



Numerator

Best Practices: Sales and Business Development

Using Data to Improve Insight Sharing with Retailers

In this guide, we will provide a variety of different promotional analyses and reporting tactics that will not only inform manufacturers on how retailer partners promote their category, but also put manufacturers and retailers in a better position to use promotional information as a part of their collaborative growth efforts.

Some of the business questions we will address include:

For manufacturers:

- What levels of promotional support do your accounts allocate to your category?
- Are retailers promoting your category/products across advertising channels?
- How much lift do you see when your products are on promotion?
- Do your products see better lift when promoted with a particular offer type?
- What are certain accounts doing differently that makes the promotion of your products particularly successful?

For retailers:

- Are you maximizing the potential lift within the categories you are promoting?
- Do you have a process by which you can identify new suppliers that may provide better value?
- Are the offer types and overlays you choose to promote with certain products as impactful/effective as they could be?

Note that the "Figures" and anecdotal examples in this guide are illustrative concepts, rather than real analyses. In order to perform much of the reporting we discussed, manufacturers and retailers must have consistent (weekly or monthly) access to their sales performance data, as well as access to Numerator's promotional/causal data. Please reach out to either your Numerator account representative, or email us at hello@numerator.com, with questions or interest in performing these analyses for your brands and products.

Sales and Business Development

How much lift do you see when your products are on promotion? Are you maximizing the potential lift within the categories you are promoting?

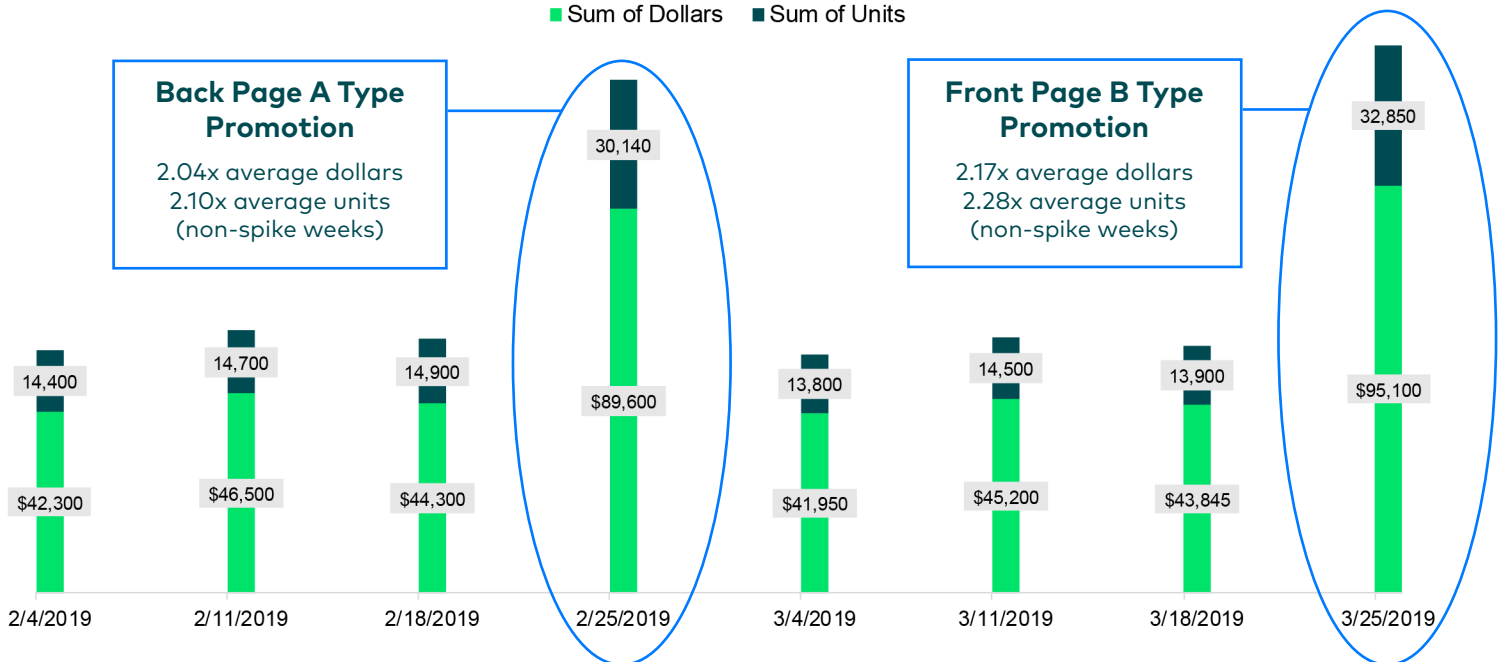
It is important to understand how promotions impact the sales of performance. By synchronizing sales performance data with Numerator's promotional data, both retailers and their suppliers get a clearer picture of the sales impact of different types of promotional placements, and which elements of a promotion made it successful.

