Gaining Competitive Advantage with Exceptional Retail Execution

POI
PROMOTION OPTIMIZATION INSTITUTE

5 attributes of retail execution innovators

Introducing your speaker
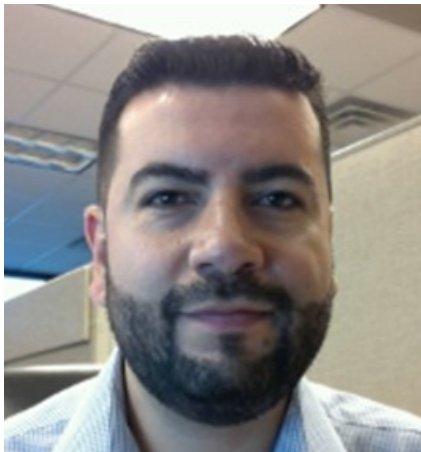
Andres Jejen, Product Management Director
AFS Technologies

Andres Jejen is an executive with 15 years of experience on consultancy, implementation, development and support of Retail Execution solutions and Sales Force Automation. All of his career has been devoted to Software and Solution Delivery for Sales Forces in the Americas and Europe. Andres holds studies in Systems and Technology Engineering from the Universidad Distrital Francisco Jose de Caldas in Bogota – Colombia.

