POI

PROMOTION OPTIMIZATION INSTITUTE

Promotion Optimization Institute, LLC

POI TPx Vendor Panorama 2016 Mid-Cycle Update

An Interim Publication Prior to Publication the 2017 TPx Vendor Panorama.

In the dynamic TPx market place we have found it necessary, given advancements, to close out 2016 before we start the Panorama cycle over again.

January 18, 2017

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Introduction

The ability to execute mutually profitable trade promotions continues to be one of the greatest challenges in the industry. There has been some progress made in recent decades, however, many indicators point to a worse situation on some fronts as retailers feel the encroachment of new formats, such as Amazon, on their top and bottom line. Nevertheless, Trade Promotion (or TPx so that it is inclusive of trade promotion management, trade promotion optimization, trade promotion effectiveness, trade promotion analytics, and acronyms yet to be created) is still highly relevant. It is also becoming more important in emerging markets such as Latin America and parts of Asia, where modern trade is on the rise. 79% of consumer goods companies tell us at the Promotion Optimization Institute (POI) that they are not satisfied with their ability to manage trade promotions. Specifically, responses to the Promotion Optimization Institute 2015 TPx and Retail Execution Survey, published in January of 2016, made this very clear.

Mid-cycle Update: The 2016 version of this survey is live in the market at this writing and actually shows that 85% of respondents are not satisfied with their ability to manage promotions so based on responses thus far, things have actually gotten worse. Furthermore, 5% now say that they are extremely dissatisfied and 44% are dissatisfied.

Chart 1: Responses to the statement: "You are satisfied with your ability to manage trade promotions."
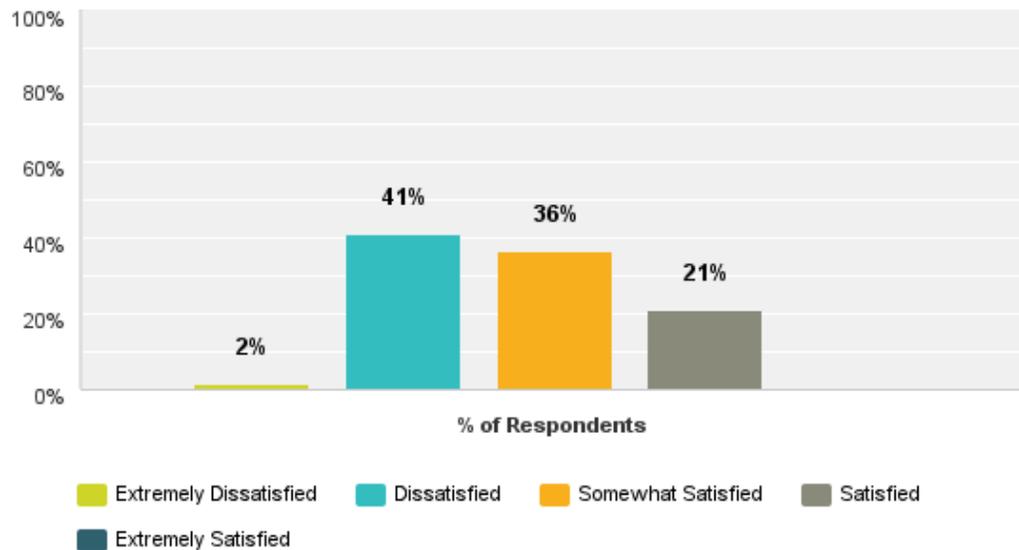
Source: 2015 POI TPx and Retail Execution Survey (a link to the full text of this survey and report is located at the end of this paper).

The survey questioned 75 consumer goods companies of varying sizes. Noticeably absent is a single assertion that a respondent is "extremely satisfied" with the above statement. Less than a quarter of respondents state they are satisfied. Nearly half of respondents express a level of dissatisfaction. Given these results, POI seeks to improve the overall management of trade promotions through various methods, including this evaluation.

Scope of this Analysis

This document builds upon research on the Retail Execution market published by POI in June, 2016. The two are companion documents. The first evaluated the in-store component of the promotion cycle, while the current Panorama focuses on headquarters. Both are part of ongoing leadership efforts by the Promotion Optimization Institute designed to help its members improve their ability to manage trade promotions through the use of enabling technology. In this document we evaluate the TPx market and some of the vendors that play in it. Additionally, we will continue to perform the analysis each year, so as to track changes over time through both this analysis and related surveys.

Key Insights

Some of the most important takeaways from POI's research are as follows:

- Having the right people in place must precede any technology investment. In the previously cited survey a total of 77% or respondents said that they have "challenges finding qualified personnel who can use and understand existing solutions."

- Issues persist relative to true collaboration. 85% of survey respondents said that they have issues with getting retailers to execute promotional plans as agreed upon. Better tools that can show promotional outcomes and their financial impacts on both parties can help to reduce this level of noncompliance by increasing retailer "buy-in."

- There is not a significant amount of differentiation between TPM solutions at the transactional level. The key lies in the analytical ability to deliver insights and the optimization of future outcomes. There is also some differentiation in the accompanying types and levels of services.

- Technology is only one component of addressing opportunities around promotion and distribution of consumer goods. Other factors include change management, providing best practices, and having appropriate support available in local markets.

Recommendations

POI suggests the following strategies for improving your trade promotions:

- Seek to enable all of your trade promotion related processes. We still see a large number of activities that are done in spreadsheets instead of through a system. Evaluate all of your processes when choosing a TPx solution. Adding spreadsheets to compensate for inadequacies in your system of choice only adds cycle time, complexity, and the possibility for errors.

- Prioritize functionality above delivery method. The lines between SaaS, managed services, hosted private cloud, and public cloud are blurrier than ever. Your first decision is whether you will want to do customization to a solution that will take it out of the upgrade path.

> *Prioritize functionality above delivery method. The lines between SaaS, managed services, hosted private cloud, and public cloud are blurrier than ever.*

- Select capabilities that will help users to be more effective and efficient. Otherwise, why spend the money? 93% of survey respondents said that the "entire process of creating a promotional plan, from budgeting to planning to execution to settlement to post event analytics, takes a burdensome amount of time." Therefore, the user experience should trump all other considerations, including low price points and promises of easy integration.

- Ask for best practices from your vendor. The POI 2015 Survey found a wide disparity between expectations for best practices and what was actually delivered. Furthermore, don't just ask for best practices. Also find out the background of those who are expected to deliver them. Then, document precisely the sort of best practices you are looking for and make this part of the scope of work.

  Mid-cycle Update: This disparity has improved slightly, with only 21% of respondents saying that they did not receive best practices during their implementation. Nevertheless, 49% said that they only "Somewhat" received best practices so there is still room for improvement.

- Don't underestimate the need for change management. Whether moving from spreadsheets to a server-based system or implementing optimization capabilities, getting people to embrace change is critical.

Market Overview

Market requirements have remained relatively constant over the last 5 years. However, we note some signs of imminent change, including the following market trends:

- More solution options exist than ever before. There has not been any significant consolidation among vendors in the last year. In this inaugural Panorama we will be evaluating 24 TPx vendors that offer many different ways to meet your needs.

  Mid-cycle Update: We have not seen significant traction by any new entrants, but are tracking some regional players that have been able to carve out a presence with local as well as multinational CG companies due to their specific, localized expertise.

  Deeper analytics, better user experience, and capabilities for optimizing promotions through predictive models are key differentiators ...

- Despite the availability of many TPx options, we still see an abundance of spreadsheets used to support the underlying TPx solution. Examples include utilizing spreadsheets for allocating funds, performing post event analytics, communicating/highlighting a metric to a colleague, and obtaining custom aggregations.

- There are no longer any examples around developing home-grown solutions. The market is relatively mature (especially for TPM) and the various vendors offer solutions-plus-services such as asset management, monthly pay-by-user arrangements as opposed to lump sums up front, best practices baked in from years of experience with multiple manufacturers, and more attractive upgrade paths.

  Mid-cycle Update: We have become aware of a custom-build TPM project by a services firm for a multinational food company. This is the first time we have seen this in at least a decade so we are watching it closely to glean information about cost and development time as compared to off-the-shelf software.

- Deeper analytics, better user experience, and capabilities for optimizing promotions through predictive models are key differentiators that are highly sought after.

- Post event analysis has often manifested itself as an overlooked afterthought when considering the entire trade promotion cycle. However, we have seen this addressed more and more recently as either something requiring a specialty tool or as having higher weight in the selection process.

   Mid-cycle Update: Offering data and related services in support of TPx is a growing trend as CG companies seek to deepen their post event analytics and predictive capabilities. This includes data acquisition, enrichment, cleansing, harmonization and staging. We have seen many companies in recent months working on their data capabilities as a precursor to focusing on TPx.

Evaluation Criteria

The Promotion Optimization Institute recommends using these ratings to narrow down your options. Geography is the first place to start. If you operate in a specific set of geographies, narrow your search based on those and then determine whether you seek TPM, TPO, or both. This will further narrow your search. Additional criteria could be how much of a differentiated product you seek. If this is high, then give more weight to companies with better company vision. Conversely, if you wish to be overly conservative, then place more emphasis on those with higher company viability. Continue to rank and weight the criteria based on what is most important to you. This will help to make the selection process more objective as well as help you deal with the complexity of having to look at multiple options.

   Mid-cycle Update: For the Mid-cycle Update all of the Evaluation Criteria remain the same. We continue to include them in this update because they are relevant as selection criteria for TPx solutions. However, the "Harvey Ball'' Vendor Assessment charts need a more complete analysis with respect to several vendors and criteria. This will be done later in the year as part of the 2017 POI Vendor Panorama for TPx. In the meantime, we have removed the Harvey Ball portion of the report until such time as it is fully updated.

Company Assessment

Company Viability

... Tier 1 companies don't necessarily act as such when selecting and deploying solutions at the micro-level, or for a business segment that is relatively small, compared to the overall organization.

Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product, and will advance the state of the art within the organization's portfolio of products. A vendor must be able to generate sustainable revenue and profits, and be committed to continued success in the specific TPx marketplace where it has chosen to compete. We also emphasize financial transparency, regardless of vendor size.

Geographic Strategy

This is the vendor's strategy to direct resources, skills, and offerings to meet the specific needs of the geographies that it is targeting directly, or through partners, channels, and subsidiaries, as appropriate for that geography and market. This also covers a vendor's ability to support these companies in targeted geographies and in targeted languages, as well as the vendor having the quantity and quality of clients available to provide references from targeted tiers of consumer goods companies.

Tier 1 companies have revenue greater than $1 billion. Tier 2 companies have revenue of between $250 million and $1 billion. The revenue of Tier 3 companies is less than $250 million. The application of our tiers can occur at the corporate level for global deployments

or at the region/country level. This is because Tier 1 companies don't necessarily act as such when selecting and deploying solutions at the micro-level, or for a business segment that is relatively small, compared to the overall organization.

Market Responsiveness and Track Record

This is the ability to respond, change direction, be flexible, and achieve competitive success as opportunities develop, competitors act, customer needs evolve, and market dynamics change. This criterion also considers the vendor's history of responsiveness.

> *Vendors that show the highest degree of vision listen to and understand buyers' needs and desires, and can shape or enhance those with their added vision.*

Deployment Capabilities

This is a vendor's demonstrated ability to deliver trade promotion management solutions for consumer goods companies through its own implementation or with the help of external service partners, as may be required by its clients.

Market Understanding

This refers to the ability of the vendor to understand buyers' wants and needs, and to translate them into products and services. Vendors that show the highest degree of vision listen to and understand buyers' needs and desires, and can shape or enhance those with their added vision. This also means having an in-depth understanding of the consumer goods industry and the needs of companies in this market segment, coupled with the ability to act in time to remain relevant, translate this market understanding into comprehensive functionality, and meet customer needs within its geographic scope, worldwide.

Vertical/Industry Strategy

This is the vendor's approach to product development and delivery, recognizing the unique requirements of the geographies and types of consumer goods companies that it serves. Examples of customers include manufacturers from food and beverage, to tobacco, to hard lines, to footwear and apparel. Other examples include fully covering the functional footprint within the geography where the vendor operates. This is not to say that a vendor needs to cover the globe, but must accommodate variations within its targeted geographies. The vendor's strategy must include directing resources, skills, and offerings to meet the specific needs of individual market segments, including vertical markets.

Partner Leverage

This is the demonstrated ability to form and execute meaningful partnering relationships across the breath of the offering. Such additions to the product offering are embedded, typically transparent to users, and included in a single contract. Examples include underlying technology, hosting, analytics and data visualization, predictive models, and hardware. Not included in this category is the delivery of deployment services.

Company Vision

This is the ability to attract and retain personnel that will keep the company relevant and growing. It is also the ability to articulate and deliver against a vision of where the TPx space is going in the two- to five-year time horizon and beyond.

Product Assessment

Product Aptness and Flexibility

This is the vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology, and feature sets as they map to current and future requirements. This also includes web and mobile technology that is scalable and can support internal sales personnel, as well as partner sales agents. The data model can support appropriate hierarchies of customers and products (e.g., product family, brand, and SKUs). The product also supports multiple platforms, such as laptops, tablet devices, and relevant forms of handheld devices. The vendor's technology can be expanded to integrate with other company legacy solutions, best-of-breed offerings, or syndicated data sources. These criteria also include important enablers, such as content management, contract management, reporting and analysis, and online/offline capabilities as required.

Delivery Flexibility

This is the vendor's ability to provide its solutions in multiple fashions: on-premises, third-party hosted, private and public cloud, and SaaS.

TPM Functionality

The vendor offering TPx must enable five key customer-planning functions, with a complete solution that meets market requirements for each function:

- Strategic and account planning.

- Promotion planning and budgeting.

- Simulation of financials and other KPIs for both manufacturer and retailer.

- Promotion execution and monitoring.

- Settlement.

- Post-event analysis.

This analysis does not cover vendors that specialize in any one of the above.

TPO Completeness

The vendor offering TPO must have the ability to predict promotional outcomes with:

- Constraint-based optimization.

- Optimization through iterative scenarios.

- "Best" promotion option.

- Multiple promotional factors, including timing, frequency, duration, pricing, promotion type, and other capabilities specified by users.

- Cannibalization and halo effects.

User Experience

This includes UI, navigation, and ergonomics for moving throughout the promotional cycle.

Analytical Capabilities

Analytical capabilities involve:

- **Graphics** — Integration of graphical representations and the ability to obtain additional information through hovers or drill-downs.

- **Dashboards/KPIs** — User-configurable lenses that enable the monitoring of multiple dimensions of the business and provide access insights.

- **Alerts** — The ability to specify conditions that will result in a notification through the TPx system, email, or text message.

- **Reporting** — Predefined reports or embedded report writers.

- **Query** — Embedded technologies such as online analytical processing (OLAP) to enable data analysis; ability to export to Microsoft Excel, manipulate the data, and bring the results back into the application.

Product vision is the ability to articulate future product needs and have them included in the product when early adopters in the market are prepared to embrace them.

Such analytics provide insights about the aspect(s) of the promotional cycle that they cover as outlined under "TPM Functionality" above.

Product Vision

This is the ability to articulate future product needs and have them included in the product when early adopters in the market are prepared to embrace them.

Configurability

This is the ability to accommodate nuances at various user levels, without having to write code. Special consideration is given to solutions that allow nontechnical personnel to manage various levels of configuration, without involving the vendor. Special consideration is also given where individual users can configure their own solution, based on how they like to work or view information.

Promotion Optimization Institute Best-in-Class Distinctions

Within the functional set described above, we believe there are a set of significant differentiators that merit mention as a group. We have touched on some of them already, but as we work to strengthen this market by encouraging their adoption, we wish to highlight the following vendors as being "Promotion Optimization Institute Best-in-Class."

