POI

PROMOTION OPTIMIZATION INSTITUTE

Promotion Optimization Institute, LLC

POI 2020 TPx
Vendor Panorama

Accenture Cloud TPM

Analysis of Representative Vendors

Accenture Cloud TPM accenture.com/cpgsolutions

Profile: Accenture is a multinational professional services company and a Fortune Global 500 company reporting revenues of over $43 billion in 2019 with more than 500,000 employees serving clients in more than 200 cities in 120 countries. In 2016, Accenture began a strategic partnership with Salesforce to build out a set of new TPM & RE solutions for the consumer goods front office.

Geographic presence: North America (82%), Latin America (5%), Europe (11%), Asia/Pacific (2%).

Total consumer goods users (seats): TPM 19,350 & Scenario Planning (TPO lite) 330.

Tiers represented: All.

Solution offerings: TPM with Promotion Scenario Planning (TPO) and support services.

Major product sub-segments not covered: Semi-durables (footwear, apparel, furnishings, etc.).

Data Management: Accenture data services can be procured to assess and harmonize the data. This service is not a part of the project cost, but a separate service.

Analytics: The Accenture Cloud TPM solution continues to benefit from development through the influence of ongoing as well as recently acquired CG clients. It leverages Salesforce methods of reports, graphs, and dashboards to give each client a unique view of their data. Integrated Accenture Cloud reporting provides real time response in the iterative planning process, independent if the data is stored on the platform (in Salesforce) or off-platform with Accenture's cloud processing services. There is the ability to configure real-time promotion and tactic reports with scorecard and list components which are all exportable to excel. Accenture Cloud TPM has effectively closed many gaps in terms of critical features, functions, reporting, and dashboards required by the market. Accenture has a set of robust TPM dashboards that are excellent. The actionable data represents a very visual display using: odometer, funnel, list, scale, and doughnut/pie charts. The promotion dashboard is excellent with a snapshot of promotion planned and actual volume, top 10 and bottom 10 promos, the details of the promotion, and alerts. The PEA dashboard supports promotion analysis for one or multiple customers. The layout features several visual tiles that communicate all aspects of evaluation of a promotion with drill into capability, as well as added spend and assortment dashboards. The platform now has the ability to visualize a decomposition of total volume into base and uplift with Einstein Analytics using models created in Einstein Discovery. The real-time reporting engine provides an aggregated analysis of actuals, planned vs. target for volume, revenue, profit and spend metrics across key levels of the product and customer hierarchies as a key input to the annual planning process. Accenture has also enabled aggregated account plan reporting where one can visually see aggregated account plans for one or multiple accounts, and they will be extending these capabilities out further in the future. They have enabled greater integration flexibility for bringing tactic-specific actuals into P&L's, correlating the data to exact promoted weeks, and improving accuracy.

This year Accenture Cloud has greatly advanced their Trade Promotion Scenario Planning and Optimization which allows users to compare different combinations of tactic strategies to determine an ideal promotion and view a side-by-side Promotion P&L comparison. Tactics are configurable and can handle complex multi-buys. Users can enter promotion volumes manually throughout Accenture if desired, but the real power comes when Einstein Analytics models are used. The analysis outcome reflects in well laid out charts using Einstein Analytics Discovery.

Users can see the modeled volume, decomposition splits, and historicals all in one view. Accenture has also enabled the ability to add the selected promotion to a library of events to use in building the plan.

Accenture Cloud uses Einstein Analytics and Einstein Discovery for all modeling across the platform. Coefficients and lift factors are calculated and used with decision trees and regression models to predict promotion outcomes. Cannibalization and halo coefficient are both calculated and these, along with other promotional causals are all considered as part of the historical modeling used in predicting promotional outcomes.

RGM Analytics: Accenture has found RGM client teams have specific needs and views they desire. They decided to provide the "components" to support RGM analysis but do not try to pre-build a standard suite of RGM specific reports. POI has seen robust RGM analysis examples for the following: Einstein Analytics allows an RGM team to build price ladder analysis reports, as well as evaluate price pack curves and track trends/progression in different dashboards and reports. Trade analysis can also be done leveraging modeling techniques to identify spend types giving highest margins (based on trade spend). Real-Time Reporting as well as standard Salesforce Reporting capabilities can be used to analyze SKU profitability within an account. Promotion related KPIs (e.g. Gross to Net, Margins etc.) can be configured and shown in P&Ls and Reporting. A flexible set of SKUs can be compared leveraging Reporting capabilities to review SKU assortment. Price elasticity evaluation, optimization, and visualization are not yet available in the platform.