Contact: Andres.jejen@afsi.com

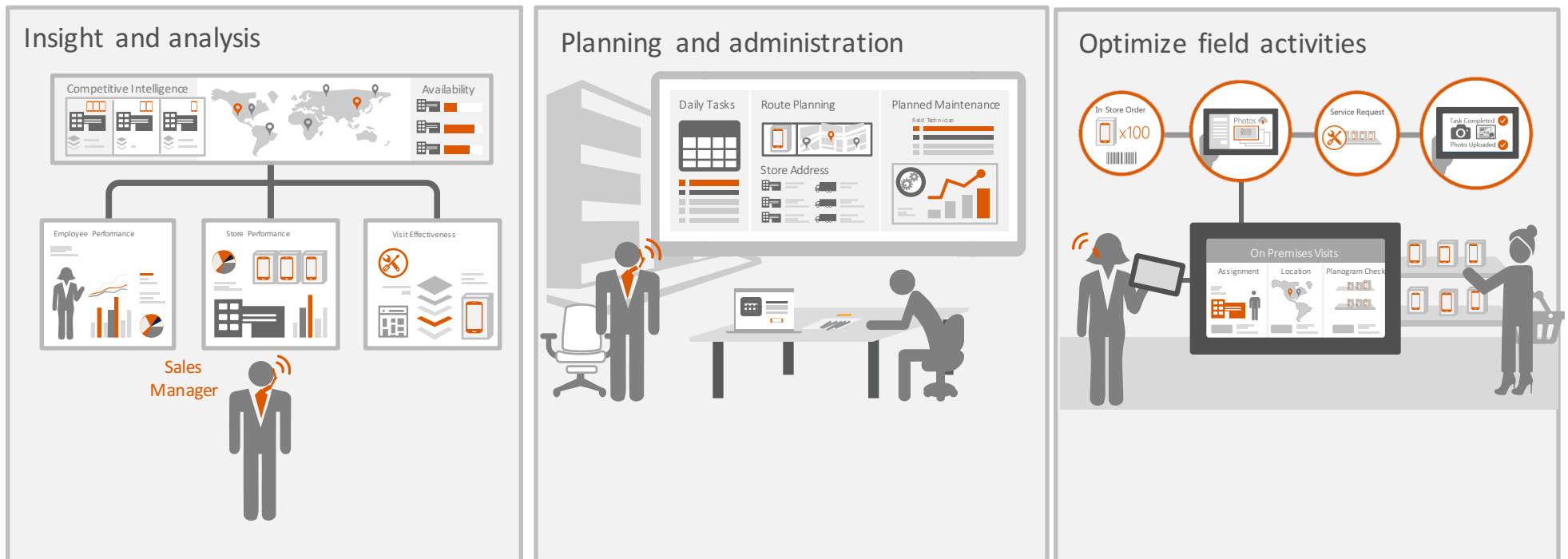# Retail execution: a day in the life
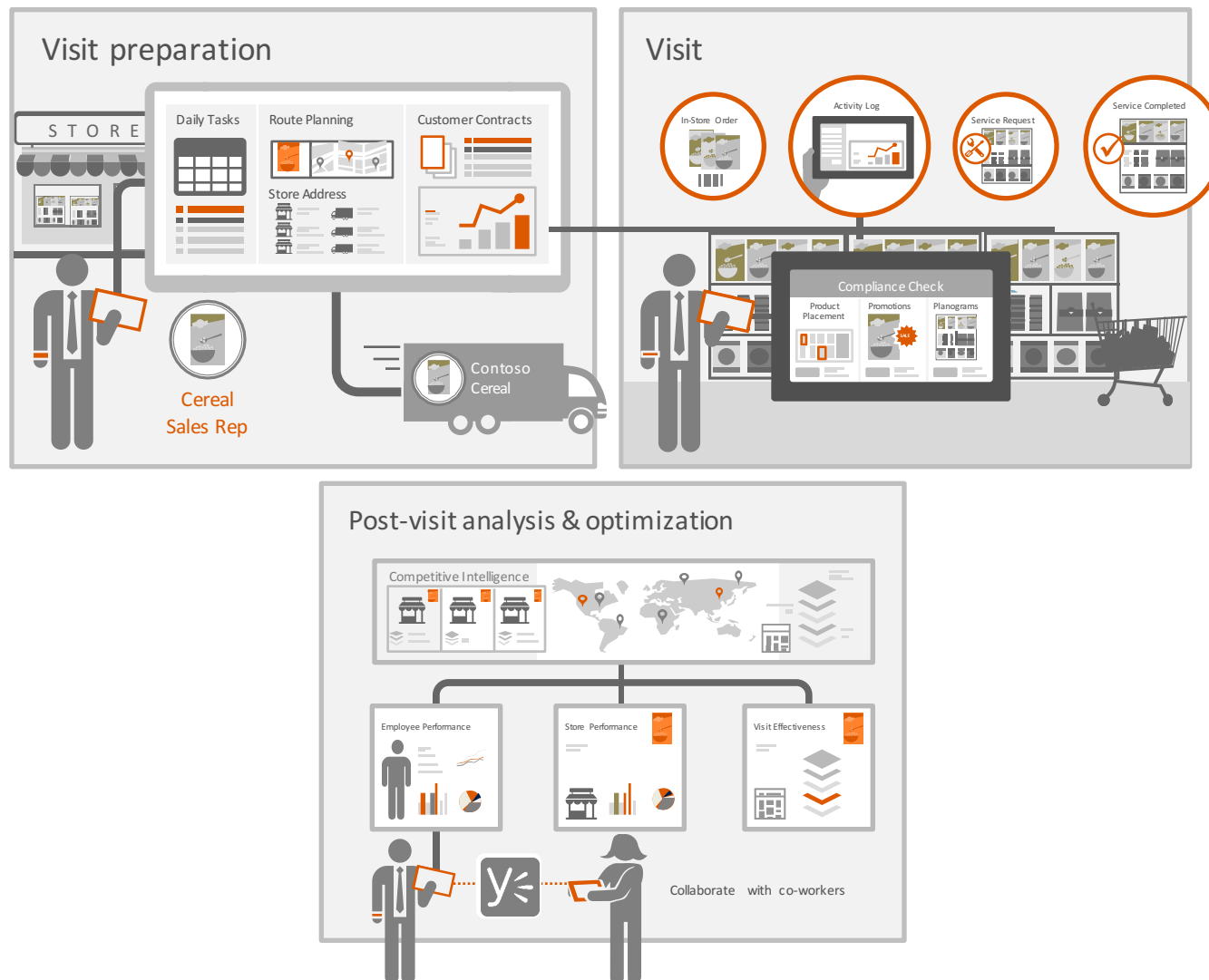
Five attributes of retail execution innovators - *with case studies*

1. They are hyper-efficient planners
2. They are cord cutters
3. They turn compliance into a science
4. They constantly improve using data
5. They dare to share

1. They are hyper-efficient planners

Global Manufacturer of Confectionary & Other Products

A **global manufacturer** of **confectionery** and other food products with over **$30B in annual sales**.

Continues to deploy **retail execution** across an increasing **number** of **geographies** and product **divisions** as the **strategic mobility platform** to support their sales **efficiency** and **effectiveness** goals.

