Accenture CAS: Trade Promotion Management and Optimization

Develop winning promotions

High performance. Delivered.
Understanding the market

Increasingly, retailers and manufacturers expect more from their trade promotions: more sales, profitability and return on investment (ROI)—and fewer missed opportunities. So, with so much data at your fingertips, why should high performance be left to chance?

Over the past decade the promotional landscape has changed. Spending by consumer goods manufacturers has increased dramatically. And, as investment has risen, so too have demands. Retailers want greater sales and margins. Products must be on the shelf when and where they are needed—not out-of-stocks or gathering dust in a warehouse. Most importantly, promotions need to be executed on the shop floor—where it matters—with retailers armed with the right information to deliver on the manufacturer’s promises.

With so many pressures, it is no wonder that 84 percent of companies believe they are getting little or no incremental value from their trade promotions. In such a sophisticated and competitive market, you need to be smarter with your spend, developing targeted programs that satisfy both the retailers’ strategic interests and your own.

The Accenture CAS Trade Promotion Management (TPM) and Trade Promotion Optimization (TPO) solution take the guesswork out of your promotions—helping you achieve profitable growth for your brand and your retail partners.

What makes Accenture CAS different?

Inform your decisions

Gain all the insights you need to plan, implement and adapt your promotions including which products to promote, where, and at what price. Accenture CAS allows you to model a range of variables thanks to baseline and uplift prediction functionality that takes into account seasonality and trends, as well as further effects on optimization runs such as cannibalization, pantry load and weather.

Of course, the market does not stand still. By providing dynamic reports and updates, Accenture CAS also enables you to make rapid changes to your promotions once they are live. And, once your campaign is finished, you will be able to review the success and areas for improvement for future activity using post event analysis.

Target your spending

They say “knowledge is power” and Accenture CAS arms you with the information you need to have a greater chance of success: measure and analyze current promotions against historical investments, predict results based on market constraints, and reduce retailer diversion and deductions. It also sharpens fund utilization by driving more volume for trade spend, as well as reduces the number of post-event deductions and claims, and costly processing time.

Freedom to grow

The Accenture CAS solution is an end-to-end software platform that supports all routes to market, all sales and delivery models, in all geographies. Designed in collaboration with some of the world’s leading consumer products manufacturers, this solution can be configured to dovetail with most legacy and back-office systems.

Accelerate your TPM system

With out-of-the-box functionality, Accenture CAS Trade Promotion Management software helps you to rapidly benefit from your investment—with no need for the costs or time involved in detailed customization. Created to match the needs of leading consumer goods companies, it gives you a fully functioning TPM system in a fraction of the usual development time.

Accenture CAS was the only Vendor to have been consistently rated as "Strong Positive" in the previous Gartner MarketScope Sales Force Automation for Consumer Goods Companies for five consecutive publications.

1 "Charting Your Course to Trade Promotion Optimization" by Accenture and the Promotion Optimization Institute (POI), May 2011
How can Accenture CAS support you?

For your sales:
Accenture CAS has helped many of the world’s leading consumer goods companies to:

Improve decision-making: use analytics to determine which products should be promoted, at what price, and where.

Maximize ROIs: use historical data and market constraints to predict results and reduce retailer diversion, deductions, trade fund over-spend and forward buying.

Boost efficiency: by consolidating your processes, such as target allocation and deduction management, Accenture CAS reduces admin time and labor costs.

Strengthen relationships: create winning promotions for both your business and partner retailers, avoiding out-of-stocks and improving sales and margins.

Reduce costs: target activities, limit spend and cut support, maintenance and inventory management outlay.

Monitor promotions: track retailer pay-for-performance and compliance to ensure your promotions are delivering on the shop floor.

Save on future investments: the Accenture CAS platform can evolve to suit your business and integrates seamlessly with existing Enterprise Resource Planning (ERP) solutions.

Accenture CAS is helping consumer goods companies around the world realize their potential.

For your people:

Superior user experience: Ease of use is vital to the success of any TPM project so we have invested heavily and partnered with Microsoft’s Silverlight technology to build an excellent, intuitive user interface.

Complete visibility: access details easily on both historical and actual trade promotion activities to track spend and ROI. And gain a single real-time view of current customer volume and trade spend.

Dynamic management: quickly adjust trade promotion activities to achieve the highest revenues and margins.

Ensure compliance: provide tools to help retail partners monitor promotions and stay compliant.

Build partnerships: be more responsive to your retail partners, using trade promotion modeling to demonstrate mutual benefits, rather than purely costs.

What is Trade Promotion Management?

TPM equips your management and sales team with the information they need to plan, target and implement effective promotions.

Accenture CAS Trade Promotion Management features at a glance

Target planning: providing dynamic top-down and bottom-up planning support for business planning processes including business unit, brand, customer and category-based views of the planning cycle.

Account planning: full support for and clear visibility of planning and execution processes happening within and across accounts—viewable by business unit, brand, customer and category.

