

# The POI Canadian Summit

Driving Profitable  
Growth North!



## Optimizing Data, Insights and Analytics for RGM and Mutual Growth

Presented by:

Craig Eaton, Director, Revenue Growth Management,  
Ocean Spray Cranberries

Rahi Khandelwal, VP Customer Success,  
visualfabriq

## **Strategic Lens**

- Philosophy, Strategy, Process

## **Process Framework**

- Price
- Mix
- Promotional/Trade Spend
- Trade Terms

## **Pain Points for Execution**

## **How Ocean Spray Solved these Pain Points**

- Data Lens
- Accurate Baseline
- Planning, Accrual & Settlement Workflow
- AI based TPO for Strategic Revenue Management
- Sneak Peek at AI

## Philosophy

- Empower those closest to customer / consumers to make optimal revenue decisions with a set of guidelines; manage by exception

## Strategy

- Define Revenue Management ambition across 4 levers:
  - Price: e.g. Pack / Price architecture, price points, competitive gaps
  - Mix
  - Promotion / Trade Spend
  - Trade Terms: Pay-for-Performance

## Process

### Set Price

- Occasion/Brand/Pack Guidelines
- Support Customer Plan development
- Set Targets and KPIs

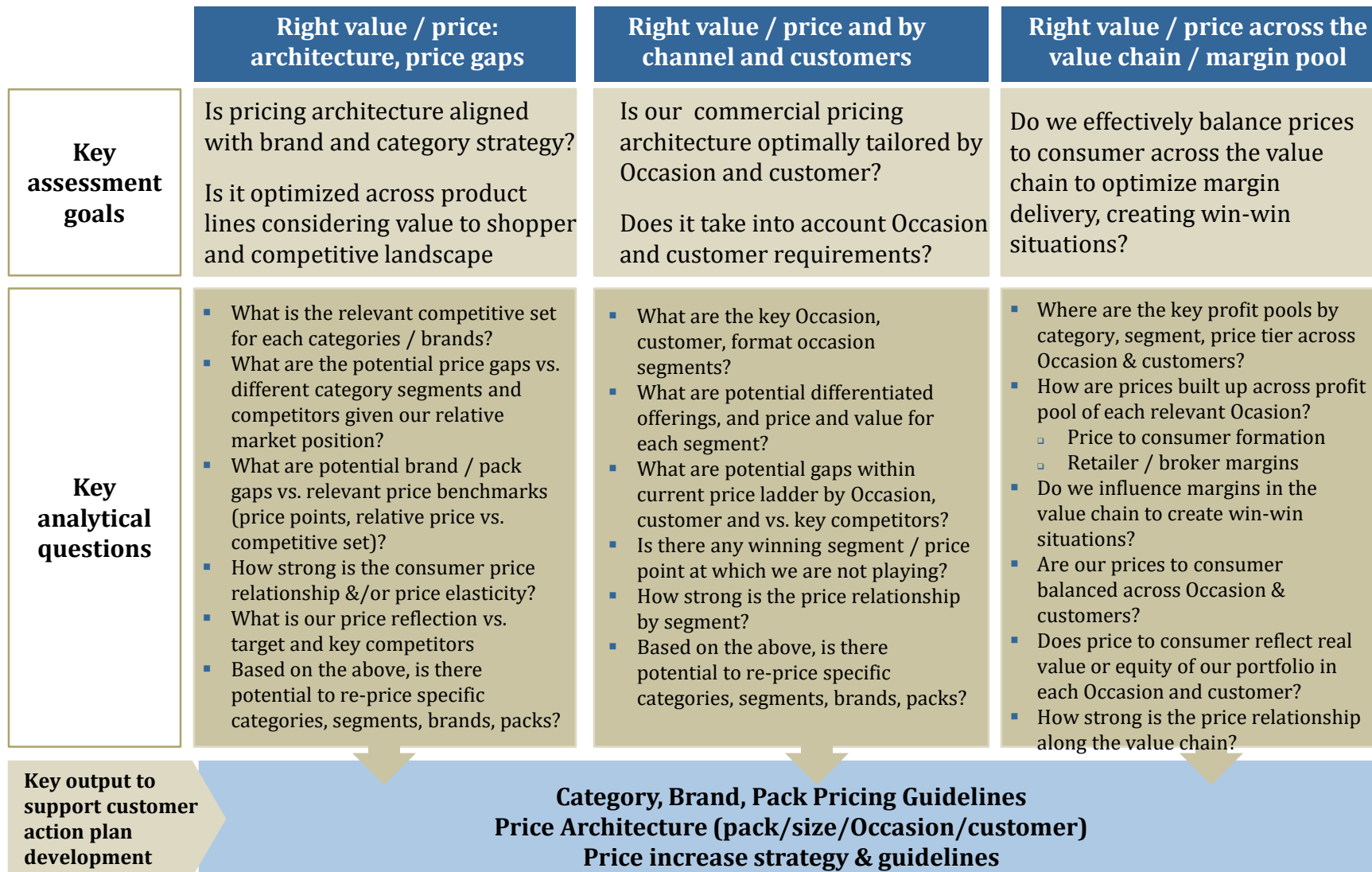
### Get Price

- Trade arguments for negotiation
- Define roles and responsibilities
- Measure and Track Result