The Challenges

- Needed to **improve** the **planning** & control capabilities
- Needed a good system that would enable to **execution** and **tracking** of the **Perfect Store** strategy
- Was looking for a partner with **Global capabilities** to enable regional **standardization** & synergies

The Capabilities

- Comprehensive **call planning capabilities**
- Advanced in store audit capabilities including **surveys, tasks & guided visits**
- The **integration with Analytics** provides immediate **insights** to store conditions & also enables **management by exception**
- The regional coverage enabled company to establish a **regional standard & share resources.**

The Value Benefits

- Significant **cost reductions** by automating some of the manual planning processes and by **increasing efficiencies**
- Increase sales by **improving promotional compliance** and by improving **product placement** in the store
- Established regional standards which led to **additional costs reductions** through **consistency** & shared resources

Before we move on… The IG Nobel Prizes

The IG Nobel prizes honor achievements that make people LAUGH, then THINK.

The prizes are intended to celebrate the unusual, honor the imaginative – and spur people's interest in science, medicine and technology.

Last ceremony happened on September 22nd, 2016 at Sanders Theater, Harvard University

The "Stinker" is the official Mascot of the IG Nobel Prizes
http://www.improbable.com/ig/winners/

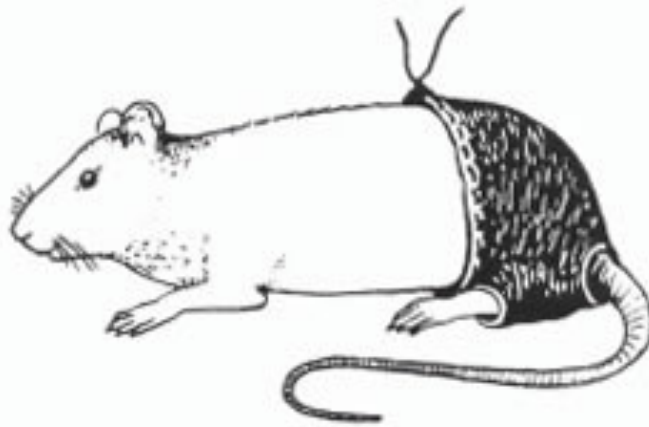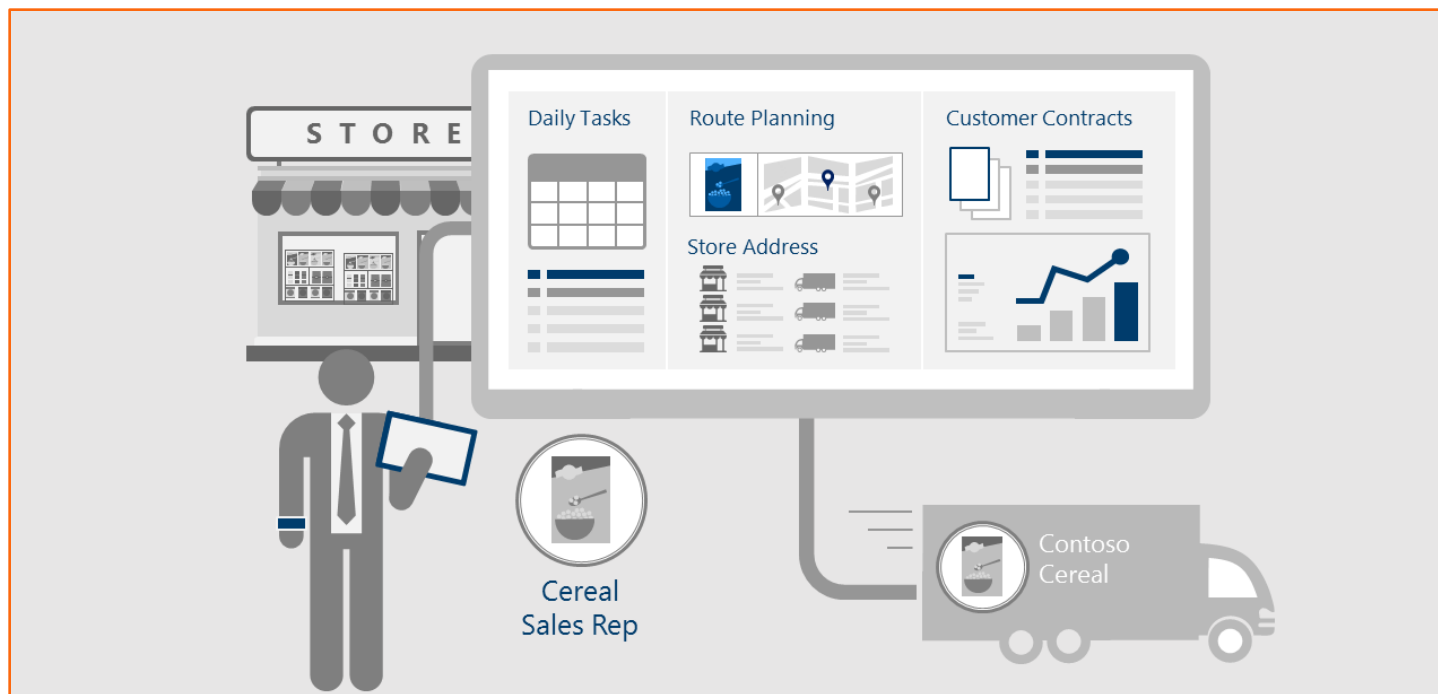# IG Nobel No. 1 - 2016 Reproduction Prize

