



**Fusing Digital and  
Trade Strategies  
to Drive  
Mutual Growth**

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***“Taking your TPM TPO  
and Advanced Analytics  
Capabilities to the Next Level”***

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## An Analytics Journey Past, Present and Future



# AGENDA

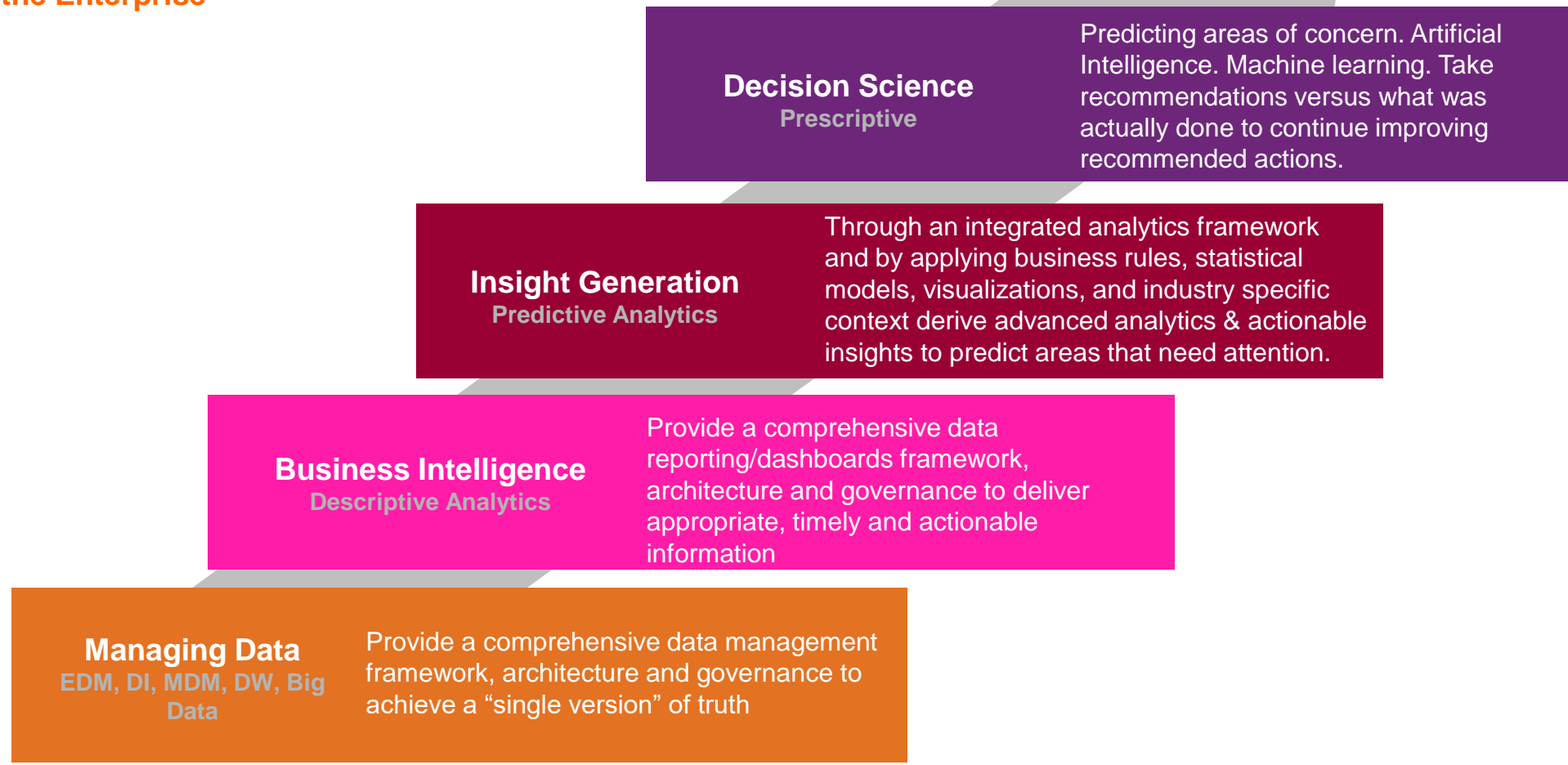
- 1 It Starts with a Foundation – Janet Dorenkott
- 2 Mondelez Intros and Company Overview
- 3 Big Data Challenges – Dan Woltman
- 4 The OSA Challenge – David Kraus
- 5 Our Analytics Journey – David Kraus
- 6 Key Learnings & Next Steps – Dan & Janet