### Supporting Pillars

- Culture: Credibility, Capability, Communication, Community
- Standard Process and Systems: Frameworks, Tools, Reports etc.

# Framework to develop “Price” Strategy (similar for Mix, Promo, Trade Terms)



## Pain Points for Executing

- **Data:** lack of Master data Management
- **Systems:** data spread across multiple systems that are not linked
- **Process:** without standard data and integrated systems, manual process

*Need to pilot a system that begins to set a Master data Management framework and creates a closed loop standardized and automated process*

# How Ocean Spray Solved the Data Challenges

## Internal Data

Product Master Data  
(SAP Native; excel; flat files)

Customer Master Data  
(SAP Native; excel; flat files)

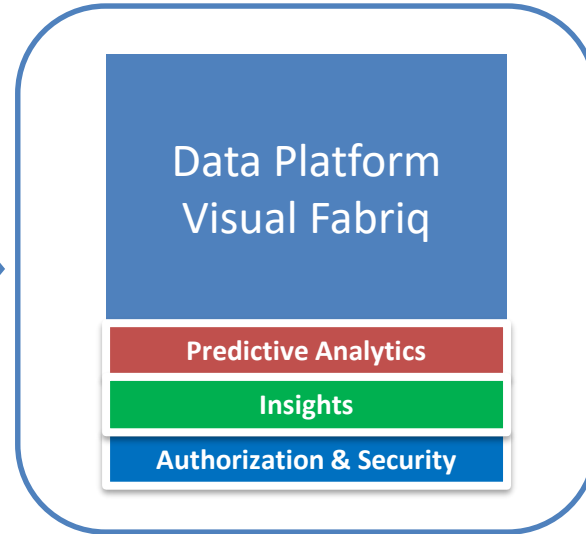
Display BOM  
(SAP Native; excel; flat files)

Pricing Data  
(SAP Native; excel; flat files)

Ex-Factory/Sell-In  
(excel; flat files)

Demand Forecast  
(excel; flat files)

Budgets/LEs  
(excel; flat files)



## External Data

Nielsen  
(CreCha; FFS)

Brand Rating  
(excel; flat files)

IRI  
(Tape II)

Campaign Data  
(excel; flat files)

(e)POS  
(flat files)

Folder Data  
(excel; flat files)

GfK  
(flat files)

Pricing Scans  
(excel; flat files)

