

Consumer Goods/TPx Glossary of Common Terminology and Acronyms



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If you've ever found yourself in a meeting room filled with finance, tech, and sales people, you know the feeling of your head spinning as they start throwing around their own language of acronyms. It can be overwhelming to keep up with all the jargon, especially when it comes to Trade Promotion Management. All the terms associated with TPx can leave many of us scratching our heads. To help make sense of it all, we've put together a comprehensive list of TPM terms to help you navigate the complex world of trade promotions with confidence.

Abbreviation	Term	Meaning
	% Discount	Percentage reduction or price reduction from shelf price offered on a product.
	% of Stores Selling	Percentage of retail stores or outlets that carry and sell a particular product.
	% Subsidized Volume	The portion of sales during a promotion that would have occurred without the promotional activity, typically seen during a normal sales period. It is calculated as $(\text{Promoted Sales} - \text{Incremental Sales}) \div \text{Total Sales}$. A lower subsidized volume indicates a more effective promotion.
2-for/BOGO	2 for 1 or Buy One Get One Free	Receive the value of two for the price of one.
Abs Chg	Absolute Change	The process of assessing the change to a number of variables across financial years.
Abs Dis	Absolute Discount	The monetary difference between a product's regular sale price and the lower promotional price.
Abs Mp	Absolute-Minimum Pricing	The absolute lowest price a product can be sold for.
ACN/NIQ	AC Nielsen Company/ Nielsen IQ	ACN, or Nielsen, is a syndicated data supplier, now called NielsenIQ.
	Account Fund	A customer-level fund; An Account Fund is a child of the company-level fund defines the amounts at the account level.

Abbreviation	Term	Meaning
ACR	Accrual	The recognition of revenues or expenses in a company's financial statements before the cash is actually received or paid. This is based on the accounting principle of matching revenues and expenses in the period in which they are incurred, regardless of when the cash transaction occurs.
Ad Allowance	Advertising Allowance	The amount of money a manufacturer pays a retailer to advertise and promote a product or brand.
Ad Feature	Advertising Feature	A promotional tactic in which a manufacturer's product is featured in an advertisement, either print or digital.
ACV	All Commodity Volume	A metric used in the retail industry to measure the total sales dollars for a given geography (Total, Market, Retailer) - This measurement includes all products sold by the store.
% ACV Distribution	All Commodity Volume Distribution Percentage	<p>A measure used in the consumer packaged goods industry to assess the market presence or distribution of a particular brand or product across different retail outlets or channels.</p> <p>It indicates the percentage of total sales volume within a given market or category that is covered by a specific brand or product.</p>
% ACV with Merchandising	All Commodity Volume Merchandising Percentage	A method of measuring the breadth of merchandising support. Typically used to evaluate merchandising conditions like feature or display.
AOC	All Outlet Combined	Refers to the collective or aggregate data, metrics, or information encompassing all outlets or retail locations.
	Allocate	The distribution of resources such as funds, manpower, or time towards various processes or campaigns.
AOP	Annual Operating Plan	A strategic and financial plan that outlines the goals, targets, and operational activities of a business for a specific fiscal year.

Abbreviation	Term	Meaning
Any Merch	Any Merchandising	Refers to any in-store merchandising activity, including features, displays, temporary price reductions, or any combination thereof.
Any Promo	Any Promotion	Same as any merchandising.
API	Application Programming Interface	A set of routines, protocols, and tools for building software and applications.
APL	Approved Product List	Items that a retailer has approved for sales in their stores.
AI	Artificial Intelligence	AI involves the creation of computer systems capable of emulating human intelligence to perform a wide range of tasks. These tasks encompass various areas, including machine learning models, speech recognition, visual perception, decision-making, language translators, and more.
	Assortment	Refers to the range or variety of products or items available for sale within a particular category or store. It encompasses the different options, variations, and choices offered to customers.
	Attribute	Refers to a specific characteristic or feature of a product.
	Audits	Refers to systematic and independent examinations or inspections conducted to assess and verify compliance, accuracy, or adherence to established standards, procedures, or regulations.
AIC	Average Items Carried	Refers to the average number of unique products or items that a retailer or store carries in its inventory or assortment.
AIS	Average Items Selling	Average Items Selling refers to the average number of units or quantity of products sold per specified time period.
Avg. Price	Average Price	Refers to the mean or typical price of a product or service. It is calculated by dividing the total revenue generated from sales by the number of units or items sold.

Abbreviation	Term	Meaning
ARPU	Average Retail Price per Unit	Refers to the average price at which a single unit or item of a product is sold to consumers in a retail setting.
ASP	Average Selling Price	The average price at which a company's products or services are sold over a specific period. ASP is calculated by dividing the total revenue generated from sales by the total number of units sold.
	Banner	Refers to a specific brand, name, or label under which a group of stores or outlets operate.
	Barcode	A visual representation of data that consists of a series of parallel lines or patterns printed on products, packaging, or labels. It is used to uniquely identify and track products in a retail or supply chain environment.
	Base Price	Refers to the shelf price of a product before any discounts, promotions, or adjustments are applied. It represents the starting point or baseline value for pricing calculations.
	Base Sales	The expected sales of an item in the absence of any type of in-store promotional activity. Base sales are typically projected by machine learning algorithms based on historical data.
	Base Volume	Volume sold in the absence of a trade promotion.
	Basket Size	The amount spent by customers, on average, on all items in one shopping trip.
BB	Bill Back	A pre-negotiated amount for promotional activity that a retailer will bill a manufacturer back for, either directly or more commonly through deduction from an invoice for goods.
BOM	Bill of Material	A list of all the components, parts, materials, and sub-assemblies required to manufacture or assemble a finished product.

Abbreviation	Term	Meaning
	Bottom-up Account Plans	In contrast to top-down planning, bottom-up account plans start at the customer or store level. These plans are more granular and are often aggregated to form a complete picture of company strategy.
	Bottom-up Forecast	A projection generated from aggregating individual customer forecasts, hence "bottom-up", as opposed to a forecast generated for the entire business and spread down (top-down). Often both methodologies are employed and compared before a final forecast is settled on.
	Bottom-up Sales Plan	A sales forecasting and planning approach that starts with individual sales representatives or smaller business units. It involves aggregating their sales projections to create an overall sales plan for the organization.
	Brand Agencies	Also known as branding agencies or brand consultancies, are companies or firms specializing in providing strategic and creative services to help businesses develop and enhance their brand identities.
	Brand Block	A shelf management set used by retailers where all of a brand's products are displayed in a block inside the shelf set, creating a strong visual impact.
	Brand Detailing	Refers to the process of communicating and promoting a brand's value proposition, features, and benefits to potential customers or clients.
	Brand Equity	Overall consumer perception of a given brand.
	Branding	Strategic process of creating and managing a unique and distinct identity for a product, service, or company.
	Break-Even Point	Level of sales or revenue at which total costs (fixed and variable costs) are equal to total revenue, resulting in neither profit nor loss.
	Brick and Click	A business model where a company integrates offline (brick) and online (click) presence.