# Understanding the “Advanced Analytics Continuum”

The power of an integrated data and analytics framework

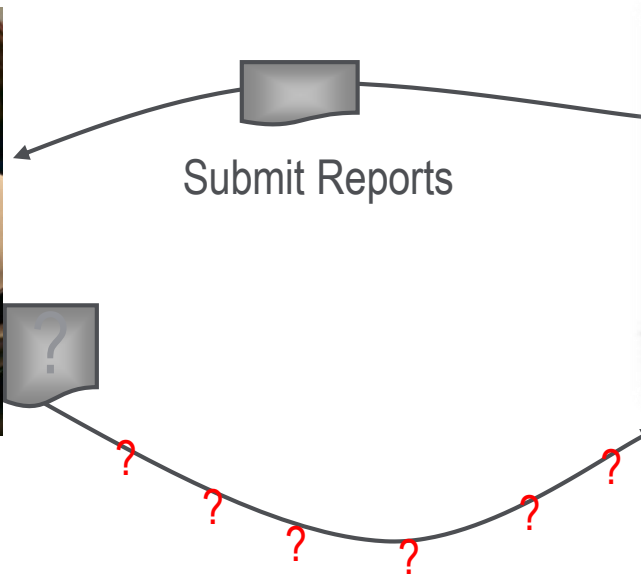
Value to the Enterprise



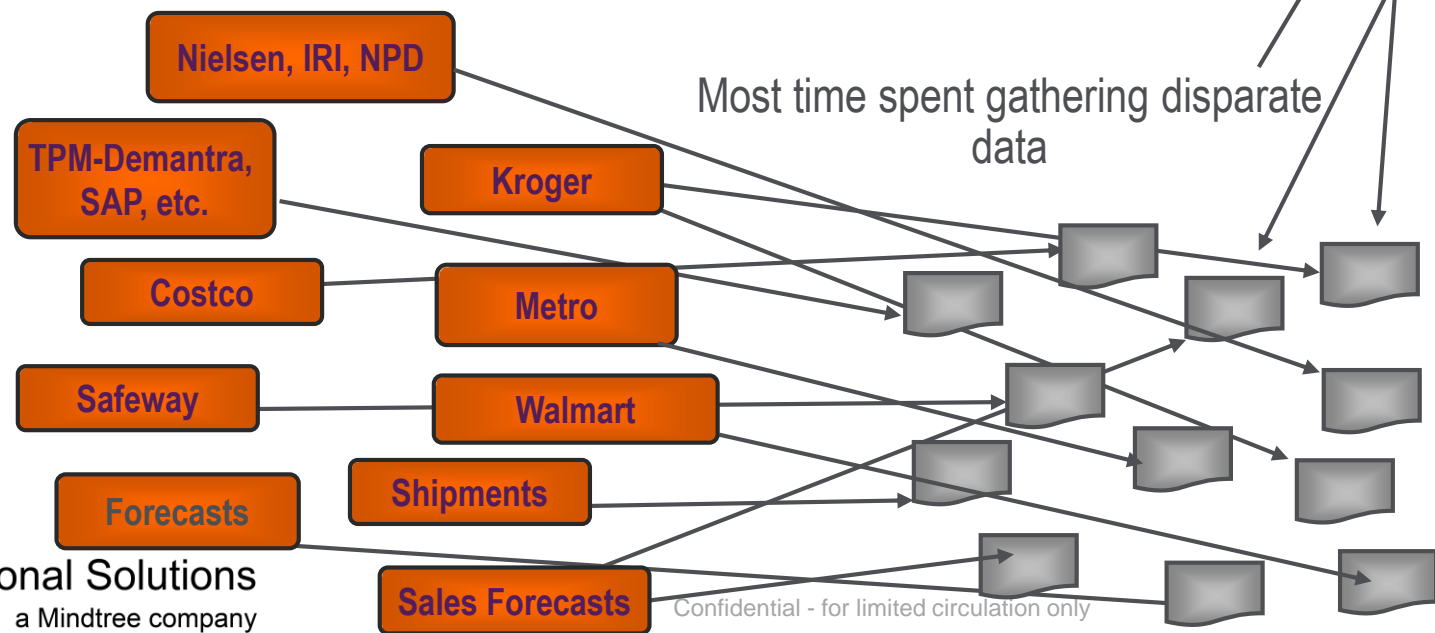
# The CPG Data Dilemma



Inconsistent reports lead to questionable decisions



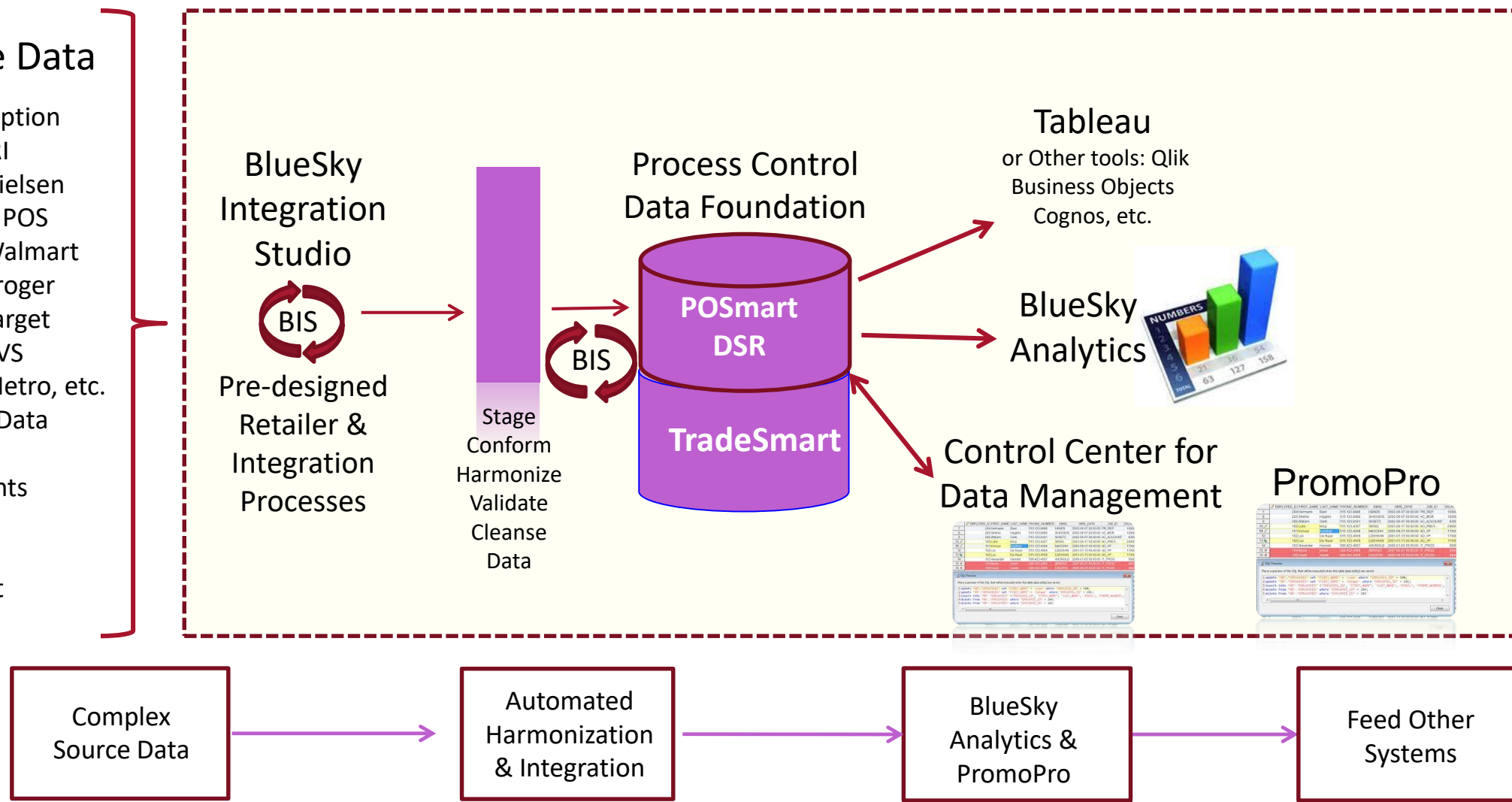
- Gathering
- Cleaning
- Integrating
- Justifying