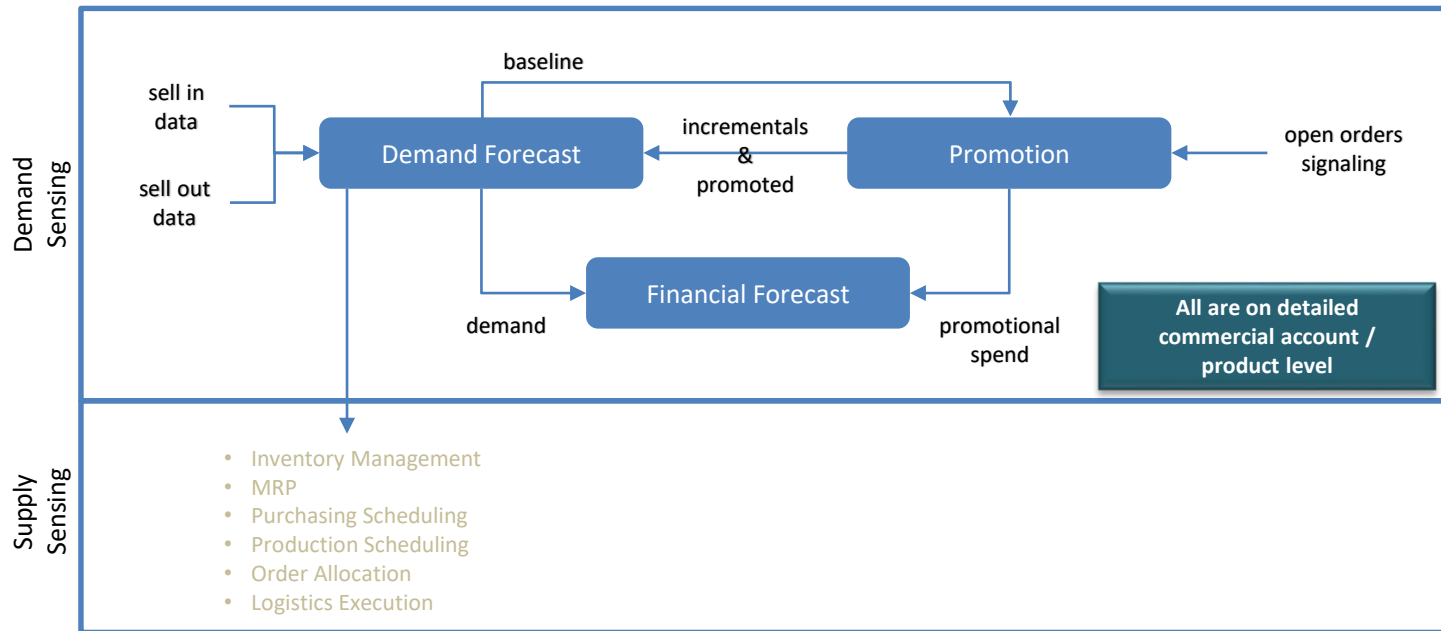
Consumer Data  
(excel; flat files)

Weather  
(excel; flat files)