POI Best-in-Class Recipients

Functional area	Recipient(s)	Why critical to TPx?
Mobile UX	Accenture, Oracle, Comarch	Ability to tweak, monitor, or perform minor functions on the go.
Desktop UX	AFS, Klee, Periscope, T-Pro	Drives engagement from users and reduces drudgery.
Analytics/Insight	Data Ventures, Nielsen, Oracle, Periscope, Sequoya, TABS	Insight is the currency of collaboration and a primary differentiator.
Financial Orientation/ simulation	Exceedra, Flintfox, RI, SAP, Visualfabriq	Accountability and ROI generation.
Post Event Analytics	VisualFabriq, SAP (through embedded Strategy& capabilities)	Need to know the outcome but without a lot of manual work.
Collaboration: • Internal • External	Periscope, Upclear Adesso, Periscope	More engagement to leverage enterprise expertise. More buy-in from channel partner(s) through engagement.
Analytics Visualization	Kantar Retail XTEL, Klee, TABS	A good graphic or image says it all.
Dashboard	TABS	This pulls all the graphical elements together to be able to easily see the status of the business in a single place. It is also the launch point for further drill down.
TPO Ergonomics	AFS, Oracle, T-Pro	TPO can be complex with all the constraints and simulation. It has to be made easy.
Calendar	WPAS	This is a focal point of the plan. It has to be visual, informative and easy to change.
Remote Promotion Monitoring	RI	Need to be able to remotely monitor the promotion in flight as a dashboard element in TPx.
Ability to Handle Deal Complexity	Flintfox, Kantar Retail XTEL	Deals/rebates can be very complex. If so, nobody wants to have to create custom programming.

We are pleased to highlight these distinctions to draw attention to how critical these capabilities are; both to CG manufacturers and solution providers. However, we caution users against assuming that "Best-in-Class" is automatically the best fit for them. In a world of good-better-best, "good" may be good enough, but it is always instructive to know what "best" has to offer in order to evaluate how it can create a competitive advantage by improving promotional outcomes.

Analysis of Representative Vendors

Accenture CAS and Accenture Cloud TPM www.accenture.com/us-en/software-cas.aspx

Profile: Part of the Accenture Products & Platforms group. A 30-year veteran in the TPx space and one of the first to provide TPM and TPO in a single offering.

Geographic presence: North America (74%), Latin America (1%), Europe (20%), Asia/Pacific (5%).

Total consumer goods users (seats): 13,570.

Tiers represented: All.

Solution offerings: TPM, TPO, and support services.

Major product sub-segments not covered: Semi-durables (footwear, apparel, furnishings, etc.) and consumer durables (consumer electronics, appliances, etc.).

Analytics: The on-premises solution has deep analytics and renders the data very well. The KAM cockpit is very web-like in orientation (as opposed to a grid-like) with an excellent landing page. The Mobile KAM is form factored for iOS, Android, and Windows mobile devices. It favors managers and people wanting to access promotions on the go, but not necessarily create them. The Accenture Cloud TPM version was still in wire-frame versions when we viewed it and we were not able to view the analytics in much detail. We do expect that it will be at least on par with the on-premises version by early 2017. We rate the on-premises solution as Above Average and look forward to seeing how the Accenture Cloud TPM version renders on the Salesforce Lightning product.

> *Mid-cycle Update: In point of fact it renders quite nicely. We are already seeing considerable depth in the analytical capabilities. It is very graphically oriented and offers flexibility in ways such as viewing KPIs.*

Technology architecture/delivery options: On-premises and cloud.

Configuration/Customization:

The solutions are highly configurable and offer customization for the on-premises solution if desired. Modules can be enabled or disabled using configuration tools as well as adapted at the business process level.

The Accenture Cloud TPM offering will utilize the open APIs in Salesforce.com to enable client-specific customizations. Since the core Salesforce.com application is not impacted by customization there will be no impediment to upgrading. Thus, the Accenture Cloud TPM offering offers both configuration and customization.

Service partners that have deployed in the past: Accenture, Strategy&.

Service partners that are able to deploy but have not yet done so: Rural Source, Inc. in North America and 4Brands Reply in Europe.

Technology partners: Salesforce.com for technology and hosting, Amazon Web Services for cloud hosting, and Microsoft for underlying technology and hosting. Also, the Fraunhofer Institute and several universities around the globe.

User experience: Accenture CAS has consistently had an excellent user experience and pushed the limits of what can be done in a TPx tool. We believe that charter customers on the Accenture Cloud TPM product will push them to ensure that it is at least on par with on-premises. And since the latter will offer indefinite support, we expect that they will excel together. Highlights include intuitive calendaring, ergonomic creation of promotions, and performing optimization with a minimum of screens. We rate the on-premises solution Above Average for UX.

> *Mid-cycle Update: When we wrote the underlying 2016 TPx Vendor Panorama in August 2016 we had only seen wire frames of the Accenture Cloud product. Now, however, we have seen a complete product that is being deployed in several locations. It does not render identically like the on-premise product because the underlying building blocks are very different (Salesforce versus Microsoft). However it has many of the same features and does render like a product that has had the benefit of many previous versions. This means everything from layouts to hovers and shortcuts.*

Vendor trend: Accenture has gotten renewed traction in the marketplace with the advent of the Accenture Cloud TPM option. The previous "preconfigured option" garnered only modest interest because it was not really cloud and not really on-premises with accompanying customization options. Nevertheless, there is still a surprising amount of demand for fully customized solutions that become a unique instance as we found in the POI Survey TPx and Retail Execution Survey for 2015. The advantage Accenture Cloud TPM has is that it can utilize the open APIs of the Salesforce infrastructure to add custom functionality that will not take it out of the upgrade path. Thus, it is a SaaS solution that is configurable to the point of what we used to call customization without sacrificing the long-term flexibility and forcing a re-deployment down the road. The product of extensive services from Accenture plus the two-pronged solution option gives it a stronger trajectory.

> *Mid-cycle Update: Given the scale of efforts required to build the TPM product for the cloud, the question naturally arises as to the future of the on-premise product. We can report that development on this latter product has continued with a cadence that is consistent with what we have seen over the last few years. It stands to reason because we have spoken with several large and rather demanding companies that use the on-premise solution and are planning to upgrade within the on-premise environment or have already done so.*

Strengths: The Accenture network and depth of global expertise is vast and can help with best practices in most geographies. The user experience is exceptional across the board. There is also the provision for various approaches to predictive modeling from Bayesian to machine learning that give users more options. New functionality around supporting annual customer meetings and joint planning with more of a view to the retailer's business is a plus as well as the ability to look at cross-retailer cannibalization.

> *Mid-cycle Update: We took a deeper look at the cross retailer cannibalization capability and it is quite impressive in how it renders both for a trade marketing manager as well as national account manager. They have taken something quite complex by definition and made it both simple to view and to understand.*

Challenges: Securing a broad partner network for deployment has been a challenge since Accenture purchased CAS in 2011. Accenture has deep experience but there are always situations where other options are sought. There is also a lingering perception that these are expensive solutions for CG companies with big budgets. The introduction of the Accenture Cloud TPM solution will go a long way towards dispelling this view as it can be more quickly configured and deployed for a reduced TCO. It will take time for the complete functional footprint to be duplicated on the Salesforce platform, which is to be expected, so early

versions may appear to be pretty basic compared to the on-premises solution. This will require Accenture to manage expectations that the Accenture Cloud TPM product will achieve parity but it will take a bit of time. Realistically, were a CG company to engage with Accenture today, it would likely find the Accenture Cloud TPM product able to meet nearly all solution needs by the time a contract could be signed, requirements specified, and a project team put in place. Nevertheless, the gap will have to be managed.

> *Mid-cycle Update: The gap we spoke of earlier is closing rapidly because normally there is a lag between a release and when a company actually buys and deploys it. In this case there are deployments under way by major multinationals, which adds to the credibility of the introduction. What we would like to see more of going forward are companies not only upgrading within on-premise but also taking on TPO projects as Accenture CAS could use more reference-able clients in this area.*

Adjacent offerings: POS data management, data-cleansing services, food services, shelf management/visualization, retail execution and monitoring, digital merchandising.

Key differentiators: Ability to deliver a complete solution and service from initial situation assessment through to deployment and training. It also embodies the combination of deep functionality, high usability, and strong analytics. Thus, it is one of the most complete solutions on the market. We are also seeing a resurgence of off-line capabilities and believe that they are well-suited for some collaborative activities that might take place in a buyer's office where there is no internet connectivity. Accenture is one of the very few vendors to offer this.

Outlook & prognosis: The offering is now much stronger with a more flexible and proven cloud platform. The next 18 to 24 months will be critical in demonstrating that success with charter clients, which happen to be large Tier 1 organizations, and moving down market with a broader set of deployment partners to capture opportunities in Tier 2 and 3. This is where most of the action is today and it will require compelling economics and rapid deployment to compete with established cloud players already thriving there. However, Accenture CAS has the advantage of the usability, functionality, and analytics trifecta so long as it can offer the right price point and a suitable partner to provide implementation and services. Adding pay-as-you-go and largely out-of-the-box capabilities in the cloud will help it to extend its leadership.

> *Mid-cycle Update: Some charter clients have now voted with their checkbooks by purchasing both the cloud and on-premise products. What Accenture needs is to solidify a leadership position by further penetrating Tier 2 and 3 companies and to close the gap in total user count with other global players to achieve a more proportional market share.*

Consider Accenture when: You seek global capabilities for proven solutions that have global reach, but local expertise, and also when you seek a superior user experience. But be sure that your desires for a cloud solution align with the platforming plans based on which functionalities you require and when.

> *Mid-cycle Update: Accenture CAS and Accenture Cloud are particularly interesting for companies that seek a combination of on-premise and cloud to cover requirements across the from most to least developed markets.*

Avoid Accenture if: You need an experienced global deployment partner other than Accenture or Strategy&. Also, if you really just want cheap and simple TPM for basic needs such as funds management.

Distinctions: POI Best-in-Class for Mobile UX.

Adesso Solutions www.adessosolutions.com

Profile: An early mover in SaaS-based TPM in North America with a focus on trade effectiveness through best practice sharing in addition to software.

Geographic presence: North America (100%).

Total consumer goods users (seats): Approximately 6,000. Enterprise-based licensing model does not lend itself to an exact count.

Tiers represented: Tiers 2 and 3

> *Mid-cycle Update: There is also a small representation of Tier 1 companies at present.*

Solution offerings: TPM and related analytics.

Major product sub-segments not covered: Semi-durables.

Analytics: We found it to be analytically powerful, but not strong on style. Having multiple customers on a single calendar is good for avoiding overlapping promotions. The executive management report is a big and very busy screen full of information, but it is insightful. Given the Excel orientation of the tool, it is appropriate that it include pivot tables. A report writer is also included. We rate it as Above Average for insight and power, but Average for how it renders data graphically.

> *Mid-cycle Update: Capabilities around UNFI and KeHE deductions as well as integration of SPINS data are deepening the analytical stack. Also, inclusion of scenarios in the off-line planner is a real plus. Plans to bring in syndicated data in the first 2017 release will also increase the analytical power of the solutions.*

Configuration/Customization: Fully configurable with an enhancement request program that leads to prioritization and possible upgrades across the platform. Users then have the option of whether or not to deploy the new feature. Ability to customize and create a unique instance is not an option.

Technology architecture/delivery options: Multi-tenant SaaS in a private cloud.

Service partners: Adesso does its own deployments. It also has a relationship with FMT Consultants, LLC for SAP integration.

Technology partners: Microsoft, Dell, Telerik for internal controls and dashboarding, On-line Tech, Interactive Edge for data integration and analysis, Tableau for dynamic reporting.

User experience: We found it to be intuitive and easy to use. It is obviously highly refined by various user organizations that contribute to its current state. In particular, we like the alerts that facilitate communication outside of the system and reminders that can easily be added based on a date in time. These can then feed an Outlook calendar to become part of the overall workday. Additionally, the ability to instant message peers from within the system is a real plus. In the calendar, we like the ability to see the previous year when planning the current year, in order to have it as a reference point. For usability, we rate it as Above Average. For graphics and how it renders data, we rate it as Average.

> *Mid-cycle Update: A group of highly involved users continues to "democratize" the solution with a balance of prioritized UX and functional requests across the 3 annual releases. Noteworthy are reducing the number of clicks for key activities such setting up a promotion. Also a focus on dashboard user friendliness.*

Vendor trend: Adesso continues as a TPM-only solution focused on the North American market, adding feature/function capabilities to improve the promotion management process. It has found an Interesting and underserved market in the natural foods segment that it's approach and capabilities are well suited for.

> *Mid-cycle Update: The Natural-Specialty segment continues to be a source of momentum for Adesso as it has launched a TPM version specific to these relatively small companies with some unique requirements. We also saw improved client acquisition and retention in the back half of the year, including clients upgrading to the current release known as Flamingo. This will continue in to 2017.*

Strengths: The approach of staffing with industry, as opposed to technology, professionals can help those that are early in the TPM journey. To this end, it has an assessment process that is a very light consulting engagement, the result of which is an objective view of TPM readiness. What is rather unique is that the assessment may actually indicate that a company is not ready to launch into a TPM system deployment. We find few TPx companies that actually have the candor to recommend waiting as opposed to closing the deal. We also like the way the company seeks to facilitate interactions between user organizations at its own seminars or other events to facilitate best practice transfer.

Additional strengths include:

- Deep industry expertise and knowledge of the North American market.
- Improved mechanisms for listening and responding to client requests and ideas related to product enhancements.
- An integrated food service offering for companies selling through both food service and retail channels

Challenges: We see the challenges as twofold:

1. Prospective buyers often perceive that they will need, or will be ready for TPO sooner than is actually realistic. This may be a self-limiting factor for Adesso in the selection process. Also, some of Adesso's existing clients are choosing to "bolt on" TPO capabilities from specialty vendors that are moving to offer more and more in TPM, which may bring the two vendor offerings into conflict.

   > *Mid-cycle Update: Clients upgrading to the Flamingo release have not been influenced by the lack of TPO as a discussion point amongst the Adesso Community. They appear to be self-selecting the menu of services over the ability to add predictive modeling. This certainly makes sense for smaller specialty companies that sell through distributors or are still too far away from all the expertise required to do TPO. We will continue to watch this.*

2. Tiers 2 and 3 have become more competitive over the last year or so as enterprise software and TPM/TPO players have worked to move down market with cloud and preconfigured offerings focused on Tiers 2 and 3.

Adjacent offerings: Gelco check writing capability (through 2017). Food service capabilities within the same solution.

Key differentiators: The "Off-line Planner" is an advanced Microsoft Excel add-in, which allows the user to build a plan in a more familiar Excel-like format and then integrate it into the system when it is final. This allows for off-line work without having to re-key data. Also, the ability to create custom aggregates or groupings for a legal entity is useful for facilitating top-to-top meetings.

> *Mid-cycle Update: The analytical expertise around the UNFI/KeHE deductions and SPINS data are solid differentiators.*

Outlook & prognosis: The movement into natural foods is interesting because there are so many and they are typically small and not terribly sophisticated compared to mega-brands. They also tend to be a cohesive group that is willing to share best practices because their categories are so diverse that they seldom are competitors. Adesso has a single financial backer with a long-term perspective that can see Adesso work more deeply into tier 2, particularly tier 3, and especially the natural foods specialty niche. This will help it to continue acquiring industry experts who can assist the many companies currently using spreadsheets to make the transition.

