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Collaborating to build a best-in-class interactive training environment for global category management leaders

An international not-for-profit association dedicated to the design and implementation of global standards and solutions—GS1 Nederland aims to improve the efficiency and visibility of supply and demand chains globally. Accenture has been involved with GS1 Nederland's Efficient Consumer Response (ECR) Steering Committee Category Management for more than 10 years and currently serves as the co-facilitator for this committee on a pro bono basis.

A large number of high-profile retailers and consumer goods manufacturers are members of the ECR Steering Committee Category Management, including members of leading fast-moving consumer goods companies with the top 100 brands.

• Consulting • Technology • Outsourcing

Summary

Accenture worked with the GS1 Nederland group to develop an interactive, web-based category management game. This one-day virtual training environment provides real-life simulations, even operational distractions, aimed at empirically demonstrating the value of developing effective category management strategies and tactics. It also demonstrates the importance of collaboration between retailer and manufacturer teams as they exchange information or discuss strategies and tactics—helping teams to make better decisions. The key objective of the game is to create a virtual environment where professionals learn about the principles of category management by actually practicing them and experiencing the market response.

Business challenge

Category managers make strategic, tactical and operational decisions on assortment, pricing, promotions and shelf presentation. Ideally, these decisions should be based on the following key principles:

- Shopper centricity
- Retailer strategy sets direction
- Systematic approach
- Fact based in combination with creative solutions
- Collaboration within the organization and between retailer and supplier
- Focus on the execution in the stores

One challenge is that category managers do not always take the shopper or the consumer's perspective as the starting point. This often is caused by the fact that category managers at retailers have limited time since they manage more than one category, and they may not have all the market and consumer information available. Suppliers, however, often have more category knowledge and spend more time and money on consumer research. Overall, category managers frequently approach decision-making from the "product-push" approach; for example, focusing on what is available and where they should place items on the shelves. In addition, going by gut instinct alone can hinder category growth.

The ECR Steering Committee Category Management realized category managers, on the retail side, and trade marketers, on the supply side, needed to learn how to make decisions collaboratively and to go through all the process steps successfully. Although GS1 Nederland had been distributing a comprehensive book about category management and conducting one-day training courses, they found a key element was missing in this approach. Simply reading a book and attending a theoretic class was not enabling the concepts and principles of category management to stick with people.

To teach how to apply category management best practices principles and processes in real life, the ECR Steering Committee Category Management determined a simulation—or game—model for training was the best solution. The game's objective would be to teach category managers and trade marketers to put into practice making decisions based on facts, rather than gut feelings, while encouraging the retailer and supplier to work together.

"The category management game enables us to close the gap between theory and what can sometimes be an unruly practice. You often see in the market that parties act on gut feeling alone. It is important that trade partners share the same language and have a long-term vision. This unique game will become a key factor in the further success of this field. We already have great interest shown in using the game. This week alone, I received calls from Germany, Russia, Belgium and the United Kingdom."

-Frits van den Bos,
Manager ECR, GS1
Nederland

How Accenture helped

Once the ECR group determined it wanted to develop a training game, it secured funding from sponsoring companies. Building the game was a collaborative effort between Accenture, GS1 Nederland, category management professionals from the sponsoring companies, and Simenco, a specialist in innovative simulations for educational applications. Accenture contributed all the management consulting work for the game—using its extensive category management knowledge to develop the training content. Accenture employed the talents of an in-house gaming expert in the Netherlands who has created other simulation games for Accenture clients. Simenco worked on the technical interface for the game. The sponsoring companies played an important role in the development of the game by providing their input on the design and testing and piloting the game.

The initial iteration of the game has been developed in Dutch for GS1 Nederland's use. Since the game is applicable for most retailers and consumer goods manufacturers, Accenture is translating it into English for global use.

High performance delivered

Bringing together a collaborative team of category management, gaming, management consulting, training and technical experts has resulted in an interactive, safe learning environment that enables category management professionals to experience category management best practices.

Category management learning is an ongoing process. This game enables category managers to realize first-hand the value of gaining shoppers' insights and using those insights to improve decision-making. While playing the game, they see that they only achieve category growth after they have analyzed the needs of their customers and made decisions based on those consumer insights along with what fits with the retailer's strategy. These insights affect the key decisions players make regarding which assortment, placement and pricing to have and what type of promotions fit best with their customers' needs.

Not only do these professionals learn how to become more successful in their category, but they also gain knowledge about how to enhance efficiency and grow their category through increased focus on customer needs and by collaborating with manufacturers. After playing the game, category managers can translate what they learned through simulation directly into practice in their daily work.

Assets

Accenture Program Management Office services and solutions

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About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with approximately 236,000 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\$25.5 billion for the fiscal year ended Aug. 31, 2011. Its home page is www.accenture.com.

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