Lack of external data does not make AI impossible, only less accurate

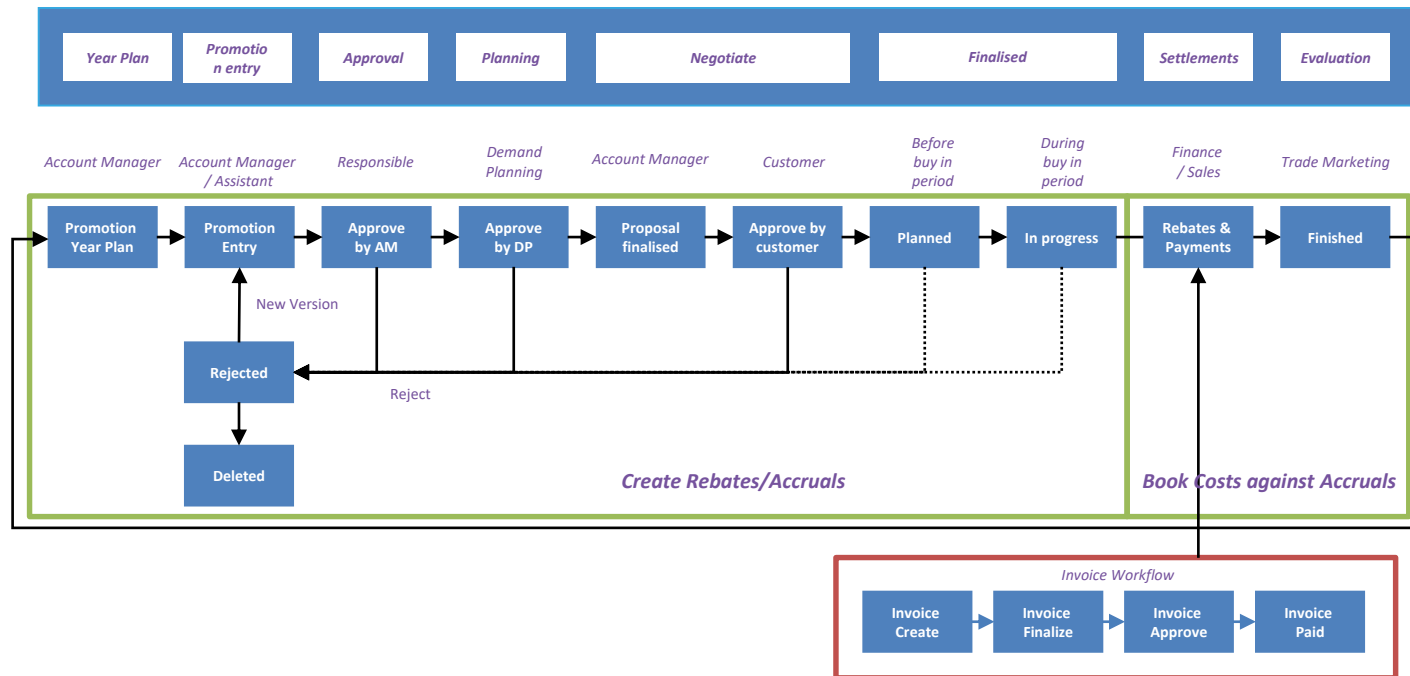
# At Ocean Spray we focus on the Demand Sensing & Planning side

Coming up with True Baseline with Both External and Internal Data for Demand, financials and promotion planning & execution



# Visualfabriq applies a proven workflow

Ocean Spray implemented the Workflow with focus on Planning Negotiation and Settlements

