

Targeting the Root Causes of Lost Sales

How much revenue are you losing at the shelf? Understanding the root causes of lost sales is essential to success in today's competitive consumer goods market. After working closely with several of the world's largest consumer goods companies, TrueDemand's team of industry experts identified a core set of sales suppressors – including stock-outs and other influential factors – and developed the TrueDemand solution to identify, predict and address the most dangerous root causes.

Out of Stock

When your product is not in the store or on the shelf, sales suffer. TrueDemand alerts you to out-of-stock issues daily, prioritizing in-store execution to resolve problems quickly. Over the long term, TrueDemand adjusts forecasts to gain a more accurate view of demand, enabling you to maintain consistent replenishment and product availability.

Incorrect Merchandising

Product presentation is a primary sales driver. Unfortunately, you're often dependent on third parties to fix problems, and millions of SKU-location combinations overwhelm even the best merchandisers. TrueDemand gives you control by comparing highly accurate demand expectations against sales performance to pinpoint exact locations of merchandising problems and to optimize the effectiveness of in-store teams.

Unsuccessful New Product Introductions

New product introductions result in significant stock-outs when product availability is not managed properly. TrueDemand accelerates go-to-market execution so you can seamlessly rollover new products while sustaining sales.

Price Non-Compliance

A price reduction can double or triple sales, but executing the change is a challenge. Weeks can go by before price changes are implemented at the store, hindering sales while going unnoticed by store personnel and merchandising teams. TrueDemand detects price issues daily and directs in-store teams to make immediate price corrections as necessary.

Damaged Merchandise

Damaged or non-saleable products turn away consumers at the shelf and impact long-term sales as well. TrueDemand catches these issues before they become major problems and prompts proactive resolution.

Competitor Promotions

Competitor promotions can reduce your sales to zero for extended periods of time. TrueDemand alerts you to suspicious sales levels, predicting root causes such as a competitor promotion and enabling rapid response strategies to take back market share.

Declining Retail Orders

A destructive mix of sales suppressors triggers a cycle of steadily declining retail orders, as the retailer makes inaccurate assumptions about demand without accounting for the causes of poor sales. Consequently, a retailer continues to sell less of your product and reduces orders accordingly. By handling the entire range of sales suppressors, TrueDemand enables consumer goods companies to more accurately predict demand and break the cycle of declining retail orders.



“Organizations that want to improve the performance of their retail sales channel should consider TrueDemand.”

VENTANA RESEARCH



The TrueDemand Solution

Turning Downstream Data into Action

Every day, consumer product sales teams examine data from their retail partners – more data, in fact, than ever before. True insight is rare, and the ability to drive actions based on key findings, even rarer. TrueDemand breaks this cycle by automating the analysis of massive amounts of data, by predicting and alerting users to lost sales at a shelf level, and by influencing actions at the store level that directly impact revenue and profit.

TrueDemand integrates data from multiple sources on a continuous daily basis and uses a patented approach to analyze and predict the most significant problems and opportunities for sales. It is a powerful tool that accurately determines daily inventory levels and forecasts demand, so you can ensure that the right quantity of the right product is in the right store at the right time.

Gain Granular Visibility

TrueDemand provides in-depth visibility into sales performance, inventory and demand across all retailers, so you can capitalize on all sales opportunities.

Accelerate Sales Analysis

Conventional systems provide data on a weekly basis – but a lot can happen in a week. TrueDemand delivers data in real time every day so you are proactively addressing potential problems, rather than reacting to a crisis with a late response.

TrueDemand makes sense out of your data. This essential system does the analysis for you, identifying problems and alerting your teams immediately, so they can act quickly and solve issues before the bottom line is affected.

Take Immediate Action

Knowing that a store is out of stock is not enough. You need to take action right now – and TrueDemand accelerates execution by letting you know which actions to take.

TrueDemand incorporates multiple data streams from in-store teams and retailers, analyzes that information with advanced technology, and recommends and prioritizes actions based on hard dollar metrics to deliver maximum revenue.

Proactively Predict and Prevent

Going beyond real time, TrueDemand also predicts and prevents problems with an intelligent and highly accurate forecasting engine, so you can terminate sales performance issues before they become real problems.



Sales Op
Manag

Account Team
Management

True Accuracy

TrueDemand's patented approach delivers unrivaled accuracy by taking a granular look at the many factors that influence sales and revenue performance on a daily basis.

Accurate Inventory Visibility for Today

TrueDemand has been scrutinized by the world's most demanding retailers and their top suppliers and has been proven to deliver highly accurate inventory estimates. Rather than simply adding and subtracting units – a one-dimensional view of inventory that is often inaccurate as errors seep in from various unsecured points such as receiving and checkout – TrueDemand uses multiple data sources covering point-of-sale, orders, shipments and inventory to gain a more exact picture of inventory in the stores and distribution centers. The resulting accuracy virtually eliminates false positive alerts common in more conventional systems.

