



PROMOTIONAL OPTIMISATION & EXECUTION

TURNING COMPLEXITY INTO OPPORTUNITY

AUGUST 14TH 2024



RGM continues to be a critical business capability

IMPORTANT > **DIFFICULT** > **CHALLENGES** > **FOCUS**



60%+

Revenue growth in the
TOP 50 CPGS since
2017

2-5%

Immediate uplift in sales



80%+

Of Promotional
Investment FAILS TO
GROW THE CATEGORY

50%+

CANNIBALIZE
BASE LINE
SALES



- × Data
- × Analysis
- × Systems / Tools
- × Capability
- × Engagement



- 1** Data:
Types, Granularity
- 2** Analysis:
XED & Net Value
- 3** Execution:
Joint Profit Pool

* McKinsey (2014), "The Hidden Power of Pricing: How B2B Companies can Unlock Profit"

** McKinsey (2023), "Harnessing the Power of Revenue Growth Management in the CPG Sector"

^ Why Consumer Product Companies Need to Solve Revenue Growth Management | Bain & Company

Three key elements of RGM strategy

Across the 3 key elements of Optimal RGM strategy development (Bench Price, Promotional Tactics & Range), the choice & execution of promotional tactics typically delivers both the most immediate & scalable benefit

Bench/Shelf Price



\$11.00

\$0.55 / 100ML

Bulla Creamy Classics
Ice Cream Vanilla 2l

Promotional Tactics



Range Optimisation

Budget



Value



Mainstream



Premium



Super Premium



Promotional Insight & Development starts with the right data...

The foundation stone of promotional analysis is having access to the right data (price, non-price & volume)... supported by connected analytical / modelling tools and specialist data science / promotional analyst capability

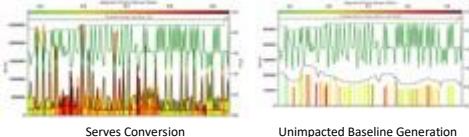
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The Right Price, Non-Price and Volume data

**Harmonised Promotional Data:
Scan, Price & Non-Price Data Sets**



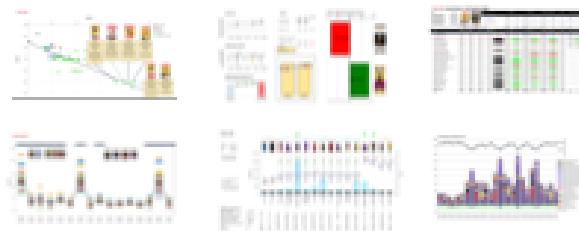
**Unimpacted Baseline Generation:
SKU Level, Total Category, by Week**



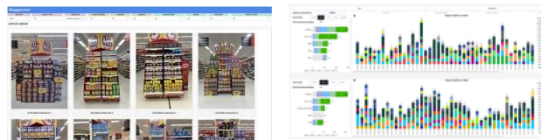
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Connected RGM Analysis & Promotional Execution Tools

