

FROM SPREADSHEET TO AI OPTIMIZED PROMO

# Adopting AI in Promo Optimization Using Data Core

# AGENDA

1. Introduction
2. Setting the stage
3. Data Adoption Opportunity
4. Data in TPO's
5. Trade Navigator

# 4 FACTS ABOUT ME

- 01 I've been effectively managing the US banking program with over 120 FTEs for 3+ years.
- 02 At the moment I manage project portfolio of 7 projects from various business domains.
- 03 Was responsible for launching the Yalantis FinTech Unit and Data Vertical that has delivered 40+ custom solutions. Altogether, they've brought clients \$10M+ in net profits.
- 04 Actively contribute into Yalantis R&D department, combining delivery insights with modern tech capabilities.



ANTON HAPIIEV

Delivery Director at Yalantis

What FMCG players' AI/Data Initiatives should start with? – **Sales / Marketing**

FMCG players' AI/Data Initiatives must start in **Sales / Marketing.**

# Insights from the field

We focused on CPG retail and manufacturing organizations established prior to 2005 with strong emphasis to b2b sales.

- 300-1000 FTE
- 10+ FTE's KAM team
- EU, US, Eastern Europe

Yalantis conducted own interview with 6 CPG producers representatives to get relevant insights.



and 4 more

# User interview

After thorough interview with selected companies we shortlisted common symptoms and patterns. As executives confirm, addressing these symptoms will increase efficiency of TPO's.

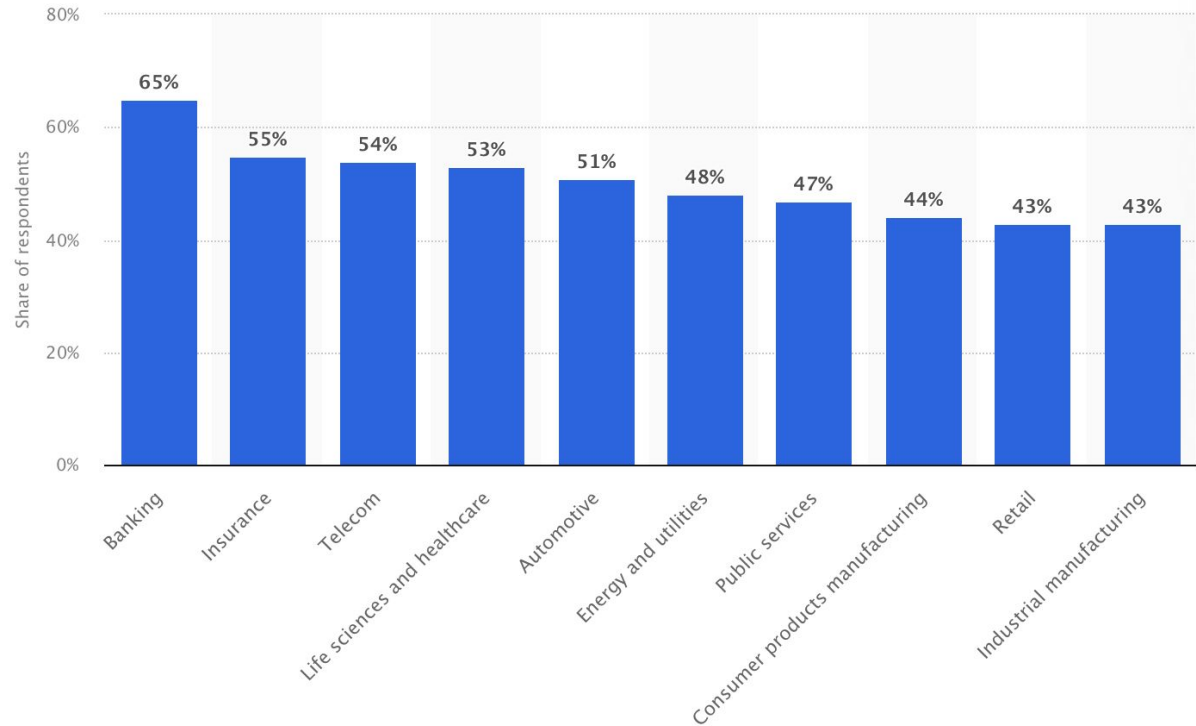


## Common patterns in TPx

- 67% (4/6) confirmed that **significant part of promo planning done manually**, using MS Excel or similar tools. This work take at least 6h a week for them
- 50% (3/6) of interviewed specialists **use more then 3 tools** for running their trade operations with no automated data exchange among them
- 83% (5/6) while planning own promotions **hardly rely on made of sales predictions in a perspective longer than half-year**, claiming that actual results often much differ
- 83% (5/6) **confirmed that that collected historical data barely used** in promo-related decision making