Abbreviation	Term	Meaning
	Broker	A person/company that buys and sells goods or assets for others. Some CPG manufacturers employ brokers to sell their products into channels and retailers that they typically could not get into on their own.
	Budget	The financial outline that predicts both the costs and expected revenues associated with various marketing, manufacturing, and sales efforts. Budgets are often segmented by quarter, product line, or promotional campaign.
	Budgets & Funds	Refers to the financial resources allocated or set aside for specific purposes within an organization.
	Bump Chart	A common data visualization tool that displays base sales, incremental sales, and average price, effectively illustrating the "bump" in sales that occurs when prices decrease due to promotional activities.
BI	Business Intelligence	<p>Set of tools and methodologies that can analyze, manage, and deliver information which is relevant to the business.</p> <p>It includes reporting/query tools and dashboard same as found in analytics. BI technologies provide previous, current, and upcoming views of the business operations.</p>
B2B	Business-to-Business	Business sells to other businesses (CPG manufacturers are B2B since they sell product to retail outlets who sell to the end consumer).
B2C	Business-to-Consumer	Businesses that sell to consumers (Grocery stores are B2C, although B2C is becoming more popular for CPG manufacturers as well).
BOGOHO	Buy One, Get One Half Off	A promotional offer where customers purchase one product at full price and receive another product of the same or lesser value at a 50% discount.
BOPIS	Buy Online, Pick Up In-Store	Also "Click and Collect" or "Order and Pick-Up" – an e-commerce term where the customer will collect the item in-store, as opposed to getting it delivered.

Abbreviation	Term	Meaning
	Buyer	In a business context, a buyer is an individual or entity responsible for making purchasing decisions on behalf of an organization.
	Buying Committee	Also known as a Purchasing Committee or Procurement Committee, refers to a group of individuals within an organization who collectively evaluate and make purchasing decisions.
	Buying Rate	Refers to the number of units (or dollars) of a product that a consumer typically makes over a given period.
	Cannibalization	Occurs when the sales of a new product or promotion reduce the sales of another product within the same brand or portfolio. This typically happens when products target similar customer segments or fulfill similar needs, leading to a shift in demand rather than net growth.
	Cart Abandonment Rate	A metric that measures the percentage of online shopping carts that are abandoned by customers without completing the purchase.
	Case Code	The distinct machine-readable numerical code displayed on a product's casing and pallets.
	Case Stack	A display technique used by retailers. Cases are stacked on top of each other, with consumers able to take products from the top cases.
	Case Stack Deal	A promotional deal for retailers, enabling them to buy multiple cases of a single product.
C&C	Cash & Carry	A type of wholesale trade model in which customers, typically businesses or retailers, purchase goods directly from a wholesale supplier or warehouse on a cash basis.
	Cash Flow	Refers to the movement of money into and out of a business over a specific period.
	Category Analysis	Process of evaluating and analyzing the performance, trends, and consumer dynamics of a specific product category within a retail environment.

Abbreviation	Term	Meaning
	Category Management	A discipline of managing a category of products in a retail outlet through data, analysis and consumer insights.
	Category Review	When a retailer evaluates their product categories (either en-masse or individually) with a view to assessing and improving performance.
	Census	Refers to a systematic and comprehensive collection of data or information about a specific population, group, or geographic area.
	Center Store	The center or middle section of a large retailer. Typically the packaged products that are ringed by perimeter categories such as produce, meat and dairy.
	Channel	Terminology used to describe different types of customers. Examples include Retail, Food Service, Club, etc.
	Channel of Trade	Retail chains are grouped by the type of stores they provide, typical channels are grocery, foodservice, mass, drug, dollar, natural, and club.
	Circular	A promotional flyer or booklet distributed by retailers to advertise deals, discounts, and featured products for a specific period.
	Click and Collect	Order from a website and collect from the retailer's physical location.
	Club Store	Retail chains that charge annual membership fees (such as Costco or BJ's Wholesale), usually selling bulk items at cheaper or wholesale prices.
	Co-Marketing	Also known as "Co-op advertising" – when a retailer and product manufacturer work together to create marketing and advertising campaigns.
	Co-Op	An advertising allowance offered by a vendor, payable upon proof of an ad having been run.

Abbreviation	Term	Meaning
	Co-Pack Fee	Short for co-packing fee, is a cost or charge incurred when a company outsources the production or packaging of its products to a co-packer.
	Co-Packer	Short for co-manufacturer or contract packager, is a third-party company that specializes in manufacturing, packaging, or both, on behalf of other companies.
CBP	Collaborative Business Planning	Involves the coordination of various departments—sales, marketing, finance, supply chain, and more—working together in alignment with shared goals and data.
	Commercial Invoice	A legal document provided by a seller to a buyer that itemizes the goods or services sold.
	Commercialization	Refers to the process of introducing a new product or service into the market and making it available for sale to customers.
	Competitive Analysis	Process of assessing and evaluating the strengths and weaknesses of competitors within a specific market or industry.
CRMA	Competitive Retailer Marketing Area	Refers to a geographic region or market area, defined by a specific retailer, but including the retailer's competitors.
	Competitor Impacts	Refers to the changes in market dynamics caused by actions taken by competitors, like new product launches or pricing changes, and how these changes affect a company's strategic planning and operational performance.
	Complex Distribution Model	When a product is sold through multiple distributors or a matrix of distributors and wholesalers.
	Consumer	An individual or organization that purchases goods or services to satisfy personal needs, desires, or business requirements.
	Consumer Behavior	Refers to the study of how individuals, groups, or organizations make decisions and engage in activities related to acquiring, using, and disposing of products, services, or ideas.

Abbreviation	Term	Meaning
	Consumer Goods Analytics	Refers to the application of data analysis techniques and tools to extract insights and derive actionable information from data related to consumer goods.
	Consumer Goods Cloud Platform	Refers to a cloud-based software platform or solution specifically designed for the consumer goods industry.
CPG	Consumer Packaged Goods	Refers to products that are consumed daily by individuals or households. CPG typically includes items such as food and beverages, personal care products, household cleaning products, over-the-counter medications, and other products purchased and used on a regular basis.
	Consumer Promotion	Refers to marketing activities and strategies aimed at enticing and motivating consumers to purchase a particular product or service.
	Consumption Forecast	Forecast of sales that will be sold through the register (as opposed to a shipment forecast).
	Contracted Price / Purchase Quantity	Refers to the agreed-upon price for a product or service as outlined in a contractual agreement between a buyer and a seller.
	Contribution Margin	The difference between total sales revenue and total variable costs. The term is generally expressed as a percentage.
	Convenience	Refers to the ease, comfort, and practicality offered by a product, service, or retail experience in meeting customer needs or solving problems.
C-store	Convenience Channel	Also known as a convenience store channel or c-store channel, refers to a specific type of retail channel that specializes in providing a wide range of convenience products and services.
	Conversion Rate	A metric that measures the percentage of visitors or potential customers who complete a desired action or goal, such as making a purchase, signing up for a newsletter, or filling out a form.
COGs	Cost of Goods Sold	Direct cost associated with producing or acquiring the goods that are sold by a company.