**Connected RGM Analysis Tools
Trends, Elasticities, Price Architecture,
Range/Mix**



**Promotional Execution Tools & Libraries
Catalogue, Display, Market Pricing**



3

Specialist Data Management & Analyst Capability

**Data Scientists
Management of RGM Data Lake**



**RGM Analyst
Cyclical delivery of Analytical Output**

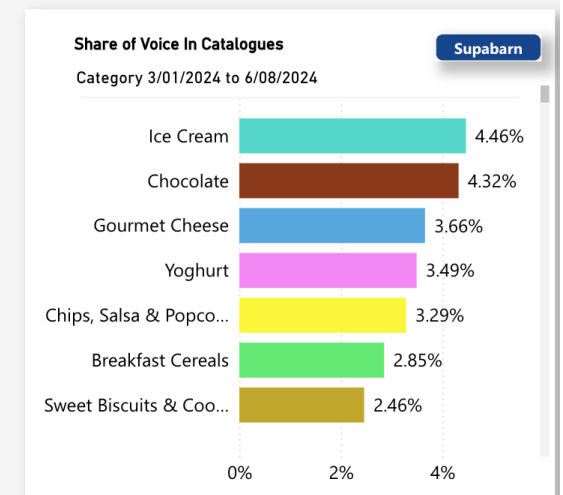
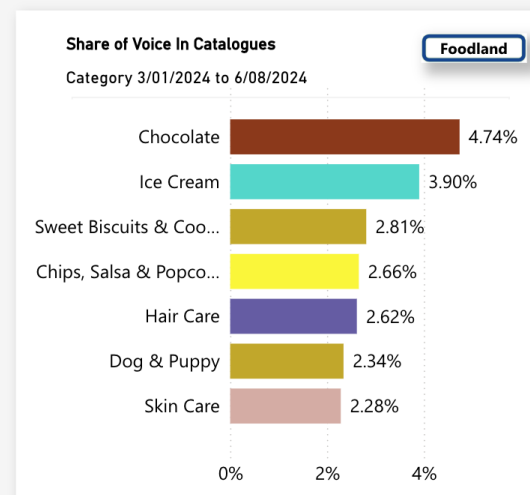
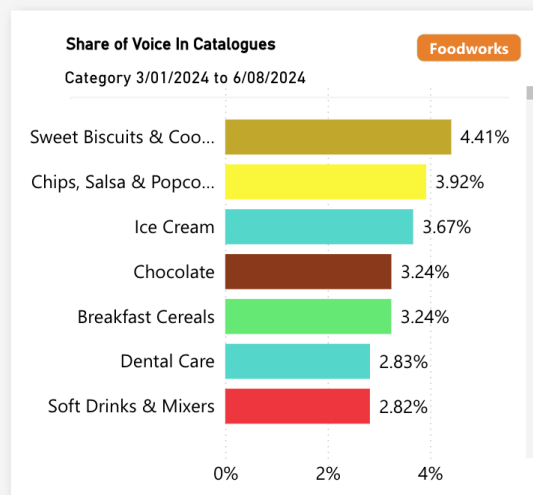
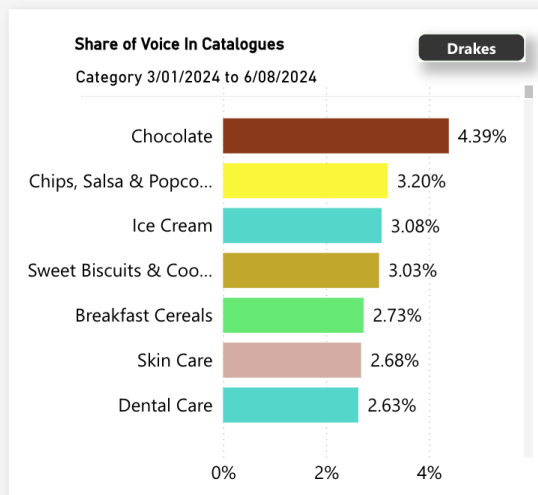
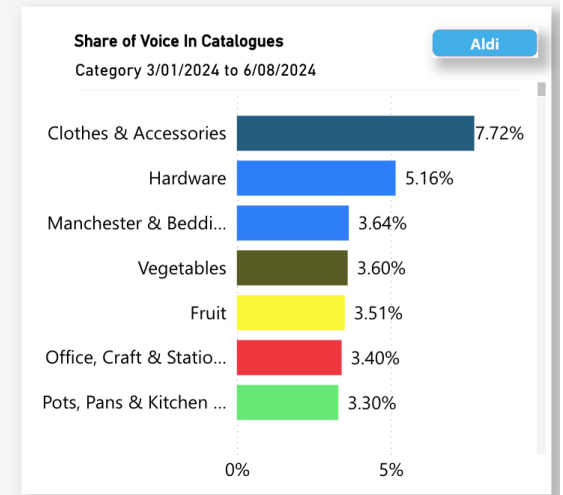
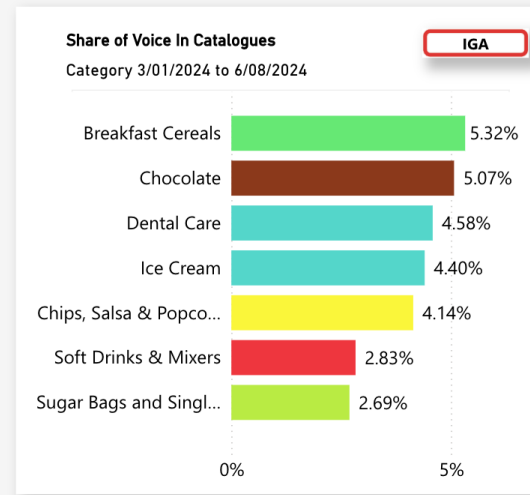
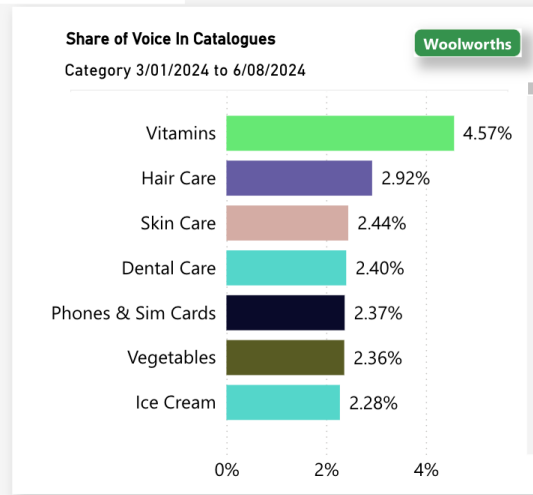
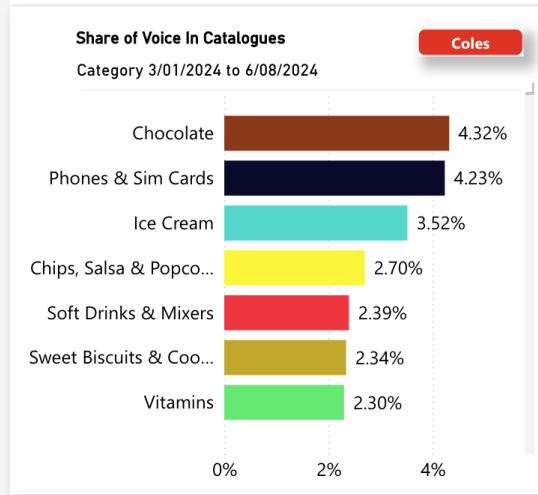