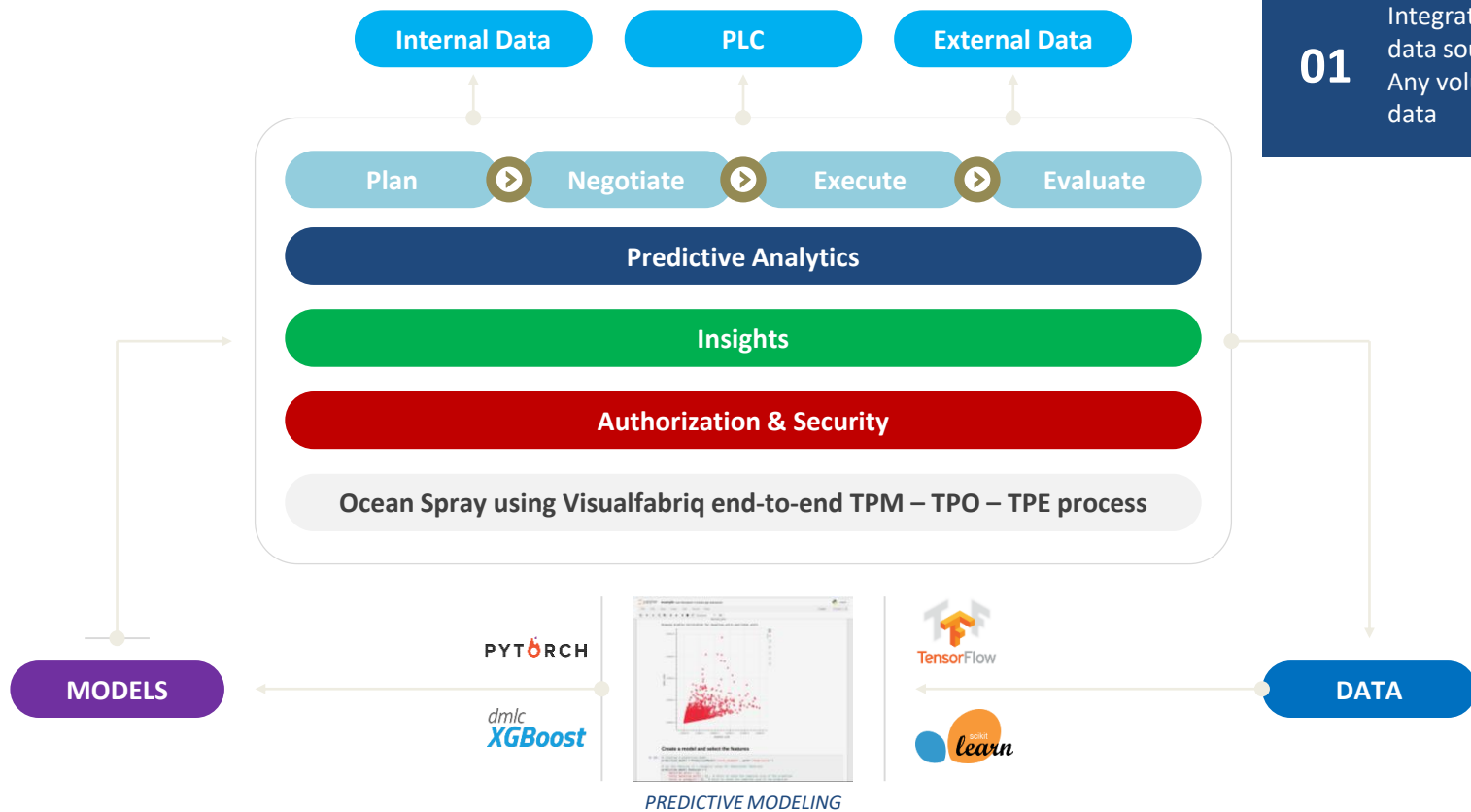






# Ocean Spray AI TPO Implementation – Data Lens

## Applying data sciences for developing models



*BENEFITS*

**01** Integrate any data source  
Any volume of data

**04** Industrialize models with one click Available to users directly

**03** Use leading AI models

**02** No manual data preparation  
No manual cleansing  
Save 90% of the work

# Strategic Revenue Management



## Demand Forecast Master™

(knowing exactly your  
projected demand)



## Trade Promotion Master™

(knowing exactly your  
promotional yields)



## Trade Spend Master™

(knowing exactly the financial impact  
total of your commercial decisions)