Abbreviation	Term	Meaning
CID	Cost per Increased Dollar	The cost of gaining and incremental dollar in sales.
CPI	Cost Per Incremental Unit	The cost of gaining an incremental unit in sales.
	Cost Split	Cost broken out by each Fund/Channel/Account.
	Coupon	A voucher entitling the holder to discount a particular product.
	Cross Merchandising	Placing complementary products on the same display for a better customer experience and increased sales.
CWW	Cumulative Weighted Week	The reach and frequency of merchandising support is assessed over a given period of time.
CX	Customer Experience	The impression the company makes on its customers. This includes direct interactions with the organization's stores and employees as well as the overall perception of the brand.
CRM	Customer Relationship Management	Refers to the strategies, practices, and technologies used by businesses to manage and analyze interactions with their customers. CRM often also refers to the software, such as Salesforce, used to manage the above.
	Customer Segmentation	Process of dividing a company's customer base into distinct groups or segments based on shared characteristics, behaviors, or demographics.
	Cut In	Placing a new product into a shelf set of existing products.
	Data Harmonization	The process of aligning data from various sources (both internal and external), and transforming it into one cohesive data set.
DBA	Database Administrator	Big data term related to a role which includes capacity planning, configuration, database design, performance monitoring, migration, troubleshooting, security, backups and data recovery. Responsible for maintaining and supporting the rectitude of content and structure of a database.

Abbreviation	Term	Meaning
	Dead Stock	How retailers classify products that have never sold or have been in stock for a really long time.
	Deal Pack	Refers to a promotional package or bundle offered to customers as part of a marketing or sales promotion. It typically includes multiple products or services bundled together at a discounted price or with added value.
	Deductions	Also known as trade deductions or trade spend deductions, are reductions in the amount owed by a customer to a supplier or manufacturer due to promotional expenses, order shorts, spoilages, etc.
	Deferred Allowances /Fees	Typically a billback, lump sum or scanback payment that occurs after the promotion has been executed and goods are billed for. These are typically, but not always, paid in the form of a deduction from an invoice owed.
	Delivered Pricing	Refers to the total cost of a product or service, including the price of the item and any associated delivery or shipping charges.
	Demand Forecast	An estimate or projection of the expected quantity or level of demand for a product or service over a specific period.
	Demand Plan	A comprehensive document or strategy that outlines how a company plans to meet anticipated customer demand for its products or services.
	Depletion Data	Depletion data captures the drawdown of product from a location, typically a distributor warehouse. Also called warehouse withdrawal or spin data.
	Direct Buyer	An individual or entity responsible for purchasing products directly from manufacturers or suppliers on behalf of a company.
	Direct Customer	A distributor or retailer that purchases product directly from a manufacturer.
DSD	Direct Store Delivery	A distribution model where manufacturers or suppliers bypass traditional distribution centers and deliver products directly to retail stores or outlets.

Abbreviation	Term	Meaning
DTC	Direct to Consumer	Refers to a business model in which companies sell their products or services directly to end consumers without involving intermediaries such as retailers or distributors.
	Discounts	Refers to price reductions or reductions in the cost of goods or services.
Disp	Display	Any arrangement or presentation of products that are designed to draw attention, engage customers, and drive sales. In the context of the grocery industry it is typically a secondary location away from the main shelf set.
	Display Execution	Refers to the implementation and arrangement of product displays in retail environments.
DC	Distribution Center	A facility used by companies to store, manage, and distribute their products to retailers, wholesalers, or directly to end customers.
	Distribution Channel	Refers to the pathway or route through which products or services move from the manufacturer to the end consumer.
	Distributor	A company or entity that purchases products from manufacturers or suppliers and resells them to retailers, other distributors, or end consumers.
	Distributors' Brand	Also known as private label or store brand, refers to a brand that is owned or developed by a distributor or retailer rather than a manufacturer.
	Dollar Profit and Spend per Incremental Case	Measures the profitability of each additional unit (or case) sold over base, as a result of a specific promotional activity. It takes into consideration the costs and revenue associated with selling that additional unit.
	Dollar Sales	Dollar sales can be express in retail or shipment dollars, and is units*price where price is either retail or list price.
	Dollar Store	A retailer that typically (although not exclusively) sells their products for \$1.

Abbreviation	Term	Meaning
	Double Stacking	Refers to a warehousing and logistics practice in which pallets or containers are stacked vertically on top of each other to maximize storage space or transportation efficiency.
	Durables	Type of consumer good whose use goes over an extended period of time and on many occasions.
	Early Bird Allowance	A promotional discount or incentive offered to retailers or customers who place orders or make purchases ahead of a specific deadline or early in a promotional period.
E-commerce	Electronic Commerce	E-commerce, short for electronic commerce, refers to the buying and selling of goods and services over the internet or through electronic platforms.
EDI	Electronic Data Interchange	Computer-to-computer exchange of business documents in a standardized electronic format.
EPOS	Electronic Point of Sale	Refers to the electronic way for shoppers to pay.
E-Tail	Electronic Retailing	Also known as e-tailing or online retailing, refers to the process of selling products or services to consumers through electronic platforms such as websites, mobile apps, or other digital channels.
	Endcap	A type of display where the shelving at the end of an aisle, facing the perimeter, is used to showcase products, typically products that are high impulse items.
ERP	Enterprise Resource Planning	A process of managing crucial day-to-day activities and other parts of business. It's often assisted by software and technology.
EQ	Equivalized Sales	Physical volume of product sold at retail expressed in a common unit relevant to the category such as ounces or pounds. Useful when comparing products of different sizes.
	Event	A special promotion, off-price sale, show, store wide sale, or merchandise import fair.

Abbreviation	Term	Meaning
EDLP	Everyday Low Price	Refers to the long-term discounted retail price.
EDSP	Everyday Shelf Price	The retail price of a product in the absence of in-store merchandising discounts
xAOC	eXtended All Outlet Combined	Standing for “eXtended All Outlet Combined” – a Nielsen term. The measurement includes all retail channels with the exception of convenience stores (see also: MULO).
ETL	Extract, Transform and Load	These three functions are combined into one tool to move them from one database to another.
	Facing	Refers to the number of identical products that the consumer has in front of him on a shelf, on a single or several levels.
FMCG	Fast Moving Consumer Goods	Products that are sold quickly and at a relatively low cost. FMCG products are typically consumed or used on a daily or frequent basis, and include items such as food and beverages, personal care products, cleaning supplies, and household goods.
Feat	Feature	An advertisement of a product in a printed or electronic flier.
F&D	Feature & Display	A retail merchandising event that combines feature and display on the same products, in the same stores at the same time.
FCR	First Contact Resolution	A customer service metric that measures the ability of a customer service team or contact center to address and resolve customer issues or inquiries during the initial contact with the customer.
FIFO	First-In, First-Out	An inventory management method used to track and manage the flow of goods based on their acquisition or production dates.
	Fixed Fund	A fund with a fixed amount (lump sum). A fixed fund is like a bank account that starts with a lump sum deposit at the beginning of the year based on the years budgeted spend amounts.

