Principle #1: Stop Printing Atlases

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Principle #2: Scale or Fail

Build Ring Roads, Not Offramps

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OFFRAMP

Post-ROI in Excel Template

Account Plans in Excel for Customers without Traditional Syndicated Data

Fire Drill: Account Managers Submit Forecast to HQ for Hot Item in Excel Template

RING ROAD

Post-ROI within Account Plan & compared to Pre-ROI

Utilize platform that can consume non-traditional sales data & plan entire channel/bus.

HQ Opens Account Manager's Live Account Plan to View Forecast

Build Ring Roads, Not Offramps

An Area Where We Made a Mis-Step

Initially, we underestimated the importance of rolling out the Account Planning process to all customers & teams.

Principle #2: Scale or Fail

Traditional Sales Data

- Most predictive sales solutions stop here.

- This has prevented European manufacturers from achieving scale with TPO

- We needed a solution that could scale across geographies / markets / categories

Impact of Supplemental Data - ECRM

Harris Teeter	No ECRM	ECRM
	4/5/2014	4/5/2014
Total Unit Volume	629	629
Base Unit Volume	629	398
Incremental Unit Volume	0	231
FSI Same Week Volume		44
Combined Coupons Volume		187

SUMMARY CHART for Markets : Harris Teeter Total TA

Stacked Bar - Base and Incremental Volumes

SUMMARY CHART for Markets : Harris Teeter Total TA

Stacked Bar - Base and Incremental Volumes
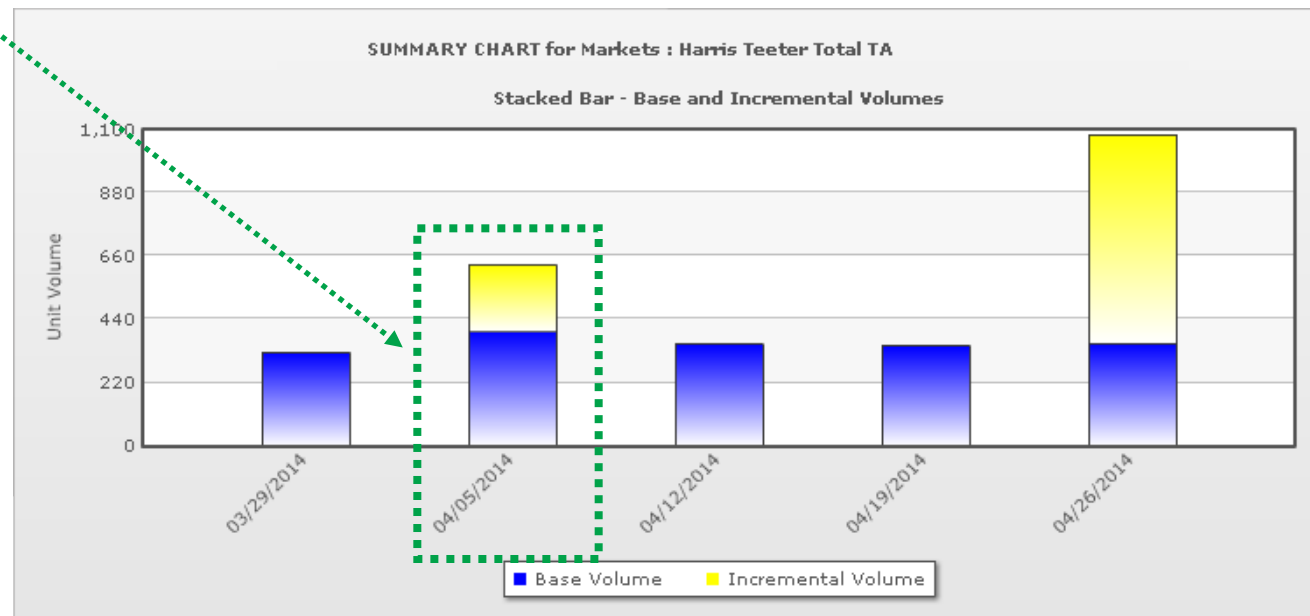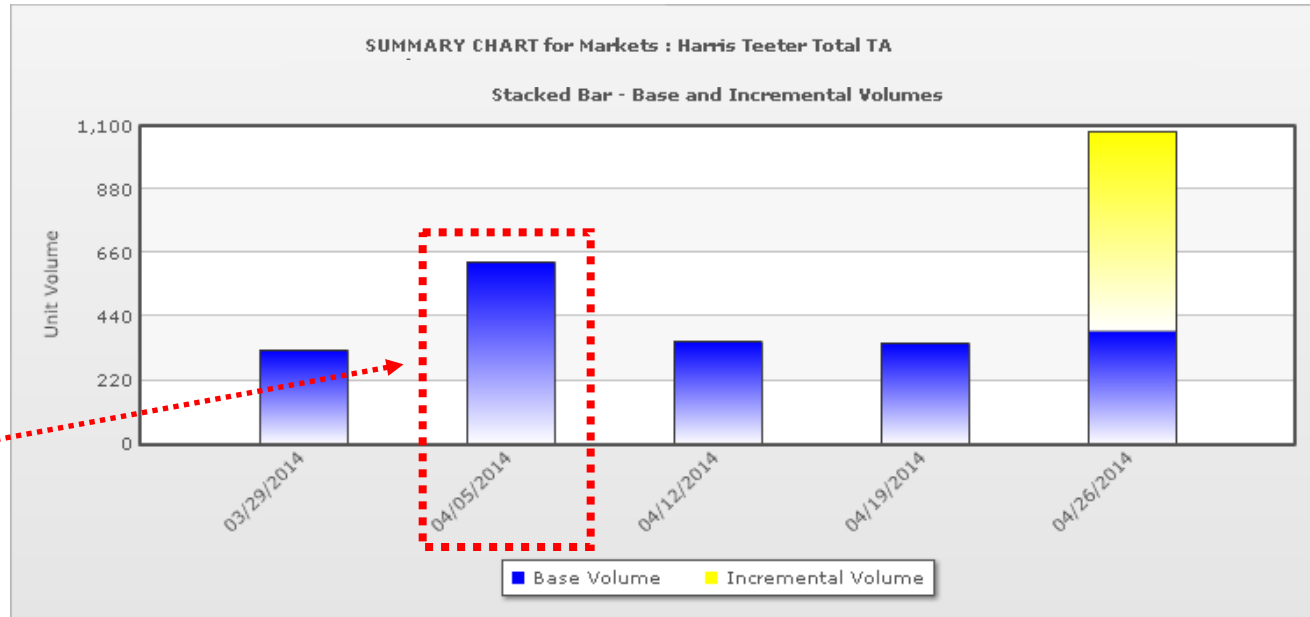
Principle #2: Scale or Fail