# 1<sup>st</sup> Create The Enterprise Foundation that will support all sources

## Source Data

- Consumption
  - IRI
  - Nielsen
- Retailer POS
  - Walmart
  - Kroger
  - Target
  - CVS
  - Metro, etc.
- Master Data
- Trade
- Shipments
- COGS
- Orders
- Forecast





## Intros & Bios



**Dan Woltman**



- Been at Mondelez for 19 years
- Extensive experience in retailer data and use cases involving this data. Previous roles include: S&OP/IBP, HQ Project Management, Customer Supply Chain
- Working with retailer direct data since 2010
- Located in Chicago, Illinois



**David Kraus**



- Been at Mondelez for 11 years
- Responsible for Computer Assisted Ordering and Data Visualization. Previous roles include: Transportation, DSD Operations, Supply Chain & Logistics
- Located in East Hanover, New Jersey



# Overview of Mondelez International

- One of the world's largest snacks companies with \$26 billion in revenue
- Over 90,000 employees
- Operations in over 80 countries and sales in over 165 countries
- #1 position globally in Biscuits, Chocolate, and Candy; #2 position in Gum
- Over 60 Brands, with 7 topping \$1 billion and 44 that each generate \$100 million
- > 85% of revenue generated from fast-growing snacks categories
- Nearly 75% sales from outside North America
- > 70% of US revenue generated from Direct Store Delivery (DSD) business