Abbreviation	Term	Meaning
	Fixed Price	Refers to a set or predetermined price that remains constant and does not change regardless of market conditions, demand, or other external factors.
	Fixed Trade Spend	Refers to a predetermined or fixed amount of money allocated by a manufacturer or supplier for trade promotions, incentives, or marketing activities with retailers or trade partners.
FDMx	Food/Drug/Mass excluding Walmart	The combination of Food, Drug and Mass Merchandiser Channels when evaluated in aggregate, excluding Walmart (which is often not available for data sharing purposes).
FDM	Food/Drug/Mass-Merchandise	The combination of Food, Drug and Mass Merchandiser Channels when evaluated in aggregate.
	Forecast Accuracy	How closely a sales forecast matches actual sales. Accurate sales forecasts are important for making decisions about spending, inventory and logistics.
	Forecasting	Refers to the process of estimating or predicting future events, trends, or outcomes based on historical data, statistical models, and relevant information.
	Forward Buy	When a retailer purchases more than they expect the consumer sell-through to be during a promotion.
	Free Fill	Products given for free (or “sold at no charge”) to retailers – usually to encourage distribution and future sales with a specific store.
FOB	Free On Board	FOB destination is a pricing term indicating the buyer is responsible for all costs associated with the delivery of the goods to the buyer's designated destination. The seller is responsible for the cost of the goods, but not for the cost of delivering the goods to the buyer's destination.
FSDU	Free Standing Display Units	Standalone displays that present specific available products. They're used in the retail industry to influence buying patterns.

Abbreviation	Term	Meaning
FSI	Free Standing Insert	A manufacturer coupon, included in a printed coupon insert, for use at retail, typically found in Sunday newspapers.
	Freight Class	A standardized classification system used in the transportation industry to categorize and determine the shipping rates for different types of freight.
	Freight Forwarder	A company or intermediary that specializes in arranging and coordinating the transportation of goods on behalf of shippers or importers.
FSP	Frequent Shopper Program	Also known as a loyalty program or rewards program, is a marketing initiative implemented by retailers or businesses to encourage customer loyalty and repeat purchases.
	Fulfilment	Refers to the process of completing an order or request for goods or services.
FTL	Full Truck Load	A mode of transportation where the entire capacity of a truck is utilized by a single shipment or cargo.
	Fund	A Parent/Company level fund that defines the funding mechanisms i.e. Variable or Fixed Fund, Tactics, Spend Types and Brands that can spend from the fund.
	Fund Driver	The level of product hierarchy where funding will be planned at.
	Gap Closure	This term refers to identifying shortfalls between targeted and actual performance metrics and implementing strategies to close those gaps, whether they relate to sales, market share, or other KPIs.
GL	General Ledger	The complete financial story of a company - it's the master record that contains all of the company's accounts and every financial transaction that occurs. For consumer goods companies, this includes everything from the cost of raw materials to the money received from selling products to retailers.

Abbreviation	Term	Meaning
	General Ledger Account	A detailed record that tracks all financial transactions for a specific category of a company's business. Some examples include revenue accounts, Costs of Goods Sold, and Trade Spending. Trade spend accounts are typically 7000 numbers and might include accounts for slotting fees, display allowances, etc.
	General Merchandise	Non-food packaged goods – most often products with high sales volume and comparatively low prices.
GAI	Generative AI	Artificial intelligence capable of generating specific content using large language models (LLMs).
	Generic Brand	Also known as a store brand or private label, refers to a product that is marketed and sold under the retailer's own brand name rather than a well-known or national brand.
	Giveaway	A promotional activity or event where items or prizes are given away for free to participants.
GFSI	Global Food Safety Initiative	A worldwide collaborative initiative that aims to enhance food safety and promote harmonization of food safety standards across the global food industry.
	Global Scenarios	Scenarios built at higher levels on the account hierarchy, i.e. by total business or channel. Allows wargaming of different strategies with a quantification of the impact on sales, spend and profit.
GM	Gross Margin	<p>A financial metric that measures the profitability of a company's products or services.</p> <p>It is calculated by subtracting the cost of goods sold (COGS) from the revenue generated by sales and expressing the result as a percentage of revenue.</p>
	Gross Profit	The money left over after you subtract the direct costs of making your products from the revenue you earn selling them. For a consumer goods company, it's what remains after you deduct costs like raw materials, packaging, and factory labor from your sales revenue. Think of it as the 'first level' of profit before you account for other business expenses like trade costs.

Abbreviation	Term	Meaning
	Gross Profit Margin %	Also known as gross margin percentage, is a financial metric that indicates the percentage of revenue that remains after deducting the cost of goods sold (COGS).
	Gross Profit Realization	Reveals the efficiency with which a company translates its sales into gross profit. It's calculated as the difference between sales revenue and the cost of goods sold, expressed as a percentage.
	Gross Revenue	Refers to the total revenue generated by a company from the sale of goods or services before deducting any costs, expenses, or taxes.
GSV	Gross Sales Value	A financial metric that represents the total value of goods or services sold or transacted on a platform or marketplace.
	Group Advertising	Refers to a marketing strategy where multiple brands or companies collaborate to share advertising costs, resources, or promotional activities.
HS Code	Harmonized System Code	An internationally standardized system of product classification used for customs and trade purposes.
	High-Low Pricing	A marketing technique where a high retail price is set for a product, and then typically promoted with a deep discount.
	Impulse Product (or Purchase)	A product bought on a spur-of-the-moment decision, rather than a planned purchase. This is often triggered by in-store displays. Items like candy and gum are placed near the check-out lane to capitalize on their high impulse characteristic.
	In-Ad Coupon	A discount offer that appears directly within a retailer's advertising circular or promotional materials (like weekly store flyers, newspaper inserts, or digital ads). Unlike manufacturer coupons that can be used at any store, in-ad coupons are specific to the retailer who published them and can only be redeemed at their stores during the promotional period.
	In-Store Coupon	Coupons collected within the store, for instance via POS systems, via shelf dispensers, kiosks or directly on packaging.

Abbreviation	Term	Meaning
	Incremental Gross Dollar Sales	Revenue generated from incremental sales due to a specific activity (like a marketing campaign or promotion), minus the costs associated with that activity.
	Incremental or Uplift	The bump in sales over base (see definition for base sales above) driven by merchandising activity such as temporary price reductions and displays. Mathematically: Incremental Sales = Total Sales - Base Sales, and can be expressed in dollars, units or equivalized units.
	Incremental Revenue	The additional revenue generated by product sales due to promotional activity either in-store or online.
	Incremental Sales	Refers to the additional or extra sales generated as a result of a specific marketing activity, promotion, or initiative. Incremental sales in POS syndicated data specifically refers to the extra sales generated by in-store trade promotion events.
	Incremental Sales Lift (Amount or %)	Often expressed as an amount or percentage, measures the increase in sales directly attributable to a specific marketing campaign, promotion, or intervention.
	Incremental Volume	The additional quantity or units of a product sold due to promotional activity either in-store or online.
	Indirect Customer	A retailer that sells products purchased from a distributor or wholesaler, rather than directly from the manufacturers.
	Indirect Selling	Refers to a sales approach where products or services are sold through intermediaries or third-party channels rather than directly to end customers.
IRI	Information Resources, Inc	IRI is a syndicated data supplier.
IRC	Instant Redeemable Coupon	Coupons usually found on packaging, designed for immediate use by consumers. IRC's are typically used to spur immediate trial or move excess inventory through the register.