To Help Us, We Needed a Partner with Scale

43 categories modeled | global organizational presence | implementations on 5 continents
StatKey: Proven model for 20yrs
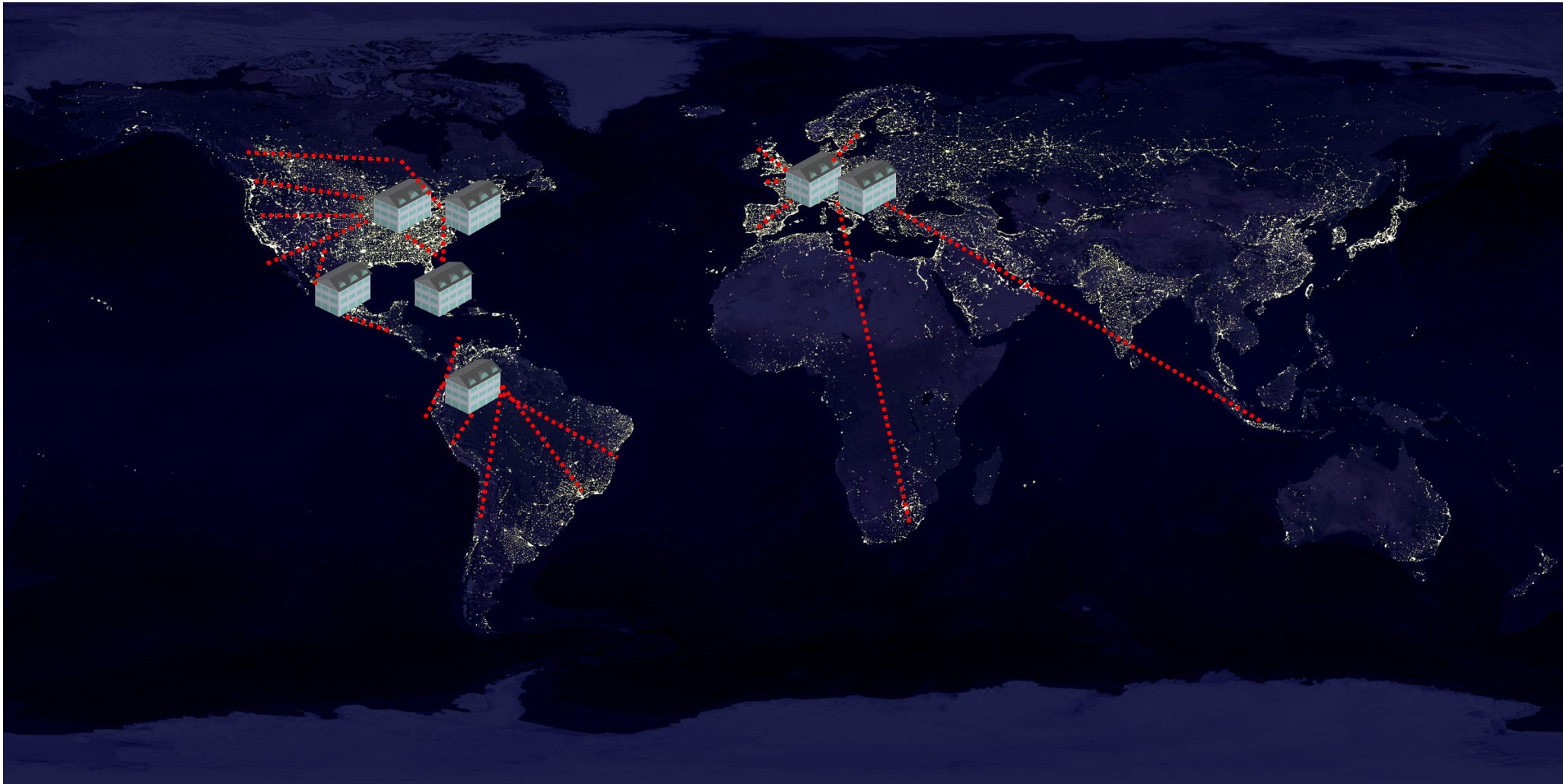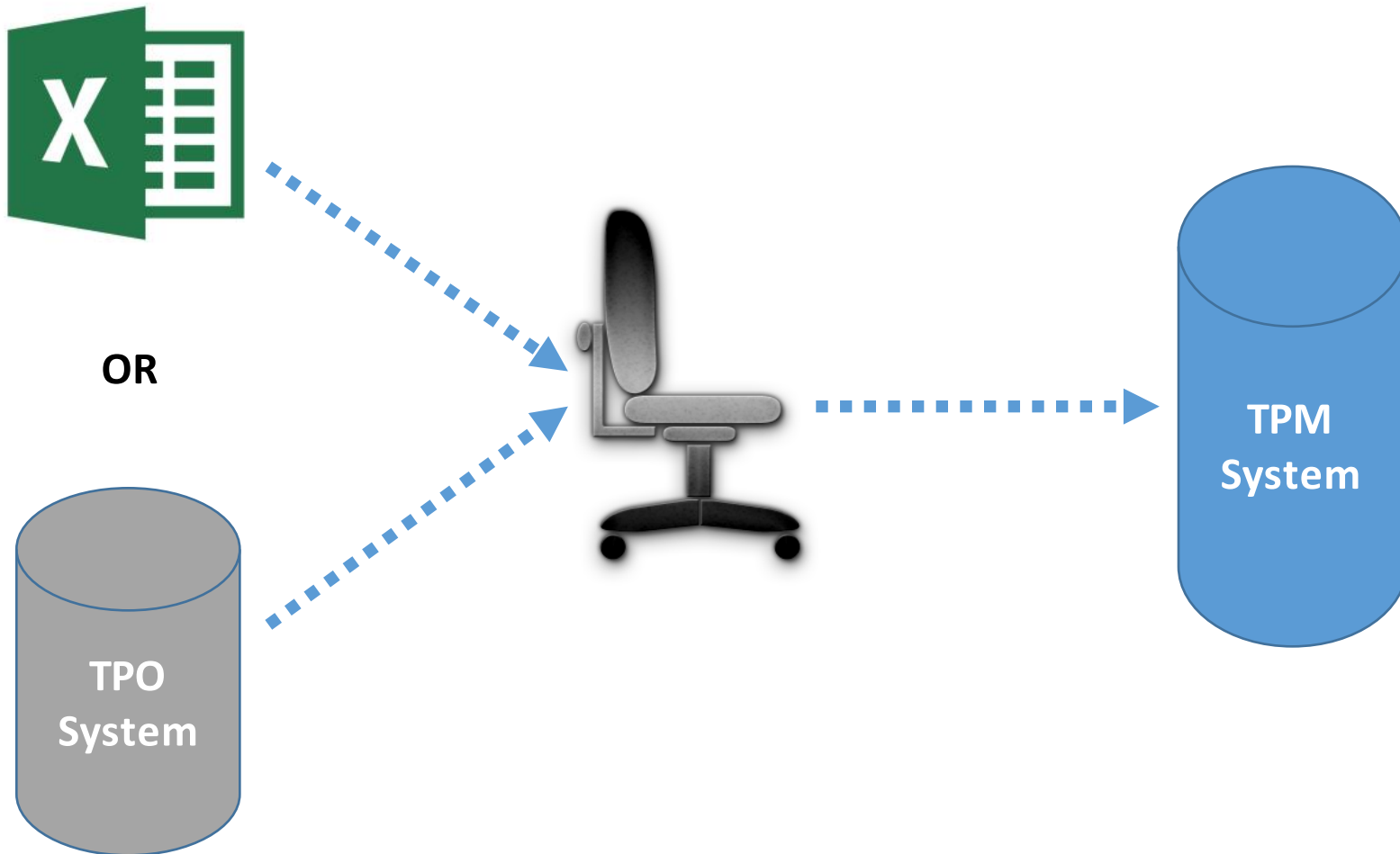
Drive Efficiency: Eliminate the swivel seat!