## Iconic Brands

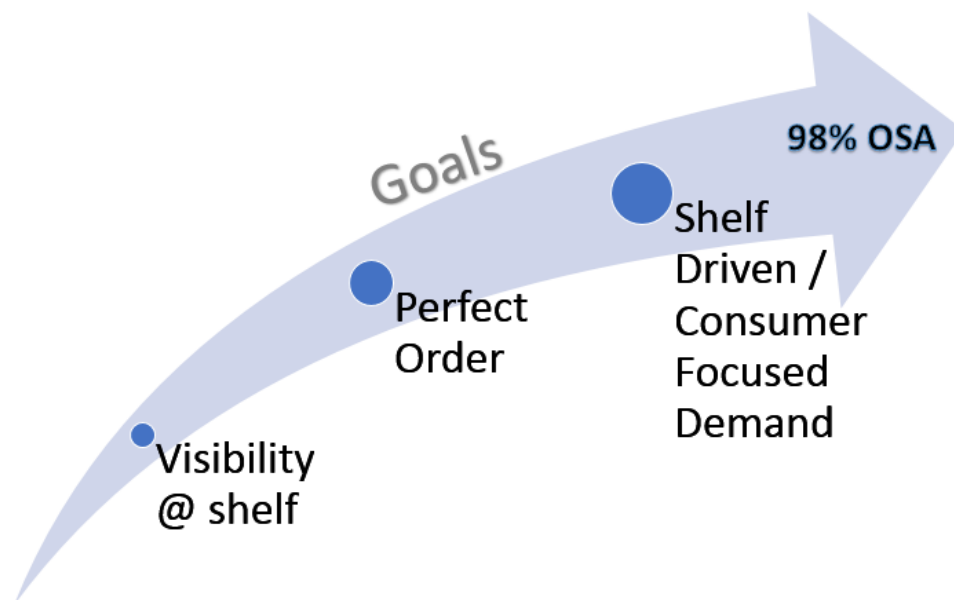


## Core Company Strategies



## The “Big Data” Challenge

**Goal:** To utilize ePOS data to create a shelf driven, consumer focused supply chain.

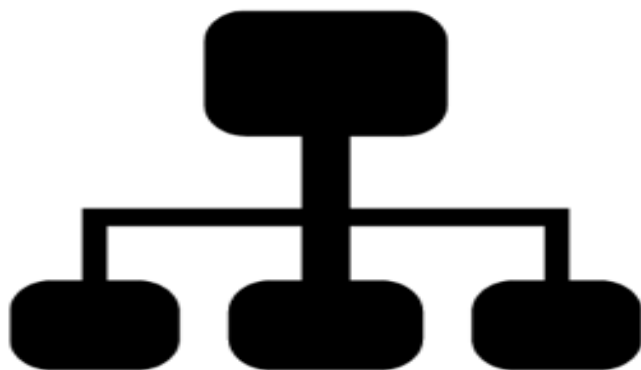


**Opportunity:** **Develop ability to manage and obtain insights on 55 million points of availability in stores.**



# Identifying Challenges & Obstacles

## Organizational Challenges



**Silos**

**Costs**

**Bandwidth**

## Cultural Challenges



**Change Management**

**Excel / Spreadsheet Culture**

**Long-tenured Processes**

## Technical Challenges



**Big Data**

**Access / Structure**

**Capabilities**

Millions of data points need to be managed



## A Brief Intro...

# On Shelf Availability

**OSA IS ABOUT PROVIDING PRODUCTS WHEN & WHERE THE CONSUMER WANTS IT.**

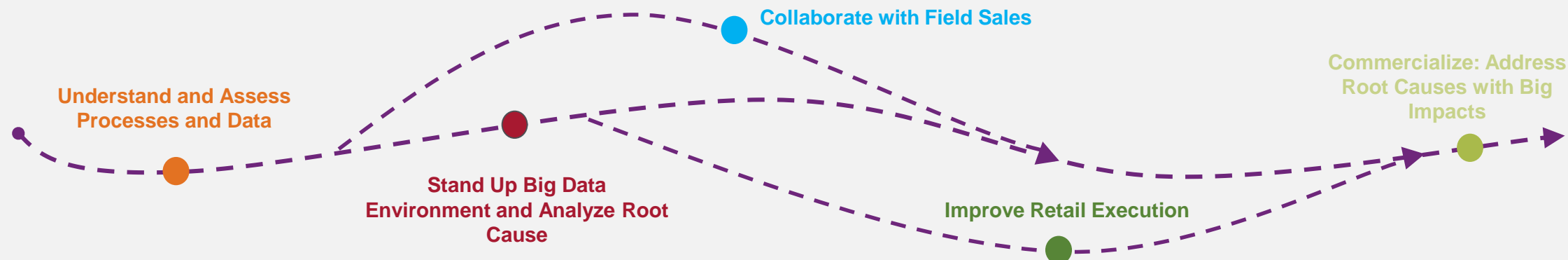
*"Despite years of good-faith efforts by manufacturers & retailers, the out-of-stock rate remains a stubborn 8% (on avg.) w/ OOS for promoted items often exceeding 10%. That represents potential revenue loss of 8-10% or more in an industry already challenged with rising costs to serve the customer."*



