

Bridging the gap to gain visibility into direct & indirect sales

Indirect sales between a Distributor and a Retailer, as opposed to the Manufacturer and the Retailer, can create a major blind spot for natural and organic manufacturers. Natural brands who can close the gap between direct and indirect trade promotion activities will be better positioned to enhance trade spend effectiveness among top Distributors, and ultimately increase sales.

Analyze the big picture

The best defense to determine the true value and influence of direct and indirect trade spend is to look at the big picture. Manufacturers should be able to quickly track spending based upon sales made directly with a Distributor or Retailer; sales between a Distributor and a Retailer; and sales from the Retailer to the Consumer. This level of visibility gives natural and organic brands the opportunity to understand the true impact of trade spend dollars as products flow through the supply chain.

A common obstacle

Generating a bird's eye view of overall spending will prove challenging for manufacturers who rely upon homegrown spreadsheet reports or archaic business tools that don't streamline trade promotion activities. Today, speed is of the essence and trade spend is a strategic resource that must be proactively managed in real-time. The man hours wasted manually compiling Distributor and Retailer sales data will only result in cumbersome, slow to load files that become obsolete before an analysis can even be conducted.



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One solution to manage directs & indirects

A Trade Promotion Management (TPM) system built on a cloudbased platform that is accessible anytime and from any device will enable natural brands to quickly review indirect accounts from a topline perspective. With a couple clicks, manufacturers can obtain a visual snapshot of spending by promotion type, fund or indirect retailer – an invaluable business perspective that will benefit the entire organization.

Natural growing pains

In order to gain a better understanding of how indirect customers truly impact trade funding and overall profitability, natural manufacturers must possess granular visibility into where, when and why trade dollars are being spent. As a company grows, either organically or by acquisition, the organizational structure itself will become more complex creating new blind spots and a foggy sense of reality. TPM tools, such as CPGvision, are intuitive, simpler than ever and can be used to regulate company-wide planning and forecasting to maintain visibility and control.

It's difficult, if not impossible, to know where your trade funding is going without looking at indirect sales. Manufacturers who can gain insights into the magnitude of indirect accounts and pinpoint where the bulk of spending lies will gain the upper hand and increase trade spending effectiveness.

Benefits

Natural manufacturers who have implemented a TPM software solution to gain control of direct and indirect sales also inherit the benefits of:

- Understanding the true cost of doing business with Retailers and Distributors, including the costs of shipping through Distributors.
- Identifying where spending is most effective throughout the supply chain in order to maximize sales with top performing Distributors and Retailers.
- Creating sales plans and forecasts for all Distributors and Retailers at any level of the account, product or time period.
- Providing visibility to the entire organization regarding sales and spend liability at every point of the supply chain.
- Managing Distributor-driven deductions and charge-backs from Retailers to eliminate double-dipping.

About CPGvision

In developing the CPGvision platform, PSignite offers the premier revenue growth management (RGM) solution designed to help consumer goods companies grow revenue profitably. The CPGvision solution suite features trade promotion management (TPM), trade promotion optimization (TPO), annual planning (AOP), as well as price elasticity and scenario planning capabilities. PSignite prides itself on delivering the most powerful combination of functionality and ease of use, enabling clients to realize benefits from day one.

To learn more about our ready-to-use trade promotion intelligence, TPx and RGM capabilities, [get in touch](#) with our team.