OR

TPO
System

TPM
System

Principle #2: Scale or Fail

Drive Efficiency: Eliminate the swivel seat!

SEQUOYA

WEB SERVICES

TPM System

Drive Efficiency: Eliminate the swivel seat!

SEQUOYA

CALENDAR

WEB SERVICES

TPM System
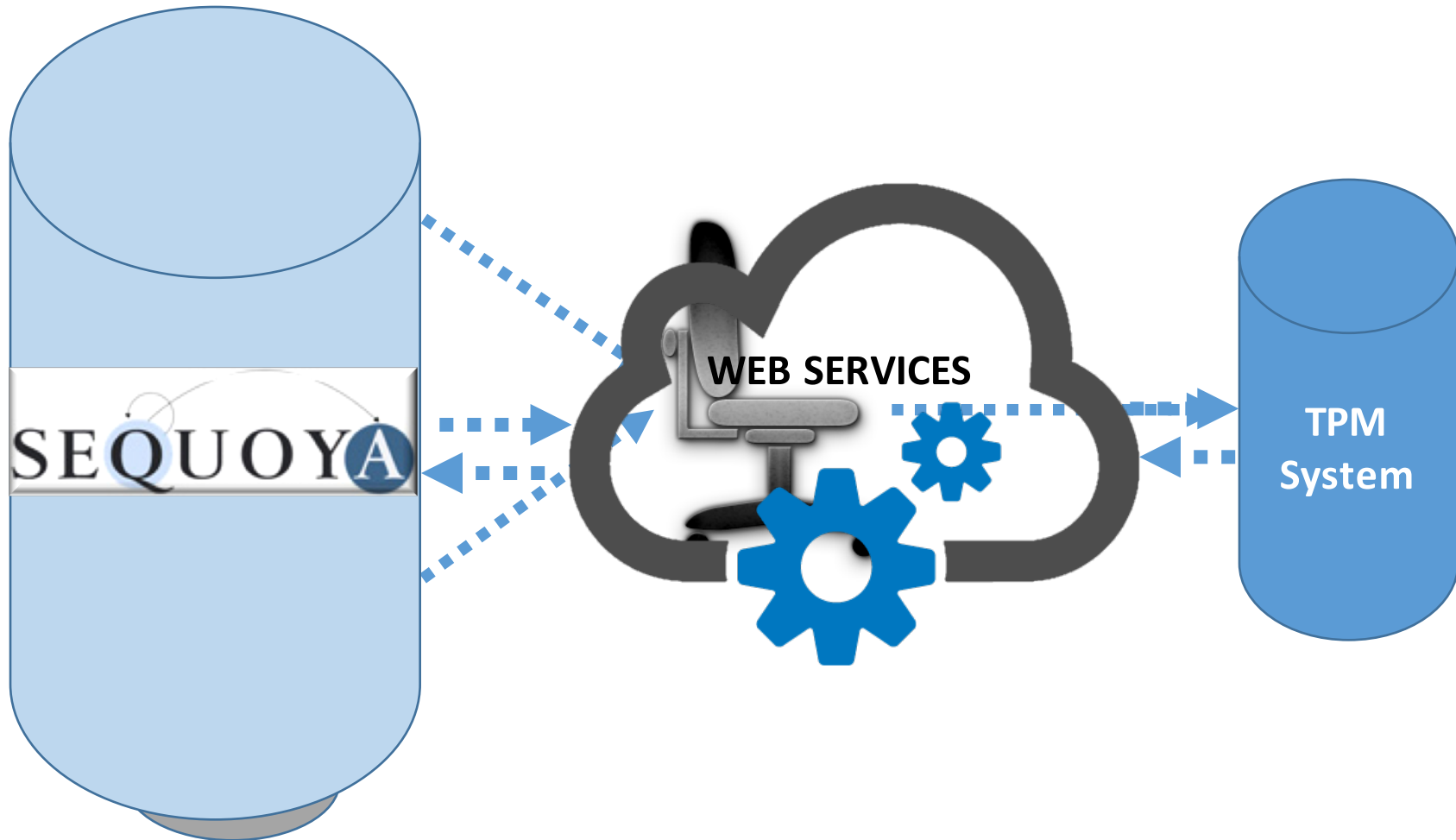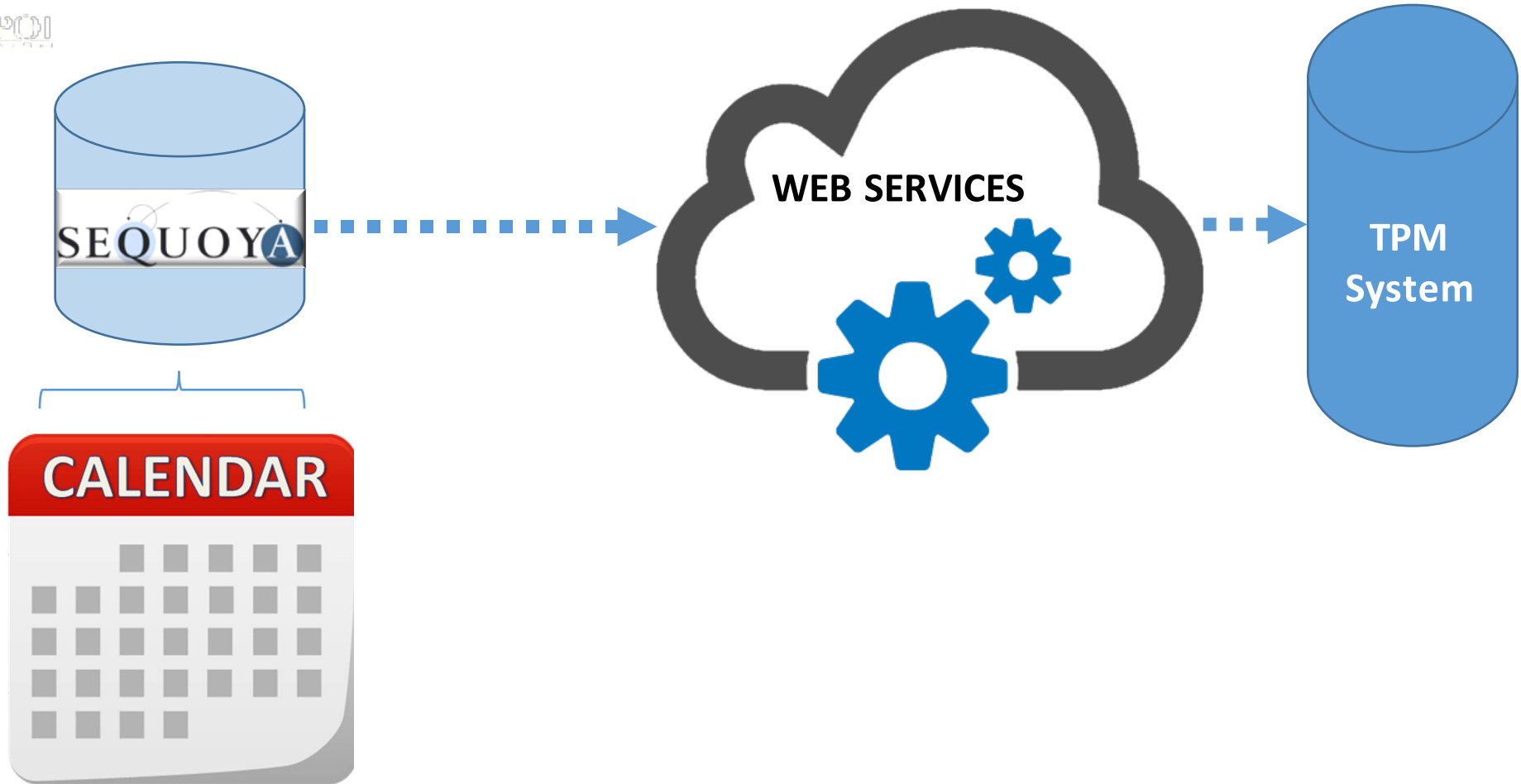
Principle #2: Scale or Fail