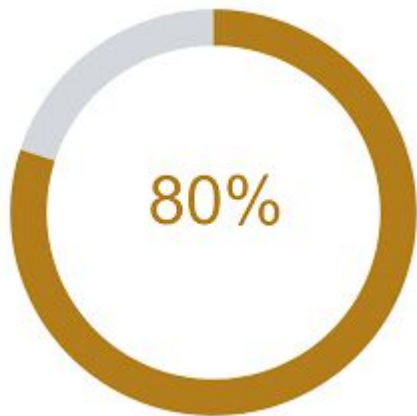
# Industry data adoption

Data-driven decision-making in organizations worldwide, by sector





# Data Quality and Governance a Key Enabler

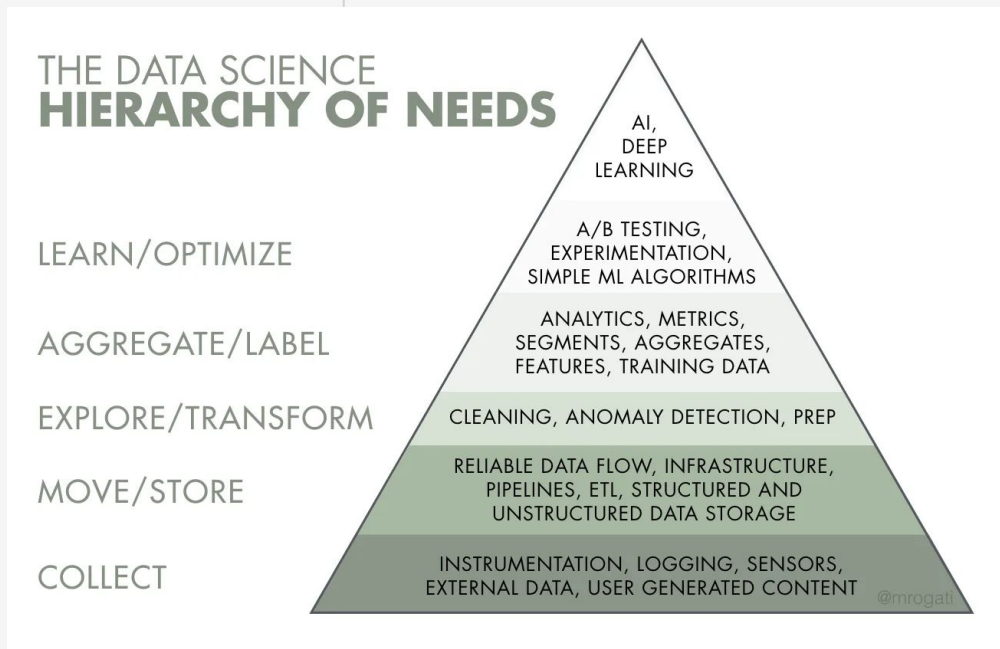


Mordor Intelligence, Global AI Market 2019-2024

of AI workload is **data quality and preparation.**

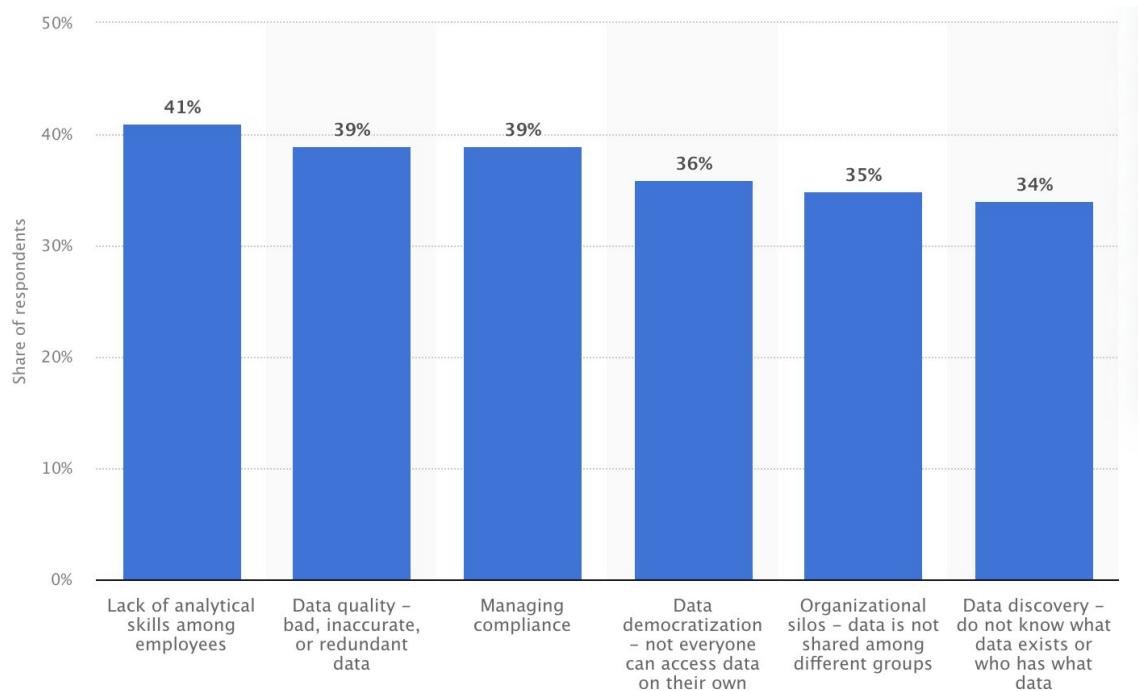
45% don't have the right data foundation to pivot to generative AI

# Data Science Hierarchy of Needs.



# Challenges

Leading challenges with using data to drive business value in organizations throughout Europe and the United States



# DLM FOR MANUFACTURING & RETAIL

## ***Client and problem:***

*A US food manufacturer and retailer manages a complex, high-volume supply chain. Aiming for a unified data view, they faced challenges like:*

- *no centralized data processing system causing siloed data across departments*
- *outdated tools delaying the delivery of business insights*
- *difficulty maintaining accurate data due to sluggish report generation*

## ***Solution:***

*The custom trade promotion management system Yalantis delivered automatically collects client's sales and operations data and displays it in interactive dashboards. By moving to this system from manual Excel processes and a SaaS trade promotion solution with limited functionality.*

## ***Value delivered***

1. *saved –100K annually*
2. *saved 3+ hours weekly for one marketing manager by automating data entry*
3. *replaced spreadsheets with a unified analytics view of real-time sales performance data*
4. *deployed capabilities for promotion forecasting by accessing competitor info from third-party services, historical records, and customer behavior data*
5. *built key sales metrics live stream with user-friendly dashboards*

# DATA STRATEGY COMPONENTS

A comprehensive data strategy consists of several key components that collectively outline how an organization plans to manage, leverage, and derive value from its data assets.

## 01 Business Objectives and Goals

Clearly defined business objectives and goals that the data strategy aims to support.

## 02 Data Governance Framework

A framework for establishing policies, procedures, and responsibilities of data management

## 03 Data Architecture

Structure and layout of data systems to support the organization's data needs.

## 04 Data Infrastructure and Technology

Deploying infrastructure, tools, and technologies for data management, storage, and processing.

## 05 Data Quality Management

Processes and tools to ensure the accuracy, completeness, consistency of data.