The figure below provides an example of a lift analysis for Product A during February and March of 2019. In this example, Product A sees about 2x the dollars and a bit over 2x the units sold when the product is on promotion. The type of promotion also influenced the sales spike, as the front page, small picture (type B) promotion saw slightly more lift than their back page, large picture (type A) ad.

Product Lift (Dollars & Units)

Product A, February - March, 2019

■ Sum of Dollars ■ Sum of Units



Source: Numerator Promotions

Sales and Business Development

Which retailers are promoting your category? On key pages? In multi-channel media?

From a foundational perspective, sales teams can benefit greatly simply by understanding which retailers are promoting their categories. Knowing that an account promoted your category on the front page of their print circular or the home page of their website during your largest sales event of the year lets you know that there is opportunity to pursue. Leveraging Numerator's multi-channel summary reporting allows manufacturers to easily identify which accounts have provided the most promotional support to their category.

The figure below shows a multi-channel summary report by retailer for the tool kits category during Q4 2018. In this example, the tool kit manufacturer is prospecting two retailers – Prospects A and B – and how each promoted their category during the holiday shopping season (Q4) relative to their Current Accounts A and B.

For the sales representative at the tools manufacturer performing this analysis, the information in this summary report can be used to prioritize opportunity pursuit and enrich their value message to the retailer.

Tool Kit Promotions by Retailer by Media Type

Q4 2018

	Retailer			
	Current Account A	Current Account B	Prospect A	Prospect B
Print	4	2	7	1
Print - Front Page	1	0	0	0
Website	10	11	6	5
Website - Homepage	1	4	0	1
Email	0	1	0	0
Social	0	0	0	0

Source: Numerator Promotions; Manufacturer ad frequency by retailer

Sales and Business Development

How is your category priced in promotions? Could a prospect's advertised price be lower if they purchased your product rather than your competitors? Do you have a process by which you can identify new suppliers that may provide better value?




Winning business at new accounts is a difficult task, especially when the retail prospect in question has a longstanding partnership with their current supplier within your category. A manufacturer's value proposition needs to be differentiated enough to not only sell the retailer on your product, but also sell the retailer on your product relative to other suppliers. Numerator's competitive promoted price summaries provide manufacturers with a means to find that differentiation.

The figure below shows an average promoted price summary for the pens category during Back to School (BTS) 2018 (for our purposes, if the brand does not show a price point for a certain retailer, we will assume the brand does not currently sell into that retailer). This analysis highlights opportunities for Supplier A to expand their business into accounts that are featuring higher promoted prices within their category. Conversely, Retailer C has the opportunity to promote lower prices on pens during a key sales event in Back to School if they partner with Supplier A.

Retailers can use this same analysis to understand if they are partnering with the suppliers that best align with their promotional strategy, or getting the best deal on products within a certain category.

Promoted Pricing Summary for Pens - Back-to-School

July - September 2018

	Supplier A	Competitor A	Competitor B	Competitor C	Competitor D	Competitor E
 Retailer A	\$1.15	\$1.74	\$1.54	\$2.93	--	--
 Retailer B	\$1.06	\$2.25	\$2.25	\$2.55	--	\$4.99
 Retailer C	\$3.00	\$4.19	\$4.19	\$3.37	--	\$4.60

Source: Numerator Promotions

Sales and Business Development

What promotion types have retailers promoted most with your products?

Certainly the promoted price of products has the ability to influence store traffic, yet there are other tactics manufacturers can use besides price to help build their business case to current and prospective accounts. Promotional offer types and overlays can be useful tools in spiking the traffic and sales of your brand or category.

For certain categories, multiple purchase offers allow shoppers to stock up on an item in one trip. For other categories, a simple price reduction or coupon may give shoppers incentive to buy the product in the short term before it returns to normal pricing. Understanding which offer types and overlays are most effective when promoted with your products can help inform your retailer partners on how best to promote your products.

The example below illustrates a promotion type summary that manufacturers can perform using Numerator's offer type and overlay data in tandem with their sales information. The top offer types by lift proved to be "\$ Off" and "Price Reduction," each averaging around 2.5x the number of dollars on a non-promotional week. By comparison, the "Buy/Get" and "Coupon" offer types both averaged less than 2x lift.

Average Percent Lift by Offer Type (Dollars)

Hot Dogs Product A, Full year 2018



Source: Numerator Promotions

Contact your account representative to learn more about our sales and business development best practices, or email us at:

hello@numerator.com