Category Share of Voice by # Promotions Featured in Retailer

YTD 2024, TL Major & Independent Supermarkets: Category SOV% Catalogues

SHARE OF VOICE ANALYSIS BY **CATEGORY** DEPARTMENT MERCH AREA MACRO CATEGORY MANUFACTURER BRAND SEGMENT SUB BRAND

All Time MAT **YTD** QTD Last Week YTD-1 MAT-1 QTD-4



Department Share of Gondola End Promotional Display by Linear Space

YTD 2024: TL Coles vs. Woolworths: Category SOD%

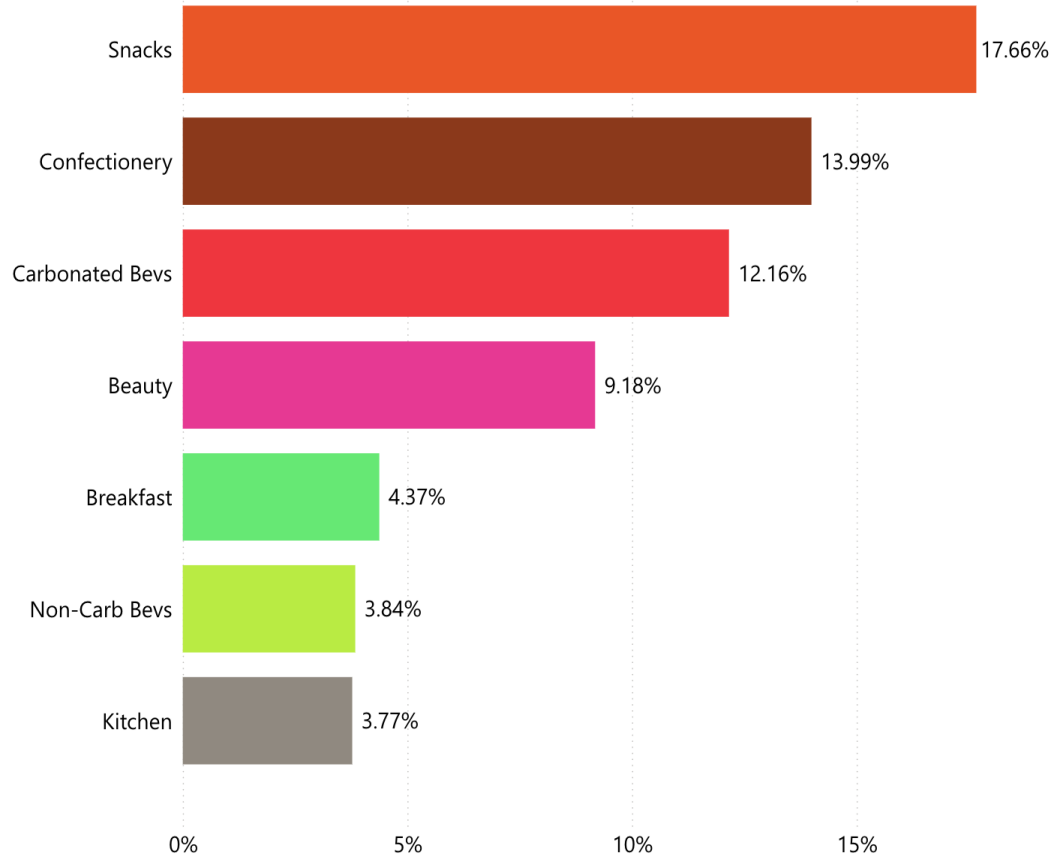
SHARE OF DISPLAY ANALYSIS BY **MACRO CATEGORY** DEPARTMENT MERCH AREA CATEGORY MANUFACTURER BRAND SEGMENT SUB BRAND

