CLARKSTON CONSULTING

Leading Food Company

Predictive Trade Promotion Planning

SUMMARY

Operating in a highly competitive market, this leading food company's success relies heavily on effectively planning and executing promotional and trade investment activities. Unfortunately, the existing sales and marketing planning capabilities did not meet their needs for winning in the market. Activities in the field were being planned and tracked through multiple tools, data was collected manually, more time was spent on data entry than analytics, and insights were inconsistently shared. As their trade investment levels rose steadily, our client needed to improve the accuracy of their sales forecasting and manage their sales resources more efficiently.

CHALLENGES & SOLUTIONS

Challenge 1: *Trade promotion planning activities were inconsistent and difficult to integrate.*

Solution: Clarkston helped improve our client's end-to-end collaborative trade planning process and implemented Oracle's Demantra Predictive Trade Planning software. Beginning by designing and hosting the solution in a 'Clarkston Design Lab,' Clarkston enabled our client to experience a prototype in a hands-on environment prior to system development. The solution also utilized a SaaS Demand Signal Repository (DSR) to harmonize and cleanse demand data originating from disparate sources to feed the new trade system. The DSR enabled our client to take advantage of an integrated collection of demand data to conduct more robust analytics and better predict their demand curve.

Clarkston Labs is a dedicated software system hosted and maintained by Clarkston Consulting for the sake of developing leading edge software solutions for our clients. In this case, Oracle Demantra's Predictive Trade Planning was configured and prototyped in Clarkston Labs, providing a safe environment for our client to explore functionality.

Challenge 2: *Calculating trade promotion ROI was cumbersome.*

Solution: Like most companies in the Consumer Products industry, our client performed manual ROI analysis on promotional events and, in some cases, no analysis at all. The new solution automated post-event analysis to give an up-to-date account of all past events. Additionally, predictive analytics capabilities provided our client a statistically generated estimate on future returns on promotional investments based upon different promotional mix scenarios. Therefore, our client was able to make optimal investment decisions to best reach their goals.

Challenge 3: *Keeping the sales organization engaged throughout the project.*

Solution: A critical element to realizing business benefits in initiatives where the sales organization is the focal point is organizational engagement. But often when Clarkston is brought in to help improve sales capabilities, we find that past implementations fell short in properly including the sales organization throughout the project; this turned out to be the case here. We paid careful attention to ensure that a strong sales nucleus was involved in all phases of the implementation, from requirements gathering through deployment and beyond. Our methodology included a combination of interviews, workshops, agile system development, testing, and training – all designed to allow for comprehensive input and to stimulate ownership and boost adoption. The new processes and system were fully embraced as measured by the realization of preset usability goals. For example, all up-coming year plans were entered into the new system on time, and subsequently updated according to compliance standards.

RESULTS

With this new trade promotion solution, our client is able to feed customer demand data into a new comprehensive predictive trade planning tool. Within the tool they are able to forecast their sales broken out into base and incremental sales based on their growing understanding of their own unique and dynamic promotional sales lifts. Their sales and marketing teams are now able to simulate promotion scenarios and make informed investment decisions up front, as opposed to repeating past trade practices and then selling to customers without the benefit of reasonably understanding ROI in advance.

PARTNERING for SUCCESS

Clarkston provided senior level Consumer Products resources, accomplished in trade promotion optimization and organizational benefits realization with hands-on experience in implementing Demantra, the client's preferred solution. Clarkston understands that our ability to bridge the gaps between software providers and our client's business and technology teams is essential to their long-term success. Trade optimization is a significant investment that can deliver separation from the competition when deployed effectively. Clarkston was the chosen systems integration partner because of our ability to bring together vision, strategy, business process acumen, software knowledge, data needs, and organizational change management "know-how". We are pleased to have successfully delivered what has been described as the largest and most complex implementation of Demantra to date.

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ABOUT CLARKSTON CONSULTING

Clarkston Consulting is a different kind of management and technology consulting firm. We deliver a unique experience for market leaders within the Consumer Products and Life Sciences industries. Considering professionalism, expertise, and value as prerequisites, we take service a step further through our unyielding commitment to the success of people as individuals, both our clients and our employees. By combining integrity, adaptability, and a whatever-it-takes attitude, we have achieved an extremely high rate of referral and repeat business and a 10-year average client satisfaction rating of 97%.

For more information, email us at **info@clarkstonconsulting.com**