> *Mid-cycle Update: Given the strong upgrade cycle among users, continued momentum in the Natural - Specialty segment and good client acquisition, the outlook is positive.*

Evaluate Adesso when: You are a Tier 2 or 3 company that wants a complete TPM solution that is a good value for the money. Also, if you are just embarking on the TPM journey and seek expertise as well as solution to make the transition to a server-based solution. Finally, if you value function over form and want to be part of a collaborative user ecosystem and possibly want to outsource some systems administration functions.

Avoid Adesso if: You have words such as "global," "optimization," "advanced analytics," or "customize to our requirements" in your charter. Also, if you are looking for an on-premises solution to customize and really make it your own.

Distinctions: POI Best-in-Class for Internal Collaboration.

AFS Technologies www.afsi.com

Profile: AFS has grown from its legacy in the food service industry to an end-to-end consumer goods platform that includes ERP, analytics, retail execution and monitoring, and TPx through the acquisition of the former MEI and Synectics Group.

Geographic presence: North America (92%), Latin America (2%), and Europe (6%).

Total consumer goods users (seats): 21,222.

Tiers represented: Tier 2 and 3.

Solution offerings: TPM, TPO, and analytics.

Major product sub-segments not covered: Consumer durables and semi-durables, tobacco.

Analytics: Is based on Microsoft's analytical stack and enhanced with its data analytics solution, AFS G2, if desired, and launched from the same home page. A very nice wizard helps with report creation and is drag-and-drop, which is a strong feature. The same approach is used for integrating external data. We like the ability to see promotional scenarios side by side to derive greater insight as well as move the one that looks best to the final plan. Data can also be downloaded to Excel for analysis. One insightful feature is the ability to understand what

trade spending is at any point in time. The G2 tool also adds the ability to design your own dashboards and do filtering, data mining, consolidate data for analysis, and create alerts. We rate the overall analytical abilities as Above Average and believe the G2 tool is beneficial if not essential to anyone doing analysis. Those simply doing review work or clearing deductions may not need it.

> *Mid-cycle Update: The partnership with Nielsen to bring in predictive models has yielded fruit and now gives Tier 2 an 3 companies a lower cost TPO option.*

Configuration/Customization: It is a multi-tenant solution. Client specific functionality can be developed and turned on, but only if it does not impede the upgrade path.

Technology architecture/delivery options: SaaS through private cloud.

Service partners: AFS does its own implementation and support.

Technology partners: Microsoft Azure and Rackspace for hosting. Nielsen for predictive analytics and River Logic for optimization.

User experience: Has improved significantly in the last year or so. Hence, we rate it Above Average. Here are the aspects that we liked:

- A very appealing home page with great icons. We wouldn't call it tile-based, but it is really nice. This home page serves as the jumping off point for other applications and functions including AFS G2.
- Pop-ups/hovers have a really cool work flow diagram to graphically show where the user is in the process flow through icons.
- Very detailed hovers in the calendar that allow the user to edit them right from the calendar.
- On-line contextual help screens that Microsoft could learn from.
- Excellent consistency between the TPM and TPO as a single solution and excellent ability to do optimization from a single screen.

> *Mid-cycle Update: The ability to auto-match deductions will reduce what many POI Survey respondents have called out as the an excessive amount of effort required to manage the entire promotional cycle. Having this auto-match capability is a differentiator for AFS. Settlement is often over looked in the promotion cycle. Increased ability to import 3rd party consumption data is also a precursor to deeper analytics. This also includes SPINS data from indirect customers.*

Vendor trend: The company experienced some upheaval in early 2015 in the form of management turnover and moving the development function from India to Slovakia. Nevertheless, it has attained stability and the TPx capabilities have benefitted from development and focus. It is also winning deals and investing in the product. Noteworthy is the agreement with Nielsen to provide promotional lift factors and base volume predictive capability, standard and custom. The former does not have customer-specific predictive models and is quicker to deploy; the latter is purpose-built to a business and category, but at a greater cost and requiring more tuning. The baselines are then run through the optimization engine, which is OEM from River Logic, to do the constraint-based optimization. The TPM solution is also architected to be TPO agnostic so it can use web services to move data back and forth.

> *Mid-cycle Update: TPM development was never moved to Slovakia, but has remained in Montreal. Only retail execution development was moved to Slovakia.*

Strengths: An end-to-end set of offerings from ERP, to business intelligence (BI), to TPx, to retail execution. Also, deep industry experience since the vast majority of clients are in the consumer goods industry. Particularly noteworthy is that the solution is very well-rounded. There just aren't any significant deficiencies. Some vendors with Best-in-Class distinctions in some areas also have glaring deficiencies in others. AFS is among a few vendors that are solid across the entire TPx spectrum.

Challenges: The product is well suited to the target market. However, some prospects may need/prefer a third party implementation partner so this could be an issue, particularly outside of the US market. AFS needs to project a strong image that it is a contender in the TPx market for tier 2 and 3, show solid results and happy customers among its pilot TPO clients, and continue to show consistency in product development/innovation that will reassure prospects to leave their spreadsheet approaches to TPx behind.

> *Mid-cycle Update: Continued company stability combined with innovation and strong client acquisition have enhanced the outlook for AFS.*

Adjacent offerings: Food service, rebate management, ERP, warehouse management, BI, and retail execution.

Key differentiators: One of few providers offering TPO to tier 2 and 3 companies. The partnership with Nielsen is unique and provides a great deal of leverage.

Outlook & prognosis: We expect continued momentum in the tier 2 and 3 market, which is still very attractive and out of reach for many of the large, enterprise players.

Evaluate AFS when: You are a tier 2 or 3 CG company looking for help on the trade promotion journey with the possibility to move to TPO that is very real as opposed to some PowerPoint charts. Also, if your see the value of having an integrated TPx/retail execution solution.

Avoid AFS if: You want your own customized solution or a global solution with both technology and service aspects.

Distinction(s): POI Best-in-Class for Desktop UX, TPO Ergonomics.

Blueshift www.blueshift.com.au

> *No Mid-cycle Update. Coverage will continue in the 2017 POI Vendor Panorama later this year.*

Profile: An Australian vendor coming at the TPx space from integrated business planning, which includes demand planning as well as TPx. It is steadily making its way into Asia. The majority of its users have TPO as well as TPM.

Geographic presence: Asia/Pacific (100%).

Total consumer goods users (seats): About 750; 475 of which use both TPM and TPO.

Tiers represented: Tiers 2 and 3. Several are AsiaPac affiliates of multinationals, but due to their size we consider them to be Tier 2.

Solution offerings: TPM and TPO.

Major product sub-segments not covered: Tobacco, household products, semi-durables, durables.

Analytics: Strong on financials and has a built-in OLAP cube. There are many pre-built views to highlight the business in insightful ways. In particular, we liked the P&L waterfall chart. Optimization utilizes Bayesian calculations and requires iterative trials. We like the one-page approach to specifying all the constraints. We rate it as Above Average on insightfulness and Average for how the analytics render.

Configuration/Customization: Customization is not allowed. All requests for functionality are incorporated into the codebase and switched off by clients that do not wish to use them.

Technology architecture/delivery options: On-premises and hosted/private cloud where the client owns the solution as if it were on-premises. Public cloud is a work in process and will be based on Microsoft Azure later in 2016. It has not yet been determined whether it will be multi-tenant or not.

Service partners: Deployments and support are performed in-house and this is expected to continue into the foreseeable future.

Technology partners: Microsoft, DevExpress, SciChart, SSW (Technology best practice consulting) Automatic Studio (UX design).

User experience: The solution has a strong orientation towards linking demand-creation and demand-fulfillment with the result being a one number forecast. The dashboards are quite nice. It has some unique functionality that inhibits people from gaming the system by compensating for shortfalls in past months by simply increasing results for subsequent months. We find the reports and promotion calendar to be very "griddy" and Excel-like. When you depart the solution and re-enter, it automatically takes you back to where you left off. We like the approach of using sliders when seeing the sensitivity of a 'what if' analysis. It is not an elegant solution, but it is insightful and feature-rich. We rate it as Average.

Vendor trend: Blueshift is relatively small but growing nicely. It has the ability to be perceived as the "local solution" for AsiaPac since Promax was acquired by Wipro. Being able to consistently sell TPM and TPO combined bodes very well. This is a growing company and one to watch in AsiaPac.

Strengths: Having a strong financial analysis orientation is very relevant. The breadth of the offering given the size of the company is impressive. It feels much more like a platform than a tool because of the logical flow from "Business Plan" to "Customer Plan" to "Demand Plan" to "Settlement" to "Analytics" to "Administration."

Challenges: The TPO will need to be stepped up to provide true optimization. Performing iterative scenarios can be instructive, but optimization is the end game. Being able to do so should also improve outputs such as cannibalization. They are quick to acknowledge that the checkbook function within planning needs work and are working on it. There are pockets of really fine UX but it needs to be more consistent to provide a truly excellent experience. It is never easy to spread influence from AsiaPac to Europe and the Americas. Thus far, Blueshift has relied on word of mouth and personal contacts, so it will have to develop some marketing muscle to get mindshare in these highly competitive markets.

Adjacent offerings: Master data matching and loading for POS data, demand planning.

Key differentiators: Deep local market and overall industry expertise. The IBP approach, while not all in the scope of this analysis, gives it more avenues with which to generate interest from prospects.

Outlook & prognosis: Given good growth and regional expertise with a unique product stack for its target market, we see Blueshift as one to watch in AsiaPac.

Evaluate Blueshift when: You are in Asia/Pac — and particularly in Australia/New Zealand — and favor an IBP with "one number" forecasting approach to trade management. Also, if you need a partner that can help you with optimization where sell-out data is not very robust.

Avoid Blueshift if: You need a global solution or really just want basic trade management.

Comarch www.sfa.comarch.com

Profile: A TPM offering from a division of a European-diversified IT vendor that is following its success in retail execution into the TPx space.

Geographic presence: Europe (100%).

Total consumer goods users (seats): 556.

Tiers represented: Tier 2 and Tier 3.

Solution offerings: TPM.

Major product sub-segments not covered: Tobacco, durables, and semi-durables.

Analytics: Includes an OLAP cube known as FastGrid and predefined views into the traded process. The report writer is drag-and-drop and quite intuitive. It has improved in graphical representation of data, but could still use more work. It has a very robust menu of KPIs that can be brought to the dashboard. We rate it as Above Average.

Configuration/Customization: Both are possible. Comarch is willing to assist in building out a custom solution.

Technology architecture/delivery options: On-premises, hosted/private cloud.

Service partners: Comarch has done its own deployments to date.

Technology partners: Microsoft, Google, Samsung, HTC, DevExpress, SoInteractive.

User experience: Dashboards can be personalized at the user level, which is a plus. Overall it is better than the previous version, but still not at the "next level." Therefore, we rate it as Average. Some features we like include:

- A step-by-step process which shows the progress graphically in a graphic above.
- More CRM functionality around profiles, preference, and content.
- More auto calculations to facilitate deal entry.
- More useful pop-ups.
- Ability to drag from a line graph to get the price that you like and then have it segue to workflow for the next step.

    Mid-cycle Update: The UX continues to evolve and now also includes new layouts for master plans, inclusion of corporate strategy guidelines/details to aid the user when building promotional plans, and forecasting functionality for account managers to better understand opportunities and risks.

Vendor trend: Comarch now has a dedicated R&D and UX team focused on the CG space. This gives it more ability to respond to market demands and innovate. The results are obvious in the latest release. Nevertheless, we would describe its approach to TPx as opportunistic. The mother company is growing in revenue and headcount. It just needs to more declaratively enter the TPX space.

> *Mid-cycle Update: Investment in the dedicated development team has yielded improvements in calendaring, alerts to avoid duplicate promotions, and more robust pricing management.*

Strengths: Deep capabilities across omnichannel and capabilities in HoReCa (hotel/restaurant/catering). Also, an established presence in retail execution, with both multinational as well as local CG companies.

Challenges: Getting mindshare and leveraging its strengths as an IT vendor.

Adjacent offerings: Retail execution, ERP, mobile device management, image recognition, POS data management/cleansing.

Key differentiators: Has a mobile solution to enable viewing and even some creating/editing of promotions while on the go. This is rare among tier 2 and 3 vendors. It renders quite nicely on a smart phone.

Outlook & prognosis: Despite an improved product, we believe that it will need to greatly increase its exposure in order to grow in this space.

> *Mid-cycle Update: Because it continues to mature as a TPM vendor with more functionality and focus on UX, Comarch has a more positive outlook. In particular, the inclusion of the strategy and guidelines functionality makes it less of a tactical tool and more of a KAM (Key account manager) necessity.*

Evaluate Comarch when: You are a CG company in Eastern Europe (perhaps with some atypical routes to market, such as HoReCa) and are looking to get started in TPx with a partner that can provide an abundance of services to support you.

Avoid Comarch if: You seek a global solution, optimization capabilities, or a highly differentiated product.

Distinction: POI Best-in-Class for Mobile UX.

CPG Toolbox www.cpgtoolbox.com

Profile: A TPM company built on the Salesforce.com platform that is making a global play.

Geographic presence: North America (55%), Latin America (20%), Europe (11%), and Asia/Pacific (14%).

Total consumer goods users (seats): Approximately 500.

Tiers represented: All.

Solution offerings: TPM.

Major product sub-segments not covered: Tobacco.

Analytics: Many standard reports and some that are insightful. However, everywhere you look there is a grid. We rate it as Average both for insightfulness as well as how the data renders.

Configuration/Customization: Can be customized using the open APIs, which will not impede the upgrade path.

Technology architecture/delivery options: Multi-tenant SaaS on Salesforce.com cloud.

Service partners: Birlasoft/Enablepath, Mindtree, West Monroe Partners, Demand Solutions Group.

Technology partners: Plex as well as Tamlin as ERP vendors. Salesforce.com for its Wave Analytics. Gigwalk for retail execution.

User experience: Dashboards can be configured at the individual user level. Overall the UX is very "gridlike." The calendar has improved in recent releases and the hovers offer more flexibility. It also shows an ability to be less gridlike. Drag-and-drop is also nice in the calendar for when deals "flex." Functionality is complete but often the Salesforce platform dictates options like the ability to get rid of two zeros to the right of the decimal place when dealing with even large numbers. Functionality is complete, but UX is Average.

> *Mid-cycle Update: The calendar will be further enhanced in February 2017 through a Salesforce Lightning-ready interactive promotion calendar.*

Vendor trend: Very good global trajectory for a 4-year-old company. Good ability to attract implementation partners.

Strengths: Ability to work hand-in-hand with clients during discovery and implementation despite being a relatively small vendor. Early mover in delivering TPM on multi-tenant SaaS.

Challenges: Serving and staying in touch with a global client base with no offices abroad, except those offered through partners.

> *Mid-cycle Update: Growing organically is never easy, particularly when expanding globally. Late 2016 saw some much needed hiring activity to keep deal flow moving and, in particular 4 development resources.*

Adjacent offerings: POS and syndicated data management within the TPM tool.

Key differentiators: Step-by-step, tutorial-driven deduction-clearing capability featuring heavy use of Chatter to engage multiple stakeholders. Impressive global footprint for a vendor its size and with no satellite offices outside of Georgia, USA.

Outlook & prognosis: Tier 2 and 3 are high growth segments and CPG Toolbox is an excellent transition from spreadsheets. We expect it to continue growing and improving.

Evaluate CPG Toolbox when: You are a Tier 2 or 3 CG company or a Tier 1 with a smaller affiliate abroad and want a vendor that will work closely with you as required during initial project phases.