Abbreviation	Term	Meaning
	Institutional Buyers	Or “Industrial Buyers” – organizations such as schools, cafes and restaurants. Industrial buyers may purchase directly from manufacturers or through specialized distributors. Sysco is an example of a large, food service distributor.
	Inventory Management	The process of overseeing and controlling the flow, storage, and availability of goods or products within a company or organization.
	Inventory Turnover	The number of times during a given period that the average inventory on hand is sold and replaced.
	Invoices	Commercial documents that provide a detailed record of a transaction between a seller and a buyer.
	Items Per Hour	A productivity metric used in various industries, particularly in logistics, warehousing, and retail operations.
JBP	Joint Business Planning	A collaborative approach to business planning and strategy development between two or more companies, typically a supplier and a retailer.
KAM	Key Account Manager	A field representative, also known as a field sales representative or field service representative, is an individual who represents a company or organization in the field.
KPI	Key Performance Indicator	A measurable metric used to track and evaluate the performance of an individual, team, department, or organization in achieving specific objectives or goals.
	Keystone Price	Pricing method of marketing merchandise for resale to an amount that is double the wholesale price or cost of the product (50% gross margin on the sale of the product).
	Kitting	A process in which individual items or components are gathered, assembled, and packaged together as a single kit or set.
	Landed Cost	The amount a distributor charges for picking up and delivering products, including all freight charges.

Abbreviation	Term	Meaning
	Latest Estimate	Latest estimate is used for updating forecasts throughout the current year to account for actuals that have occurred. It is a combination of year-to-date actuals plus year-to-go forecast.
	Legacy Software	Outdated applications that a company continues to use, often because they are deeply integrated into its past business processes and operation models.
LTL	Less Than Truckload	Refers to a mode of transportation where shipments do not require the use of a full truckload but are combined with other shipments to fill a truck.
	Liabilities Accruals	The recognition of financial obligations that are expected but have not yet been billed. These could be pending rebates, incentives, or discounts that will have to be paid out but have not yet been accounted for.
	Lift	The percentage of increased sales, calculated by dividing baseline sales by incremental sales, and multiplying the result by 100.
	Line Extension	Refers to the introduction of new products or variations within an existing product line or brand.
	Line Trial	A marketing strategy that involves offering samples, trials, or promotions of a product line to encourage consumers to try and experience the products.
	List Price	The price at which the manufacturer will sell an item to a retailer or distributor. List prices will be marked up by distributors and retailers when setting a retail price.
	Loss Leader	Products that are priced at or below cost – a technique used by retailers to encourage in-store visits and additional purchases with higher profit margins.
	Lump Sum Fee	A type of promotional funding that is not conditional on the amount of volume sold. A lump sum could be charged for an ad or display fee or to secure placement in a retailer's warehouse (slotting fee).

Abbreviation	Term	Meaning
ML	Machine Learning	A component of artificial intelligence, is a computer science field that makes use of statistical strategies to provide the facility to “learn” with data on the computer. Machine learning is used for exploiting the opportunities hidden in big data.
MCB	Manufacturer Charge Back	A billing process where retailers claim reimbursement from product manufacturers for promotional discounts or programs they've run on the manufacturer's products. When a retailer offers special pricing or promotions to customers, they 'charge back' the difference to the manufacturer who agreed to fund these promotions.
	Margin Control	Refers to the process of monitoring and managing the profit margins of products or services.
	Market Research	The process of collecting and analyzing data and information about a specific market, industry, or target audience.
	Market Share	The share of the overall category that a brand, product line or individual product has, mathematically = $\text{Item Sales} / \text{Category Sales}$, expressed as a percent. Can be calculated in dollars, units or equalized volume.
	Market Share Change	The increase or decrease in a brand or product's share of sales within a specific market or category over a defined period, often compared to competitors. It provides insight into the relative performance of a brand in its category.
	Marketing Mix	Refers to the combination of marketing tactics and strategies that a company uses to promote its products or services.
	Mass Merchandiser	A common type of retailer, offering a large assortment of food (and non-food) products. Examples of Mass Merchandisers include Walmart and Target.
	Master Carton	Also known as a shipping carton or case pack, is a larger container used for shipping and storing multiple individual units or products.
	Merchandise Mix	The breadth and depth of the products carried by retailers. Also known as product mix.

Abbreviation	Term	Meaning
	Merchandiser	A person or role responsible for planning, managing, and promoting the sale of products or goods within a retail or wholesale setting.
	Merchandising	Refers to the activities and strategies undertaken to promote and sell products effectively.
	Merchandising Condition	Terms agreed between manufacturers and retailers, where manufacturers pay retailers to promote their product. The four most common conditions are: Temporary Price Reduction (TPR), Feature and Display (F&D), Feature without Display, or Display without Feature.
	Merchandising Efficiency	The percentage of volume sold during a promotion that is incremental, mathematically $\text{Incremental Sales} / \text{Total Promoted Sales}$ and can be expressed in dollars, units or equivalized units.
MOQ	Minimum Order Quantity	The lowest quantity of a product that a supplier or manufacturer is willing to sell in a single order.
MULO	Multi-Outlet	Refers to a data set that combines sales data from multiple retail channels or outlets. It provides a comprehensive view of sales performance across various retail channels, such as grocery stores, drugstores, mass merchandisers, and convenience stores.
MULO-C	Multi-Outlet-C	All MULO retail channels as well as convenience stores.
MDB	Multidimensional Database	A kind of database which is optimized for OLAP (Online Analytical Processing) applications and data warehousing. MDB can be easily created by using the input of relational database.
	Natural Channel	Refers to a specific distribution channel or retail segment that specializes in natural, organic, and health-focused products.
NIV	Net Invoice Value	Refers to the total amount of an invoice after deducting any discounts, allowances, or rebates.

Abbreviation	Term	Meaning
	Net Price	The selling price of a product after all trade promotions, discounts, and allowances have been subtracted. It provides a clearer picture of the actual revenue realized from a product sale after accounting for promotional costs.
NPS	Net Promoter Score	A customer loyalty and satisfaction metric used to assess the likelihood of customers recommending a company, product, or service to others.
	Net Revenue / Net Sales / Net Income	Represents the total revenue earned by a company after deducting any discounts, returns, allowances, and sales-related expenses.
NRM	Net Revenue Management	Also known as revenue growth management, it is the discipline of growing revenue profitably through understanding and analytics of shopper behavior related to pricing, price pack architecture, cost management, product mix optimization, trade spend optimization, new product development and lifecycle management.
	New to Our Brand Consumers	Indicates the number of consumers who purchased a brand's product for the first time during a given period. This is typically expressed as an increase in household penetration (% of households purchasing).
NPS	Non Promotion Settlements	Settlements that need to be paid or accounted for but do not have a corresponding Event planned.
	Non-Additive Fact	Refers to a type of data or measure in business intelligence and data analytics that cannot be aggregated or calculated by simple addition.
	Non-Promoted Price	The price paid for a product (by consumers) when there are no in-store promotions occurring.
	Non-Promoted Sales	Refers to the volume or revenue generated by a product or brand without any specific promotional activities or marketing interventions.
	Nutritional Sheet	Also known as a nutrition facts sheet or nutrition label, provides detailed information about the nutritional content of a food or beverage product.