Technology architecture/delivery options: On-premise & hosted private cloud (existing clients, Accenture CAS – no new clients), and public cloud as SaaS.

Configuration/Customization: Accenture does not allow for project/client specific changes to the core solution that would take it out of the upgrade path. However, client specific customizations of Salesforce or Accenture Cloud TPM are enabled through Salesforce APIs as well as Salesforce declarative and programmatic capabilities following Salesforce principles for managed packages so that the core application is not impacted and there will be no impediment to upgrading. In addition, all business processes are easily configured, controlled, and adjusted via Accenture Cloud TPM business templates.

Service partners that have deployed in the past: Accenture, PWc Strategy&, and Clarkston Consulting.

Technology partners: Salesforce.com and Amazon Web Services (cloud) are technology and hosting partners.

User experience: The Accenture Cloud TPM offering continues to have a superior UX. New this year is the ability to plan promotions for subsets of an account plan. Accenture has an extremely robust planning capability for wholesaler and indirects. We really like the ability to view the wholesaler and subgroup promotions visually on one screen. Users can also plan top-down promotional strategies from higher levels of the customer hierarchy down to planning accounts. This is of high value to those planning large banner retailers or wholesalers. Account plans have been available historically by navigating to the account planning screen. An enhancement has been made to have a strategic set of these KPI's available directly within the promotion UI. Users are no longer required to "Save & Refresh" to see the effects of their edits (e.g. date changes, product changes) on promotions and tactics as well as seeing the impact of the promotion on the overall account plan. Users can configure the layouts. We particularly like how the lightning bot driven Chatbot feature allows users another simple, interactive way to create promotions. Chatter is also featured in the settlement process, creating space

for collaboration there. Accenture Cloud has an exceptional trade calendar, which segues to insights through drill down filtering. A user can quickly reset the filter for an 18-month rolling plan view and also see which promotions are committed. The cross-brands view enables multiple accounts and brands on the calendar view to see if your "own brands" are self-competing. We really like the comprehensive Spend Analysis Dashboard as it tells the whole story of investment and volume on one page. They have also fine-tuned back-end elements like promotion actualization, flexible condition generation, enhanced payment editing, negative payments, and fund auto-determination. These aren't "shiny" but when efficiency is added the planning and processing teams benefit. The UX smart is the one-click access to Promotion Product Assortment, Volume Planning, Spend Planning, and Funding from anywhere in the promotion.

Select TPx Capabilities:

Baseline: Accenture Cloud generally receives the baseline from an external system or there is the ability to use Salesforce Einstein Analytics and Einstein Discovery to come up with a baseline forecast. Salesforce Einstein Analytics & Einstein Discovery is used to model baselines. The available models ensure an accurate split of the volume into baseline and incremental causal factors (lift drivers). Furthermore, outlier detection is available to identify "phantom" spikes. Based on the accurate volume decomposition, baselines for upcoming periods can be modeled accurately

Integrated Business Planning (IBP): Accenture Cloud has the ability to increase/decrease the baseline due to various business reasons such as distribution changes, market changes, etc. using a concept called Building Blocks. This concept allows Sales users to increase/decrease the baseline forecast and also communicate this back to a demand planning team.

Vendor trend: Accenture continues to ramp up wins for the Accenture Cloud TPM product. This is critical to staying relevant, especially as Accenture has announced it is sunsetting the on-premise Accenture CAS offering but with customer specific innovations and support up to 2024. It still offers a managed services approach, which is beneficial in recent years of hiring freezes and movement away from growth in internal IT budgets to support applications.

Strengths: The Accenture network and depth of global expertise is vast and can help with best practices in most geographies. The user experience is exceptional across the board. Supporting annual customer meetings and joint planning with more of a view to the retailer's business is a plus, as is the ability to look at cross-retailer cannibalization. The roadmap is very robust and past history has shown a strong ability to innovate and keep the UX on the cutting edge.