Avoid CPG Toolbox if: You seek a really high-end user interface, require support services from the vendor beyond the software, or have an immediate desire for TPO.

Data Ventures, Inc. www.dataventures.com

Profile: Data Ventures (DV) is a business analytics company offering TPx through analytical products and services through a SaaS platform for both manufacturers and retailers.

Geographic presence: North America (78%), Europe (12%), AsiaPacific (5%) and Latin America (5%).

Total consumer goods users (seats): 225.

Tiers represented: Tier 1 and 2.

Solution offerings: TPO and partial TPM (no checkbook or deduction management capabilities).

Major product sub-segments not covered: Household products, semi-durables, and durables.

Analytics: The bulk of what DV does is analytics from pre- and post-event insight, to a predictive approach, to product availability during the promotion and beyond. Its capabilities extend beyond the promotion and into assortment optimization, space management, strategic pricing planning, new product evaluation, and supply chain analytics. Although these are out of scope for this report, they do have a big impact on the promotional strategy that can then be planned and monitored at the banner level. The tool is very powerful and includes promotion decomposition at the event level, understanding of brand and package switching, and calculation of pricing opportunities. Its expertise in post event analytics stems from its work with global retailers on POS/Scan/loyalty card analytics. It is arguably one of the most powerful analytical tools on the market. We rate it as Above Average.

> *Mid-cycle Update: A new analytical capability under way for a multi-national, diversified client consists of predicting when a specific SKU will run out of inventory at a store level and is able to do so with 3-4 day's notice. This is an interesting capability in support of promotions and increases the probability of a successful promotion by ensuring adequate inventory. This is an interesting use of predictive analytics and particularly interesting in that the client in question uses several TPM options from vendors featured in this report. This is a positive development for warehouse delivered products and enables the account manager to better control the promotion by seeing a more complete picture of causal factors.*

Configuration/Customization: Requests for customization end up as an enhancement for the entire user base. There is the provision for a complete one-off solution if desired.

Technology architecture/delivery options: Private cloud and multitenant SaaS. Several large clients still require the solution to run behind the firewall so this is still an option.

Service partners: Capgemini (globally), Peak Ten (data services).

Technology partners: Capgemini for the Hadoop data lake.

User experience: The solution is intuitive but not slick. There is so much functionality that it definitely feels like a power user solution with function over form. We rate the UX as Average.

Vendor trend: DV is a lifestyle company because it is owned by a Coca Cola Bottler in the US and, so long as it is profitable, it does not have the normal pressure to grow. Hence, their growth has been modest as focus has been placed on bringing more insight to their clients, rather than acquiring new ones. They expect that a deep partnering relationship with Capgemini will expand their services potential and increase growth.

Mid-cycle Update: The Capgeminmi relationship is yielding innovation as well as some of training/deployment requirements of the promotional product out of stock capability previously mentioned.

Strengths: They don't like to be pigeon-holed into the beverage world, but the reality is they do a lot of work with many Coca Cola entities around the world and they are really good at it.

Challenges: Getting the tool in the hands of the basic account manager as opposed to the power users who are part of account teams or corporate. Also, getting mindshare where their key clients are loathe to tell anybody what they are doing or about the results they are achieving.

Mid-cycle Update: Having a predictive out-of-stock tool does not necessarily require something in the hands of an account manager (basic or otherwise) so much as providing a data feed that can be acted upon. This opens up many options for Data Ventures as a sort of OEM analytics partner to a TPx solution.

Adjacent offerings: POS data management/cleansing, shelf management, supply chain management, assortment optimization, pricing optimization, and demand forecasting.

Key differentiators: The depth of the analytics and experience seeing things from the retailer side of loyalty card and shopper analytics. It is a really strong synergy and few competitors can do things like manage 1.7 million SKUs for a Japanese retailer for better merchandising, shelving, and pricing locally, let alone from halfway around the world. In particular, where we see depth on the TPx side is in volume decomposition, whether at the plan or individual level. Also, as it relates to monitoring and predicting out of stocks, which should be a part of any TPM approach. Thus, it is the insight on overall strategy development, details on how to execute a better promotion, and ability to monitor the execution remotely that differentiate DV.

Outlook & prognosis: DV will remain a highly competent and respected niche player.

Mid-cycle Update: Some new innovation will help to put wind in the Data Ventures sails provided it can commercialize the new out-of-stock tool.

Evaluate Data Ventures when: You want broad and deep analytics that completely surround the promotion process from strategy to execution.

Avoid Data Ventures if: You want a transactional TPM tool.

Distinction: POI Best-in-Class for Analytics/Insight.

Exceedra www.exceedra.com

Profile: A European headquartered vendor focused exclusively on TPx with an orientation towards integrated business planning (IBP).

Geographic presence: Europe (66%), North America (33%), Asia/Pacific (1%).

Total consumer goods users (seats): 2,200 with 1,400 of those utilizing it for TPO and TPM.

Tiers represented: All.

Solution offerings: TPM and TPO.

Major product sub-segments not covered: Tobacco, semi-durables.

Analytics: Standard reports are robust and insightful. There are pivot table options as well from the reporting cube. The recent addition of Microsoft Power BI vastly improves how the analytics render. We like the ability to see both a grid and a graphic side-by-side. We also like the ability to compare the entire plan in scenario mode, as opposed to just the event. Pretty much anything in the system can be exported for sharing or further analysis, including being pushed out through a mobile device. The solution has a strong financial orientation to high-light contribution vs. spend or promotion contribution. It has embedded predictive and post event analysis. For analytics we rate it as Above Average.

> *Mid-cycle Update: Continued focus on analytics through Power BI has improved visualization since initial publication of the Panorama. The "self-serve" dashboard we reviewed is amongst the best we have seen. The "in context" reporting also takes configurability based on preferences to new levels.*

Configuration/Customization: Customization is allowed but not preferred. Exceedra looks to add requested functionality into the standard solution, but has done a one-off when the client opted for it.

Technology architecture/delivery options: On-premises, hosted/private cloud, and public cloud. All of these are the same technology and code base.

Service partners: Clarkston Consulting, Mindtree, Eye-on.

> *Mid-cycle Update: Additional, global services partners have come on line since the previous POI analysis, which gives Exceedra more ability to focus on software and global requirements while partners do deployments.*

Technology partners: Microsoft Azure for hosting.

User experience: The solution is quite flexible with lots of filtering to pare down all the data and options. Some views of data or a graphic can be saved for future reference. A promotion can be created directly from the calendar view or users can insert a totally new one. We particularly like the flow and navigation using the "next" button. Dashboards cannot be specified at the user level but they are working on it. For UX, we rate it as Above Average.

Vendor trend: Exceedra has a very strong trend relative to geographic expansion, headcount, and profitability.

Strengths: Ability to leverage S&OP requirements, such as baseline creation, to bring the promotion cycle into the conversation. 90% of their European clients use them to create a baseline sales forecast. Also, a strong stable of services partners such as Clarkston and TCS that are looking to do deployments. This allows them to focus on being a software company.

Challenges: Their primary challenge is managing growth. With revenues growing at a CAGR of 34%, it won't be easy, but it is a good challenge to have. However, having a strong partner network already in place will be key. We also see a secondary challenge in taking usability/visualization to the next level. One tenet of Exceedra's strategy is based on prospects wanting to use it as a front-end to an existing SAP TPM deployment. It is never easy to get CG companies to put more money into a lackluster, legacy SAP TPx deployment, but we acknowledge that attaching Exceedra is superior to building a front-end in Visual Basic or some other manual effort.

> *Mid-cycle Update: Exceedra has risen to the challenge of taking both usability and visualization to the next level. Not only is it more visually engaging and graphical but has greater configurability, which is the trifecta for usability.*

Adjacent offerings: POS data management/cleansing, demand planning.

Key differentiators: Few companies this size have such a strong presence in both Europe and North America. This is highly leverageable given where the head offices of most CG companies are located. Also, we just don't see many competitors of this size with the TPx/ S&OP footprint, including the ability to create baselines- and in two very key markets.

Outlook & prognosis: We see Exceedra becoming a global player. It has a focused strategy, is avoiding the pitfalls of the "deployment quagmire," speaks the business (as opposed to technology) language in selling situations, and has good client references.

> *Mid-cycle Update: Continued positive prognosis given strong focus on what matters: UX and analytics. Strong deal flow and building out the service partner network will ensure continued product focus and innovation.*

Evaluate Exceedra when: You seek quality in both TPM and TPO as an integrated and yet modular proposition, have global intentions, like to look at promotions from a financial perspective, and are looking to link demand creation to demand fulfillment.

> *Mid-cycle Update: Exceedra is also broadening its presence with Tier 1 companies, which gives it more global appeal.*

Avoid Exceedra if: We don't see a compelling reason to avoid Exceedra. Even if you are looking for a basic solution to replace spreadsheets, it is sufficiently modular to accommodate the most basic or sophisticated requirements.

Distinction: POI Best-in-Class for Financial Orientation/simulation.

Flintfox www.flintfox.com

> *No Mid-cycle Update: Coverage will continue in the 2017 POI Vendor Panorama later this year.*

Profile: A company with a deep connection to Microsoft through the Dynamics platform and is the only TPM player the Microsoft Global ISV program. It is a global player despite not having a TPO offering.

Geographic presence: North America (50%), Europe (25%), Asia/Pacific (20%), Latin America (5%).

Total consumer goods users (seats): Approximately 14,500. Enterprise licensing model does not provide much precision on seats.

Tiers represented: Tier 2 & 3.

Solution offerings: TPM.

Major product sub-segments not covered: None. It has a very diverse footprint across sub-segments.

Analytics: The Flintfox TPM offering has very robust analytics, from a pricing waterfall with up to 35 levels to simulation of very complex pricing schemes. The real-time pricing engine is impressive, particularly where frequent price changes occur such as in eCommerce. The account planning overview dashboard is quite insightful and has a strong financial orientation. Visualization we rate as Average. The overall analytics we rate as Above Average.

Configuration/Customization: Any customization would have to be done through source code branching so that the solution stays within the upgrade path.

Technology architecture/delivery options: Core execution components are well suited close to the ERP and behind the firewall. Additional web components can reside on a private or public cloud.

Service partners: Flintfox Consulting Services, PwC, Columbus Global, Edgewater Fullscope, Microsoft Consulting Services, Blue Horseshoe, MCA Connect.

Technology partners: Microsoft, HP, Avanade, Hitachi Solutions.

User experience: The solution is very powerful and the navigation is intuitive, but it isn't very attractive. It has improved in the last year or so, but not overall. We still rate it as Below Average. There is a stark tradeoff here between power/insight and esthetics.

Vendor trend: Flintfox has a strong trend in revenue, headcount, and deal flow as a total company as well as in the TPx business line. Because of its Microsoft ERP relationship and work beyond the more common food and beverage segments, it had grown at more than 31% CAGR since 2011.

Strengths: The Microsoft relationship is a strength across the board, from AX integration to infrastructure. It also has a strong service delivery capability both internally and externally.

Challenges: As Flintfox is the only vendor we have evaluated that is based on Microsoft AX, we can only surmise that the inability to deliver a superior user experience is a limitation on AX. Despite focus and resources, it just isn't on par. On the one hand, this might not be so problematic as tier 2 and 3 durable and semi-durable companies are not as hard to please as the tier 1 multinationals that play in food/beverage and personal care. Nevertheless, the UX is a challenge.

Adjacent offerings: POS data management and cleansing, advanced pricing management (as a module or standalone).

Key differentiators: In three respects Flintfox is in a league all its own:

1. Ability to handle complex promotional programs and agreements including pricing scenarios, tiered arrangements, rebates/commissions, and waterfall elements.

2. Penetration into markets, such as automotive, oil & gas, consumer electronics, paints and chemicals, office products, and furniture, which others just haven't dared or been able to venture into. Some of these clients have industrial as well as consumer divisions and this has driven the need for some of the rebating and price management functionality.

3. The Microsoft relationship for AX ERP integration and other capabilities that extend beyond the typical use of SQL or Analysis Services.

Outlook & prognosis: Because of the unique functionality for complex promotions and experience with products you would see at a specialty store, home store, or mass retailer, we see Flintfox continuing to thrive. And, because we are beginning to see it more at food/beverage/personal care companies, we believe that it can enter these sectors faster than competitors can enter its stronghold.

Evaluate Flintfox when: You have global solution needs or your requirements align with any of the Flintfox differentiators above.

Avoid Flintfox if: You want a state-of-the-art UI or TPO.

Distinction: POI Best-in-Class for Financial Orientation/Simulation, Ability to Handle Deal Complexity.

ITC Infotech www.itcinfotech.com

Profile: ITC Infotech is the IT services subsidiary of ITC Ltd, an Indian conglomerate that includes many key consumer goods subsectors: tobacco, food, apparel, stationery, and personal care products. As such, it not only has created a TPx offering for its parent company, but has a solution offering for other companies.

Geographic presence: North America (12%), Latin America (8%), Europe (72%), and Asia/Pacific (8%).

Total consumer goods users (seats): 4,900.

Tiers represented: All. Primarily focused on food and beverage, tobacco, and personal care/beauty/pharma OTC.

Solution offerings: TPM and TPO.

Major product sub-segments not covered: Consumer semi-durables and durables.

Analytics: Is based on Oracle OBIEE for capabilities such as post event evaluation. The dashboard is quite good and we like the ability to drill down from the dashboard. We also like the ability to create a dashboard to meet user-specific preferences. It has several ways of measuring the business in a unique way or with a unique KPI. We rate analytics as Above Average.

> *Mid-cycle Update: Continue focus on analytics with additional KPIs around forecasting and deal actualization. Also an ability to do dynamic rolling forecasting across the year for accounts, brands, promoted products, and SKus to feed demand planning or sales finance liability estimation needs.*

Configuration/Customization: ITC Infotech offers both options and can perform and maintain significant customizations. However, this is not preferred. And, given the small number of client companies, it makes more sense to build any subsequent requirements into the standard product.

Technology architecture/delivery options: The TPM product is based on Siebel Application with Open UI. The TPO is based on Oracle OBIEE as a service, using FTP to connect to TPM. Both are offered as on-premises, hosted/private cloud, or on a public cloud. A TPM solution based on Oracle Cloud is in the works. It will be PaaS and SaaS for tier 2 and 3 companies.

Service partner: ITC Infotech does all of its own services work.

Technology partners: Oracle Corporation, Microsoft Corporation.

User experience: It is less and less like Siebel every time we see it, which is good, since Siebel hasn't benefitted from Oracle since it ceased to be the flagship in favor of Demantra some years ago. The calendar has drag/drop/expand/collapse, which we find very useful. We also

like the ability to toggle to previous year calendar as a refresher to what it entailed. Additionally, you can see the current year compared to the planning year to further enhance the perspective. Hovers are very nice and detailed. Also, it has the ability to view the marketing calendar to either leverage or avoid overlaying trade events onto consumer events. Functionality is rich, but UX we rate as Average because we don't see it as having a very modern look and feel.

Mid-cycle Update: We applaud the pursuit of the 90 second promotion entry as our POI research shows that users find TPM systems in general to have some onerous processes.

Vendor trend: It continues to have a user base concentrated on a small number of customer organizations in tobacco, personal care, beverages, and household products. It is low-growth in TPx by all key measures despite its mother company comprising only 10% of its users.

Strengths: Ability to deploy on enterprise platforms like Oracle Siebel. Also, significant resources in a company with 6,500 employees. When they win, it is because of the implementation and ongoing support more so than the product itself.