Fig. 1. The underpant worn by the rat.

The late **Ahmed Shafik**, for studying the effects of wearing polyester, cotton, or wool trousers on the sex life of rats, and for conducting similar tests with human males.

2. They are cord cutters

Large Food & Beverage Company

One of **the largest food companies** in the world measured by revenues, with operations in **almost every country in the world**.

Have deployed retail execution as part of a **global template** to **harmonize business practices** across 75+ markets and over 190 sales teams **including distributors**.

The Challenges

- Desired a standard, global solution to increase sales team efficiency while decreasing support costs for rapidly evolving mobile devices and platforms
- Support company Best Practices, Global Template while integrating to various SAP instances around the world
- Decrease pre/post and in-store inefficiencies in the targeting, planning, execution and reporting of field activities for sales, merchandising and delivery.

The Capabilities

- Global solution configured for local markets, languages and regional nuances to harmonize best practices.
- Seamless integration with their SAP ERP/CRM system for customer, product, sales, invoices and delivery – 20+ integration points
- Sales Team concept supporting a single administrative / aggregated view of customers while segregating team specific activities and data at the user/role/team level.

The Value Benefits

- Increase in rep efficiency resulted in an average of 1 additional store visit / selling opportunity each day.
- Support a global template while rolling out to field users in 190 sales teams in over 75 markets.
- Flexibility to support multiple product lines/brands, easily introduce programs and activities across direct and indirect (distributor) teams.
- Rolling out combined Modern/Traditional trade footprint.

3. They turn compliance into science

Global Beer, Soft Drink and Bottled Water Manufacturer

One of the **most recognizable** brands of **beer** globally, this organization is **aggressively migrating** its business to that of a **FMCG** company by rationalizing, standardizing and streamlining operations.

Towards that goal, **retail execution** was deployed to **support sales** in all key channels to market. An **Android based solution** enables field reps to efficiently take **accurate orders** and synchronize with **SAP**, monitor **compliance of customers** against HQ guidelines and take **timely corrective action** when necessary.

The Challenges

- Slow, aging technology of prior solution in the store, combined with limited integration to SAP for Orders, etc.
- Once a day HHC communication prevented visibility of future orders, required for planning and routing along with recognizing and responding to threats and opportunities.
- Unable to accommodate the different business requirements of Off-Trade and On-Trade, Modern and Traditional Retail in the same environment.

The Capabilities

- Single source solution for delivery and retail execution activities, including surveys and distribution checks, orders, POG compliance and shelf KPI analysis
- Seamless integration and the ability to communicate orders with the back office in real time, allowing for delivery planning and scheduling in advance.
- Rapidly configure workflows and activities by channel, category, and corporate objectives.

The Value Benefits

- 1,000+ reps enjoy the intuitive, easy to use UI with the ability to execute 3-4 times faster in the store - resulting in the rep spending more time on high value activities such as selling.
- Decreased out-of-stocks against volume agreement relationships by over 50%
- Configurable business flows within the solution allowed them to manage the delivery process by the different customer segments within a single solution

IG Nobel No. 2 - 2016 Chemistry Prize

Volkswagen, for solving the problem of excessive automobile pollution emissions by automatically, electromechanically producing fewer emissions whenever the cars are being tested.