Drive Efficiency: Eliminate the swivel seat!

	04/16/2016	04/23/2016	04/30/2016	05/07/2016	05/14/2016	05/21/2016	05/28/2016	06/04/2016	06/11/2016	06/18/2016
Promotable Group A										
Comparable Historical Data (01/10/2015-01/02/2016)										
Actual Historical Data (01/09/2016-03/26/2016)										
Forecast Data										
PROMOTIONAL EFFECTS										
Retail Price	$.99	$.99	$.99	$.99	$.99	$.99	$.99	$.99	$.99	$.99
Promotion Price					$.75	$.75	$.75			
Discount					24%	24%	24%			
ACV Any Feat					85%	85%	85%			
ACV Any Disp					1%	1%	1%			
VOLUME										
Total Volume	8,401	8,192	8,914	7,268	54,461	50,923	53,160	9,497	9,534	9,425
Base Volume	8,401	8,192	8,914	7,268	9,479	9,423	9,148	9,497	9,534	9,425
Incremental Volume					44,982	41,500	44,012			
COST COMPONENTS & FOB										
List Price	$.68	$.68	$.68	$.68	$.68	$.68	$.68	$.68	$.68	$.68
LIFTS										
Volume Lift					475%	440%	481%			
ROI										
Trade Sales Ratio					40.4%	40.9%	40.5%			
Promo MAC ROI (%)					-49%	-50%	-49%			
SPENDING INPUTS										
Off Invoice										
Scan Down					$.22	$.22	$.22			
Lump Sum					$2,970.00	$2,970.00	$2,960.00			
EDLP										

Principle #3: Know Our Audience

Who's Your Audience?