All Time MAT **YTD** QTD Last Week YTD-1 MAT-1 QTD-4

Share of Display in Store

Macro Category 3/01/2024 to 6/08/2024

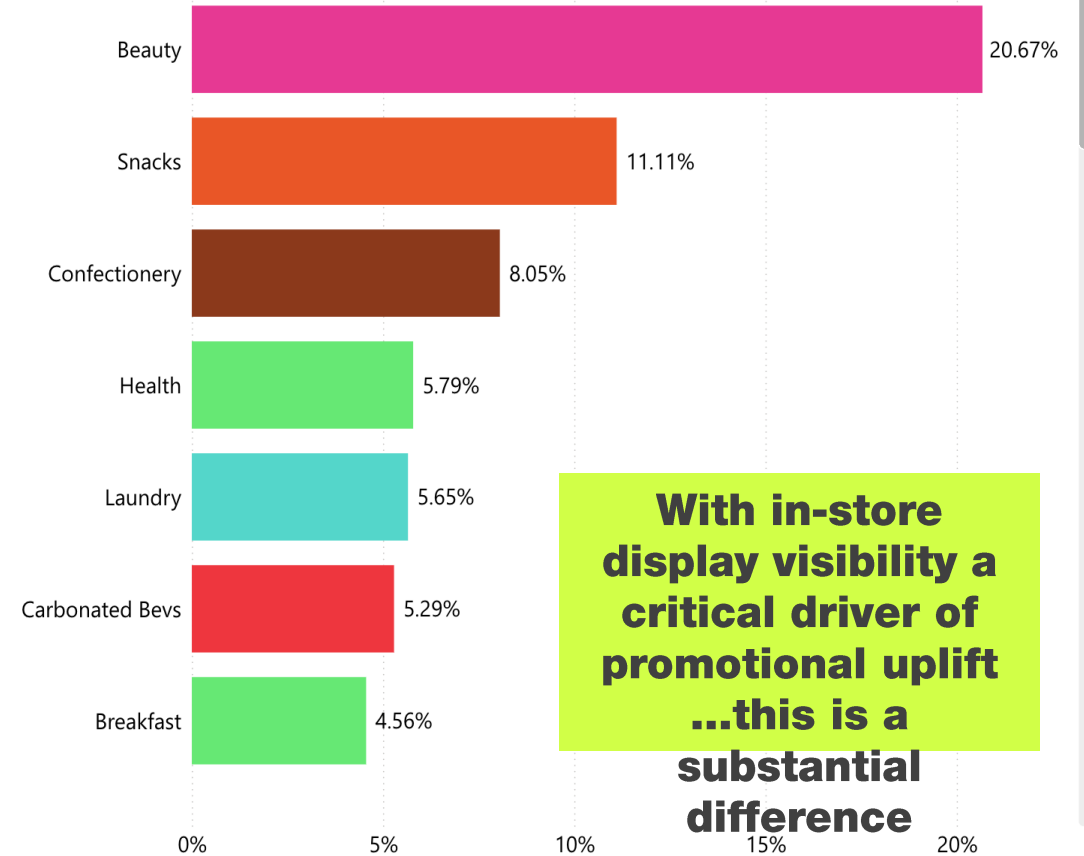
Coles



Share of Display in Store

Macro Category 3/01/2024 to 6/08/2024

Woolworths



With in-store display visibility a critical driver of promotional uplift ...this is a substantial difference

With display support quality changing more than companies realise...



% Promotional Linear Display Space: YTD (Jan - Aug)

Product Groups Receiving In-Store Display: YTD (Jan - Aug)



Retailer A

#1
17.7%
+20%

#4
9.2%
-6%

685
+308
+84%

Manufacturer
A **B**
106 : 92 :
183 121
+73% **+32%**

454
-15
-3%

Manufacturer
A **B**
88 : 74 : 63
106 **-15%**
+21%

Retailer B

#2
11.1%
-15%

#1
20.7%
+20%

344
-50
-13%

Manufacturer
A **B**
41 : 62 56 : 33
+51% **-41%**

748
+120
+19%

Manufacturer
A **B**
75 : 85 71 : 95
+13% **+34%**

Who are FMCG Analytics?

1

**OPTIMAL PACK PRICE
STRATEGY PROJECTS**

**+10 YEARS,
+70 RGM PROJECTS**

FMCG SPECIALISATION

9.2 x ROI YR 1

~+10% MARGIN POOL:

2

**REVENUE MANAGEMENT
DATA, TOOLS & SERVICES**

**INDUSTRY SPECIFIC CLOUD
BASED RGM TOOLS**

**DATA MANAGEMENT
SERVICES**

CYCLICAL REVIEWS

3

**REVENUE MANAGEMENT
CAPABILITY BUILDING**

**BENCHMARKING, TRAINING,
PROCESS. TPM / TPOs**

**RGM TECHNIQUES &
ANALYSIS**

**RETAILER ENGAGEMENT &
EXECUTION**



**Pack, Price, Promo
Optimization**



Demo For Your Category

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