4. They constantly improve using data

Insight and analysis

Competitive Intelligence

Availability

Employee Performance

Store Performance

Visit Effectiveness

Sales Manager

Derive insight with powerful BI and analytics functionality

- Collect more comprehensive competitive insight
- Evaluate performance with robust, user-friendly dashboards and reports
- Deliver self-service insight to executives to enable timely action
- Understand competitive actions and areas of opportunity

Planning and administration

Daily Tasks

Route Planning

Planned Maintenance
Field Technician

Store Address

Maximize efficiency and ROI with unified scheduling and management

- Help sales teams save time with advanced route planning
- Review daily priorities, messages, customer communications history
- Set up new solutions, features and users easily
- Enable more efficient, informed compliance audits

Optimize field activities

In Store Order x100

Photos

Service Request

Task Completed
Photo Uploaded

On Premises Visits

Assignment

Location

Planogram Check

Optimize on-site sales activities

- Create and assign activities for field users
- Disseminate key information so reps spend their time onsite adding value
- Manage sales teams, user territories and create additional users as required.
- Share best practices with social and mobile capabilities that foster real-time action

Leading Latin American Food Manufacturer

One of the **largest Latin American** food manufacturers was challenged to **grow** their **revenue** and market share in their **rapidly changing** local economy

Deployed **retail execution** to a 300 person **mobile field sales force** to leverage **new sources of data** and improve and **standardize** their processes while staying **aligned** to their **global** corporate strategic **objectives**.

The Challenges

- No visibility or standardization of Key Performance Indicators
- Lack of compliance of execution parameters in store
- Inability to drive targeted campaigns to specific stores and segments
- Desire store performance by leveraging POS data for planning and execution

The Capabilities

- Single solution leveraging innovative technologies for in-store execution, Digital Image Recognition and 3rd party POS Scan Data
- Track compliance against Local tax regulations
- Define comprehensive algorithm to calculate store segmentation on the fly
- Implementation of perfect store KPIs tuned to local market needs

The Value Benefits

- POS data available for fact-based discussions, decisions and execution while in-store
- Increased efficiency and coverage with 2-3X faster store visits
- Ability to more rapidly respond to changing corporate strategies and retailer conditions