Size of the Prize @Mondelez: If we can get to 98% OSA, it's worth \$20MM in addressable opportunity at our top 10 retailers

# Our Journey to OSA Performance

To improve OSA performance, we have a number of strategic initiatives and projects



## Understand and Assess Processes and Data:

- Gain insights into the processes and data requirements to measure and improve OSA

## Stand Up Big Data Environment and Analyze Root Cause:

- Stand up platform for big data discovery and analytics
- Identify high-level root causes for out-of-stock events at retail stores

## Collaborate with Field Sales:

- Retailer HQ account teams and field sales need to align on planograms, delivery and merchandizing schedules

## Improve Retail Execution:

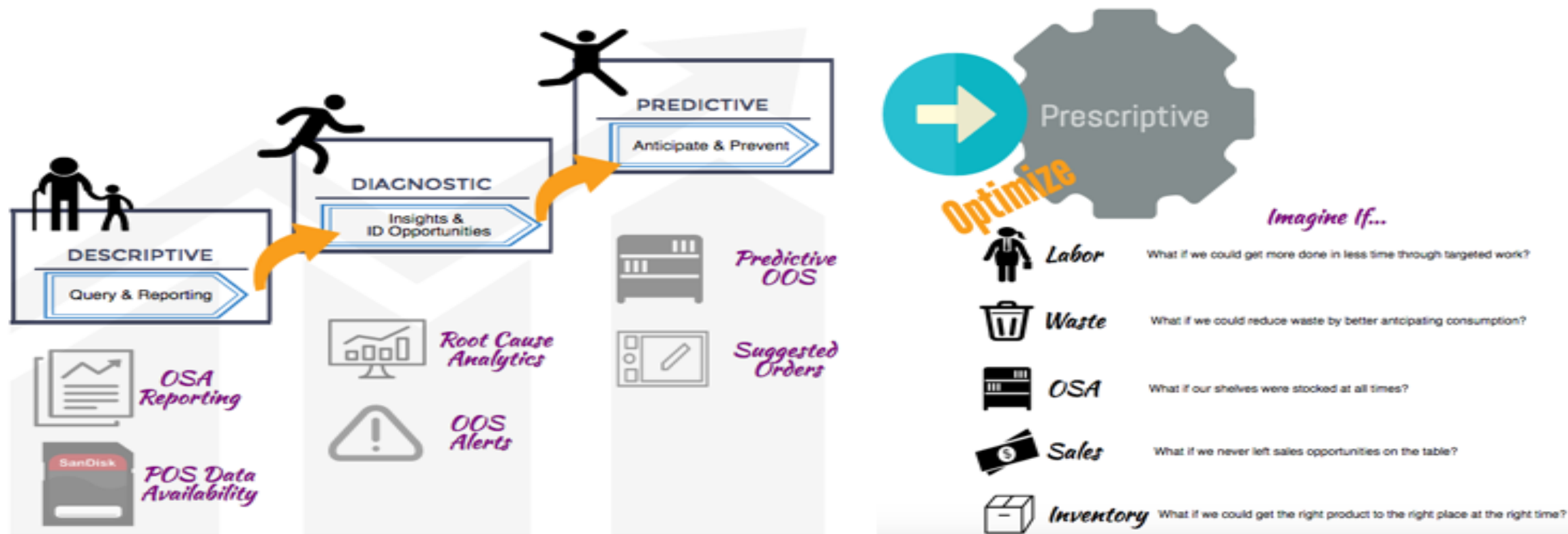
- Small batch test and learning activities with field sales reps
- Integration to technology in the field (Alerts & Mobile Viz)

