Oracle Value Chain Planning
Demantra Predictive
Trade Planning and Optimization

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VALUE CHAIN PLANNING

Today's consumer-goods sales forces are overwhelmed trying to create and maintain accurate and up-to-date account forecasts. Using Oracle® Demantra Predictive Trade Planning and Oracle® Trade Promotion Optimization, employees in your sales, marketing, finance, and supply chain organization can leverage powerful forecast analytics and enterprise collaboration capabilities and share a common understanding of demand and the impact of promotions.

KEY FEATURES

- Analyze sales history with advanced data mining technology to provide an understanding of which promotion tactics shape demand

- Automate the process of volume planning on an ongoing basis and provide accurate and up-to-date projections of accrual-based budgets and anticipated spending levels

- Close the loop of trade promotion management by tracking and resolving deductions and other settlement methods common in the consumer goods industry

- Use retailer point-of-sale and syndicated data to measure, predict, and optimize promotion lift, taking into account effects such as cannibalization and consumer stockpiling

- Simulate different scenarios and use optimization technology to determine which marketing tactics will yield maximum return on investment

KEY FEATURES

- Optimize the effectiveness and profitability of your trade promotion spend

- Collaboratively manage your account planning and review and modify promotional plan on the go

- Incorporate promotion planning in your sales and operations planning

Overview

Faced with escalating trade spending, leading companies are rethinking their approach to trade promotion management software. Most of the existing systems focus on the transactional aspects of promotions and sales incentives. As a result, they often do a good job of streamlining administration, but they do little to address key strategic issues such as promotion effectiveness, on-shelf availability, category growth, and customer profitability.

Oracle Demantra Predictive Trade Planning combined with Oracle Demantra Trade Promotion Optimization is Oracle's trade promotion planning solution architected from the ground up on an analytics platform that addresses both transactional and strategic trade challenges. Combined, they provide robust trade promotion and account planning, sales forecasting, and promotion optimization capabilities. Using the Oracle Demantra solution for trade planning, companies' industry sales teams can control spending, exceed sales targets, and maximize promotion return on investment (ROI).
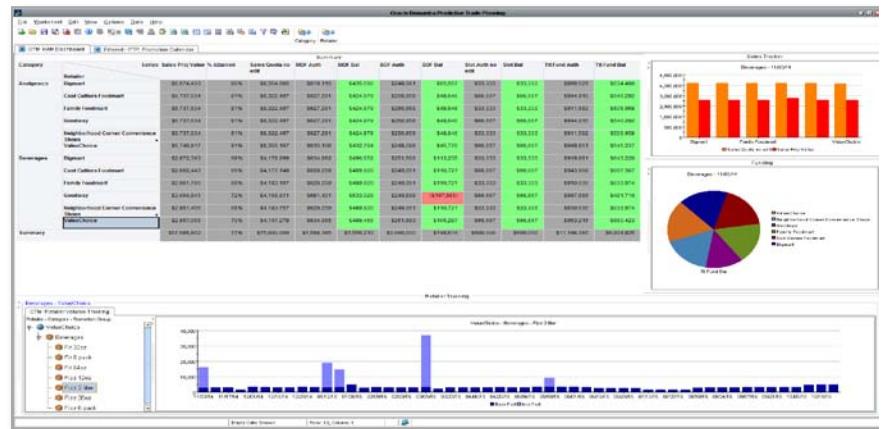

Figure 1: Demantra Trade Planning and Promotion Optimization – Planner Workbench

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Collaboratively manage all funds, sales, and account planning

