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#### WEB EVENT

### Improving Visibility with Integrated Supply Chain Management

May 28, 2009 | 11 a.m. ET

#### Panelists:

- Simon Ellis, Practice Director, Supply Chain Strategies, **Manufacturing Insights, an IDC Company**
  - Ron Gilson, CIO, **Johnsonville Sausage**
- [Register Now](#)

During this Web seminar, hear how Johnsonville Sausage improved visibility and responsiveness via an integrated supply chain planning and execution platform. Learn how leveraging collaborative demand and supply planning processes gave Johnsonville visibility into raw materials requirements, contract manufacturing resources, and customer inventories.

### Trade Promotion Effectiveness: Retailer Perspectives and Manufacturer Implications

Thursday, May 21, 2009 | 2 p.m. ET

#### Panelists:

- John Carlson, Managing Director, **Cannondale Associates**
  - Armen Najarian, Senior Director, Consumer Products Industry Marketing, **DemandTec**
- [Register Now](#)

Cannondale Associates recently interviewed several retail grocery executives on the timely and important subject of trade promotion effectiveness. The discussions focused on how retailers incorporate trade analytics into their own planning processes, which CP manufacturers exhibit trade planning best practices, and where opportunity areas reside for both parties. Cannondale will provide an overview of their findings and will be joined by DemandTec for a perspective on what these insights mean for CP manufacturers.

[MORE WEB EVENTS...](#)

#### WHITE PAPERS



### Strategies for Accelerating Time to Market for Consumer Product Goods Companies

5/13/2009

Compressing the amount of time between when a marketing campaign is defined and when the product reaches store shelves is a key strategic objective. The business benefits are clear:

Posted On: 3/1/2003

## The Right Stuff

Karen D. Schwartz, Contributing Editor

Improving the bottom line involves more than just deploying the latest technology. To gather and scrutinize data from that technology is a proactive approach to improve any business strategy but it is not the full solution. Consumer goods companies are now deploying data summations to different sectors of their business to enhance productivity and boost their revenue.

Amway Corp. understands the value of getting the right data to the right people at the right time.

That growth, although welcome, has caused executives at the Ada, Michigan, company some consternation. A legion of independent business owners sell the company's 450 products in various countries. How can Amway monitor what products were selling best in each region, which business owners were pulling their weight and where promotions to lagging business owners might shore up business?

Amway holds a variety of databases in various countries to track inventory, process orders and manage other aspects of the business, but the systems do not communicate well with each other. Amway executives felt they needed intelligent data analysis to keep the business moving forward.

### Finding the Solution

Finding a way to consolidate and automate the data in a standard format on a company-wide platform would provide a single view of information. Each department would then be able to view and analyze data in ways that made sense for them. Most importantly, executives wanted the ability to ask intelligent questions that would help effect tangible and positive changes on the company's bottom line. After researching the options, Amway executives chose to standardize on the Business Intelligence Platform from MicroStrategy Inc. of McLean, Virginia.

Especially in recent times, we've been trying to focus more on targeting people with the right information at the right time for what they want out of the business. We wanted to be able to share insights with our partners about how their businesses were performing or what kind of performance indicators or key measures looked like for their businesses, says Tom Kasprzak, Amway's supervisor of data support services.

One challenge in using business software intelligently, Kasprzak found, is asking the right questions. We might ask the system about the correlation between certain products or product lines in terms of our partners' buying patterns, or to show us all independent business owners who have joined Amway within the past three months but haven't ordered anything beyond their initial order, he explains. By knowing that information, Amway executives can better predict whether business owners will renew their affiliation with the company and which partners might remain if they were to receive discounts or promotions.

By asking the right questions and using the data results proactively, Amway has been able to improve activation, productivity and retention by three to ten percent a significant sum, considering the company's far reach. In a market like Korea, which is big business for us, that can translate into a figure in the tens of millions of dollars, Kasprzak notes.

### Acting Like A Customer

For high-end contract furniture manufacturer Brayton International Inc., turning to business intelligence software fit in well with the company's Think and Act Like a Customer, or TALC, philosophy. To do that, you have to understand as much as you can about your customers, notes Markus Hill, director of technology and information services at the High Point, NC company.