## 06 Data Security and Privacy

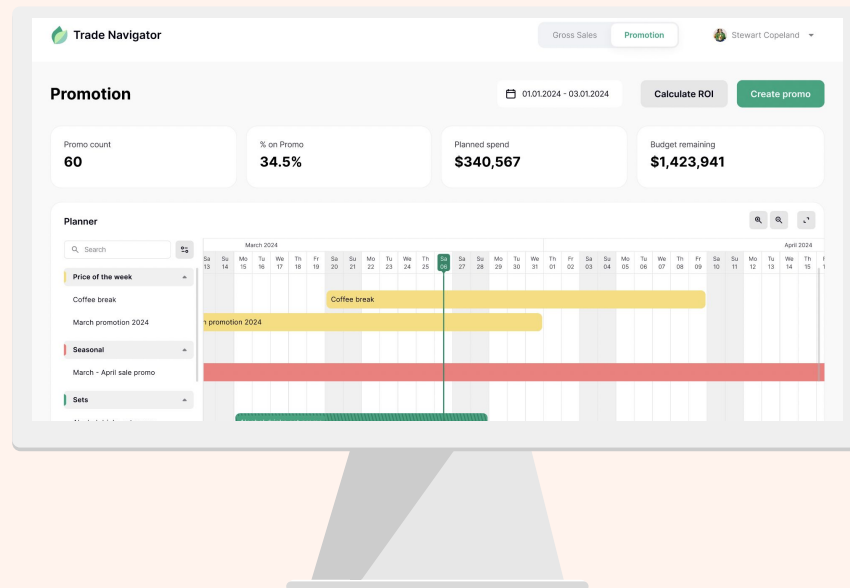
Protecting sensitive data from unauthorized access, breaches, and misuse.

# Trade Navigator

**Goal (what?):** generate additional revenue and increase margins of TP's in FMCG sector

**Tools (how?):**

- **Data Insight:** tailored dashboards that stimulate culture of informed decision making and AI-powered insights for KAM teams
- **Workflow Automation:** eliminates 60% of manual effort in TPO's execution, hence decreases cost of single promo to up to 30%
- **Cost Planner:** effective price formation and marketing budget management



# Trade Promotion



# Trade Promotion

	Promotion planning		Optimisation	Execution	Settlement		Analysis
Marketing	Brand plan strategy		Promotion guidelines			Marketing campaign planning	
Sales	Promotion objectives	Selecting products	Prediction profitability	Promo modeling & pricing	Plan execution	Trade funds management	Review results
Finance			Budget planning and allocation			Funds management	Profitability analysis
Supply chain	Demand and supply chain planning				Demand and supply chain planning		



# Challenges

## Data visualization

- Lack of transparency
- Siloed data and legacy approaches
- Difficulty in analyzing and monitoring promotion performance

## Data-driven insight and analysis

- Lack of insights and analysis grounded on historical data
- Legacy approaches of work on historical data
- Unoptimized promotion planning: wrong price, wrong tactic, too many promotions
- Identification ideal price and week for maximizing profit
- Balance frequency of promotion

## Market dynamics and Consumer preferences

- Difficulty in predicting consumer demand during promotional periods accurately
- Slow adaptation to market dynamics
- Identification and on-time reaction to changing consumer preferences

# Benefits



## Improved Visibility

- Better data visibility and accuracy enable teams to make informed decisions based on real-time information, leading to more effective promotion planning and execution.
- **Automation validation of promos** ensures alignment with **business policies and compliances**, **reducing the risk of errors** and enhancing overall promotion effectiveness.



## Enhanced Collaboration

Improved promotion effectiveness through enhanced **collaboration among departments** such as sales, marketing, finance, and supply chain. This collaboration ensures that promotional strategies are aligned with overall business goals and objectives.



## Adaptation to Market Dynamics

Speeding up reactions to **market dynamics** and **changing consumer preferences** is made possible by leveraging AI-powered data analytics. This agility allows businesses to **adjust promotional strategies** promptly to capitalize on emerging trends and consumer demands.

# Benefits



## Strategic Planning and Optimization

**Better strategy planning** facilitated by access to accurate and comprehensive data allows for the identification of **optimal promotional opportunities** and the development of targeted campaigns.



## Budget Optimization

Optimisation of **budget** and **cost-saving** achieved through data-driven insights enables companies to allocate resources more efficiently, **maximizing the return on investment (ROI) and profit** for promotional activities



## Security and compliance

Reduced security risks and data loss are achieved through centralized data management and automation, safeguarding sensitive information related to promotions and customer data

Yalantis

DEMO TIME

PRESENTING...