Accurate Demand Insight for Tomorrow

TrueDemand forecasting is also highly accurate – with 70-80% accuracy compared to 10-30% accuracy of other forecasting approaches. This is because typical forecasting is based solely on the number of products sold, which does not account for the causes

of lost sales. TrueDemand predicts demand based on products that could have sold – a more realistic view of demand. In addition, while a retailer typically sticks with one forecasting method, TrueDemand leverages multiple approaches, analyzing different types of products based on how those products sell, for even greater accuracy.



Operations
Management

Store
Execution
Management

The TrueDemand Suite

Multiple Levels of Visibility

The TrueDemand product suite encompasses multiple levels of visibility into the retailer-supplier relationship, from the store shelf to the sales executive desktop.

TrueDemand Store Execution Management

Your merchandisers and in-store teams are overwhelmed by hundreds of SKUs that must be managed during a brief store visit once every few weeks.

TrueDemand Store Execution Management maximizes the effectiveness of your store operations teams by:

- Processing massive amounts of data from multiple sources
- Presenting a highly accurate view of inventory
- Identifying problem stores and products
- Alerting the right personnel to take action
- Prioritizing tasks based on profitability

TrueDemand takes the guesswork out of the complex task of in-store execution, giving you greater control over sales at the store level.



TrueDemand Account Team Management

Thousands of stores and hundreds of SKUs make up millions of SKU-location combinations that your account team attempts to manage on a daily basis. Understanding the diverse dynamics of trade promotions, new product introductions and regular product turns complicates the process further.

TrueDemand Account Team Management maximizes the effectiveness of your account teams by:

- Streamlining the analysis process
- Providing real-time visibility across all products and stores
- Presenting a highly accurate inventory and forecast
- Identifying problems and opportunities quickly
- Prioritizing replenishment based on profitability

TrueDemand streamlines the complicated analysis that goes into replenishment, sifting through mountains of data and translating that knowledge into meaningful action to lift sales.

TrueDemand Sales Operations Management

TrueDemand Sales Operations Management is an executive-level performance management dashboard that presents the big picture while simultaneously allowing you to drill down to the store level, giving you visibility with unparalleled accuracy so you can make the right decisions to drive revenue.

Retailer Solutions

Based on the same ground-breaking technology, TrueDemand offers retailers a range of services to provide store-level insight and translate it into action to increase sales and gain a competitive edge.

“TrueDemand gives us a deep understanding of the supply chain for regular product that goes on the shelf.”

 **Kimberly-Clark**



The True Story

Innovating Sales Execution Management

TrueDemand is the world's leading innovator of technology to help retailers and their suppliers lift store-level sales. Combining CPG and retail industry veterans with breakthrough Software-as-a-Service solutions, TrueDemand has set a course that is changing the way consumer goods manufacturers control sales performance.

TrueDemand's experienced sales and support professionals are located near major retail account team hubs across the U.S., and available in your time zone. Beyond software solutions, TrueDemand also offers professional services to help tackle your particular supply and demand challenges.

Sophisticated Science

TrueDemand's industry-leading inventory and forecast accuracy is driven by a thoroughly evaluated and field-tested engine built on patented algorithms developed by Ph.D.-level scientists with input from TrueDemand's team of experts who have spent their entire careers in retail and CPG. Despite that complexity, TrueDemand remains easily accessible and understandable via intuitive interfaces aligned with your business processes and designed to deliver real bottom-line value.

Proven Solution

The TrueDemand solution has passed rigorous tests for usability, data security and scalability by the world's leading CPG, electronics, and food and beverage manufacturers. The software is certified by leading technology platform partners including IBM and SAP, and our customers have been recognized with prestigious awards for sales achievements accomplished using TrueDemand.

Fast and Economical SaaS Model

TrueDemand's Software-as-a-Service (SaaS) approach offers retailers and suppliers fast and economical deployment for rapid benefit and low ongoing cost of ownership. The model is a secure, hosted service, reducing the burden on IT departments as resources, administration, maintenance and upgrades are all provided by TrueDemand. Users simply need a Web browser and a login to access their data and begin using TrueDemand insights to gain unprecedented control and visibility into sales at the shelf.

The TrueDemand Advantage

TrueDemand surpasses all other tools by providing the most comprehensive suite of retail demand management applications that deliver:

Highest Accuracy

TrueDemand provides the most realistic inventory estimates and demand forecasts possible with today's technology.

Immediate Action

No other tool enables you to take immediate action to stop stock-outs and other sales suppressors in real time.

Sustained Sales Lift

TrueDemand enables you to maintain a continued sales lift across all products, stores and retail partners, every day, year after year.

In-Depth Analysis

TrueDemand analyzes all the root causes for sales suppression, not just out-of-stock, guiding you to the right corrective actions.

Elimination of False Positives

TrueDemand pinpoint precision results in less false positives than any alternative tool. Alerts you can trust mean your team can focus on the issues with the highest dollar impact on sales.

Far-Reaching Visibility

TrueDemand automatically detects problems at distribution centers, so you can solve issues before they even reach the store.

Retailer Forecast Optimization

The system compares the retailer's forecast against the highly accurate TrueDemand forecast and recommends changes.



“The right product at the right time, when you need it, in the most efficient manner.”

HAU LEE, PH.D.
Stanford University