## Commercialize:

- Tasks for sales reps enable them to take quick corrective actions
- Improve order quality by suggesting order quantity based on advanced demand forecasting

# Tools to Combat Out of Stocks

## Evolution of Capabilities: Our Analytics Journey



We're laying the building blocks to new capabilities that enable next level insights, predictive analytics, and business improvements.



# From Excel to Visualization Reporting.....

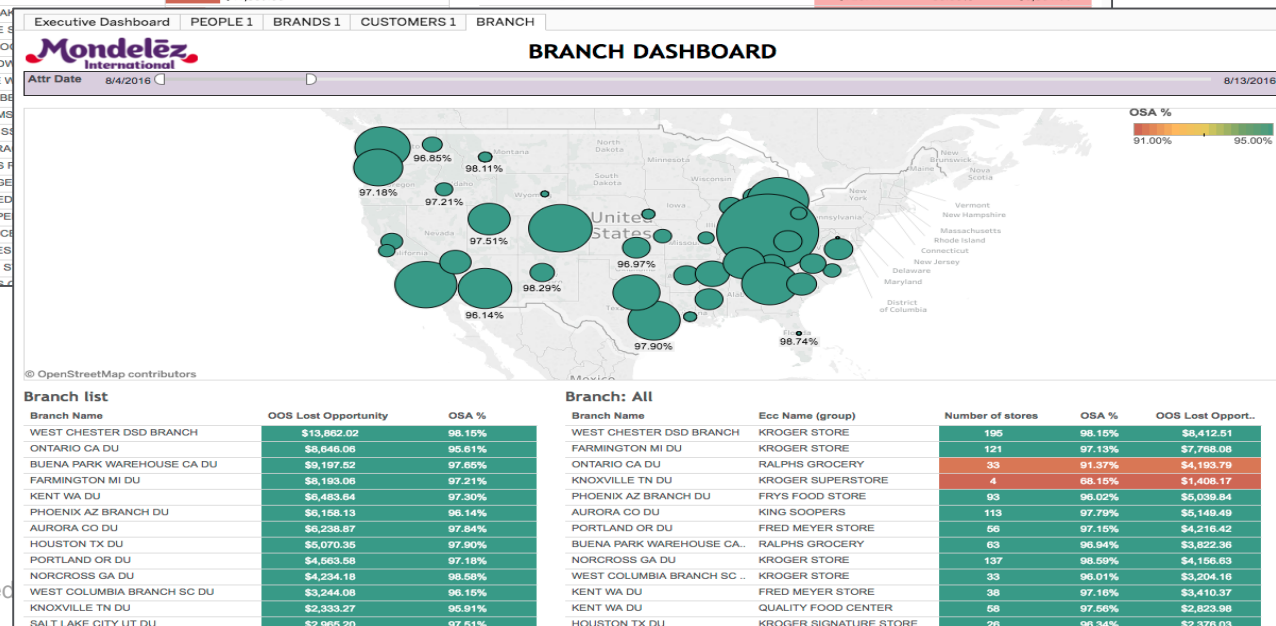
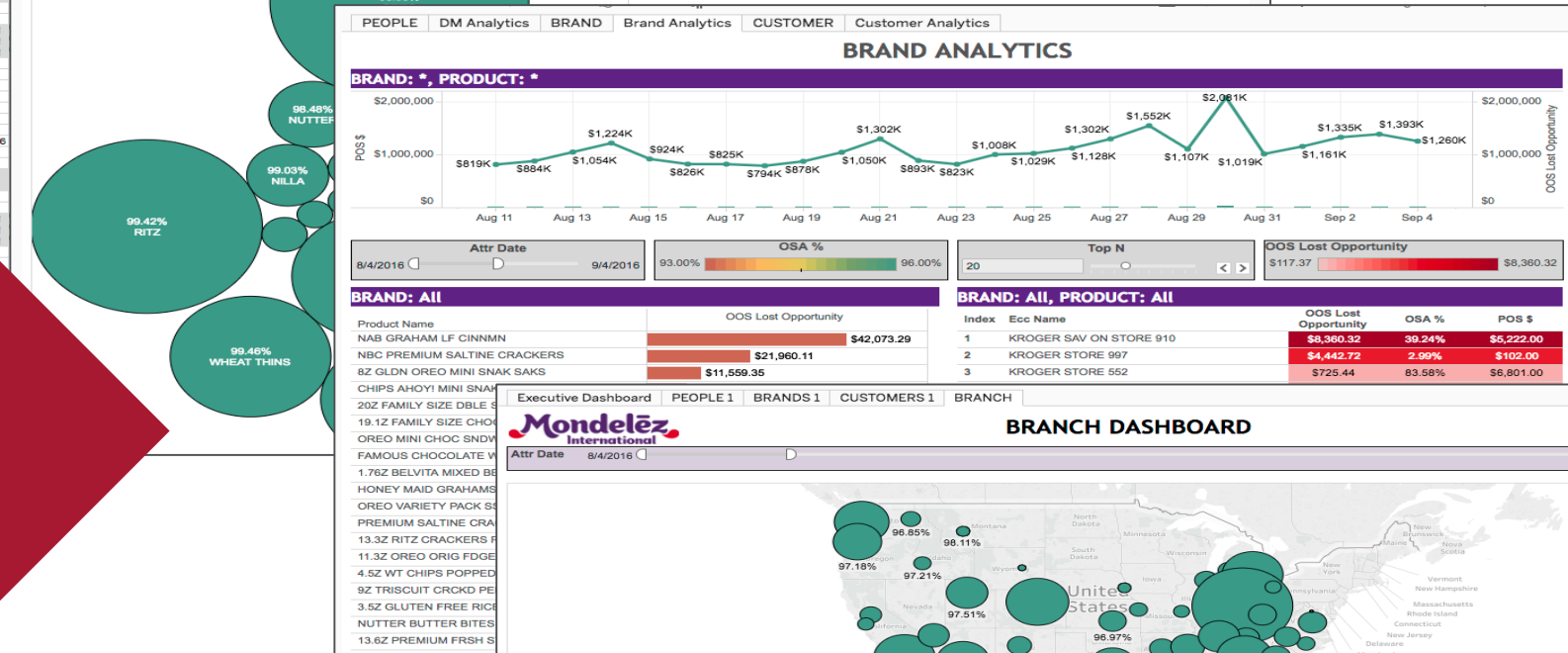
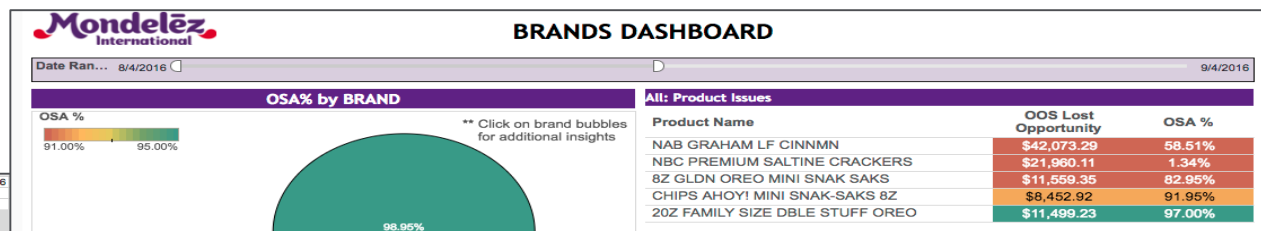
Segmented Biscuit		Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
POS Units		4,109,920	3,671,959	3,781,740	3,510,625	3,514,222	4,106,769	
Lost Units		221,513	206,464	208,991	225,134	162,692	173,908	
Confections		1,086,171	1,289,445	1,301,749	1,054,562	983,467	1,179,866	
		143,748	82,254	99,993	101,709	75,787	67,303	
Total		5,198,091	4,961,404	5,083,489	4,565,217	4,497,689	5,286,635	
OSA		94.80%	94.68%	94.76%	93.97%	95.34%	95.34%	
		88.33%	94.00%	92.87%	91.20%	92.85%	94.60%	
		93.43%	94.50%	94.27%	93.32%	94.96%	95.64%	