Challenges: ITC Infotech is interesting as a company and how it utilizes Siebel, but it does not position itself well in the marketplace. It has not yet achieved critical mass in terms of number of clients or total consumer goods users. It also does not have an eye-popping UI that draws in a prospect when shown as an example on a website or PowerPoint. Thus, it will have to garner interest through contacts and outreach. This has, and will, continue to be the seminal challenge.

Adjacent offerings: POS data management/cleansing, retail execution, coupon effectiveness analysis.

Key differentiators: Strengths in Siebel Open UI and unique relationship with Oracle. Also, the experience as part of a consumer goods company that owns and uses it as a software vendor. It is the only software company we know of that is owned by a highly diversified consumer goods manufacturer, which gives it a captive market for understanding the market and testing new capabilities.

Outlook & prognosis: ITC Infotech has broad resources and but will need to market itself better to have a chance of capturing mindshare and expanding into tier 2 and 3 opportunities on the Oracle Cloud. Otherwise, it stays on Siebel and rides it down the relevance curve.

Evaluate ITC Infotech when: You currently have Siebel TPM and want to preserve this investment while adding functionality and usability. Also, if you seek expertise in the Asian market (and emerging markets in general) or wish to add significant ongoing services to your deployment.

Avoid ITC Infotech if: You just want software, and perhaps basic TPM software at that.

Kantar Retail XTEL www.kantarretail.com/xtel

Customer profile: A European vendor that is a Kantar Retail company (part of the data investment management division of WPP plc.) and is making a global play. It has more than 20 years enabling sales processes in the consumer goods industry.

Geographic presence: Europe (88%), Latin America (4%), Asia/Pacific (5%), North America (2%), and the Middle East (1%).

Total consumer goods users (seats): 4800.

> *Mid-cycle Update: New deployments around the globe has now boosted the total number of users to 5,500.*

Tiers represented: All.

Solution offerings: TPM and TPO.

Major product sub-segments not covered: Tobacco.

Analytics: KRXTEL features unique KPIs that are visualized in interesting ways. Examples include: cost of non-compliance, competitive promotional activity, reasons for non-compliance, and POS compliance. Its dashboards are strong and graphical. Promotions by store in a 2X2 matrix is very cool. Optimization expands beyond just the promotion mechanics to include assortment, product, and timing. For insightfulness and how the data renders graphically, we rate it as Above Average.

> *Mid-cycle Update: Improved analytics in the areas assortment and pricing scenario optimization are natural extensions of the broad KR assets, as we would expect.*

Configuration/Customization: Both are offered, as well as a pre-configured, rapid deployment version.

Technology architecture/delivery options: On-premises or hosted on Amazon Cloud (AWS).

Service partners: Capgemini/iGate, Everis, Business & Decision.

Technology partners: Microsoft, Oracle Database Management Systems, Qlik, Amazon Web Services for cloud infrastructure.

User experience: It is a superior user experience with a mix of ergonomic and graphical elements. All constraints in TPO can be entered from a single location.

> *Mid-cycle Update: UX efforts continue to be focused on conversion to HTML5, which basically constitutes a new UX. What we have seen thus far is quite impressive. KRXTEL has consistently had a superior UX.*

Vendor trend: Kantar Retail XTEL has massive potential to leverage the broader Kantar Retail offering but is still pulling it all together in a cohesive way to go to market. As such, it hasn't been vocal in telling its story, which has resulted in softness in new client acquisition. However, it has an aggressive roadmap and strong backing from a multi-billion dollar parent company.

> *Mid-cycle Update: The back half of 2016 saw increased client acquisition/deployment as the broader company began to work more cohesively and execute cross-sell activities.*

Strengths: Industry expertise, strong product functionality and usability, excellent vision, and strong client references.

Challenges: Penetrating the Americas has been relatively slow, even being part of Kantar Retail. We believe that they have all the right offerings, but need to ramp up their efforts now that they have a client live in North America. This is key to becoming a global player.

Adjacent offerings: Sales quota and incentive management, retail execution, sales volume planning, portfolio optimization, assortment optimization, virtual store/merchandising visualization, POS data cleansing, image recognition, retail and shopper insights.

Key differentiators: Wrapping the optimal go-to-market approach around the promotion, from strategy through execution, with Kantar Retail iQ to deliver the right shopper and retail insights; SKURAT/RichMix assets to determine the right product mix and planogram; Kantar Retail Virtual Reality to envision it collaboratively with retailers; Kantar Retail XTEL to execute it; Planorama to capture it; and Kantar Retail XTEL to track performance/incentives. It is an unrivaled set of capabilities in the marketplace, Kantar just needs to link them together in a more cohesive way. Also, the combination of strong analytics and usability in a single offering with a single back-end.

Outlook & prognosis: Kantar Retail XTEL will become a global player in the next 3 years on the back of its quality and breadth of solutions and influence network.

> *Mid-cycle Update: Recent global deployments that included Europe, US, APAC and LatAm are a testament to KRXTEL's ability to be a global player.*

Evaluate Kantar Retail XTEL when: You favor a strong user experience, excellent analytics, and European expertise with the potential to expand most everywhere. Also, evaluate when you seek TPx as part of a larger, strategy-to-execution solution.

Avoid Kantar Retail XTEL if: You seek something cheap and simple to meet basic requirements such as funds management.

Distinction: POI Best-in-Class for Analytics Visualization, Ability to Handle Deal Complexity.

Klee Commerce www.kleecommerce.com

> *No Mid-cycle Update: Coverage will continue in the 2017 POI Vendor Panorama later this year.*

Profile: A Europe-centric vendor with a blended TPM and retail execution solution combined with store and shelf visualization. It also has retailer as well as manufacturer clients.

Geographic presence: North America (4%), Latin America (2%), Europe (92%), and Asia/Pacific (2%).

Total consumer goods users (seats): 13,200.

Tiers represented: All. Clients include food and beverage, personal care, and household appliances.

Solution offerings: TPM.

Major product sub-segments not covered: Tobacco.

Analytics: Has improved dramatically in the last year or so. We now rate it as Above Average due to features such as customer segmentation and performance analytics, and various ways of looking at the relationship between discounts and outcomes. The Klee preferred option for BI solution is embedded SAP Business Objects, but Microsoft is also an option.

Configuration/Customization: Fully configurable as a single solution across all functions. Users simply turn on and off the functionality that they want, thus enabling hybrid processes. Klee can also provide unique functionality for a specific client and will provide development and support resources, if so desired, but such an effort cannot impede the upgrade path for that customer.

Technology architecture/delivery options: On-premises, hosted/private cloud, and public cloud based on Microsoft Azure. All cloud clients have their own instance of both the front-end and database.

Service partners: Klee does its own deployments through its Klee Consulting and Integration arm.

Technology partners: SAP, Oracle, Microsoft (Gold Certified Partner).

User experience: We rate it as Above Average and applaud the recent improvements. The new "Book Touch" feature is a unique way of presenting marketing materials with a combination of show player and interactive selling to drive a higher level of engagement. This, plus a new version (Klee Sales 8.0), launched in February, 2016, offers a more tile-based orientation, more ergonomics, a vastly improved calendar including a management view, revenue vs. discount percentage to determine who is getting the most discounts as a percentage of gross sales, and composite KPIs with drill down. These features result in increased sales effectiveness. Klee also continues to offer the ability to configure dashboards at the user level through "skins."

Vendor trend: This is a boutique company that is owned by the 3 founders and its employees. It is more focused on innovation than growth. It is profitable, but favors investing in adjacent businesses such as virtual store/visualization over geographic expansion. Those users that are outside of Europe are the result of supporting user organizations abroad rather than expanding abroad.

Strengths: Analytics and shelf visualization/simulation. A nice mobile solution on iPad and Microsoft Surface for working in the field and keeping track of promotion details. Strong functionality for retailer-specific contracts at the store level. Expertise in consumer durables. Willingness to create and service a custom solution. Ability to accommodate unique require-ments in the French and Italian markets. A relatively large consulting organization that is about 3 times the size of the product team and all focused on this industry.

Challenges: Failure to expand beyond a toe-hold in Asia/Pacific, North America, and Latin America, which, combined, are only 6% of total consumer goods users. This percentage has remained constant over the last few years. Despite strong client retention and an excellent product, it struggles to grow mindshare.

Adjacent offerings: Storage of digital assets, TPM, coupon generation that can be used by partners through web interface, media asset publication, and distribution. The in-store simulation that can build out shelves and fixtures from bare walls and floors is very unique. Once the shelf/fixture is assembled it provides rich visualization, including the ability take a product off the shelf and handle or manipulate it in 3D as if it were in a human hand.

Key differentiators: A superior, break-out user experience including off-line capabilities. Deep levels of complex pricing, which is often more the norm in France than other markets. Store-shelf visualization, analytics, and expertise in the European market.

Outlook & prognosis: Klee will continue as an innovative boutique solution in the European market.

Evaluate Klee when: You seek a partner to help you adapt and possibly customize a solution to your specific requirements and value expertise in the Western European market, particularly France. Also, you like robust product visualization and in-store simulation capabilities.

Avoid Klee if: You seek multitenant SaaS, TPO, or a global solution.

Distinctions: POI Best-in-Class for Desktop UX and Analytics Visualization.

Neogrid www.neogrid.com

Profile: A TPM offering from a supply chain management vendor. It is relatively new to the space but seeks to link demand creation with demand fulfillment for improved promotional outcomes.

Geographic presence: North America (100%).

Total consumer goods users (seats): 280.

Tiers represented: Tier 1.

Solution offerings: TPM.

Major product sub-segments not covered: Clients are exclusively in personal care/health and beauty/pharma OTC.

Analytics: The landing page has the requisite views for managing the promotion cycle. It isn't pretty, but it is very flexible, with a combination of drag and drop/turn on and off that lets the users personalize their analytical components. It also has a statistical forecast engine that can generate funding schemes. There are lots of filtering options to look at past promotions. However, they are migrating to a new analytical layer so we weren't able to see it in much depth.

Configuration/Customization: Customization is not an option. All enhancements would be developed in the standard product for the client base.

Technology architecture/delivery options: Private cloud.

Service partners: None yet. Neogrid does its own implementations through its professional services organization.

Technology partners: None yet.

User experience: We found it to be a complete TPM solution from planning through settlement. The approach is a bit unique because the process starts with a forecast as opposed to a strategy. Some features that we like include:

- Workflow with full audit train of who made changes and when.
- Ability to append documents for proof of performance and to thwart post-audit claims.
- Ability to drill into a promotion from the calendar and make changes to it.
- Export to Excel if desired.
- Top-down as well as bottom-up planning.

Although complete, we rate it as Average for UX as it does not contain anything to really excite users or make their jobs easier.

Vendor trend: There isn't much of a trend. Neogrid entered the space a few years back and got some traction. Since then there has been a management change and a hiatus in focus. This has since seen renewed efforts.

Strengths: It is a company of 700 professionals that services both manufacturers and retailers.

Challenges: Being a late entrant in to TPx and with only a TPM offering.

Adjacent offerings: POS data management/cleansing, shelf management visualization, supply chain management.

Key differentiators: The ePOS/sellout data business can effectively monitor product availability and certain elements of compliance in conjunction with promotions. We believe that such a capability should be embedded in every TPM solution in order to track execution as a standard dashboard element. The linkage of demand creation with demand fulfillment is a very strong differentiator. In this case, Neogrid covers supply chain visibility, planning, and execution.

Outlook & prognosis: Neogrid will face significant headwinds because of its late entry into the market, lack of a TPO solution, and lack of mindshare/exposure. When it begins to sell TPx to its supply chain management customers, it will be an indicator that it has turned the corner on execution against TPx.

Evaluate Neogrid when: Your approach to TPx is more about forecasting than the flow from promotional strategy to execution. Also, if you want to receive the benefits of being one of a very few charter customers and influence the direction of the product.

Avoid Neogrid: If you seek a global solution, TPO, or much beyond transactional TPM.

Nielsen www.nielsen.com

No Mid-cycle Update: Coverage will continue in the 2017 POI Vendor Panorama later this year.

Profile: Nielsen is a global research, data, and analytics company that studies consumers in 100+ countries around the world. It can best be described as being in the business of measuring and understanding what people watch and what they buy. TPx is offered as part of Nielsen's Revenue Management and Optimization solution, which is part of Nielsen's broader Sales Effectiveness practice.

Geographic presence: Europe (35%), North America (40%), Latin America (15%), Asia Pacific (10%).

Total consumer goods users: Estimated 6,500. Licensing structure is not by named user.

Tiers represented: All.

Solution offerings: TPM and TPO.

Major product sub-segments not covered: Tobacco, durables and semi-durables.

Analytics: Not only are the analytics deep and insightful, but they are designed to start at the strategic level for the entire plan, then go into the particulars of products and customers. Each step along the way requires analytics and Nielsen combines the insights, analytical frameworks, simulation tools, and even mobility. We were impressed with ways of looking at elasticity, purchasing thresholds with store level data, and pop-ups with definitions to provide context around the analysis. We rate it as Above Average and describe it as "insightful, way above KPIs."

Configuration/Customization: Adaptive requirements are made through configuration. All requests for additional functionality for either the front- or back-end are assessed, prioritized, and built into the plan. A one-off that would take it out of the upgrade path is not an option because it is multitenant SaaS.

Technology architecture/delivery options: Presently private cloud. Public cloud to be released later in 2016.

Service partners: HP, Thorogood. TCS, Clarkston Consulting, Cadent.

Technology partners: IBM, MicroStrategy, TCS, Cloudera.

User experience: As a series of tools, the UX is very good. However, there are several features, such as a landing page, workflows to facilitate approvals, and the ability to visually see baseline/promoted, that need to be added to provide a proper user experience. These are all under construction and prototypes we have seen look promising. However, it needs to evolve from a set of tools to provide both navigation and flow. Until such time, we rate it as Below Average for UX.

Vendor trend: The combination of software, services, and expertise has resonated in the marketplace. It is often able to maneuver around blanket software purchasing decisions that go to the enterprise software vendors because Nielsen is so widely known, offers the tools as a service, and bundles them in with some sort of engagement.

Strengths: The depth of analytical resources and industry experience are unrivaled.

Challenges: Nielsen has to make the transition from "tools" to "sets of solutions" with a process flow to facilitate the user moving through steps. Tools are great for power users who do many of the same things each day. However, a key account manager needs a more holistic, Swiss Army Knife approach where all the capabilities are in plain sight and it is obvious how they fit together.

Adjacent offerings: POS data management/cleansing, shelving strategy development and management/visualization, retail execution strategy development and compliance tracking, marketing mix modeling, concept testing/simulation.

Key differentiators: The ability to create the strategy and drive it down to tactics with all of the accompanying analytics.

Outlook & prognosis: Nielsen is already a global player. As it continues to showcase its unique approach to TPx it will be a global leader as lines between software and services continue to blur. CG companies just want help with a set of problems and Nielsen can deliver against them.

Evaluate Nielsen if: You value deep analytics and industry expertise to improve your TPx processes.

Avoid Nielsen if: You favor an on-premises solution, are a durable/semi-durable company, or simply want a transactional TPM tool.

Distinction: POI Best-in-Class for Analytics/Insight.

Oracle www.oracle.com

No Mid-cycle Update: Coverage will continue in the 2017 POI Vendor Panorama later this year.

Profile: An enterprise software vendor and longstanding TPx player through its own solutions as well as the acquisition of Demantra and Siebel.

Geographic presence: North America (45%), Europe (30%), AsiaPac (15%), Latin America (10%).

Total consumer goods users (seats): 15,500.

Tiers represented: All.

Solution offerings: TPM and TPO.

Major product sub-segments not covered: None.