Abbreviation	Term	Meaning
OI	Off Invoice	Refers to a type of trade promotion or discount that is applied directly to the invoice or sales transaction at the time of purchase.
	On-Pack Promotion	Sometimes known just as “On-Pack” – coupon offers or marketing messages attached directly to product packaging.
OTD	On-Time Delivery	Refers to the ability to deliver goods or services to customers within the agreed-upon or expected timeframe. It is a measure of reliability and fulfillment of delivery commitments.
OLAP	Online Analytic Processing	It is the process by which analysis of multidimensional data is done by using three operators – drill-down, consolidation, and slice and dice.
	Operating Profit Margin %	A financial metric that indicates the profitability of a company's core operations.
	Operations	Refers to the activities and processes involved in running and managing a business.
	Order Capture	Also known as order acquisition, is the process of collecting and recording customer orders or purchase requests.
	Order Fulfillment	Refers to the complete process of receiving, processing, and delivering customer orders.
	Order Predictions	Also known as demand predictions or order forecasting, are estimates or projections of future customer demand for products or services.
OOS	Out of Stock	An item that is authorized to sell in a store and has shelf space, but no product is available.
OTC	Over the Counter	Medication that doesn't need a doctor's prescription to buy.
	Overlay	The simultaneous application of multiple promotional activities on the same product during the same time period.

Abbreviation	Term	Meaning
	Overpulls	In the context of inventory management or production planning, refers to the situation where more products or materials are pulled from inventory or produced than what is actually needed.
	Packaging	Refers to the materials and design used to enclose, protect, and present products.
	Pallet Display	A specific type of display constructed on standard pallets, allowing for ease of shipping and installation in stores.
	Payments & Collection	Refers to the processes and activities involved in receiving and processing payments from customers.
	Penetration	The percent of households that have purchased a product in a specified period of time, typically measured through household panel data.
% Chg	Percent Change	The percentage difference between one period vs another, often used to measure performance this year vs. last. $(\text{period 2 value} - \text{period 1 value}) / \text{period 1 value}$.
	Perpetual Inventory System	A method of tracking and managing inventory in real-time. It relies on technology, such as barcode scanning or RFID (radio frequency identification), to continuously monitor inventory levels, stock movements, and product information.
	Pitch Deck	A presentation or slide deck used to provide an overview of a business idea, product, or company to potential investors, partners, or stakeholders.
	Placement Allowance	Also known as slotting fees or listing fees, is a payment made by manufacturers or suppliers to retailers for securing favorable product placement within retail stores or on retailer websites.
POG	Planogram	A visual representation or diagram that illustrates the placement and arrangement of products within a retail space, such as a store shelf or display area.
POP	Point of Purchase	The setup where retailers plan and execute the promotion of specific products, in the case of brick-and-mortar stores, it's often near the place where transactions are completed.

Abbreviation	Term	Meaning
POS	Point of Sale	While POS is literally the point where the consumer purchases the product, in this context it typically refers to the data set of sales through the register, or sell-out data.
	Post Event Analysis	The process of reviewing and evaluating the outcomes of a promotional event after it has occurred.
	Predictive Analytics	The practice of using data, statistical algorithms, and machine learning techniques to analyze historical and current data in order to make predictions or forecasts about future events or outcomes.
	Price Decrease	Refers to a reduction in the selling price of a product or service.
	Price Discount	Can apply to retail pricing, the percentage the consumer price is reduced by, or at other levels of the distribution network where discounts are used to drive sales or encourage certain activities like distribution.
	Price Elasticity	A measure of the relationship between a change in the quantity demanded of a particular good and the change in its price.
	Price Elasticity Modeling	A statistical approach that estimates how sensitive customer demand is to changes in price. This model helps businesses set optimal pricing strategies to maximize revenue or market share.
Price per EQ	Price per Equivalent Unit	The amount paid by consumers per equivalized unit (can be measured as pounds, ounces, etc.).
POG	Price per Package / Unit	Refers to the price of a product or service per individual unit or item. It represents the cost of purchasing one unit of the product, regardless of its packaging or presentation.
	Price Scenario Planning	Involves creating different pricing models to see how each would impact various aspects of the business, such as sales, customer retention, or profitability.
	Price/Mix Contribution	Breaks down the factors driving changes in revenue. "Price" refers to changes in revenue due to adjustments in selling price, while "Mix" reflects changes resulting from the sales mix of different products or variants.

Abbreviation	Term	Meaning
	Pricing	The process of determining the appropriate selling price for a product or service. It involves considering various factors such as costs, market demand, competition, perceived value, and business objectives.
	Private Label	A brand owned by a retailer or supplier.
	Product Development	The process of creating, designing, and bringing a new product or service to the market. It involves activities such as research, ideation, concept development, prototyping, testing, and commercialization.
PLC	Product Life Cycle	Represents the stages that a product goes through from its introduction to the market until its eventual decline.
	Product Market Fit	A concept that describes the alignment between a product or service and its target market. It refers to the degree to which a product satisfies the needs and demands of a specific market segment.
	Product Mix	The total collection of products offered by a company, including all product lines, varieties, and sizes. In consumer goods, it represents the complete range of products a company manufactures and sells.
PPG	Product Price Group	A grouping of products based on similar pricing characteristics, cost structures, or market positioning. It allows companies to manage pricing, promotions, and profitability across related product lines more systematically.
	Product Recommendations	Personalized suggestions or recommendations made to customers based on their preferences, past purchase behavior, browsing history, or other relevant data.
	Product Turnover	The rate at which inventory is sold and replaced within a specific period, typically measured annually. It indicates how quickly a company sells and restocks its product inventory.
	Profit	The financial gain realized when total revenue exceeds total expenses. It represents the money a company earns after subtracting all costs associated with producing and selling its products.

Abbreviation	Term	Meaning
P&L	Profit & Loss	A financial statement that summarizes a company's revenues, costs, and expenses over a specific period of time, typically a quarter or a fiscal year.
	Profit Margin	Profit expressed as a ratio to gross revenue.
	Projected (sales, spend, profit)	Also known as forecast, it is the calculated or modeled estimation of future sales, spend or profit.
	Promo ARP	The average retail price (ARP) paid by consumers per product unit, where promotional activity took place.
	Promoted Sales	The sales that occur when there is retailer merchandising, typically in the form of some combination of temporary price reduction, display, feature ads or in-store coupons.
	Promotion	Marketing strategies designed to increase product sales, attract customers, and generate short-term revenue through temporary pricing, advertising, or incentive offers.
	Promotion Allowance	A monetary figure (usually in the form of rebates or discounts) given by manufacturers to retailers, in exchange for promoting their products.
	Promotion Compliance	Refers to whether the paid for and agreed-upon activities occurred on the retailer side.
	Promotion Optimization	Involves using analytics and insights to improve the effectiveness of a promotional campaign. By analyzing variables like customer response, time, and resources spent, companies can refine future promotions for better ROI.
	Promotion Plan	Outlines the strategy and tactics for promoting a product, including discount rates, timing, and desired sales outcomes.
	Promotion Planning & Execution	Promotion planning and execution involve the strategic development, implementation, and management of promotional campaigns and activities.
	Promotional Display	Putting product in a secondary location away from the regular shelf set to encourage an increase in sales.

