Accenture CAS: Trade Promotion Optimization
Develop winning promotions
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 manufacturers’ 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.

Based on this, improving forecast accuracy on promotions is seen as critical for internal dialogues and conversations with trading partners. 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.

TPM enables you to plan and develop winning campaigns with a complete overview of trade investments, spending and profitability. TPO uses existing data to generate forecasts for the future—honoring existing activity and optimizing new promotions.

What makes Accenture CAS different?

**Target your spending**

They say ‘knowledge is power’ and with Accenture CAS TPM as your base solution it arms you with the information you need to have a greater chance of success: measure and analyse 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.

**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 TPO builds on Accenture CAS TPM and 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 TPO 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.

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1 “Charting Your Course to Trade Promotion Optimization” by Accenture and the Promotion Optimization Institute (POI), May 2011

2 “Charting Your Course to Trade Promotion Optimization II – Benchmarking Study” by Promotion Optimization Institute (POI) and Gartner, 2014

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How can Accenture CAS support you?

**Trade Promotion Completeness:** Accenture CAS is an integrated platform delivering capabilities for managing trade promotions while simultaneously optimizing them in a single application. Accenture CAS gives users a choice between “What If” scenario planning, and constraint-based true optimization.

**Product Vision:** Accenture CAS is recognized as a visionary in its fields, and continues to work with leading industry experts to develop and deliver on a product roadmap well ahead of market demands.

**Analytical Strength:** With a fully integrated TPM/TPO platform, users have access to all plan, historical and actual promotional information via user defined dashboards, delivering quick and focused analytics. This visibility enables timely decisions during all phases of a plan cycle, complete with post-event analytics supporting each promotion. Accenture CAS delivers detailed data in the right format for the right user.

**Configurability:** Accenture CAS is easily configurable to meet the needs of your business regardless of channel – Direct/Indirect, Customer/Geographic or Brand/Product.

**User Experience:** Accenture CAS allows users to comfortably select from multiple optimized results as a starting point for ultimate promotion, where the user can then add the promotion to their customer plan. The user does not have to build each promotion individually – saving valuable planning time.

**Best Optimization Techniques:** Accenture CAS uses simulated annealing, an industry leading approach, which provide optimization outputs, not simulations where constraints are set and the outcome is based off those constraints.

**Flexible Architecture:** The Accenture CAS architecture is flexible in that it will allow users to perform baseline forecasting and promotion optimization either inside or outside the tool, regardless of which models the manufacturer chooses to utilize to drive these important analytics.

Accenture CAS is recognized as a visionary leader in Trade Promotion Optimization and continues to deliver on a product roadmap ahead of market demands.
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

Charting your course to Trade Promotion Optimization II – A benchmarking study by Promotion Optimization Institute (POI) and Gartner 2014

POI and Gartner recently evaluated the benefits of TPO, and the following conclusions were made:

**More than 30%** of companies share key performance indicators with their trading partners.

**Two thirds** of companies have created Trade Planning Centers of Excellence.

**Only 12%** of companies feel their analytical capabilities are consistently on par with trading partners.

**Only 26%** of companies have developed operational and financial scorecards across functions.

**41%** of companies are routinely implementing planning and execution capabilities in order to collaborate, yet less than 5% utilize tools to their fullest potential.

Accenture CAS TPO is designed to help enable you overcome these challenges. We are here to help.

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

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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1 “Charting your course to Trade Promotion Optimization II” – A benchmarking study by Promotion Optimization Institute (POI) and Gartner 2014
The full Trade Promotion customer journey

Our solution brings industry-leading insights to every stage in the Trade Promotion cycle with Accenture CAS TPM and TPO – from planning to execution and analysis:

- Baseline management
- Long-term agreements
- Gap-to-target management
- Plan P&L monitoring
- Promotion library
- Promotion P&L
- Workflow
- Incremental management
- Scenario planning
- Team management
- Volume and cost actualization
- Liability (spend) accruals
- Commitment management
- Target distribution
- Trade promotion portal
- Top-down promotion management
- Corporate collaboration
- Fixed funds
- Live (budget) accruals
- Latest estimate-based funding
- Commitment management
- Headquarter and account-level funding
- Plan adjustments
- Target distribution
- Trade promotion portal
- Top-down promotion management
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Accenture CAS
Trade Promotion Management

Strategic planning
- Target distribution
- Trade promotion portal
- Top-down promotion management
- Corporate collaboration

Funds management
- Fixed funds
- Live (budget) accruals
- Latest estimate-based funding
- Commitment management
- Headquarter and account-level funding

Account planning
- Baseline management
- Long-term agreements
- Gap-to-target management
- Plan P&L monitoring

Promotion execution
- Volume and cost actualization
- Liability (spend) accruals
- Commitment management

Post-event analysis
- Promotion P&L
- Gap-to-target management
- Plan adjustments

Promotion planning
- Promotion library
- Promotion P&L
- Workflow
- Incremental management
- Scenario planning
- Team management
About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with more than 336,000 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$30.0 billion for the fiscal year ended Aug. 31, 2014. 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 help organizations address their business goals and achieve high performance. Its home page is www.accenture.com/software.

Accenture CAS is a leading software platform for the consumer goods industry with a suite of trade promotion management, distributor management and retail execution software, consisting of 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.

The Accenture Route to Market Business Service combines strategy, operations and technology for commercial intelligence and analytics, commercial strategy and planning, trade investment excellence and sales effectiveness, and are offered as a service or as individual components. They are built around the Accenture CAS and Accenture NewsPage software and the Accenture Analytics Platform designed exclusively for the CPG industry, and can be delivered as hosted or on-premise solutions.

About Salesforce

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