Analytics: Are very detailed and provide significant insight from the dashboard into the likes of:

- Pantry loading, forward buy, and both cannibalization and halo behaviors.
- Post event analytics with qualitative thresholds that guide which events can be run next time.
- A system generated base and lift forecast for both shipments and consumption that can be the basis for a forecast as well as show if a sales person is gaming the system.
- Functionality to help with top-down fund allocation process.
- Visibility in the category including impact on competition, brand switching, and even account switching.
- Calendar-based optimization with the ability to lock certain aspects while tweaking others.

We also note the quality of the mobile analytics for managers or as a companion to the desktop. We found that the Oracle Demantra solution delivers the depth of insights in a very pleasant mobile solution.

For analytics we rate it as Above Average both for the insights as well as how they render visually.

Configuration/Customization: Extensive Configuration is possible so long as it will not impact the ability to upgrade.

Technology architecture/delivery options: On-premises, Private Cloud, Oracle Public Cloud, or 3rd party public cloud offered through implementation partners (e.g., Amazon Web Services or Microsoft Azure).

Service partners: Accenture, Avata, Capgemini, Clarkston Consulting, Cognizant, CSC, Customer Systems, Deloitte, Fujitsu, Genpact, Hitachi Consulting, IBM, Inspirage, ITC Infotech, Oracle Consulting, Perficient, Praesto, Red Rock Consulting, TCS.

Technology partners: IBM, Microsoft.

User experience: The user experience is exceptional. It is ergonomic and visually pleasing. The calendar is an example of the refinements that have been made over many versions and as a result of engaging with the user community. Letting the user configure based on

personal preferences. The strong mobile offering also enhances the user experience. Post event analytics is nicely embedded as opposed to an afterthought as we often see. The dashboard is exceptional. For UX we rate it as Above Average.

Vendor trend: Oracle has seen some softening in deal flow as much of the demand has been in Tier 2 and 3 companies, where the vendor does the implementation. So although Oracle has a vast services network, there is an untrue perception that this results in additional cost. Nevertheless, we saw Oracle working down market several years ago and it is the most formidable of the enterprise software companies when it comes to tiers 2 and 3.

Strengths: It is truly an end-to-end solution from capturing insights to planning to execution and monitoring. The predictive modeling is very advanced and seeks to optimize many factors, not just revenue or profit.

Challenges: Highly customized Siebel deployments going back many years will require a de novo deployment to get to Demantra, which is the go-forward Oracle TPx solution. As such, it will be incumbent upon Oracle to keep them from seeing that the grass is greener elsewhere. There is also a perception that Oracle was late to the cloud. In point of fact, it has offered a hosted solution for some time but has simply not banged the "cloud" drum as loudly as others.

Adjacent offerings: Demand signal management, S&OP, supply chain management, retail execution.

Key differentiators: The depth of the service partner network, quality/usability of the predictive modeling, and the mobile solution.

Outlook & prognosis: Oracle is already a global leader and will continue to be so into the foreseeable future. The key to penetrating more deeply into tiers 2 and 3 will be the speed of building out the Oracle Demantra on the Oracle Public Cloud and pushing the messaging of both cloud and infrastructure as a service (IaaS).

Evaluate Oracle when: You seek a combination of product and support for pretty much any aspect of TPx. Also, if you want a really solid partner for the journey from TPM to TPO.

Avoid Oracle if: You really want a basic, inexpensive point solution.

Distinctions: POI Best-in-Class for Mobile UX, Analytics/Insight, TPO Ergonomics.

Periscope By McKinsey. www.periscope-solutions.com

No Mid-cycle Update: Coverage will continue in the 2017 POI Vendor Panorama later this year.

Customer profile: A highly analytical TPM/TPO offering that embeds McKinsey intellectual property and a broad array of services into the promotion cycle.

Geographic presence: North America (50%), Europe (29%), AsiaPac (11%), Latin America (5%).

Total consumer goods users (seats): 1,290: 350 for TPM and 940 for TPO.

Tiers represented: All tiers. Primarily in food and beverage.

Solution offerings: TPM and TPO.

Major product sub-segments not covered: Personal care, tobacco, consumer semi-durables.

These are served from the retailer perspective but not specifically from working with manufacturers.

Analytics: This is where Periscope excels. From the acquisition and preparation of data, to insight-based planning, to simulating the best possible promotion. In particular we found these aspects to be compelling:

- 10+ baseline methodologies.
- Ability to simulate "never before run" promotions.
- Performance both in data rich and data poor environments.
- Ability to aggregate optimized scenarios to see total impact at various levels.

We rate analytics as Above Average both for insight as well as how the data renders.

Configuration/Customization: Customization is possible and Periscope will provide resources to support customization needs. However, it is not common as the off the shelf solution is highly configurable.

Technology architecture/delivery options: On-premise, hosted/private cloud, public cloud.

Service partners: McKinsey and Company, Eversight for offer innovation. Periscope does its own implementations through the global capabilities in 26 locations in 17 countries globally. It currently supports clients on 6 continents.

Technology partners: Microsoft (hardware and software), BoardwalkTech, Tableau, Amazon Web Services, Host Europe, Alteryx, Spark, Exasol.

User experience: Solutions with deep analytics often favor power users because they have a cockpit like a major airliner. Periscope, however, has combined power with simplicity in a HTML 5 delivery. It is very visual/graphical; as much so as any other solution we have reviewed. In particular, we like the ability to create a scenario, review it, compare it side by side with an actual, and then create even more scenarios for side-by-side comparison. It also has a robust capability for a reviewer to add a detailed annotation and send it back to the author as a form of internal collaboration. We rate UX as Above Average.

Vendor trend: The user base has more than doubled in the last year and a half or so. This is not surprising for two reasons:

1. CG companies have shown that they like a combination of technology plus support services and the flexibility to tailor how they are delivered to their own needs.

2. The industry focus on analytics as a competitive differentiator and a key requirement for stealing share from other manufacturers.

Strengths: Industry expertise and depth of talent base. High degree of usability. Focus that starts with the strategy and includes marketing as well as trade effects. Deep on insight as opposed to just reporting the facts. Proven ability to co-exist with a transactional TPM tool.

Challenges: True to its pedigree as part of a consulting firm, Periscope is very discrete about its client engagements. This makes it harder to get the word out even though the exact nature of how the solutions are being used can vary widely. In turn, this makes it hard for competitors to follow the leaders. Nevertheless, it does create some marketing challenges when Periscope's competitors are more liberal about discussing their customer situations.

Also, the approach is high touch and has many wrap-around services relative to others. This is rather far from merely being a software company that sells a product so it is not by any means a low-cost option compared to software-only providers. Relative to software-only, Periscope client engagements include data management and enrichment, insight creation, software, expert support, and capability building.

Adjacent offerings: Assortment optimization/shelf management/visualization, remote retail monitoring, pricing management.

Key differentiators: Pattern recognition through machine learning to help in answering the questions that people don't think to ask. Willingness to get hands dirty on the data management and enrichment to ensure a more favorable output. The power of the insights without the complexity for the user.

Outlook & prognosis: Because of the importance of analytics with a "tools plus services model," Periscope will continue to thrive. However, because of the level of services, the relative cost, and a focus on forming deeper relationships, it will not grow share like a tools-only player.

Evaluate Periscope when: You want an analytical suite as well as possibly a single component, like post promotion analytics. Also, when you want expertise and the ability to deploy globally but adapted to the local environment.

Avoid Periscope if: You want a transactional tool for event planning, funds management, or settlement.

Distinction: Analytics/Insight, Desktop UX, External Collaboration.

Retail Insight (rebranded as RI) www.ri-team.com

Customer profile: A TPM offering from an analytics firm that enables consumer goods manufacturers, retailers, and brokers.

Geographic presence: Europe (51%), AsiaPac (49%).

> *Mid-cycle Update: Geographic presence now expanded with clients live in Russia, Latin America, and South Africa. Splits are now 22% in Western Europe, 14% in EMEA, 58% in APAC, and 6% in LatAm.*

Total consumer goods users (seats): 467.

Tiers represented: Tier 2 and 3. Many are affiliates of Tier 1 multinational companies.

Solution offerings: TPM.

Major product sub-segments not covered: Tobacco, consumer durables and semi-durables.

Analytics: Strong ability to toggle between a grid and a graphic based on preferences. Excellent scatter plot of events and ability to chart any P&L element. Users can click and drill on the dots to identify underperforming promotions. The "what-if" analysis in the form of a sales volume bridge is very cool. Nice ability to align daily/weekly data to the customer time frame because the data is built on a daily basis. Very financially oriented with full internal/external P&L on SKU or event levels with side-by-side comparisons. We rate it as Above Average for insightfulness. The analytics render nicely, while not the best we have seen, they are good.

Mid-cycle Update: An integrated BI tool based on Tableau is big news for this update because it can take RI to the next level in data rendering. Embedded BI is a real plus that a mere partnership cannot offer. But we also acknowledge that other BI tools can be utilized based on this interoperability strategy.

RI is also offering new ways to access its cubes and flat files so that they have more flexibility to do analysis and are not at the mercy of back-end system.

Configuration/Customization: Customization is allowed.

Technology architecture/delivery options: Hosted/private cloud.

Service partners: Rackspace for hosting. RI does its own implementations through its offices in Bentonville, USA, the UK, or Singapore.

Technology partners: Tableau and High Charts for data reporting and visualization.

User experience: The orientation of the solution is very ergonomic and has many short cuts. In particular we like the "Learn, Plan, Track" orientation of the solution with corresponding tile-based navigation.

Vendor trend: This is a vendor that is finding its voice in the marketplace because of its ability to work with both manufacturers and retailers. It has high client retention.

Strengths: The management team is deep in industry experience and able to disseminate best practices. They also have an uncanny ability to sell to affiliates of Tier 1 multinationals that have a deep SAP footprint. Strong financial performance orientation and IBP analytics.

Challenges: They need to translate their expertise in creating baselines into a TPO solution. Also, whereas the solution is strong on the planning portion of the promotion cycle, it has no provision for settlement in the modern trade through the deduction management process, but does have settlement for traditional trade through direct means.

Adjacent offerings: Remote retail monitoring.

Key differentiators: Strong expertise in the Asian market. Proven scalability as demonstrated by processing 3.6 billion records daily and working with several of the world's largest retailers. The remote promotion monitoring tool (Compass) is key to transparency in what actually gets executed in the marketplace and should be an embedded part or every TPM approach.

Outlook & prognosis: Given strong analytics, the remote promotion monitoring, and level of expertise, we see this as a very appealing option.

Mid-cycle Update: The expansion into 3 new regions provides considerable upside and improves outlook. Also, improved data rendering and analytics puts RI into better position for expansion into North America.

Evaluate RI when: You want an analytical TPM solution, industry expertise, and proven ability to execute in AsiaPac.

Avoid RI if: You need a global deployment through a 3rd party, TPO, or settlement capabilities through an integrated solution.

Distinction: POI Best-in-Class for Financial Orientation/Simulation, Remote Monitoring.

SAP www.SAP.com

Profile: A global, enterprise software vendor with a large ERP install base and significant mindshare in the CG industry.

Geographic presence: North America (40%), Latin America (5%), Europe (45%), and Asia/Pacific (10%).

Total consumer goods users: 15,900 (POI Estimate).

Tiers represented: All.

Solution offerings: 10% of TPM users have TPO as well.

Major product sub-segments not covered: Tobacco, semi-durables.

Analytics: SAP is working to move beyond being a transactional solution in what it calls a "copy, run, pay" approach. As such, it has enhanced analytics in Release 2 of Customer Business Planning in April 2016. Embedding the BeyondCore analytics solution takes things to a new level. Suffice it to say that highlighting a range of data and having the solution tell you what it means is really powerful. Being able to see baselines for multiple products is a plus. Having P&L by month as a graphical view is very nice. Seeing multiple scenarios side by side is not only powerful but the graphical renderings were good. SAP has taken scenarios to a new level. We rate Analytics as Above Average for insightfulness, but only Average for how the data renders. The dashboard is powerful but it is not graphically appealing or intuitive. It is improving and there are areas where the rendering is coming along, but it is not quite there.

> *Mid-cycle Update: The movement to machine learning in the cloud is one that we find very intriguing for a host of reasons. Having the scale to be able to hire 200+ data scientists is a really good thing! SAP also plans to invest $1 billion USD in this capability over the next few years."*
>
> *We also found the "promotion power" with slider levers to be a really cool feature. Also, there are more financially oriented enhancements in the latest release that we found to be valuable.*

Configuration/Customization: SAP provides customer exits for enhancing the solution without precluding upgrades. It is a platform that can be enhanced however the customer chooses.

Technology architecture/delivery options: On-premises or hosted/private cloud.

Service partners: Strategy&/PwC, Deloitte, HP, AgilityWorks, IBM, Infosys, Knack Systems, Gruppo Asso, Teklink, Bluefin, 4brands Reply, Maihiro.

Technology partners: No dominant technology partners. SAP is hardware agnostic.

User experience: SAP is starting to break away from Average in UX. Not in all areas, but it is improving. Gone is the moniker of "it's good enough." We like the following:

- Users can enter data into a hover.
- Chevrons give a clear sense for where a user is in the process.
- It has a new, cool way to visualize product hierarchies and drill into them as well as create custom roll-ups.
- The process of entering a promotion has been streamlined.

Mid-cycle Update: Significant enhancements to UX through HTML5 that include promotion detail screens, scenario planning, and embedded analytics. The UX continues to improve esthetically and ergonomically to be on par with best-of-breed. SAP is aggressively pursuing leadership in UX with improvements that are too numerous to list.

Vendor trend: SAP has improved its offering over the last 18 or so months and is on a good trajectory towards leadership. It listens to customers through multiple means and prioritizes the input for more frequent releases (2 per year). It has simplified pricing to 2-3 line items and is truly an out of the box solution as opposed to a framework or platform for co-innovation. The UX is improving and it is providing more insight as opposed to reports.

Strengths: The vastness and the service provider network, name recognition and relationships with IT organizations. Also, the improvements in the product after years of being rather unappealing have consistently been a pleasant surprise to prospects that have reviewed it lately.

Challenges: Selling outside of the SAP ecosystem. SAP has not to our knowledge sold a TPx solution to a non-SAP ERP consumer goods manufacturer. At the same time, most competitors have at some point sold to this target group and some are quite good at it. This makes for an interesting dynamic. It also establishes a KPI for when SAP will have completely come of age: when it can sell its TPx to a company that uses a competitor for ERP (possibilities would include AFS, Oracle, and to some degree Flintfox). Another challenge is to simply stay focused. SAP is a complex company and we have seen it ebb and flow in its desire to really enhance usability and analytics.

Mid-cycle Update: it is appropriate to acknowledge SAP's commitment and focus in the context of the previous comment. In recent months it has moved into a leadership position. We expect this to continue because the focus has been consistent for over 4 years now.

Adjacent offerings: POS data management and cleansing, retail execution, supply chain management, IBP/S&OP, marketing automation, campaign management, ERP.

Key differentiators: Unquestionably it is the deep penetration that it has in the CG industry. Also, the recent trend toward embedding best-of-breed capabilities into its offerings as opposed to going it alone. Good examples are BeyondCore for analytics and some really excellent post event analytics capabilities from PWC/Strategy&.

Mid-cycle Update: BeyondCore has been acquired by Salesforce.com and the partnership has subsequently been dissolved.

Outlook & prognosis: We look for SAP to gain momentum like never before. And with its cloud offerings, we look for more movement down market to Tier 3.

Mid-cycle Update: The outlook for SAP in TPx is the best that it has ever been based on improved analytics, out-of-the-box functionality and evolving analytics. We expect Vendor Assessment ratings to change during the 2017 Vendor Panorama process.