MSL		Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
Biscuit						3,775,760	3,971,454	
Lost Units						164,599	163,755	
Confections						1,102,019	1,187,299	
						81,421	6,604	
Total						4,877,779	5,145,313	
OSA						95.82%	95.82%	
						93.12%	95.20%	
						95.20%	95.20%	

Reported Biscuit		Jan-16	Feb-16	Mar-16	Apr-16	May-16
POS Units		4,109,920	3,671,959	3,781,740	3,510,625	3,514,222
Lost Units						
Confections						
Total						
OSA						





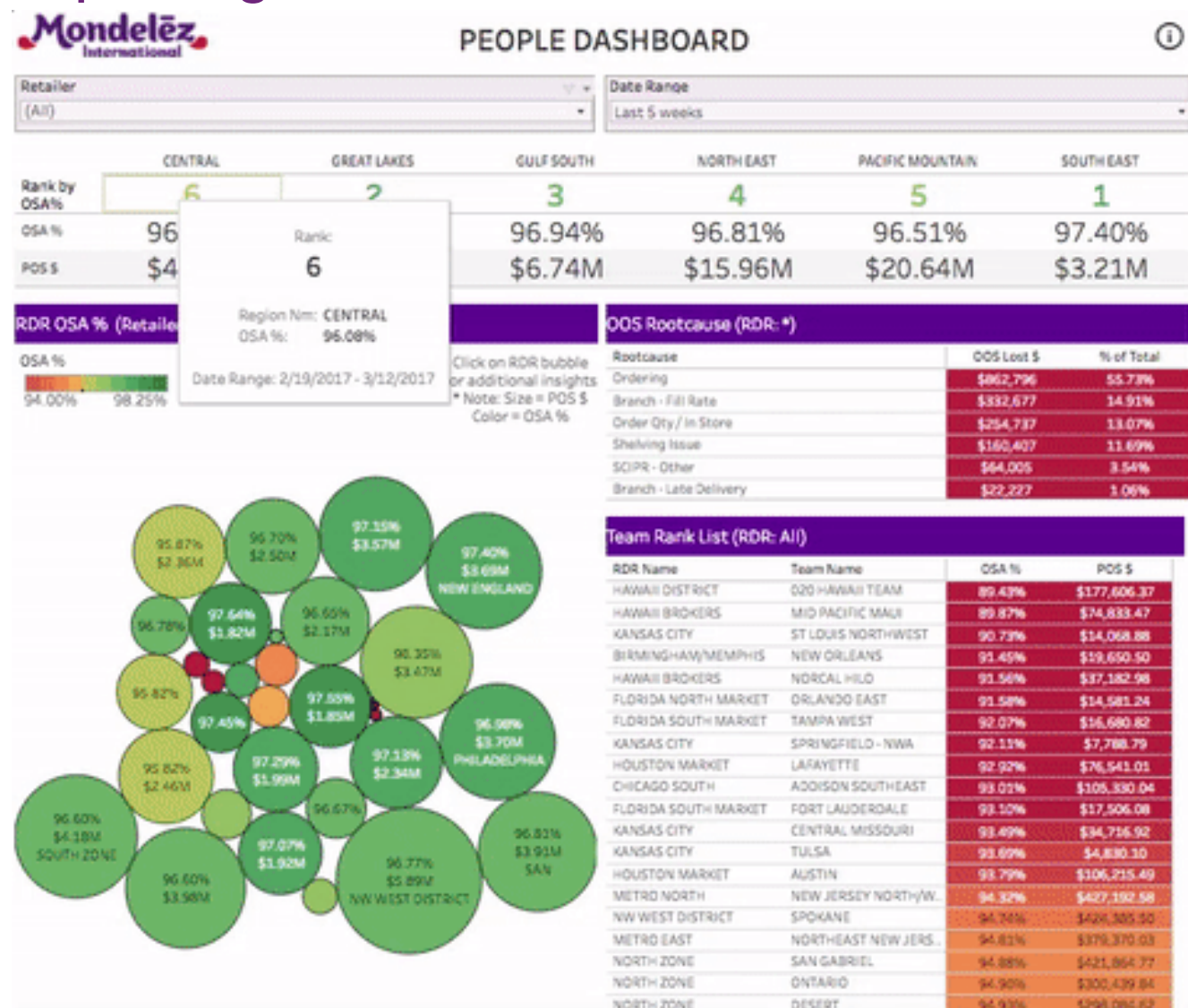
# Next Level Visual Reporting

- Executive Views
- Custom Maps
- Drill down reporting



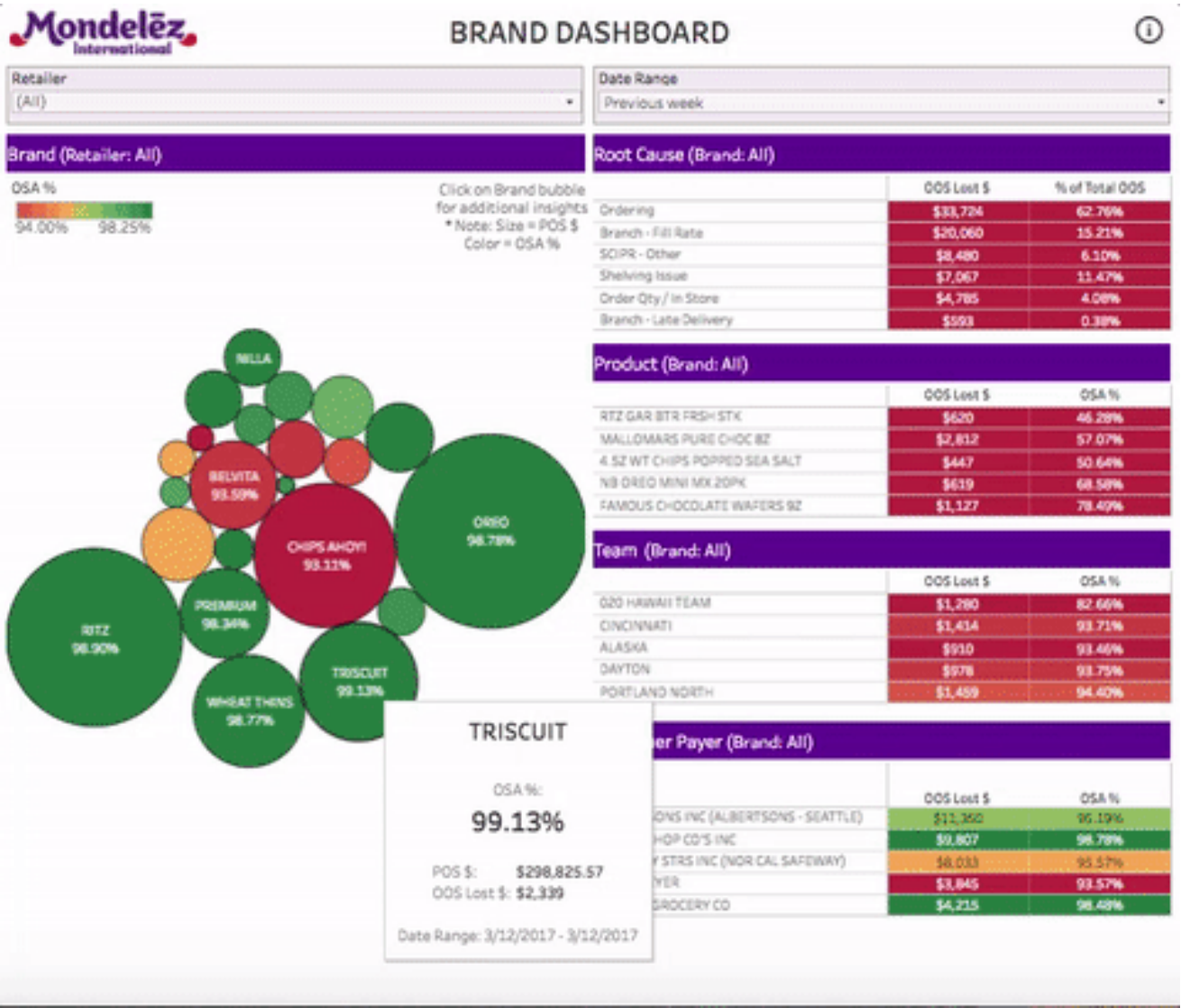
# Accountability Reporting

- Ownership Views
- Team Rankings
- Drill down reporting



# Root Cause Analytics

- Customer Filters
- Multiple Slices