Oracle Demantra Predictive Trade Planning provides a comprehensive sales and account planning environment that enables account managers to manage all routine sales forecasting and account planning activities in a single screen. Using a powerful multi-panel worksheet, sales representatives can analyze and monitor sales performance and quotas, plan promotion events, as well as track the progress of current and past events. Intuitive calendar driven views provide immediate visibility to the promotions plan while configurable displays and colors ensures the highest productivity for your unique business process.
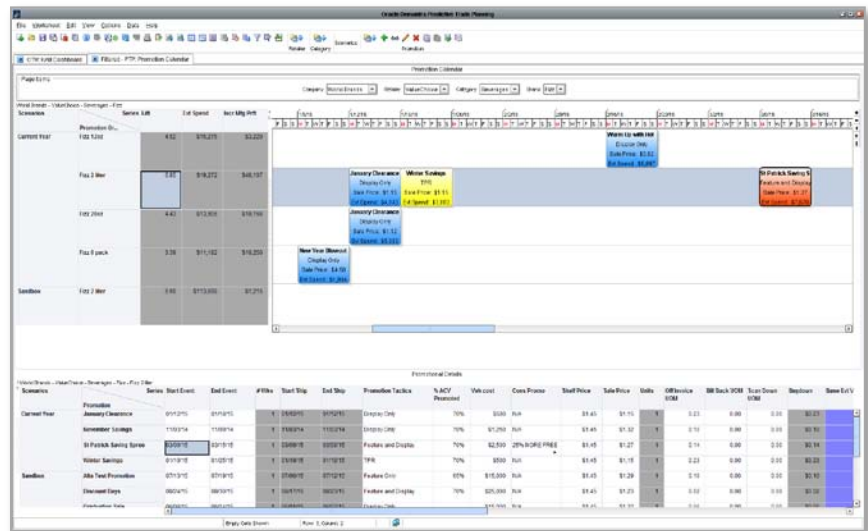

Figure 2: Trade Planner Workbench – Interactive Promotional Calendar

Based on a powerful worksheet-style interface, Oracle Demantra Predictive Trade Planning enables you to eliminate many individual spreadsheets that are often in use in Sales departments today. An enterprise database centric solution, that is secure and provides global data access for the entire organization, can help you eliminate hundreds of disconnected spreadsheets, ensuring that sales and promotion data is continuously updated and available. In addition, Demantra provides an offline capability to empower field personnel to continue to work on their promotion plans while working disconnected, and automatically sync up when reconnected to the central system. Configured to meet the needs of each user and role, the Demantra Predictive Trade Planning Collaboration Workbench serves as the hub for collaboration across all organizational teams. It organizes the user's worksheets, identifies required tasks sent by other users (or auto-generated via exception management), and provides quick access to personalized key performance indicators.

Mobile access provides on the go visibility to trade plans and funds. Stakeholders can reivew current funds balance and available budget while adding and modifying promotions. Simulation and optimization capabilities offer real time feedback on how changes to the trade calendar will impact future demands and financials. Confirmed changes are immediately available to relevant business units and are incorporated into sales and operations process.

Continuous fund management

Tight budgets and increasing compliance demands require rigorous budget processes. Oracle Demantra Predictive Trade Planning combines powerful budget allocation with robust trade-fund execution capabilities for market development programs, business development funds, slotting, and other accrual or promotional activities. Organizations can control discretionary spending dollars by designating specific product, brand, promotion group, and customer allocations, ensuring that promotional funds are used as intended.

Integrated analytics with baseline forecast and lift calculations

Oracle Demantra Predictive Trade Planning provides a full complement of standard reports to track account planning and trade promotion status. Side-by-side comparisons make it easy for account managers to compare promotion alternatives. Manufacturer and retailer profitability reports ensure that the costs and benefits of all events are visible. A user-configurable report and worksheet designer lets users quickly assemble their own reports or personalize standard reports.

At its core, Demantra Predictive Trade Planning is a sales and promotion planning system that enables account managers to develop a highly accurate, account-level sales forecast and event plan by simply going through their daily sales planning activities. A single planning environment provides visibility to all the information that an account manager needs on a daily basis to make the most profitable decisions. Year-to-date sales data, quota status, account profitability, and the status of all promotions are available in one place. A promotion planning "sandbox" provides visibility to all past and current promotions and "what-if" scenario planning for future promotions. A single-click approval of a new promotion updates the baseline sales forecast predicted incremental volume, and is automatically synchronized with the demand plan.

Optional approval and notifications can be added by adjusting workflows. Also, the predicted impact on the trade-fund budgets and manufacturer and retailer profitability projections are available immediately. All account-level information is continuously aggregated and visible to sales management at any time.