Abbreviation	Term	Meaning
	Promotional Lift	Refers to the incremental or additional sales generated as a result of a specific promotion or marketing activity compared to baseline sales without the promotion.
	Purchase Allowance	A discount or price reduction provided by a manufacturer or supplier to a retailer or customer as an incentive to purchase a product.
	Purchase Frequency	The number of times, on average, that households have purchased a product in a specified period of time, typically measured through household panel data.
	Purchase Size	The average quantity of product purchased per household in a specified period of time, typically measured through household panel data.
	Quality Merchandising	Refers to the activities that generate the highest promotional lift. In the context of syndicated POS data, this is generally Features and Displays.
QWW	Quality Weighted Weeks	A derivation of Cume Weighted Weeks (CWW), where the reach and frequency of merchandising support is assessed over a given amount of time. For QWW, only weeks where products have Feature or Display (excluding TPR only) would be included.
	Range Assortment	The total number and variety of products a retailer or manufacturer offers within a specific product category. It represents the breadth and depth of product selections available to consumers.
	Rebate	A partial refund or return of a portion of the purchase price provided to customers after they have made a qualifying purchase.
	Reconcile	To reconcile means to ensure that two sets of records are in agreement. In CPG, this often means verifying that promotional spending matches up with budget allocations, or that inventory levels align with shipment records.
	Reconciliation	The process of comparing and aligning two sets of records or accounts to ensure accuracy and consistency. In the context of trade promotion management, it refers to the financial settlement of a short payment or deduction.

Abbreviation	Term	Meaning
	Redemption Rate	Percentage of promotional offers that consumers actually redeem when purchasing a product.
Reefer Freight	Refrigerated Freight	Refers to the transportation of goods that require temperature-controlled environments during transit.
ROM	Remaining Market	A geographic area defined by where the retailer has stores, but only includes competitors in that area.
	Reset	When major changes are made to existing planograms or department layouts – usually to incorporate new product lines, fixtures or design updates.
	Retail	Refers to the process of selling goods or services directly to consumers for personal use or consumption.
	Retail Audit	A systematic examination of product placement, pricing, inventory, and promotional activities within retail stores to evaluate market performance and compliance with brand standards.
	Retail Channels	Refers to the different avenues or methods through which products or services are made available to consumers in the retail market.
	Retail Trade Promotion	Promotional activity at a retailer aimed at increasing consumer pull.
	Retailer	A business or individual that sells products or services directly to consumers. Retailers are the final link in the supply chain and play a critical role in making products available to the public.
RM	Retailer Margin	Retailer Margin is calculated as a percentage of the product's selling price. For example, if a retailer purchases a product from a supplier for \$50 and sells it to a customer for \$100, the Retailer Margin would be \$50 or 100% of the cost.
RMA	Retailer Marketing Area	Also known as “Trading Area” (TA) – a geographic area (used for reporting) created in relation to individual retailers and defined by where they have stores.

Abbreviation	Term	Meaning
ROI	Return on Investment	A financial metric used to measure the profitability of an investment or project, $(\text{Net Profit} / \text{Cost of Investment}) \times 100$.
	Return Rate	Refers to the percentage of products or purchases that are returned by customers to a retailer.
RGM	Revenue Growth Management	A strategic approach that aims to optimize a company's revenue growth by maximizing the sales and profitability of its products or services. RGM typically includes pricing optimization, promotion effectiveness, product mix analysis, and trade spend optimization.
	Revenue Split	Revenue broken out by each Fund/Channel/Account.
	Review	This is the periodic evaluation of various metrics and KPIs (Key Performance Indicators) to assess the effectiveness and ROI (Return on Investment) of a campaign, strategy, or overall business operation.
RTM	Route to Market	The way a retailer provides the products to the target demographic at the right time. It's the channel or model of distribution that allows companies to sell their products to shoppers.
S&OP	Sales and Operations Planning	A cross-functional business process that aligns sales forecasts, production plans, inventory levels, and other operational activities to meet customer demand while optimizing resources and minimizing costs.
	Sales Forecasting	The process of estimating or predicting future sales levels, typically within a specified time period. It involves analyzing historical sales data, market trends, customer behavior, and other relevant factors to forecast the expected sales volume and revenue.
Sales per \$MM ACV	Sales per Million	A metric used to measure the sales performance of a product or brand normalized for distribution.
SPPD	Sales per Point of Distribution	The average number of units, dollars, or equivalized units sold per distribution point.
	Sampling	The distribution or provision of free product samples to potential customers or target audiences.

Abbreviation	Term	Meaning
SC	Scan Back	An agreed upon rate to fund a promotion discount that is paid on the number of units that are scanned through the register during the promotional period.
	Scans	The process of using barcode scanners or other scanning devices to capture product information at the point of sale.
	Scenario Planning	A strategic management technique used to explore and prepare for potential future events or situations that could impact a business.
	Seasonality	The fluctuation of natural demand based on the time of year (candy has seasonal peaks around Halloween, Christmas and Easter).
	Secondary Display	When a product is placed in another location as well as its primary shelf position.
	Sell Sheet	A sales sheet or product sheet, is a marketing tool that provides key information about a product or service to potential buyers or customers.
SI	Sell-In (Shipments)	Sales that go directly from a manufacturer to a retailer or distributor.
SO	Sell-Out	Purchase by consumers, typically measured by point of sale (POS) data collected as items scan at the register.
	Sell-Through Rate	The percentage of inventory sold compared to the amount of inventory received from a manufacturer or distributor during a specific period.
	Semi-Durables	Consumer goods that have a moderate lifespan, typically lasting between disposable and durable products. They can be used multiple times but eventually wear out or become less functional. Examples include clothing and kitchen linens.
	Settlement	The financial process of reconciling payments, trade promotions, and financial obligations between manufacturers, distributors, and retailers.

Abbreviation	Term	Meaning
	Share of Shelf Intelligence	A measurement or analysis of a brand's or product's presence and visibility on retail shelves compared to competing brands or products.
	Shelf Price	The retail price of a product as displayed or listed on a store shelf or in-store display.
	Shelf Talker	Signs attached to the edge of shelves, used to communicate something specific to the shopper.
	Shipment Forecast	A predictive model that estimates the quantity of goods to be shipped over a certain period.
	Shipper	A complete display delivered in one carton, including all packaged merchandise. Shippers are designed to be constructed quickly and efficiently in-store, although due to their disruption to traffic flow are sometimes not allowed by retailers.
	Shopper Marketing	Promotional activities specifically aimed at customers within store environments.
	Shortages	An inadequate supply of a product to meet customer demand or fulfill orders.
	Slotting Fund	A manufacturer's budget for securing shelf space for new and promotional products.
	Slotting / Slotting Allowance	A fee paid to a retailer to purchase a "slot" in their warehouse for a specific item. For non-direct store delivered items, this is typically required to gain distribution.
SMBs	Small to Medium-Sized Businesses	Companies that fall within a certain range of size and revenue, typically smaller than large enterprises but larger than micro-businesses or sole proprietorships.
	Software as a Service	SaaS allows vendors to host an application and then make this application available over the internet. The SaaS services are provided in the cloud by SaaS providers.
	Specialty Channel	A specific distribution or retail channel that focuses on niche or specialized products within a particular industry or market segment.

