

SalesAtWork's trade promotion management tool PromotionsAtWork provides analytics to track the return on investment of promotions

Tracking ROI on Promotions is Essential for Success

In today's highly competitive business climate, distributor and suppliers need to make every dollar count. Even though promotions constitute the second largest expense of distributors and suppliers, more than 80 per cent of companies do not measure the return on investment of their promotions.[1] Part of the reason these businesses do not track their trade spend ROI is the complexity and amount of data involved in trade promotions management. How can a SaaS like PromotionsAtWork facilitate the tracking and management of trade spend accounts?

The Complexity of Trade Promotions Management

In order to assess the ROI of a promotional campaign, a supplier or distributor must evaluate the cost of the good, trading terms, and the secondary costs of the campaign. Since these costs can vary from account to account and product line to product line, using spreadsheets and manual calculations become unwieldy very quickly. Another source of complexity is that the negotiations about trade spend happen in the field, thus a promotions representative might adjust terms while at a store. The use of manual trade promotions management methods to monitor ROI break down at this point, since the financial staff and management do not find out about the change until they read the field representative's report.

PromotionsAtWork Helps Monitor and Manage ROI

A comprehensive trade promotions management solution like PromotionsAtWork gives management real time accurate data so they can determine the ROI of their campaigns. Since distributors and suppliers report almost 90 per cent of promotions have a negative ROI [1], management needs to have cost information readily available so they can make adjustments to minimise losses.

Some of the features of PromotionsAtWork that facilitate the assessment of ROI include:

One time data entry of pricing profiles for individual products or product groups
Account terms for products can be entered and adjusted
Cost lists can be managed across all branches of the system
The analytic functions of PromotionsAtWork assess different aspects of a an account portfolio. This information can be adjusted and monitored in real time by both management and field representatives, PromotionsAtWork facilitate not only the assessment of ROI, it can also improve the ROI of a business's promotional campaign.

Learn more about PromotionsAtWork

at <http://www.salesatwork.com/promotionsatwork.html>[1] http://www.blueshift.com.au/Documents/Blueshift_06_ROI.pdf

Source: WhaTech - IT

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