Build partnerships: enabling complete visibility of both national and consumer-specific activities, so you can plan activity, identify gaps, track costs and more.

Trade funds management: for allocation of financial resources across product planning categories, from customer hierarchies to specific promotions.

Customer volume planning: develop high-level plans for customer numbers, baselines and incremental volume predictability.

Promotions calendar: enabling complete visibility of both national and consumer-specific activities, so you can plan activity, identify gaps, track costs and more.

Financial control: link payments with deductions to maximize the impact of marketing spend and boost ROI.

Post event analysis: review budgeted, actual and forecast key performance indicators in one place and from a range of perspectives. Use dashboards, reports and analyses to capture the information you need.

What is Trade Promotion Optimization?

Using data from the past, you can run models to generate forecasts for the future, enabling you to hone existing activity and optimize new promotions.

Accenture CAS Trade Promotion Optimization features at a glance

Baseline prediction: use historical data to model baseline seasonality, trend and base price elasticity to project reliable, automated predicted baselines.

Uplift prediction: the software also uses latest historical data to predict promotion uplifts that can be applied to calculate total sales and revenue. Should you then have newer data, or make changes to the promotion, the uplift can be easily recalculated.

Promotion optimization: if you have budget left at the end of the planning cycle, you can run a promotion optimization. This enables you to identify the best product and tactical mix within a series of set constraints including time, price and available budget.

Promotion plan optimization: you can also use the planner to build a new promotional plan, using underlying models and data to decide on the frequency, duration and mix of your activity.

Flexible modeling: use multiple models for different tasks such as baseline and uplift prediction. The data preparation process tests the different models automatically—the tool then uses the one that will provide the most accurate prediction.
Proven returns

We conducted a collaborative study with the Promotion Optimization Institute (POI) to explore the impact of implementing TPO. We found that companies using TPO are:

- Up to four times more likely to benefit from better promotional forecast accuracy
- Up to seven times more likely to increase profitability

In fact, thanks to more effective promotions, over 60 percent of companies implementing TPO show increased profitability.

The Accenture survey included 60 leading North American and global consumer goods manufacturers plus wholesale and retail companies.

30 years’ experience, more than 4,000 dedicated Accenture software professionals and 700 CAS experts—all working to create software that adapts to your business and evolves to your needs.

Key facts

- **20%** reduction in administrative and labor costs for a European food manufacturer
- **22%** improvement in trade promotion spending for a major consumer goods company—saving US$150 million in promotion costs
- **90%** forecast accuracy for a European food manufacturer—an improvement on the original 50-70 percent
- **50%** reduction in average settlement times for a US brewer

The full customer journey

Accenture CAS supports your sales at every stage in the cycle—from strategy to customer support. Trade Promotion Management and Trade Promotion Optimization are the basis for the full customer journey, representing two of the eight core modules:

- **Trade Promotion Management**
  - Helps consumer goods and services companies improve speed-to-market, sales performance, customer experience and operational efficiency.
- **Trade Promotion Optimization**
  - Uses data from the past to run models to generate forecasts for the future—honing existing activity and optimizing new promotions.
- **Customer Service**
  - Provides comprehensive functionality for many areas to provide a complete customer experience.
- **Distributor Management**
  - Enables visibility and control across the distributor value chain.
- **Direct Store Delivery**
  - Helps employ this key selling and distribution method to achieve better business outcomes for consumer goods organizations.
- **Digital Merchandising**
  - Enables visibility and control across the distributor value chain.
- **Retail Execution**
  - Helps consumer goods companies gain access to a powerful, integrated sales platform that supports comprehensive field sales management and execution to drive targeted activities.
- **Reporting and Analytics**
  - Enables users to have real-time access to the latest information and to help you determine the best course of action.

Make change happen

To find out how Accenture CAS can empower your sales and marketing teams, email accenture.cas@accenture.com or visit www.accenture.com/accenturecas

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2 “Charting Your Course to Trade Promotion Optimization” by Accenture and the Promotion Optimization Institute (POI), May 2011
About Accenture
Accenture is a global management consulting, technology services and outsourcing company, with approximately 275,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world’s most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US$28.6 billion for the fiscal year ended Aug. 31, 2013. Its home page is www.accenture.com

Accenture Software combines deep technology acumen with industry knowledge to develop differentiated software products. It offers innovative software-based solutions to enable organizations to meet their business goals and achieve high performance. Its home page is www.accenture.com/software.

Accenture CAS is a leading end-to-end software platform for the consumer goods industry with a suite of trade promotion management, distributor management and retail execution software, including direct store delivery, field service and trade promotion optimization. Along with Accenture NewsPage we are part of the Accenture Software portfolio of products and Accenture Commercial Services for Consumer Goods.

Accenture Commercial Services for Consumer Goods is a business service that helps companies increase sales and margins through management consulting, technology, and business process outsourcing. It improves interactions with customers, channels, and consumers through innovative analytical, multi-channel and operational capabilities.

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