- **Creators (Building Plans/Insight)**
  - Field Sales & Brokers
  - Analysts

- **Consumers (Reporting)**
  - Sales Management
  - **Revenue Growth Mgmt** (RGM)
  - Demand Planning
  - Brand Management
  - Shopper Marketing
  - Category Management
  - Sales Finance
  - Customer: Buyer

- **Beneficiaries (Impacted)**
  - Manufacturer: P&L
  - Customer: P&L

Value
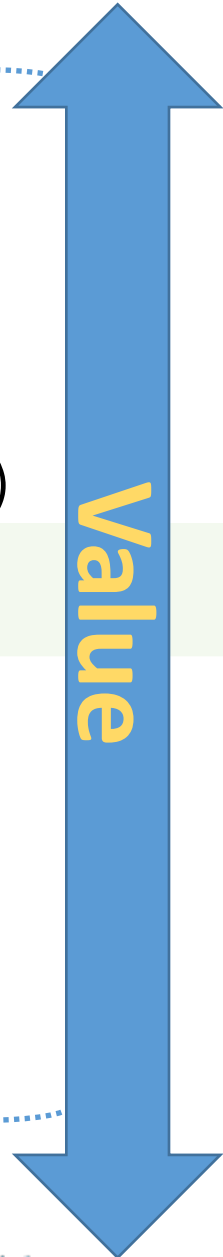
What's In it For Them?

Principle #3: Know Our Audience

- ## Creators (Building Plans/Insight)

  - ### Field Sales & Brokers
    - How can I grow profit next year?
    - How will I make bonus?
    - How can I spend less time on administration & number-crunching?

  - ### Analysts
    - How can I spend less time building reports and more time analyzing?
    - How can I provide more prescriptive insight to my stakeholders?

- ## Consumers (Reporting)

  - ### Sales Management
    - Which customers and products are more efficient?
    - What efficiency levers should I direct the team to pull?
    - Which items / customers ought to be EDLP vs. Hi-Lo?

  - ### Demand Planning
    - Where can I find fact-based incremental volume forecasts?
    - How can I be connected to my sales team's planning process?

  - ### Brand Management
    - How elastic are my brands?
    - What's the right price?
    - Which competitors does my brand interact with?

  - ### Shopper Marketing
    - Where can I find fact-based incremental volume forecasts?
    - How can I be connected to my sales team's planning process?

  - ### Category Management
    - Which products interact & how?
    - How will change in strategy or price action impact total category?

  - ### **RGM**
    - Will price action increase profitability?
    - Who/what are our most profitable customers, markets & brands?
    - What promotional strategy optimizes profit?

  - ### Customer: Buyer
    - Which option maximizes my Category Growth? Margin? Revenue?
    - Will this strategy encourage Pantry-Loading?
    - How can I grow struggling categories & segments?

- ## Beneficiaries (Impacted)

  - ### Manufacturer: P&L
    - Gross/Net Revenue
    - Margin
    - Share
    - ROI

  - ### Customer: P&L
    - Gross/Net Revenue
    - Margin
    - ROI

Principle #3: Know Our Audience

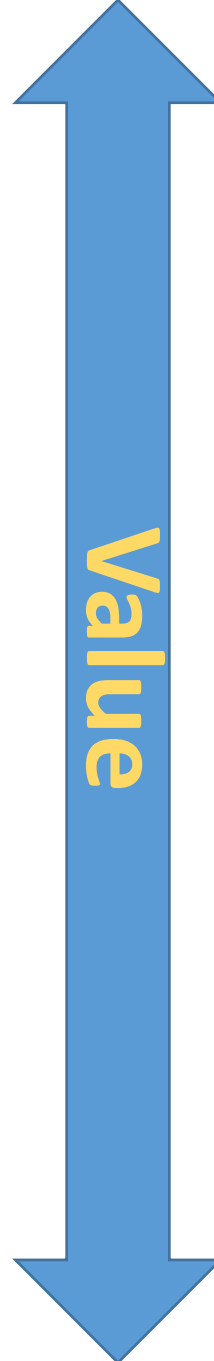- **Creators (Building Plans/Insight)**
  - Field Sales & Brokers
  - Analysts
- **Consumers (Reporting)**
  - Sales Management
  - **Revenue Growth Mgmt**
  - Demand Planning
  - Brand Management
  - Shopper Marketing
  - Category Management
  - Sales Finance
  - Customer: Buyer
- **Beneficiaries (Impacted)**
  - Manufacturer: P&L
  - Customer: P&L