Evaluate SAP when: You haven't seen their TPx offering lately. Also, if you run ECC6 and haven't customized your data tables. This will lead to a much smoother and more as "advertised" integration.

Avoid SAP if: You lean to the extreme of cheap and basic TPx on the one hand, or really wanting a cutting edge UX on the other.

Mid-cycle Update: The previous comment about cutting edge UX is less relevant than it was in early 2016 based on recent improvements. Even the dashboard, which we didn't particularly favor in 2016, is improving to be on par with best-of-breed.

Distinctions: POI Best-in-Class for Financial Orientation/Simulation, Post Event Analytics (through embedded Strategy& capabilities).

Sequoya www.sequoya.com

Customer profile: A customer analytics and trade optimization firm combining technology, services, and expertise.

Geographic presence: North America (85%) and Latin America (15%).

Total consumer goods users (seats): Approximately 575, but current licensing arrangements do not allow for a precise number as they are enterprise level.

Tiers represented: All.

Solution offerings: Very limited TPM functionality. The 20/20 Analytics Platform is focused on TPO.

> *Mid-cycle Update: Sequoya has never intended to have full TPM functionality. It is a TPO and analytics platform. Having limited TPM functionality is more of a courtesy to accommodate some users, not a shortcoming per se.*

Major product sub-segments not covered: None.

Analytics: We found it to be the right blend of insight and power, but easy to glean the insights because of the way they are rendered. For example, it takes no training to understand a 2X2 matrix where the dots in the boxes correspond to win/win, win/lose, lose/lose and so forth.

We specifically liked the ability to:

- Evaluate keeping the status quo, as an "if we do nothing" as a scenario for purposes of comparison.
- Do sensitivity analysis at various levels such as customer, channel, or even when making big strategic changes such as ceasing to do TPRs.
- See both a grid and a graphic side by side based on preference.

As it is both insightful/powerful and renders very well we rate it Above Average.

> *Mid-cycle Update: Recent developments include a melding of post event analytics and predictive modeling. It can be best characterized as being able to determine: (1) did you receive execution for activities that you paid for, (2) what was the level of execution (discount %, %ACV feature / display), and (3) what is the potential level of execution. The third point can be a combination of pricing and merchandising and is flexible with regard to the level of change. The change could then push execution to an average level or max historical levels.*
>
> *Using their statistical engine they then forecast the historical events using the improved execution with output that highlights changes to any number of volume and financial measures. Fixed trade is held constant and variable trade is driven by the revised forecast.*
>
> *The next step will be to include competitive activity as part of the analysis.*

Configuration/Customization: All attempts are made to code/configure in a way that would not inhibit the upgrade path. So far this has worked, but an exception might be made.

Technology architecture/delivery options: One instance of on-premises. All others are private cloud, which is the preferred method. The latest release of 20/20 runs in both a single and multitenant environment.

Service partners: Sequoya does the bulk of its own implementation work from its offices throughout the Americas.

Technology partners: Liquid Web for hosting.

User experience: The latest release, known as 20/20, builds upon an already user-friendly and logical flow of understanding the insights and building a plan accordingly. However, this release has all the capabilities in an all-in-one toolset that is browser agnostic and can run on a tablet. Some additional features that we like include ability to:

- Send an e-mail to the sales rep as well as the buyer if certain conditions are met.
- Tile-based approach to the drill-downs.
- Easily switch back and forth between graphic and grid views of the data.
- Use a wizard to help in creating a scenario.
- View data in the most appropriate format including scatter plots, bar charts, and line graphs.

Vendor trend: The company has grown consistently year over year since 2007. It is profitable and has a seasoned management team. As a boutique firm providing expertise on top of technology, it has attracted a continuum of clients from the global powerhouse brands to regionals and has begun to work its way from the Americas into Europe and Asia. However, it wins a client one at a time after demonstrating expertise and value as opposed to mass-producing software.

Strengths: Strong client retention; users come to depend on the insights and deepen their use of the solutions over time.

Challenges: There is still a great deal of "buy this software, deploy it, and it will solve your problems" mentality in the space. Sequoya offers something much deeper. However, it is often hard to get prospects to look beyond promises and prospects to understand the real value of applying insights. There is also a constant push and pull between having power users control the tool versus letting field users take more control in the analysis. Moving to enterprise licensing will help to allow the use of the tools to penetrate more deeply. Otherwise, the key challenge lies in finding prospects that are ready and willing to capture and act on insights instead of copying the trade plan from the prior year and running it again.

Adjacent offerings: Category management, post event analytics, and elements of demand planning.

Key differentiators: The depth of the insights. Client engagement is a very high touch model. User conferences are held twice each year for sharing best practices and as a forum for staying in touch with clients. Additionally, each client has dedicated strategic consulting support from the Sequoya analytical teams either on-site or from Sequoya locations. This delivers value as well as a means of staying in touch with client challenges and goals. Select clients also receive annual business planning workshops and mid-year reviews as a means of working side by side to deliver against their analytical requirements. The TPO connects to any TPM or ERP through a web services call, thus avoiding the "swivel chair" double entry problem.

Outlook & prognosis: We see Sequoya becoming a global leader in the "expertise plus tool" space where it has positioned itself. That will preclude meteoric growth because it will do its own deployments through the high touch service model and entail winning one or two countries at a time as opposed to a shotgun deployment. Nevertheless, the approach is consistent with our POI research, which shows that finding employees with the right skill sets, managing through change with them, and being able to bring new employees on board when there is turnover, can largely be remedied through a staff augmentation approach along with a strong and friendly toolset.

Evaluate Sequoya when: You have a transactional TPM tool and wish to add insights into the planning process. Also, if you are moving your applied insight capabilities from developing to emerging markets and want a partner that can accompany, if not facilitate, your doing so.

Avoid Sequoya if: You seek basic trade management capabilities to execute or settle promotions. Also, if you really want an on-premises solution that you can customize, or are just looking for software.

Distinction: POI Best-in-Class for Analytics/Insight.

TABS Analytics www.tabsanalytics.com

Customer profile: An analytics and data management company.

Geographic presence: North America (100%).

Total consumer goods users (seats): Approximately 100.

Tiers represented: All.

Solution offerings: TPO.

Major product sub-segments not covered: Tobacco and consumer durables.

Analytics: TABS is all about analytics. It has the best dashboard we have ever seen because it is visually compelling, includes unique elements such as social "buzz" data, ads by banner, breakdown of sales volume data, demographics, and total share by retailer/online vendor. From there, it has the ability to drill into the details to understand every aspect of the business. It is truly "total business analytics." There are many other analytical insight capabilities such as:

- Understanding the impact of existing, discontinued, and new products on growth.
- Visually show changes in price elasticity.
- Leakage and slippage chart with causal factors to show not only where lost shoppers are going but why.
- Integration of panel data to marry sellout with behavioral data and better understand shopper dynamics.

We rate it as Above Average both for insights and how they render.

> *Mid-cycle Update: The inclusion of more ad / social media tracking capabilities makes for more analytical power through causal data.*

Configuration/Customization: Customization is common due to how user organizations like to analyze their business.

Technology architecture/delivery options: Private and public cloud.

Service partners: Hybrid Intelligence.

Technology partners: Tableau for data visualization.

User experience: Very strong UX and ergonomics, which has been highly improved in the last year or so. It used to be very grid-like. Now it is very graphically engaging but also offers grids by the side of graphics for those who prefer to view it more like raw data. It is also not complex. It has all the capabilities of a power user tool, but is intuitive and relatively simple. We rate it as Above Average.

> **Mid-cycle Update:** *A new presentation builder makes for a better UX by removing some of the steps required for turning the insights into impactful materials.*

Vendor trend: The company is growing and profitable. It also has very stable management.

Strengths: The depth of analytics and industry experience of key personnel.

Challenges: Competing with larger, IT-centric companies is difficult. During RFP processes people often don't believe that they can do what they say and for the quoted prices. They provide references that include some really big and respected names, but are still not believed. Hence, the biggest challenge is getting a chance to show what they can do.

Adjacent offerings: Category management, retail store optimization, advanced marketing analytics.

Key differentiators: Speed and depth of data harmonization in support of the equally deep analytics. The total business dashboard is exceptional.

Outlook & prognosis: Continued presence and relevance as an analytical player and innovator into the foreseeable future.

> **Mid-cycle Update:** *In many ways it could be argued that TABS is more of an enabler than an actual TPx vendor. This is because it has great focus on the data that is so essential to doing meaningful predictive modeling or post event analysis. There are many TPx options in the marketplace, and certainly TABS is one of them, but there are fewer offerings for data cleansing and harmonization. Thus, before any meaningful TPx work can take place, a firm like TABS has to prepare the key ingredient, the data. This is why we see TABS in more and more data projects of late and why it is a critical player in this space.*

Evaluate TABS when: You want insights to make for a better promotion plus services to help you along the way. Also, if you want unique ways of looking at business problems with a superior UX.

Avoid TABS if: You seek a TPM solution. TABS doesn't purport to have promotion execution or settlement. Also, if you need a global deployment.

Distinctions: POI Best-in-Class for Dashboard, Analytics/Insights, Analytics Visualization.

T-Pro Solutions www.t-prosolutions.com

Customer profile: A TPO and analytics company that is solely focused on improving promotional outcomes. It has come at the TPO problem directly as opposed to other vendors that have morphed into it from TPM or category management.

Geographic presence: North America (100%).

Total consumer goods users (seats): 225.

Tiers represented: All.

Solution offerings: TPO. Most elements for TPM except for settlement.

Major product sub-segments not covered: Tobacco, consumer durables and semi-durables.

Analytics: The solution is oriented around post-promotion analysis and optimizing annual customer plans to company or brand objectives. Baseline/promoted analysis is the heart of the approach. And, it is the accuracy of its baselines that is attracting clients that have found less accuracy elsewhere, which had previously distorted their approach to promotions. At present it is used more as a power user tool for guiding key accounts. The user has the ability to choose a number of weeks in the baseline, remove outliers, align the promotion to when it actually ran, and begin to do scenarios. It features many unique insight drivers such as: viewing competitive baselines and promotions, predictions that include historical averages, having the system tell when the best time is to promote, and includes digital marketing causal data to simulate into the mix. We rate it Above Average both for insight as well as how the insights are rendered.

> *Mid-cycle Update: Development in late 2016 was focused on future predictive baseline capabilities including the ability to make adjustments for market dynamics as well as adding 29 constraints that can be modeled for optimizing specific merchandising tactics plus optimizing a total annual customer plan.*

Configuration/Customization: Customization is an option at an incremental cost. Any other modifications would be built into the core product at no cost to the client.

Technology architecture/delivery options: Public cloud on Amazon Web Services is the standard. On-premises and private cloud are both possible.

Service partners: None. T-Pro does its own implementations and training in North America. T-Pro has aligned with Ernst & Young to provide global TPx consulting services for local market expertise and training outside of North America.

Technology partners: None.

User experience: It is simple and yet powerful — with emphasis on simple. The "Electronic Help" section further aids in getting user comfortable and doing so quickly. We found it to be exceptionally "flow" oriented - meaning very stepwise. However, what it offers in strong planning through really crisp hovers, the ability to drag a scenario into the plan, and a pop-up of appropriate entry details based on what is being optimized. Today, it lacks in any sort of dashboard for tracking progress or understanding the status of the business. However, this is in the roadmap and will be offered by January 2017. The assumption is that this would be provided through the TPM tool, but if that system is weak then users may find themselves under served. Nevertheless, we rate it as Above Average for UX because they really have made a complex process quite simple.

Vendor trend: Despite being about 3 years old, it has already gotten traction with a broad variety of name-brand Tier 1 companies as well as regionals. It is highly entrepreneurial and features a core management team with deep industry experience.

> *Mid-cycle Update: Continued positive trend in late 2016 which we ascribe to the high usability and relative affordability as compared to similar offerings.*

Strengths: The simplicity of the planning process and high degree of usability. They say that it requires very little training and we believe it. Based on multiple demos we have had with the solution, we believe that most anybody could learn the solution and begin using it in less than half a day. It is designed to lay on top of a TPM solution and thus avoid integration with an ERP.

Challenges: The software is the primary service. The strategy is not to have people assist with the process, but to remain a software company, hence the relationship with EY. However, this may not be suitable for companies that like a more hands-on/outsourced resource approach. Also, T-Pro seeks to connect to an existing TPM system and not directly to an ERP. But we have seen many TPM solutions that are not integrated, so this would be an issue for some processes such as settlement.

Adjacent offerings: POS data management and cleansing, elements of demand planning, master calendar that includes all historical and future planned sales/marketing activity.

Key differentiators: Unique metrics and the extreme simplicity.

Outlook & prognosis: We are also beginning to see it being added on top of TPM solutions from vendors that have TPO offerings, thus showing a preference for usability over the promise of integration. T-Pro has much to offer in the TPO space and we expect it to be a key player.

Evaluate T-Pro when: You have a TPM and want to add TPO. You prize simplicity but do not want to sacrifice power.

Avoid T-Pro if: Your primary need is a TPM solution. T-Pro has some TPM functionality, but presently lacks key components like settlement. Best to let it do what it does well.

Distinctions: POI Best-in-Class for Desktop UX, TPO Ergonomics.

UpClear www.upclear.com

Customer profile: TPM vendor with a global footprint.

Geographic presence: North America (30%), Asia/Pacific (18%), Europe (50%), and Latin America (2%).

Total consumer goods users (seats): 2,000.

Tiers represented: Tier 2 and 3. Many clients are affiliates of Tier 1 multinationals.

Solution offerings: TPM. TPO offered is through an embedded solution from Management Science Associates (MSA).

Major product sub-segments not covered: Tobacco, consumer durable and semi-durables.

Analytics: Are both insightful and render well. It makes very good use of Tableau. We liked the tile-based orientation with a miniature version of the underlying report to aid in navigation. It has good side-by-side comparisons of scenarios, excellent bubble charts to show key metrics like promotional ROI versus % incremental volume, and has drill down into nearly any graphical element. A report writer is included. The "due to" analysis is quite powerful because it shows a volume bridge that can include TV, radio, holidays, and most any other factor. It is one of the most analytically oriented "TPM-only" solutions that we have seen. When we reviewed the TPO option that is provided by MSA, we found it to be nicely embedded but found that the constraints were scattered across several pages, which we didn't care for. Nevertheless,

focusing primarily on UpClear for the power of its analytics and how they render, we rate it as Above Average.

> *Mid-cycle Update: Continued positive response to the embedded analytics offering. In our experience this is essential . However, some CG companies like to start out more simply. As analytics is more key today than it was 3 years ago, the trajectory is better with 50% of UpClear users now subscribing to the embedded analytics.*

Configuration/Customization: Customization is not an option at present, unless it is a change that aligns to the global roadmap. It looks to be more configurable than most solutions we have seen.

Technology architecture/delivery options: SaaS in a private cloud. Currently it is Rackspace but progressively moving to Microsoft Azure.

Service partners: Clarkston Consulting and Infor.

Technology partners: Pivot Consulting for SAP integration, Rackspace for hosting, Microsoft for hosting and software, Infor as ERP partner/integrator, Tableau for data visualization.

User experience: The user experience is very modern and graphically oriented, and is easy to use. The calendar is a relative weak spot, but is still sufficient. We like the tile-based architecture and the dashboard is very nice. We rate it as Above Average for UX.

Vendor trend: The company is high-growth and has a stable management team despite its global expansion. It focuses on hiring people with industry experience and has doubled the number of personnel in the last year or so. The addition of client management personnel is a positive thing to keep retention high and provide a source of constant feedback.