Abbreviation	Term	Meaning
	Spend Split	Spend broken out by each Fund/Channel/Account.
	SPIFS	Monetary bonuses (paid by manufacturers to sales representatives) to reward success. as incentive for a specific result.
SOP	Standard Operating Procedure	A written document that outlines the steps, procedures, and guidelines for performing a particular task or process.
	Static Panel	A research methodology in consumer goods where the same group of consumers is repeatedly surveyed over time to track consistent buying behaviors, preferences, and consumption patterns.
	Stock Capacity	The maximum amount or volume of goods or products that can be held or stored by a business or organization at a given time.
SKU	Stock Keeping Unit	SKUs are comprehensive descriptions of purchasable items, encompassing all attributes like size, color, and other relevant data crucial for tracking a store's inventory. These SKUs are identified and labeled using UPC codes, providing a unique and standardized way to track products across the supply chain.
SQL	Structured Query Language	SQL is a standard programming language that is used to retrieve and manage data in a relational database. This language is very useful to create and query relational databases.
% Subsidized Volume	Subsidized Volume Percentage	The percent of promoted volume that would have been sold if there were no promotion, i.e. promoted volume that is also base volume.
SRP	Suggested Retail Price	A figure recommended by manufacturers, for how much a product should cost in-store.
	Supply Chain	The interconnected network of organizations, individuals, activities, resources, and processes involved in the production, distribution, and delivery of goods or services to end customers.
	Sustainability	Refers to practices that aim to meet present needs without compromising the ability of future generations to meet their own needs.

Abbreviation	Term	Meaning
SDCG	Sustainably Distributed Consumer Goods	Refers to consumer goods that are produced, distributed, and consumed in a manner that aligns with sustainable principles.
	Sweepstakes	A promotional campaign or contest in which participants have the chance to win prizes through a random drawing or selection process.
	Syndicated Data	IRI/Nielsen POS data. Provides consumer purchases, both non-promoted and promoted, with a merchandising audit of various promotion tactics.
	Target	A specific sales or performance goal set by manufacturers, retailers, or sales teams to measure and drive business performance.
TPR	Temporary Price Reduction	A sale price indicated by a shelf tag in store, where the price is reduced for a specific period of time.
	Terms	A type of trade spend encompassing spending that is not visible to the consumer in the form of promotions and discounts. Some common types of terms include Spoils allowance, EDLC, Fees.
	Tie-In Promotion	A marketing strategy that involves linking the sales or promotion of one product or service to another related product or service.
TI HI	Tier Index and Height Index	Used in logistics and supply chain management to indicate the stacking configuration or placement of products on pallets or containers.
	Tiered Price	A pricing strategy in which the price of a product or service varies based on different tiers or levels, typically determined by the volume purchased.
	Top-Down & Bottom-Up Planning	Two distinct approaches to developing plans or strategies within an organization where you either push a topline number down through the product and geography hierarchy, or build a plan from aggregating from the lower levels. Most companies employ both.
	Top-Down Strategic Plan	A planning approach that starts at the highest organizational level, where executives set the overarching goals and strategies. Lower-level managers then align their objectives and tactics accordingly.

Abbreviation	Term	Meaning
TDPs	Total Distribution Points	The total number of distribution locations or points where a product or brand is available for purchase or distribution.
	Trade Marketing	An increase of consumer demand with marketing strategies at the channel, account or store level. Or the department within a consumer goods organization that manages the above.
TPx	Trade Promotion (x includes TPM, TPO and effectiveness analytics)	According to the Promotion Optimization Institute (POI), TPx is inclusive of trade promotion management, trade promotion optimization, trade promotion effectiveness and analytics.
TPM	Trade Promotion Management	The process of budgeting, allocating, promotional planning and execution, reconciliations, and creating financial accruals.
TPO	Trade Promotion Optimization	A process that involves using data and analytics to optimize trade promotions to maximize their impact on sales and profitability.
	Trade Rate	The ratio of trade spend to gross revenue expressed as a percent.
	Trade Spend	The funds or investments made by manufacturers or suppliers in promotional activities, incentives, and marketing support provided to retailers or trade partners.
TA	Trading Area	A defined geographic or demographic region in which a retailer or business operates or targets its marketing efforts.
UCS	Uniform Communications System	A standardized electronic ordering system used in the retail industry for placing product orders with suppliers or manufacturers.
	Unit Sales	The physical volume of products sold in retail stores, usually expressed in packages.
UPC	Universal Product Code	A special code printed on product packaging that allows for the identification of a particular item. It consists of two components—a unique series of black bars, which serves as a machine-readable barcode, and a 12-digit number placed below it.

Abbreviation	Term	Meaning
	Unplanned Purchase	A spur of the moment purchase-decision made by consumers in-store, also referred to as impulse purchase.
	Variable Allowance	An allowance based on a per unit or per case basis, it is variable in that the more that is sold the higher the allowance is.
	Variable Fund	A fund with a variable amount based on percentage of sales. A variable fund is like a bank account that builds over time based on a % of actual sales.
	Variable Trade Spend	The portion of trade spending or promotional investments where spend is generated per unit sold, the total spend varies based on volume.
	Velocity	The speed at which a product is sold in a given retail location, indicating how quickly a product is moving off the shelves and reflecting the level of consumer demand for that product; it's a key metric for understanding sales performance and optimizing distribution strategies.
	Vendor Shop	Refers to a dedicated retail space or area within a larger store or online marketplace that is specifically designated for a particular vendor or supplier.
	Visits	Refers to interactions or engagements with customers, clients, or prospects. It could include sales visits, customer service visits, marketing visits, or any other type of planned or scheduled interactions.
	Volume Decomposition	The break down of product volume into Base and Incremental, with an understanding of the key drivers of each.
	Volume Split	Volume broken out by each Fund/Channel/Account.
	Warehouse	A dedicated facility or storage space used for storing and managing inventory or goods.
	Warehousing	The process of managing, storing, and handling goods within a warehouse.
	Weekly Sales Log	A record or documentation of sales activities, transactions, and performance on a weekly basis.

Abbreviation	Term	Meaning
WTD	Weighted	A measurement used in distribution which gives more “credit” for distribution to larger stores than smaller retail outlets.
	Wholesaler	Business to business entities, they operate in between manufacturers of goods and the end retailer.
	Wing Display	A temporary display feature (also known as a “sidekick”) affixed to the side of an end cap. An end cap is one of the most prominent merchandising spaces, located perpendicularly to the end of store aisles.
YAG	Year Ago	YAG refers to the same period from the prior year used as a benchmark in data analysis to assess performance trends and seasonal patterns.
YTD	Year to Date	Refers to a period of time from the beginning of the current fiscal or calendar year up to the present day.
	Zero Suppression	A data compression or storage technique used to eliminate or reduce the storage of zero values in a dataset or database.
ZBB	Zero-Based Budgeting	A budgeting approach in which each budget cycle starts from a baseline of zero, requiring all expenses and activities to be justified and approved from scratch.

About PSignite

The founders and investors behind PSignite have built enterprise software solutions for decades. Our mission is to revolutionize Trade Promotion Management and empower packaged goods companies of all sizes to achieve profitable revenue growth. PSignite is a SOC-2 certified company. You can set up time to speak with our industry experts [here](#).