Value

P&L - Ttl Mars Food / 2016	Mars/Cust P&L
VOLUME	
Total Volume	x
Base Volume	x
Incremental Volume	x
BASE UNIT VOL GROWTH vs YAG	x%
INCREMENTAL UNIT VOL GROWTH vs YAG	x%
TOTAL UNIT VOL GROWTH vs YAG	x%
Total Category Volume	x
Base Category Volume	x
Incremental Category Volume	x
TOTAL CATEGORY VOLUME vs YAG	x%
Mars Share of Category	x%
CANNIBALIZATION	
Lost Volume	-x
TAKEN	
Internal Taken Volume	-x
External Taken Volume	x
TRADE USE	
Total Spending	$x
Accruals Earned (YTD)	$x
Accruals Remaing	$x
ROI	
Volume Lift	x%
Lift to Break Even	x%
Cost Per Incremental	$x.xx
Trade Sales Ratio	x%
Promo ROI (%)	x%
REVENUE	
Retailer Sales Revenue	$x
Customer Margin Dollars	$x
Customer Margin	x%
Customer Margin Spend	$x
Manufacturer Sales Revenue	$x
Manufacturer Margin Dollars	$x
Manufacturer Margin	x%
SHIPMENTS	
Weekly Shipments (GSV)	$x
Weekly Shipments (Cases)	x

Principle #4: Salespeople Can Optimize Revenue

If you…

…give salespeople easy access to metrics they need to succeed;
…give salespeople ways to automate and eliminate manual analysis
…give salespeople a way to eliminate HQ fire drill requests
…give salespeople a way to use data to increase their bonus / commission…

Principle #4: Salespeople Can Optimize Revenue

They will build side by side predictive promotional scenarios…

Promotion Price	No Promo	$0.69	$0.75	$0.60	$0.50
Discount		30%	24%	39%	49%
ACV Any Feat		85%	85%	85%	85%
Total Volume	448,165	502,411	499,875	506,713	667,550
Base Volume	442,141	444,821	444,821	444,821	444,821
Incremental Volume	6,024	57,590	55,054	61,892	222,729
Volume Lift	6%	43%	41%	46%	163%
Total Retail $	$649,485	$683,251	$686,813	$677,571	$767,082
Base Retail $	$640,756	$640,758	$640,758	$640,758	$640,758
Incremental Retail $	$8,729	$42,494	$46,055	$36,813	$126,324
Retail $ Lift	6%	25%	27%	22%	75%
Retail Margin	30%	32%	33%	33%	31%
Retail Margin Dollars	196,813	220,967	224,925	220,273	240,887
List Price					
Total Spending					
Accruals Earned					
Accruals Remaining					
Manufacturer Margin Dollars					
Manufacturer Margin					
Trade Sales Ratio					
Promo MAC ROI (%)		-69%	-68%	-73%	-59%
Cost Per Incremental		$0.54	$0.54	$0.62	$0.42
GSV (Shipments)	$437,855	$481,379	$479,241	$485,004	$620,882
Cases (Shipments	53,637	58,970	58,708	59,415	76,066
Share of Total Volume	1.30%	1.40%	1.40%	1.40%	1.80%
Share of Total Revenue	0.50%	0.60%	0.60%	0.60%	0.60%
Category Total Volume	50,421,345	50,475,591	50,473,055	50,479,893	50,640,730
Category Total Revenue	$119,328,431	$119,362,198	$119,365,760	$119,356,517	$119,446,029
		Category adds	51,710	units	

(Rows grouped by: Retailer, Manufacturer, Category)

Principle #4: Salespeople Can Optimize Revenue

They will look at elasticities and reconsider their EDLP strategies…

Price Response Report (8/1/2015 - 8/6/2016)				
Market	**Product**	**Quadrant**	**Current Price**	**Elasticity (at 5.0% price change)**
Shoprite / Wakefern		1	$2.03	-0.90
Shoprite / Wakefern		1	$7.94	-1.00
Shoprite / Wakefern		1	$1.02	-0.90
Shoprite / Wakefern	(anonymous)	1	$2.28	-0.70
Shoprite / Wakefern		2	$1.94	-1.60
Shoprite / Wakefern		4	$2.02	-0.10
Shoprite / Wakefern		1	$4.06	-0.20
	average			-1.40

Principle #5: Don't Overthink It

Coming to POI-Dallas in November, 2016: RGM Impact, One Year On

Thank you | Merci | Danke | Dank je