Promotion optimization maximizes the ROI on promotions

With Oracle Demantra Trade Promotion Optimization, sales organizations can go beyond volume forecasting and implement best business practices such as advanced promotion evaluation, simulation, and optimization. Account managers can measure and predict base sales, net lift, and indirect effects such as cannibalization and consumer pantry loading. Oracle Demantra Trade Promotion Optimization can take advantage of retailer point-of-sale (POS) and syndicated data to measure, predict, and optimize promotion lift, taking into account effects such as cannibalization and pantry loading. It also automates the process of promotion analysis as it can be done on-the-fly at the level of individual products and accounts. With this capability, account managers and trade marketers can be more effective and efficient with trade funds while providing precision forecasts to the entire company.

Become best in class – Implement calendar optimization

To maximize promotion effectiveness, Oracle Demantra Trade Promotion Optimization goes beyond what-if scenario planning optimization technology that considers the nearly infinite number of promotion scenarios and recommends the best promotions to run. You can select from various optimization objectives including maximize revenue, maximize volume, or maximize profits. The optimization engine is designed to stay within reasonable bounds based on past history, optimizing a single promotional event. You can also optimize the promotional offering for an entire account by specifying business rules and allowing the optimization engine to add to existing promotions to maximize a variety of performance goals.

Incorporate promotions into your S&OP process

Oracle Demantra Real-Time Sales and Operations Planning uniquely enables a truly best in class process. It starts with moving from a reactive periodic process with separate and disconnected reviews of demand, supply, and products to a combined collaborative real-time process. It enables you to rapidly sense, shape, and respond to demand starting with a more accurate prediction of demand, shaping it for profitability, and profitably balancing your supply demand and budgets. Oracle Demantra Predictive Trade Planning and Oracle Demantra Trade Promotion Optimization work hand in hand with Oracle Demantra Real-Time Sales and Operations Planning to profitably shape demand through promotions and sales incentives.

Oracle Demantra Predictive Trade Planning is built on a collaborative planning platform that ensures the sales forecasts and event plans developed by sales are synchronized across Marketing, Finance, Manufacturing, and Supply Chain. Using a single (data) source of truth, departments can contribute their insights to a one-number plan using the planning hierarchies and units with which they already are familiar. This means that demand plans are always in sync with promotion plans because manufacturing and supply chain are aware of sales and marketing activities. Workflow-driven exception management automatically identifies plan or demand changes that may create potential problems and routes them to the correct resource for resolution.

Enable key decision makers to analyze promotion plans

Oracle Demantra Predictive Trade Planning is also fully integrated with Oracle® Advanced Planning Command Center to provide key supply chain decisions makers the capability to analyze output from your trade management decisions, together with data from other Value Chain Planning products, for example in their sales and operations planning "executive review" dashboard. All of the data used for analysis in Demantra Predictive Trade Planning can be shared with the rest of the organization in self service dashboards. Oracle Advanced Planning Command Center enables you to compare key performance metrics for your business strategies and alternatives as represented in your strategic and tactical plans, as well as enabling ad-hoc reporting of your promotion planning and optimization.

Extreme performance for the demand-driven value chain

Planning your complex value chain has always been challenging, and the degree of difficulty keeps increasing. Trends in business and economic conditions as well as emerging technology have added to the complexity. The pressure increases to plan for more complex value chains, more frequently, to a greater level of detail, and to make more informed decisions. Oracle in-memory processing provides un-paralleled performance and scalability to enable the next generation of interactive planning, simulation, and analysis to dramatically improve the performance of existing planning processes and enable new processes that were not previously feasible. This provides a unique value proposition in terms of reduced planning cycle time and data latency; increased application availability and transaction scalability; increased user satisfaction via improved response time; improved decision making with improved planning analytics; and, lower total cost of ownership and faster time to value

VALUE CHAIN PLANNING — A COMPLETE SOLUTION

Oracle's Value Chain Planning solution enables companies to efficiently design, plan, and service their value chains from factory to shelf. Its componentized architecture enables you to start with any product and expand to other areas at any point in time. The Oracle Value Chain Planning architecture leverages the scalability and security of Oracle's Database and Fusion Middleware technology and can be deployed as a single instance with Oracle E-Business Suite, or integrated with other systems. Whether you implement one module or the entire product solution, Oracle Value Chain Planning enables you to share unified supply chain planning information across the enterprise so you can make informed decisions faster.