That philosophy, combined with a challenge from the company's president to provide data on what percentage of sales in a given category were being produced by various types of dealers a request Hill wasn't easily able to satisfy led the company to consider the business intelligence approach. It seemed like a simple question, until I asked myself how I would figure it out, he says. By turning to Cognos Business Intelligence, Hill and his team were able to do that and more.

Not only did it help us formulate the question and provide the answers, but it showed us that in many cases, our assumptions were incorrect, he says. When we first installed the system, it looked like the numbers from the Cognos system were wrong. We had to eat some crow when we realized that the numbers we were capturing all along didn't take everything into account, and that the new numbers were right.

With the right numbers and correct information at hand, Hill's team was able to hone its strategy, with the overall goal of increasing business for Brayton International. If we know where the business is coming from and who is doing a great job for us and who isn't in each category, we know what action to take, he explains.

### Improved Product Lines

Using the software also helps executives understand which products are doing well and which aren't. With that information, they can then make intelligent decisions about how to rework the product line. ♦Our vice president of product design found that only a few products in one product line were actually selling, yet we were maintaining tooling for all of the others. We used this information to decide which products we should focus on in the next product release,♦ Hill says.

So far, using the business intelligence approach has paid off handsomely. According to an independent audit by Nucleus of Wellesley, Massachusetts, a firm that evaluates financial return on IT assets, Brayton achieved a 576 percent return on investment and a one-month payback period by deploying the Cognos suite of tools including Cognos Business Intelligence. Nucleus based its findings on a comparison to an estimated three-year do-it-yourself strategy for installation of business intelligence and other software.

#### Better Decision-Making

For Chiquita Brands International, implementing business intelligence software from ProClarity Corp. Boise, Idaho to provide decision-making across the board in the Latin American division of the company.

♦We had a real problem with consolidating and comparing information from all divisions in different Latin American countries,♦ notes Rommel Bocker, IT leader for developer and data administration in Chiquita's Costa Rica location. ♦We needed to be able to compare indicators between locations and divisions, like cost, production and quality information. [Executives] needed information to make decisions such as whether to launch new products and it was important in helping create competitiveness in the divisions.♦

To address the issue, each division has its own SQL server, which communicates with a central data warehouse at the company's Cincinnati, Ohio headquarters. The system uses ProClarity to access the data warehouse.

To further help executives and individual production facilities such as often farms ♦ access information to make key decisions, Chiquita worked with ProClarity to create data dashboards. The dashboards provide critical data about production averages and indicators at all production facilities via a simple Web browser interface. ♦If [executives] see a red indicator for cost, they can drill down and see which farm is presenting the problem so they can correct it,♦ Bocker explains.

Although the system has made a significant impact on productivity and efficiency, Bocker says it's too early to create benchmarks to provide hard proof.

#### Into the Future

Sara Lee Corp.'s business intelligence strategy is another work in progress. The Chicago-based company chose a different approach by renting the application and server space from e.Intelligence Inc. of Minneapolis, Minnesota. After contracting with retailers like Kmart Corp. to receive data on how Sara Lee products are performing in their stores, e.Intelligence collects both the retailer's data and Sara Lee's data, making it available to Sara Lee executives in their preferred format.

Using this approach saves time, money and hassle, says Doris Drayton, Sara Lee's director of logistics. ♦We tell them what product and location hierarchies we want, like SKU and store levels. We pay them a set-up charge and monthly subscription fee, but we've got no capital expenses and no maintenance. And it allows us to develop a business expertise without heavily investing in software or hardware.♦

By having vital information at their fingertips ♦ accessed via a Web browser ♦ Sara Lee analysts can more easily analyze historical data as a predictor of what the company can expect in the coming year. They also use the data to better understand how products are performing at various retail outlets, which items within an assortment worked and which didn't, and to better plan future promotions by analyzing the results of past promotions.

Although the system is in the process of rolling out, Drayton has high hopes that it will help maximize efficiency and profits.

♦It will allow us to increase our sales because we're able to look at the store SKU level, so we can allocate product better,♦ she explains. ♦We'll be able to balance our inventory and get the right quantity of product to the right stores. That way, we won't be flooding lower volume stores and starving higher volume stores.♦