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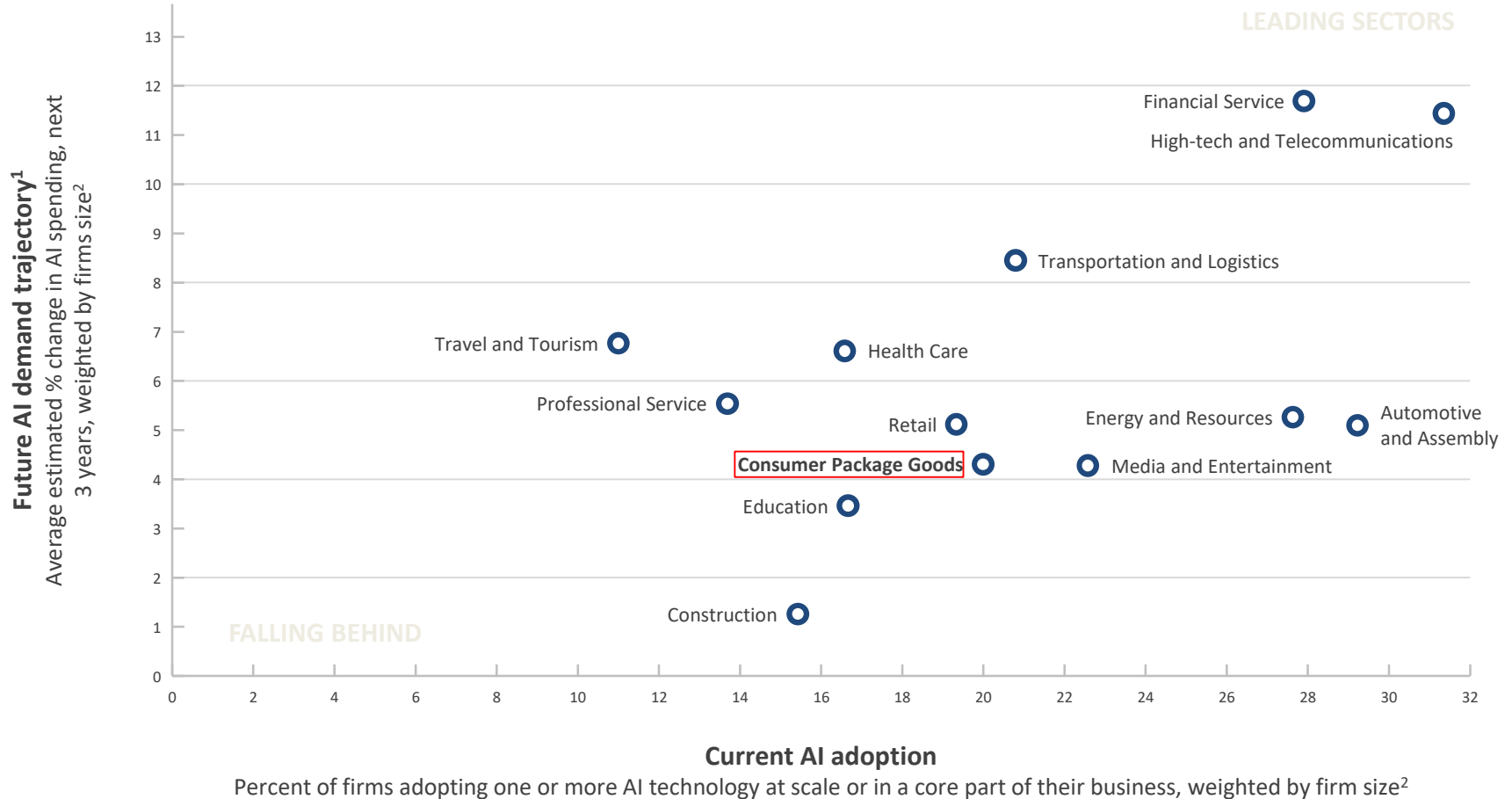
**M**

Now you can focus on what really matters

# But our industry that is way behind in adoption

And perhaps lacks some imagination

## High-tech and Financial Service Firms Lead Demand for AI



Source:

McKinsey Global Institute AI adoption and use survey; McKinsey Global Institute analysis

(1) Based on the midpoint of the range selected by the survey respondent. (2) Results are weighted by firm size

## Views from the leading analysts on AI



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Algorithms and machine learning will ultimately outpace traditional methods in defining business best practices and process models. Technologies already exist to provide complete traceability from raw material to consumption, but consumer-driven enterprises still struggle to fully leverage this capability. Technologies (e.g., blockchain) already exist to provide complete traceability from raw material to consumption, but consumer-driven enterprises still struggle to fully leverage this capability.

To qualify as a comprehensive TPO solution, the solution must enable key predictive or prescriptive capabilities. These include the specification of constraints, iterative scenario planning, recommendations for effective promotions and allowances for cannibalization and halo effects.

Substantial data integration will be required, as will modeling and domain expertise.



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

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 for its targeted geographies and tiers of customers.

POI about Visualfabriq:

- > Very positive growth trend and a strong roadmap going forward. Investment in people and product have been steady. The company has consistently been able to win deals with companies that have announced other vendors as the global standard. This is particularly true in the Netherlands. We believe that the work it is doing on machine learning will pay dividends as an early mover advantage.
- > A very robust set of administrative tools that should allow the user organization to have full control of the solution. This includes the ability to get inside of the predictive models (like Python) using Jupyter to facilitate the modeling in a repeatable way. 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.