

# Consumer packaged goods (CPG) manufacturers and retailers win from trade spending

PromotionsAtWork provides CPG manufacturers and retailers a means to see value in their trade spending campaigns.

Until about five years ago, consumer packaged goods (CPG) manufacturers often thought of their trade spend programs with retailers as unavoidable expense without much value. However, a shift in the thought process of CPG manufacturers to a Consumer Development Fund (CDF) approach to trade spend has enabled manufacturers and retailers to see benefits for both parties. What is a CDF approach to trade promotions and how can a comprehensive trade spend software solution, like PromotionsAtWork, help manage a trade spend campaign?

## The Elements and Benefits of a Consumer Development Fund

Consumer development funds can approach trade spend promotions in two different ways, or as a blend of the two approaches: as an integrated CDF or as a tiered CDF.

The elements of an integrated CDF include the following:

Pooled funds across the majority of customer services  
A clear and transparent listing of the cost of each service  
The customer selects services based upon the funds the manufacturer has allocated to them  
The characteristics of a tiered CDF include:  
Subsets of customer services are aggregated  
Customers are divided into two to three tiers, with clear and specific qualification parameters  
Each tier has a specified funding budget  
Defined metrics to assess the performance of the account

Most CPG manufacturers use a blend of these two CDF approaches. Whether a CDF uses one type of CDF or blends elements of the integrated and tiered CDF, these approaches have the following benefits:

Increased collaboration and decision making between the CPG manufacturer and the retailer  
The impression of cost sharing  
Exploration of the benefits for the end consumer  
Promotional goods and services have a certain 'cost' associated with them  
Potential decrease in the cost of the promotion  
Funds are directed to high performance accounts

While the benefits of the CDF approach are significant, both field level representatives and managers need to have real time access to detailed account information, price lists, account performance metrics, and other essential data. Spreadsheets are prone to errors that can undermine even the most effective well-planned CDF program. Additionally, spreadsheets do not provide a means for team members and management to work collaboratively. Trade promotions software solutions, such as PromotionsAtWork, streamline the management of CDF campaigns so the CPG manufacturer receives the greatest return on their investment and increase retailer satisfaction.

## The Features of PromotionsAtWork That Facilitate Trade Campaigns

The PromotionsAtWork software suite of applications provides the following features to ensure the success of CPG manufacturers' CDF programs:

Advanced data management systems allow one-step data entry of price lists for specific product ranges and account tiers. Enhanced collaboration tools that allow an expedited approval process for account adjustments and team problem solving to develop solutions for poorly performing accounts. The system provides real time team and account performance analytics so management can intervene to curtail any losses due to lacklustre results.

To learn more about how PromotionsAtWork can benefit your trade spend promotions, visit <http://www.salesatwork.com/promotionsatwork.html/>

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