

Conducting a Trade Promotion Assessment with a Consumer Products Company

Clarkston recently partnered with a \$700M family-owned consumer products company to perform an assessment of their Trade Promotion Management processes and supporting technologies. The company recently completed an ERP implementation and as part of that project transitioned their settlement management processes to the ERP system. The organization continued to plan and manage trade promotions within a homegrown Excel-based system.

Given the limitations of Microsoft Excel, the client asked Clarkston to help them better understand:

1. Industry leading practice for end-to-end trade promotion management
2. Key capabilities they need to invest in to gain competitive advantage
3. Functionality provided by best-in-class TPM systems
4. Gaps in their current systems and processes
5. A roadmap to remediate the identified process & system gaps

Clarkston interviewed over 20 key cross-functional stakeholders to understand the current state pain points and analyze the current system against industry leading practices. Among other findings, the company's homegrown system was found to have subpar capability in 15 of 28 trade promotion process areas that were assessed. These results highlighted the opportunity ahead to improve both systems and processes.

Clarkston's collaborative approach during a multi-day workshop was the ideal way to engage the broad group of cross-functional stakeholders. The workshops consisted of education on leading practice as well as discussions about the growth objectives & future state of their business. The workshops culminated in the categorization and prioritization of capabilities needed to achieve the client's objectives, alongside an associated business case.

Consumer Products Case Study

PROJECT OVERVIEW

INDUSTRY:



Consumer Products

EMPLOYEES:



Over 600

REVENUE:



Over \$700 million

PRIMARY OBJECTIVES:

- Understand the organization's true requirements for a TPM system
- Understand industry best practices as they relate to TPM system capabilities
- Understand where the client's current TPM system lags relative to the industry
- A roadmap for building out the company's TPM system

RESOLUTION:

- 20+ cross-functional interviews with stakeholders across Sales, Trade, Finance, and IT
- Rigorous current state system analysis across Clarkston's TPM "wheel" and Trade system maturity model
- A multi-day workshop that brought together 20+ trade stakeholders to review industry best practices and identify future priorities
- Detailed TPM system & process roadmap
- Presentation of findings and recommendations to key stakeholders and leadership including the VP of Sales and CFO

KEY BENEFITS:

- Comprehensive view of client's cross-functional needs relating to trade promotion management processes
- Communicated and educated the Sales and Trade team on industry standard TPM system capabilities
- Identification of specific lagging TPM capabilities worth investing in
- Developed a business case for a TPM system implementation that anticipates a \$3.67 million financial benefit over five years and time savings of approximately 17,000 hours
- A comprehensive roadmap for building out the company's TPM processes and related technology

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The client's homegrown system has the lowest possible maturity level **DEVELOPING** in 15 of 28 industry standard system capabilities (54%); All 8 capabilities rated **MANAGING** require extensive manual interventions; 0 of 4 capabilities rated **OPTIMIZING** are related to Sales Planning.

3.67

Identified a 5-year TPM benefit of \$3.67 million

6

Identified a TPM system generated time savings of approximately 6 hours a person per week

"Our core values are Trust, Caring, Integrity and Responsibility. Clarkston very clearly exemplifies these values in everything you do and have been a natural fit within the [company] culture. I couldn't be more satisfied with Clarkston's performance and hope that we can continue to work with you as we move forward on our TPM journey."

- IT MANAGER