5. They dare to share
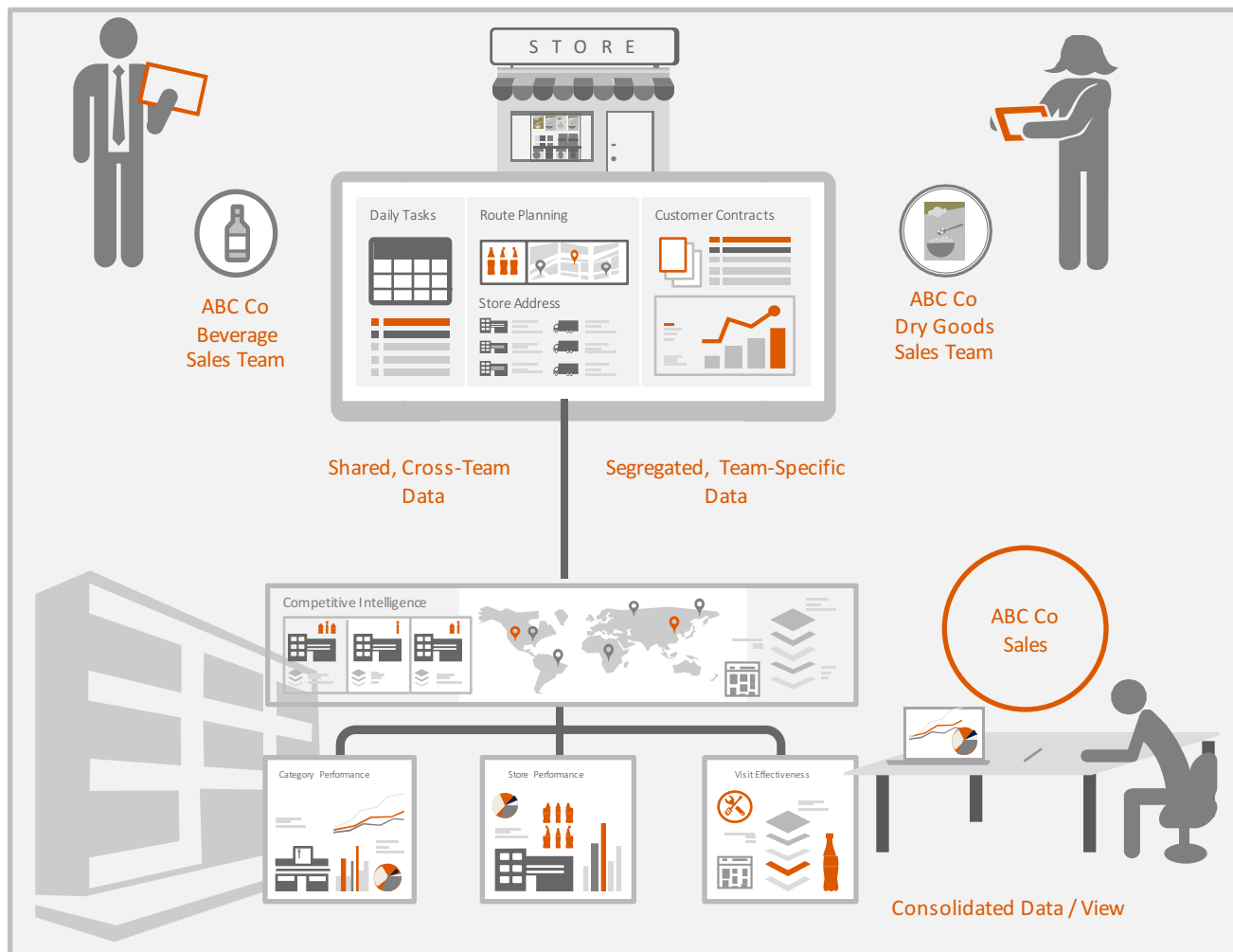
Multinational Oil and Gas Company - Asia

Part of a **$450B global organization**, this **Asian** engine lubricants division deployed a **retail execution and DMS** solution to support 2,000 users across their distributors for in **4 Asian markets** – China, Malaysia, Philippines, and UAE – to **increase performance** and **eliminate "blind spots."**

Gained a **deeper visibility** into their **distributor performance** as well as increased **visibility** into **market coverage** and **penetration**.

The Challenges

- Relies on distributors to develop its market, yet the existing DMS simply handled orders and offered no ability to direct and monitor distributor performance.
- Needed a robust, yet cost effective, SaaS solution that could meet the needs of the various Asian markets that leveraged the best practices of leading global GC organizations.
- Limited understanding of market development effectiveness and ROI, promotions, campaigns, POSM, etc.

The Capabilities

- Multi-language, international solution with embedded FMCG best practices
- Support the DMS go-to-market model within a leading retail execution solution
- Rapidly configure workflows and activities by channel, category, and corporate objectives.
- Planning and visibility of Rep activity tracked and validated by GPS
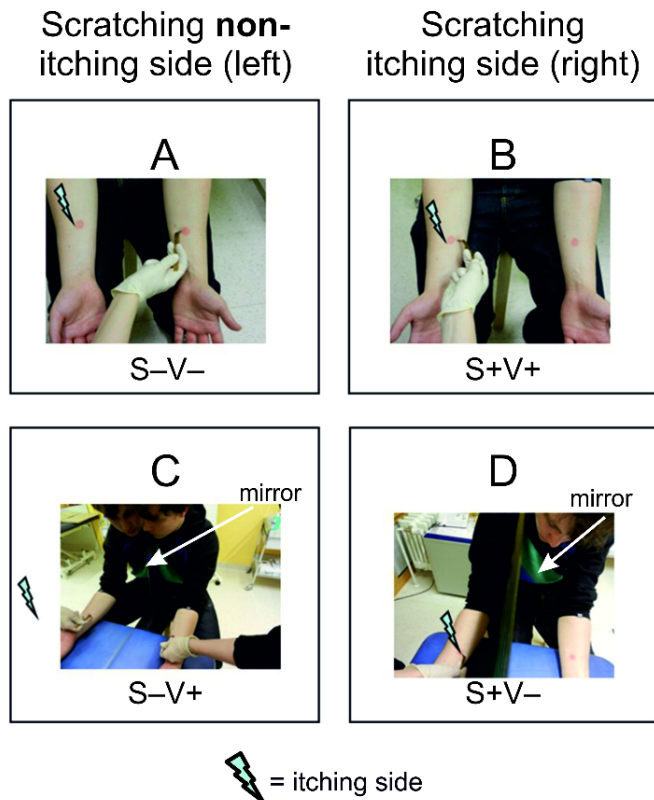
The Value Benefits

- Deep understanding of the their into market coverage and penetration
- Visibility into Distributor/Rep performance – planned visits vs actual validated by GPS, conversion rates promotional compliance and ROI
- Greatly increased market development capabilities with prospective clients

IG Nobel No. 3 - 2016 Medicine Prize

Christoph Helmchen, Carina Palzer, Thomas Münte, Silke Anders, and Andreas Sprenger, for discovering that if you have an itch on the left side of your body, you can relieve it by looking into a mirror and scratching the right side of your body (and vice versa).