- Granular Level Detail



# Key Learnings & Next Steps

## Key Learnings:

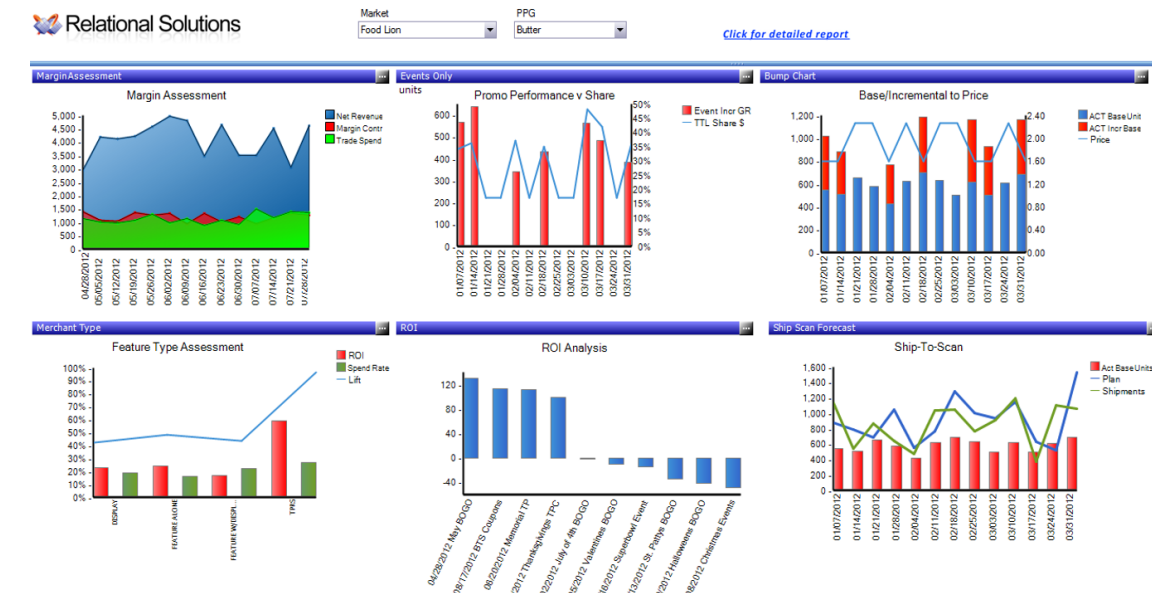
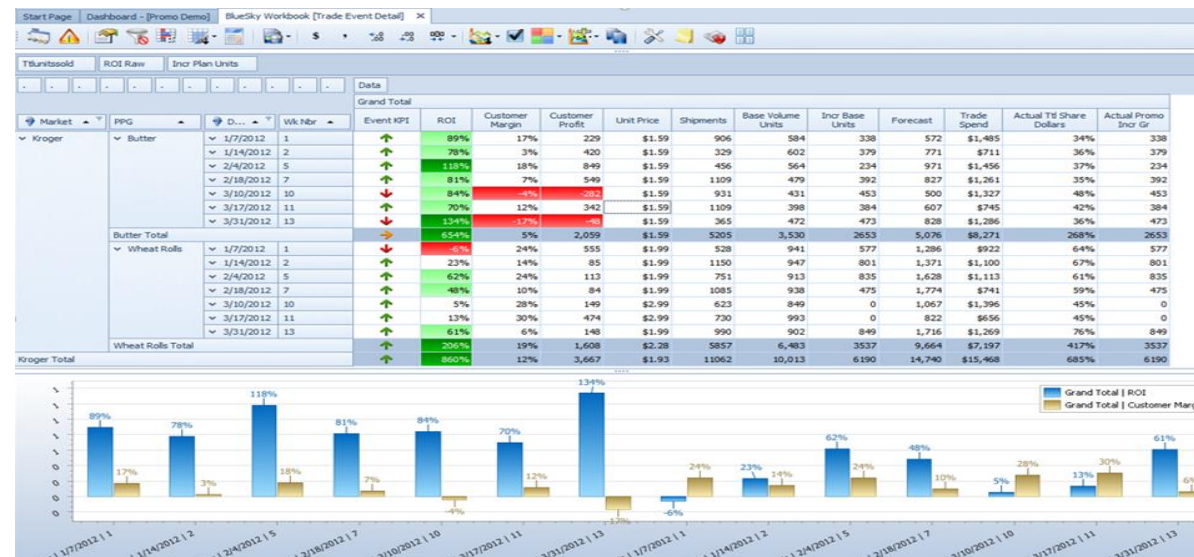
1. It all starts with asking the right questions
2. In order to create an effective tool you need to “roll up your sleeves and get dirty”
3. Engage cross functional stakeholders early & often. Share progress as it happens.
4. Quick Test and Learns
5. Put the tool in the hands of the right people

## Next Steps:

1. Rollout current tools to all ePOS data retailers
2. Integrate addition retailers on ePOS program
3. Integrate the following data:
  - a) Trade Plans
  - b) Basket
  - c) Social Media



## Future Plans Include Trade Integration with COGS for Trade ROI & JBPS



# Questions?

*Welcome to possible*