

Case Study Summary – Procter & Gamble Canada

Testimonial

“Something that takes months and years with others, takes days and hours with Exigent.”

Business Profile

Manufacturing and selling high quality consumer brands such as Tide, Pampers, Pantene and Pringles throughout the world.

Industry

Consumer Packaged Goods

Geography

Canada

Deployment

Used by 300 sales people, finance managers and demand planners in all regions of Canada

Developed and successfully implemented in 9 months

Exigent Application

CFM – Customer Fund Manager

Benefits

- Increased Top Line Sales
- Improved Audit Trail Detail
- Quicker marriage of high level planning opportunities with current business realities
- Clearer Picture of Demand Planning/Forecasting

Problem

P&G wanted to be able maximize the volume and financial impact of its sales promotions and enhance the collection of data for reporting. P&G required a means to enable account handlers to be more efficient and managers to get results of sales activity quickly, facilitating better customer promotions, more detailed demand forecasting, and internal financial compliance.

Solution

P&G worked with Exigent Solutions to create a solution called “Customer Fund Manager” based on a relational database with secure technology. It enables online, instant feedback and reporting, enabling rapid and accurate sales promotion planning, demand forecasting, and financial auditing. It provides better information as a basis for decision making, saving account handlers hours of administrative time so that they can spend more time creating bottom line improving sales promotions.

Benefits

- Sales people now have access to customized, instant results of past promotions and their level of success at their customer. The software focuses sales executives on high-impact activities with their customer.
- Better tools to track the entire cycle of sales promotions and events, to prevent unauthorized deductions and improve the company’s bottom line.
- A faster, more targeted ability to obtain macro sales reports so that high level planning opportunities can be married with current business realities.
- More accurate demand forecasting, to allow P&G to minimize out of stock or short ship situations.

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P&G needed a new solution that would give them the ability to build more volume through sales planning and promotions and would allow for more timely feedback from the field to all functional areas. And, ultimately, they wanted a technology that would let their account handlers perform their jobs better.

Procter and Gamble is a world leader in many categories with brands posting worldwide sales in 2001 of more than \$39 billion. The company has marketing strategies that have served it well. Today, P&G markets more than 250 products to more than five billion consumers in 130 countries. Established in 1837, The Procter & Gamble Company began as a small, family operated soap and candle company in Cincinnati, Ohio, USA. Now, P&G employs more than 106,000 people worldwide.

An important part of P&G's Canadian workforce of over 6,000 are those people who work in the field, sales managers and executives who until recently were using an outdated tool to organize and communicate their promotional activity to P&G's higher management. But the system was unreliable, cumbersome and did not facilitate business building decisions for their customer specific sales opportunities.

P&G wanted to find a customizable technology solution coupled with some enhanced internal controls that would improve the efficiencies of their trade spending tools. The idea was to create a better understanding of pre-event payout to influence decentralized spending so that it builds more business volume, while achieving better communication of sales plans to all functional areas of the organization. Working with Exigent Solutions, a Canadian technology company based in Guelph, Ontario, P&G has deployed their tools in a package called "Customer Fund Manager".

Wanted: Replacement for Inefficient, Growth-Inhibiting Trade Funds System

Under the old system, inputting promotional programs was just like a notepad, they were just parked there, another time consuming technology that provided little benefit to the people who were expected to use it. It then took 30 days for the underlying shipment and financial information to be updated and pushed back for management to analyze. This made it difficult to understand the balance of the fund in a timely manner for the account handlers, business unit, customer teams and so on up the chain.

It is no wonder that plans were only known to the person working the account. And to compound matters, account handlers weren't even sure if their ideas for building the business were going to pay out, they had to use a wait and see approach. With a tool that made it more difficult to accomplish sales planning, few had time to use it, or benefit from it.

The former trade funds system also lacked the flexibility to change with the business environment internally and externally. Preventing P&G from easily making system wide changes to eliminate some of the administrative time placed on account handlers.

P&G needed a new solution that would custom fit their business needs and legacy systems bringing with it the ability to shorten and augment the sales planning cycle. In addition, they required more timely warning signals and feedback for other functional areas of the organization like demand planning and finance. Ultimately, they needed a solution that would let their organization manage sales and sales spending more effectively.

Answer Found: Fund Manager Tools from Exigent Provides Efficient, Automated Process

After discussions with Exigent, P&G chose to design and deploy a series of fund manager tools to their account handlers. The first task for Exigent was to help P&G break down the objectives into component parts.

With more than 150 accounts, almost 3000 different reporting products, and over 300 different users that could benefit from more knowledge from the field, P&G's biggest challenge had been making sure they could acquire a balance position in real time. Exigent was key in determining how to structure the data and create a blazingly fast and easy to use interface. Exigent also contributed frameworks for thinking about the data in new and creative ways.



The component parts include the right mix of: shipment volume, generated budgets, promotional volume models, available dollars to spend (actual and projected) and activity levels. By combining these components of information in varying forms Exigent creates what they like to call "informational foresight". Meaning, information made available at the right time to create better results, like a stock tip at the bottom of the market.

Using the system, P&G account handlers are able to create sales objectives and before committing to the customer they can see a projected payout, tell demand planning what volume certain customers are requesting and detail related activities for the finance group. Best of all, they can instantly get feedback on volume building ideas for their business and they can access a fund balance showing their results at a glance.

By getting account handlers to use the tool, they are inherently closing the communication gaps that caused inefficiency for those working to achieve a higher standard of internal control on promotional spending. Currently, more than 200 P&G account handlers use the tool daily and 100 functional executives access the reports online.

Expanded Sales Opportunities

In addition to fast, easy calculation of payouts, there is no limit to simulate levels of enrollment at the customer using POS or other market data—unlike the old system.

As a general rule, members of a sales team should spend 85 percent of their time selling and merchandising and no more than 15 percent of their time capturing and recording information. P&G didn't want more auditors; it wanted more sales.

Since implementing fund manager tools from Exigent, P&G has realized increased volume, improved deduction compliance, and reduced out-of-stock situations.

Technology doesn't create better business, but with the proper frameworks it does support it and enable focus and dissemination of information to benefit other functional groups.

Improving Business Decision Process

Unlike the former trade fund management system, P&G managers have much faster, more thorough feedback on the probable returns of their sales plans prior to selling them in.

Reporting capability is instant and integrated. In fact, most of the reports are available as you go about your daily business. You can slice sales information any way you want it. This is especially important because most sales people work in terms of their customer, and they have to report information in terms of the company. Timeliness has to be the biggest improvement. P&G can now have meaningful data on the business at any level with information to point account handlers in a volume building direction. It shows them what has worked before for their accounts and what they might want to consider in the future.

Nationally, P&G is experiencing higher compliance rates with deduction management. They have also been able to avoid short ship situations and out of stocks.

Exigent has significantly improved company communications—both in quality of communications and frequency. Fund Manager has brought the organization together to sell as a team.

For More Information

To learn more about Exigent products or services, call 519.880.8042. More information via the World Wide Web is available at the following link:

<http://www.exigentsi.com>

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