Scratching **non-itching side (left)**   Scratching itching side (right)

A
S–V–

B
S+V+

C   mirror
S–V+

D   mirror
S+V–

= itching side

S+ = pruriceptive match, i.e. scratching on the itching side
S- = pruriceptive mismatch, scratching on the non-itching side
V+ = visual perception that the itching side is being scratched
V- = visual perception that the non-itching or no side is being scratched

Retail execution best practices: sample outcomes

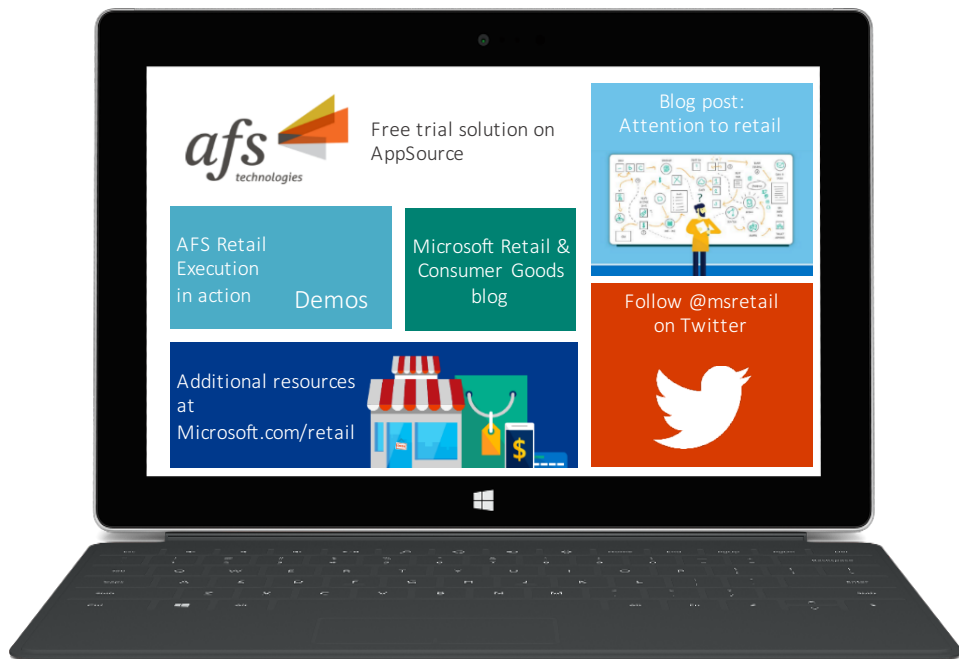|	
Global leader consumer products	• 30% increase in call coverage in first month • increased rate of new product distribution
APAC region CP distributor	• 25% increase in rep productivity
Global company wine & spirits	• 70% reduction in mobile phone bills • inbound call center reps redeployed to outbound marketing
Global hair care company	• 100% user take up of new solution • 20% increase in order value in first month
European drinks company	• 70% increase in distribution in four months
Leading spirits company	• 40% increase in distribution in three months
Global leader food & beverage	• 20% increase in call rates • 15% increase in promotional compliance

Takeaways

- Choose a Partner, not a Vendor for your Retail Execution Strategy
- Find the right balance between Technology & Business Features
- It is about the value of the problem vs the solution
- There is great value in data – make it work for you
- Take a holistic approach – find your "secret sauce"

Where To Learn More

afs technologies

Free trial solution on
AppSource

Blog post:
Attention to retail

AFS Retail
Execution
in action   Demos

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Delivering Best-In-Class
Retail Execution:
5 attributes that modern Consumer
Goods organizations share

Thank You!

ANDRES JEJEN
Product Management Director
Retail Execution & DSD

+1 (972) 715-4055
andres.Jejen@afsi.com