional, Customized Measures
- Based on Scope

V. More You Can Do (continued)

Revenue Management

Plus:

More You Can Do

- Everything Mentioned Above
- Optional, Customized Measures
- Based on Scope

Syndicated Data

Third-party syndicated data can be combined with sales for competitive analysis, to evaluate optimal product mix and to support fact-based recommendations to suppliers.

Budget and Forecast Support

Salient360™ is a plug-in data pump for Microsoft Excel® or best-of-breed forecasting packages. Users can draw in transaction or summary-level data directly and then post back forecast data for continuous tracking and improvement of forecast to actual performance.

Fleet Management

Salient captures data from fleet maintenance and operations to deepen insight into supply chain costs, which are applicable at every appropriate level.

Cash-to-Cash Cycles

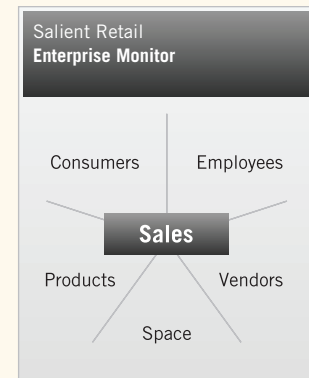
How long does it take each buyer to turn \$1MM in open-to-buy funds into \$1.25MM in the bank? Salient helps capture all of the details of your investment—from where it goes to when it returns—to optimize your cash cycle.

VI. Salient Retail Enterprise Monitor™

Salient's Retail Enterprise Monitor integrates facts from every activity and condition and from every source that may contribute to knowledge of value. It provides precise and continuous measurement of productivity from everyday transactions and rolls up to persons, departments, stores, functions and, ultimately, the whole enterprise.

Salient provides a disciplined advisory service to help senior management reconcile its strategic vision and individual roles and responsibilities, capital expenses and rules for vendor, product and customer retention.

We deliver a never-before-possible management capability: current, continuous and actionable intelligence for everyone whose job adds value.



Revenue Management

Plus:

SALIENT RETAIL ENTERPRISE MONITOR

“**Scoring retail** is about measuring the ratios of investment to return to constraints – inches, hours, rings, heads, dollars. Improving performance is about managers knowing in time how their own decisions affect these ratios and then acting on the knowledge in time to change them.”

*Guy Amisano
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