Strengths: Ability to cover the needs of 20 countries from a single solution. Ergo, the ability to meet the needs of both mature and developing countries. The company is also surprisingly "self-aware" when it comes to its relative strengths and weaknesses and is constantly working to improve them. Most software vendors operate under significantly more denial than what we find here.

Challenges: The stable of proven deployment partners is not yet in step with the global expansion. Sooner or later UpClear will be called upon to deploy simultaneously in multiple geographies and it could be taxing.

Adjacent offerings: None.

Key differentiators: Low deployment and ongoing costs relative to other solutions. This is an excellent "bang for the buck" solution. Microsoft Yammer is embedded for internal collaboration based on topic, distribution group, and includes notifications. We found this to be really cool.

Outlook & prognosis: UpClear has a tremendous upside and momentum as an entrée into managing the promotion cycle. The jury is still out on how it will do in optimization through the MSA partnership, but its global footprint makes it poised for even more growth as an initial TPM option as well as replacement.

> *Mid-cycle Update: Given its continued penetration into the US, Australia, China, Mexico there is a good combination of momentum and global expertise. The prognosis is still strong because there are so many Tier 2 and 3 opportunities. The addition of a global pricing grid to deal with complex duties and taxes is just one example of how it is maturing to handle global situations.*

Evaluate UpClear when: You want a really good user experience with global potential at an attractive price.

Avoid UpClear if: You want an on-premises solution you can customize. Also, if you have an immediate need for a proven TPO tool.

Distinction: POI Best-in-Class for Internal Collaboration.

Visualfabriq www.visualfabriq.com

Profile: An integrated TPM/TPO vendor with both manufacturer and retailer clients.

Geographic presence: Europe (70%), [South] Africa (30%).

Total consumer goods users (seats): 1,020.

Tiers represented: All.

Solution offerings: TPM and TPO.

Major product sub-segments not covered: Tobacco, consumer semi-durables and durables.

Analytics: Has the ability to proxy a prediction based on similar promotions or solely based on historical data. Post event analytics is very strong because of how it compares actual to expected, highlights forward buy, and provides a copy of the ad for reference. It is also fully automated. But in particular we like how it graphically evaluated the promotion in addition to just the revenue/ROI data. We also like the extensive use of scatter plots with the ability to drill down and identify best and worst performing events. Also, it has some unique KPIs, like "bang for the buck" ration, to provide insights. Does volume prediction on the fly through standard machine learning. We rate it as Above Average.

> *Mid-cycle Update: More analytics in the form of additional time comparison capabilities to the reporting module for enhanced MAT, YTD and indexing. Also a Return On Market Investment capability that enables companies to have a 360 degree view of market developments, including competitor behavior and with the integration of general market events.*

Configuration/Customization: Customization is not currently an option. Client needs have been able to be met through development that is shared across the install base or through configuration.

Technology architecture/delivery options: All cloud-based, multitenant SaaS for functionality but database is individual. Hosting is with Amazon Web Services.

Service partners: PWC/Strategy&, Deloitte Consulting.

> *Mid-cycle Update: Addition of EOH, a Johannesburg Exchange listed international company that will facilitate roll out into any market globally with program management, change management, and e-learning capabilities.*

Technology partners: Amazon for hosting.

User experience: Nice tile-based landing page. Has the ability to show all promotions for a retailer as well as competitor at a high level and then drill in to the details. It is very graphically oriented with both charts and grids being exposed simultaneously based on preferences. The "ghosting" feature is also very useful. It allows a user to see the prior year or a competitor's promotions as a shaded box on the calendar. The planning process is very stepwise and a

greyed-out box in the navigation panel always tell you where you are in the process. We rate it as Above Average.

Vendor trend: Very positive growth trend and a strong roadmap going forward.

> *Mid-cycle Update: Growth trajectory includes recruiting several developers to enable innovation going forward.*

Strengths: A very robust set of administrative tools that should allow the user organization to have full control of the solution. An uncanny ability to sell to SAP clients that have ostensibly standardized on SAP for TPx or else failed at it. Ability to handle significant amounts of data. Everybody makes this claim, however we watched the system load 15,000 promotions in just 30 seconds. Visualfabriq acts like a very mature software company by offering 2 major and 2 minor releases per year. Similar offerings for retailers/gas stations and E-tailers keep it relevant to areas for collaboration.

Challenges: Currently the predictive models are not open to allow data scientists to tweak them, but they are working to open them up in late 2016. It is a relatively late entrant (2013) into a highly competitive space. Install base is expanding but still highly skewed to the Netherlands.

Adjacent offerings: POS data management and cleansing, remote retail monitoring.

Key differentiators: There is a philosophy in Visualfabriq that results from CG practitioners looking around the European market and not finding a suitable solution, then building one from scratch. Thus it doesn't have any legacy baggage and it was built from a user perspective, not by technology people. This shows through in the usability, insight, and ability of the solution to grow rapidly and amongst some really demanding multinational clients. The ability to look at similar promotions for the last 6 months and score them adds a unique lens to post event analytics. Also, the ability to filter and prioritize the events to aid in their review is very useful.

Outlook & prognosis: Given very good growth, many blue-chip clients, and a strong/insightful user experience, we expect them to continue to be a very viable option for European companies or affiliates doing business there. We also expect them to keep SAP working harder to stay competitive.

Evaluate Visualfabriq when: You want a TPM/TPO combination that is strong in both areas from a company that has deep expertise in Europe.

Avoid Visualfabriq if: If you wish to customize and create a one-off solution or have an immediate need for a global deployment.

Distinction: POI Best-in-Class for Financial Orientation/Simulation, Post Event Analytics.

Wipro Promax Analytics Solutions (WPAS), a wholly owned subsidiary of Wipro Limited.
www.promaxtpo.com

> *No Mid-cycle Update: Coverage will continue in the 2017 POI Vendor Panorama later this year.*

Profile: A global TPM /TPO vendor that is part of a global services and technology company.

Geographic presence: Europe (22%), AsiaPac (42%), North America (34%), Latin America (2%).

Total consumer goods users (seats): Approximately 5,000. Enterprise licensing does not allow for a precise count. 60% are said to use TPM and 40% TPO.

Tiers represented: All.

Solution offerings: TPM and TPO.

Major product sub-segments not covered: Tobacco, consumer semi-durables and durables.

Analytics: It includes the full analytical stack such as multicausal uplift models, cannibalization/halo effects, pre- and post-promotion evaluations, price/profit optimization, and predictive planning. It has some unique and insightful views and renders well visually. We rate it as Above Average.

Configuration/Customization: Promax is a highly configurable solution. Customized product extensions are accommodated to some clients. This is happening less and less as the standard product continues to evolve. Nevertheless, it is open to discussion.

Technology architecture/delivery options: On-premises or public cloud.

Service partners: None at present.

Technology partners:

- Microsoft Azure and Amazon Web Services for hosting.
- SAP Hana and Demand Signal Management for co-development and co-innovation.
- Teradata for co-innovation.
- Opera Solutions for data scientist support.
- Retail Solutions Inc. for decision support.
- Microsoft Business Intelligence for reporting and visualization.
- Ericom for browser enablement.

User experience: We like the ability to click on several events and sum them. We also like the combination of the volume decomposition by the side of the actual scenario. We think that Microsoft Cortana integration could make for more interactivity and queries about functionality, navigation, or just allow users to talk to it and have it create a chart. For now, it is only used for report creation but we see many additional possibilities. The mobile solution already exists, which continues to be a plus for access while on the go. It is ergonomic and pleasing all the way around. We rate it as Above Average.

Vendor trend: WPAS has gone through some ups and down since Wipro acquired Promax and demonstrated that it is quite resilient. The issue early on was the UX in 2013 and early 2014. This was subsequently rectified and became a strength. WPAS then had issues with client management and employee retention in 2015 and it had to learn the keys to listening to its CG clients and responding to them like a software company. This has also been rectified and both client and employee defection are no longer issues. With the combination of a really fine product and people to wrap around it, we are seeing it in more of a leadership role today. It is acquiring clients of all sizes, but in particular some of the most revered brands in the marketplace. It also has a well-articulated strategy for growth.

Strengths: Massive ability to mobilize resources across Wipro for development, implementation, or services. We saw this in 2013 when in less than a year it went from one of the worst UX situations to one of the best — simply because it made its mind up to do so. Also, it has the ability to receive a promotional baseline from an external source or create one internally.

An integrated, but also a modular, ability to deploy TPO on top of an existing TPM. We see considerably more of this in recent wins with several TPO deployments on top of SAP TPM, which is a major element of the current WPAS strategy for TPO.

Challenges: While WPAS has ample resources, there are cases where a CG company might wish to utilize some other services firm or where one is already embedded in the TPx selection process. In either situation, WPAS is likely to experience a disadvantage. Additionally, it will take some time to dispel any perception that WPAS is down and out in the marketplace. Despite current evidence to the contrary, there was a time when disgruntled clients and employees had share of voice and that now has to be replaced by ongoing success stories. It has to continue to suspend the "consulting engagement" mentality in favor of driving ongoing client satisfaction.

Adjacent offerings: POS data management and cleansing, supply chain management, digital marketing.

Key differentiators: Being part of a company with 173,000 employees. It is quite well rounded; there aren't any glaring deficiencies that we saw in our analysis.

Outlook & prognosis: With product, people, and client issues out of the way, WPAS just needs to focus on listening to its clients and satisfying them every day. We believe that the infrastructure is in place to do so and that it has a positive future so long as it continues to do so.

Evaluate WPAS when: You want a combination of global support, potential for deep services, multiple delivery options, good quality TPM and TPO in one, and industry expertise. Additionally, if you have a TPM investment that you don't want to walk away from, but wish to add TPO.

Avoid WPAS if: You really want a third party services provider for deployment/ongoing support that is not Wipro.

Distinction: POI Best-in-Class for Calendaring.

Other Enablers

We recognize that there are additional ways to improve the trade promotion cycle, and, while not specifically part of this analysis, they are possibly adjunct or complementary to the TPx capabilities described above. What follows is a brief summary of a capability known as "offer innovation" that we believe should be an integral part of any TPx strategy.

Enabler: Offer Innovation

The background on this capability stems from the fact that it can take months or even years to test offers in the market place. Predictive modeling from TPO is extrapolative. If it doesn't have any past history, it can really struggle to provide a good prediction for a new product introduction or very different type of offer. This is part of the reason that CG companies run the same promotions year after year- because it is not known whether a new promotion/offer could be an improvement or be a disaster. Hence, it is better to go with what is known.

The upshot of offer innovation is that it can rapidly test new promotional concepts, and even do so concurrently, to find those that work best. We see this process as a sort of sandbox where a user can quickly assemble a concept that consists of a combination of:

Copy — What it says and how it says it; everything from the font to the type size to whether to say it in English or Spanish for a given target audience.

Quantities — How many and of which products? Should it be product singles, multiples, or mix and match like a shaving cream/razor combination?

Discount level — How much are you willing to provide by way of a deal. Usually there is a minimum and maximum.

Offer structure — This involves some really interesting psychology because of how people perceive things and perhaps because they are unlikely to do the math. Thus, a dollar off on four may sound better than 25 cents off of one. But you might not know until you test it.

Packaging — What the purchaser actually sees of the product.

Images — What else the purchaser actually sees, like happy people flying kites, a sad guy with cold symptoms, etc.

Pretty much anything else — But this will do for our example.

Now that all the components are laid out in the sand box think of this as a place where you can assemble any combination of these to come up with all sorts of options. The platform then utilizes retailer mobile applications, online coupon outlets, or social media to make these offers to real people and see how they react. And, it can be done by geography because we know that people in different places react differently to offers. But because it can test multiple offers in a marketplace simultaneously, it can compare them before time elapses and the market conditions change.

Once some desired offers are selected based on which ones are most promising, predictive models are used to build out the financials of lift (sales volume), margin (penny profit), and ROI (total profit).

In the context of TPx, this means that multiple concepts and offers can be tested in a matter of days during the planning cycle, they can be presented to the retailer as part of joint planning along with the supporting evidence, and they can become part of the trade plan.

Some of the benefits as we see them are:

- Being able to act more quickly to take advantage of current market dynamics and not miss opportunities because when the results of the traditional promotion come back the season is probably long since over.

- Low cost of testing compared to other means such as focus groups.

- Better promotional outcomes and ability to innovate.

- Better collaboration and buy-in from retailers; less likelihood that retailers will run some promotion other that what was agreed upon (a condition that 85% of respondents to the 2015 POI TPx and Retail Execution Survey said they had found to be an issue. (See page 9 of the PDF / page 7 of the paginated document research document for more details http://poinstitute.com/wp-content/uploads/2016/04/POI-The_State_of_TPx_and_Retail_Execution_for_Global_Consumer_Goods_and_Retail_Report.pdf)

- Better and faster organizational learning through the use of a predictive offer engine that actually harvests test learnings over time to proactively suggest new areas to test.

The only vendor we are aware of with these capabilities is Eversight (http://www.eversight-labs.com). Our purpose here is not to evaluate Eversight in detail but to draw attention to these adjunct capabilities as additional competitive differentiation in the promotion cycle. In fact, we believe that there is a place for offer innovation in every TPx strategy.

> *Mid-cycle Update: Another emerging enabler to TPx that we find very valuable is with respect to the data and related services required to do in-flight promotional monitoring, post-event analytics and predictive modeling. The POI currently has research under way in an area that we are calling "Data-driven TPM", which specifically identifies areas where robust causal data can enhance promotive outcomes during the collaboration, planning, execution, evaluation and optimization of promotions. This research is being done in conjunction with Retail Velocity, a leading provider in this area. We expect to publish this analysis in January or early February of 2017.*

Conclusion

Managing trade promotions is mission critical in reducing unproductive trade spending as a means to improving revenue and profits for both manufacturers and retailers. TPM is a very mature space that offers relatively low risk for CG companies that are looking to adopt it. Additionally, there is the less mature, but highly impactful, area of TPO. The options run from solution-only to having all sorts of services options and architectures from on-premises to cloud. And, they are available from vendors with local expertise and presence. The POI's overarching recommendation, however, continues to be that CG companies seek out the solution(s) that will move their field sales personnel beyond transactional and enable them to "sell more, and do so more profitably" thus creating a competitive advantage.

About the Author

Dale Hagemeyer leads the research, best practices, and advisory function at POI and has been active on the POI Board since its inception. Previously, he was a research vice president and managing vice president at Gartner for 15 years. There, he did research in the application of technology to the business processes of trade promotion and field sales automation for consumer goods manufacturers.

Prior to Gartner he spent 14 years in management positions related to the promotion and distribution of products at Sunbeam Corporation, The Quaker Oats Company, PepsiCo, Kraft Foods, and Kroger. He also fulfilled an international assignment in Mexico from 1995 to 1996.

He has served on various industry advisory boards for trade associations and industry periodicals. He holds an undergraduate degree in finance from the University of Utah and an MBA from the University of Chicago.

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About the Promotion Optimization Institute

POI brings together manufacturers, retailers, solution providers, analysts, academics, and other industry leaders with the specific objective of collaboratively improving the promotion and distribution of consumer goods. Members of POI share cross-functional best practices in both structured and informal settings.

Additionally, members benefit through our industry alliances, the Certified Collaborative Marketer (CCM)™ program, and industry-leading summits around the globe.

POI aims to instill a financial and metrics-based discipline not typically found with other trade groups. The goal of our innovative approach is collaborative promotion optimization. The focus is on the customer/shopper through sales, marketing, and merchandising strategies.

Executive advisory boards keep us apprised of industry needs and help us provide desired outcomes for members, sponsors, and academia.

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