Challenges: Accenture will need to continue to focus on demonstrating that it has a mature and viable solution after several years of being a work in process.

Adjacent offerings: POS data management, data-cleansing services, food services, shelf management/visualization, and digital merchandising. Accenture Cloud Solutions for Consumer Goods delivers integrated TPM and RE with common data objects resulting in an integration free effort between these platforms.

Key differentiators: The ability to deliver a complete solution and service from initial situation assessment through to deployment and training. It also embodies the combination of deep functionality, high usability, and strong analytics. We think that using Chatter to leverage peers is relatively uncommon. Accenture is one of the very few vendors to offer this. Finally, a key differentiator is the ability to combine Accenture expertise with the depth of the Salesforce technology and platform.

Outlook & prognosis: The Accenture Cloud TPM product that is being delivered is exceptional. Given the strong usability and underlying industry expertise of the broader organization, it will be a viable option for organizations that are willing to pay more for the exceptional service and TPx capabilities. Accenture has the opportunity to lead Enterprise Planning Strategy from AOP top down planning through the supply chain process. The Accenture Cloud platform drives cost-efficient implementations as there is no additional integration required. Infrastructure, run-ops, support, and license all as part of a single per-user, per-month fee. It has a high degree of configurability and requires less time and cost in customization when compared to on-prem platforms like Accenture's historical CAS system.

Consider Accenture when: You seek global capabilities for proven solutions that have global reach, but local expertise, and also when you seek a superior user experience that has not waned over 20+ years.

Avoid Accenture if: No reason to avoid Accenture.

Distinctions: POI Best-in-Class for Desktop TPx UX, HQ Analytics/Insight, Internal Collaboration, Dashboard, and Calendar.

About the Author

Pam Brown is POI's Chief Commercial Officer. In this role, she creates and executes POI strategy, advisory, and research. She elevates practices and CPG and Retailer relationships. Pam began her career executing at retail, and through promotions advanced to leading retail execution & key account teams for Unilever. For Kayser-Roth she led all Sales and Broker teams west of the Mississippi. In her 13 years with Del Monte, she carried many roles. She was the Director of Sales Strategy and Operations, which included: Sales Systems and Reporting, Sales Operations, BI Analytics, Sales Training, and Sales Policy. Pam's final role at Del Monte was the Director of IT Governance and PMO, which included planning and leading enterprise wide technology engagements. Pam has current, extensive knowledge in TPM, TPO, ROI, Revenue Management, Advanced Analytics, Change Management, Sales and Sales Effectiveness, Demand Planning, Supply Chain, Organizational Effectiveness and other relevant best practices areas. Over the years she has researched, designed, and deployed Enterprise wide solutions to meet business needs. She understands how to execute and gain user adoption of new systems for physical retail and eCommerce. She has advised solutions providers on enhancements to core capabilities and partnered with other CPG manufacturers to share, learn, and drive best practices in today's challenging retail and consumer goods environment for mutual benefit.
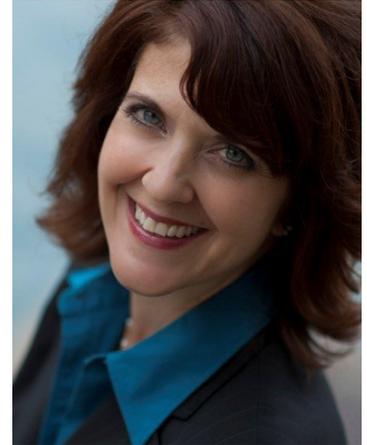
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About the Promotion Optimization Institute

POI brings together manufacturers, retailers, solution providers, analysts, academics, and other industry leaders with the specific objective of collaboratively improving the promotion and distribution of consumer goods. Members of POI share cross-functional best practices in both structured and informal settings.

Additionally, members benefit through our industry alliances, the Certified Collaborative Marketer (CCM)™ program, and industry-leading summits around the globe.

POI aims to instill a financial and metrics-based discipline not typically found with other trade groups. The goal of our innovative approach is collaborative promotion optimization. The focus is on the customer/shopper through sales, marketing, and merchandising strategies.

Executive advisory boards keep us apprised of industry needs and help us provide desired outcomes for members, sponsors, and academia.

For more information:

Visit poinstitute.com

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