

# dynamics

## Influences

In this modern age we are subjected by a multitude of influences; understanding the effect of these influences is a vital part of understanding the consumer.

Our initial thinking throughout our research, (analysis of hundreds of products and footfall within the retail sector) shows that there are some influences which have a greater effect than others (stating the obvious); the five main or principal influences not surprisingly are Product, Price, Promotion, Events and Weather. The first four principals are the basics of marketing understanding. The Weather however has not been fully recognised as a principal influence. The reason for the lack of recognition is simple if you think who has tried to discover the relationship. Our understanding now is the weather effect is actually **THE CORE** driver of consumer behaviour. It is sometimes obscured by other influences but it is still there 365 days a year.

Weather Forecasting Companies: They all state how much the weather affects the retail sector and some have reasonably sophisticated analytical models that provide some cause and effect relationship. Most however, just provide weather forecasts in a different format. Do these Companies understand the full

implications of all the other influences within the supply chain? If they can't recognise the "Noise" within the raw data then they will never find out the real impact of the weather.

### **99.9% companies use wrong weather data!**

Retailers & Suppliers: All these companies will have tried to find the cause & effect, relationship between weather and sales, but do they understand the weather sufficiently to gain the maximum potential of a demand model. The fact that Temperature is used in the majority of their analysis and we have proven the FGF is the Key Weather Driver of consumers' decision-making leads to the question "could they do better?"

To discover the true relationship of any data being analysed, it is absolutely vital to fully understand the two sets of data, in this case there has to be an absolute understanding of weather and of sales (the complete supply chain).

