Integrated Business Planning (S&OP): How the Face of Planning is Rapidly Changing to Provide Enterprise Agility

Andrew Soteriou – Strategy Lead EMEA
Michael Creasey – Senior Business Consultant
May 2015
Agenda

- Our Brand, Clients & Offer
- Weetabix Case Study
- Q&A
Exceedra Overview

- Headquartered in UK, offices in US & Australia, +50 customers in 14 countries
- Integrated planning, insight and execution for Consumer Goods companies:
  - Commercial Planning and Optimisation
  - Trade Promotion Optimisation & Planning
  - Joint Business Planning
  - Sales & Operational Planning
  - POS & Category Analytics
- Fully integrated globally scalable solutions with fast implementation

“Rising Stars”
Next Generation Solutions for the Consumer Goods Sector
Clients include

- dyson
- UB
- Bayer
- Ginsters of Cornwall
- Cloetta
- Aspall
- Birds Eye
- Hain Daniels Group
- Tyrrells
- Organix
- McKee
- The Weetabix Food Company
- Vimto
- Firelli
- Bernard Matthews Farms
Value Creation Approach

- Improve Trade Investment, ROI, Revenue & Margins
- Streamline & Align Planning across the enterprise
- Improve decision making & agility with integrated analytics & insights
- Support Customer Planning needs from Basic to Advanced in 1 Solution
- Joint value creation through Collaborative Customer Planning
Modular approach aligned to organisational maturity

<table>
<thead>
<tr>
<th>Core</th>
<th>Advanced</th>
<th>Differentiating</th>
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<tbody>
<tr>
<td>Pre and Post Evaluation Analytics</td>
<td>Customer Business Planning &amp; Scenarios</td>
<td>Joint Business Planning Risk &amp; Opportunities</td>
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<tr>
<td>Promotion Scenarios Execution &amp; Approval</td>
<td>Advance Analytics Demand Integration</td>
<td>New Product Introduction</td>
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<tr>
<td>Integrated Business Planning</td>
<td>Live Forecast Cash-up Category Planning Management Adjustments Gap Management</td>
<td>Board Packs Scenario Management Risk and Opportunities</td>
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<td>Automated POS Data Collection POS Analytics Actuals Aligned</td>
<td>Syndicated Data Collection</td>
<td>Mobile Analytics Predictive POS Analytics</td>
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- Improved trade promotion ROI, revenue & margins
- Quality, alignment and visibility of strategic, financial & operational plans
- Ability to identify and react to gaps, risks & opportunities
- Simplified planning, insight & execution processes
Weetabix Case Study
Michael Creasey

Senior Business Consultant

+44 (0)7879 444 125

Michael.Creasey@Exceedra.com

• Senior Business Consultant with Exceedra

• Latterly Head of Revenue Management responsible for overall Weetabix Trade Spend Budget (c. £70m)

• Previous experience within Sales, Trading and Finance

• Weetabix roles include Sales Planning Manager, NAM, Projects including Pricing excellence and implementation of Exceedra solution
Company Credentials

- UK based cereal manufacturer exporting to 80 countries worldwide
- Number 2 cereal company in the UK
- Number 1 cereal brand in the UK
- Present in over 50% of UK Households
- £418m Group Turnover
The Journey

Jan 2012 – June 2012
- S&OP in place as core process

July 2012 – Dec 2013
- Update the Trade Promotional Management System
- A best in class system to facilitate the changing needs of the market and Weetabix Food Company

July 2013 – June 2014
- Integrated Commercial Plans & Insights
- P&L YTD / YTG
- Scenario Planning (what if)
- Budget setting

Jan 2014 – Dec 2015
- Pricing & Promotional Excellence
- Unlocking the insights

World Class
- Industry leaders in actionable insights

WE WILL START HERE

Promotion Optimization Institute • Spring Summit 2015 • Geneva, Switzerland
Case Study

CHALLENGE

- Fast changing market and trading conditions
  - COGs stable except variability in Input Costs (Eg Wheat)
- The growing importance of interaction and impact on forecasts, financials and planning
  - Service Levels
  - Increasing Volume on Deal (VOD %)
  - Increased Spend as % of Revenue
  - Trade Spend ROI
- Achieving best-in-class status
Case Study

SOLUTION

- Trade Promotion Management
- Customer Business Planning
- Retail Sales Data Integration
- Category Data Integration
- Settlement
- Volume Management
- Integrated Insights
Case Study

SOLUTION INTEGRATION

ACCOUNT / SKU VOLUME FORECAST
- Incremental
- Promotions
- Cannibalisation
- Recovery

BASE VOLUME FORECAST
- Sku
- Product Group
- Account
- Account Group

INTEGRATED COMMERCIAL PLANS & INSIGHT
- Live P&L – YTD & YTG
- Scenario Planning
- Budget / Target Setting
- Insight Reporting
- Promotion Approval
- Pre & Post Evaluation
- Joint Business Planning
- Pricing & Trade terms

INTEGRATION
- ERP
- CATEGORY DATA
- RETAILER DATA
Case Study

SOLUTION INSIGHTS

- Improved Visibility
  - Enhanced Analytics
  - Actionable Insight
  - Real-time Reporting
  - Live P&L – YTD & YTG
  - Manufacture & Retailer Centric
  - True Impact of Promotions
  - Cannibalisation & Recovery
Case Study

SOLUTION INSIGHTS

- Next Level Insights
  - Right Promotion
  - Right Place
  - Right Time
  - Right Length
  - Right Frequency

Eg. Reducing the length of a promotion to make it Profitable
## Case Study

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Outcome</th>
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<tr>
<td><strong>Trade Spend ROI</strong></td>
<td>• 2.7% reduction in spend maintaining volume and revenue =</td>
</tr>
<tr>
<td><strong>Forecast Accuracy, Bias &amp; Service</strong></td>
<td>• +5% Improvement (Driven by promotions)</td>
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<tr>
<td></td>
<td>• Bias eliminated</td>
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<tr>
<td></td>
<td>• +0.5% Service levels</td>
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<tr>
<td><strong>Effort</strong></td>
<td>• <em>Budget preparation 3 months to 4 weeks</em></td>
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<tr>
<td></td>
<td>• <em>Re-forecasting reduced from 4 weeks to 7 days</em></td>
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<td></td>
<td>• <em>Elimination of irrelevant discussion &amp;</em></td>
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<td><strong>Visibility &amp; Agility</strong></td>
<td>• Seeing gaps in the plan 2-3 months earlier</td>
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<td>• Being able to react to Competitors with the new plan</td>
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<tr>
<td><strong>Planning &amp; Insights</strong></td>
<td>• <em>Scenario Planning</em></td>
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<td>• <em>Live P&amp;L</em></td>
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Case Study

RESULTS

“Exceedra’s accurate planning, forecasting, tracking, delivery and evaluation have improved our trade efficiencies and effectiveness. These solutions have allowed us to explore alternative promotional strategies and solutions through scenario planning.”
Thank you

Andrew Soteriou, Strategy Lead, EMEA
+44 (0) 7745 308 601
andrew.soteriou@exceedra.com

Michael Creasey, Senior Business Consultant
+44 (0) 7879 444 125
michael.creasey@exceedra.com

www.exceedra.com