

# Supply Chain: Trade Promotion Management Solution

## Improve Trade Spend Transparency and Cash Flow with Business Process Management

Trade Promotion Management (TPM) is a powerful lever to lift sales and drive profitability. Retailers who gain better control of trade promotion funds, as they flow into and across the company, achieve both supplier transparency and improved financials.

With a TPM solution built on Global 360's industry-leading Business Process Management (BPM) suite, retail firms are able to:

- » Automate procure-to-pay process steps and ensure all related information is accessible to capture discounted payment terms and trade promotions.
- » Reduce invoice processing turnaround times and enable prioritization to streamline approvals, deduction confirmation, and prioritized payment processing.
- » Increase visibility and management control of your TPM processes, balance workload and remove the need for costly recovery audits.
- » Provide improved cash management with in-period trade spend resolution.

### Change the Economics of Trade Promotion Management For Your Company

Economic conditions have raised the importance of payables strategies, including trade funds management, to the board level. Yet, inadequate standards and procedures, a departmental approach to an interdepartmental process, lack of deal documentation, and limited automation make effective trade spend capture and management a challenge.

Trade spend is predicated on the relationships between suppliers, corporate procurement and stores. Many retailers depend on each store or region to manage vendor deals. At a corporate level, there is little or no visibility into promotion outcomes, and limited views of the deal sheets, contracts, purchase orders, invoices and other correspondence relevant to goods purchased. Other factors, such as price updates, supply interruptions, new vendor reps, out of stocks and unauthorized verbal deals make efforts to monitor, evaluate and control trade spend extremely difficult. Further, retailers relying on recovery audit firms to correct overpayments from promotions are incurring heavy cost burdens in terms of lost discounts and impaired cash flow. One industry rule of thumb suggests the level of trade spend received from suppliers should be about 1/10 of 1% of the retailer's revenues annually. A \$7 billion grocery chain, whose stores generally purchased individually and did not maintain deal sheets, accrued just \$1 million in trade promotion - a \$6 million discrepancy.

Retailers are finding they need to put the required policies, procedures and systems in place to address these TPM issues.

#### About PBT:

PBT is a consulting firm that specializes in the design and configuration of Business Process Management solutions for data and document driven business functions. With its highly experienced Global 360 solution consultants, PBT has the knowledge, technical expertise and BPM experience to insure prospective companies receive creative Enterprise solutions that consistently exceed customer expectations and anticipated ROI.

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*The point is e-fficiency...™*

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## **Improve Your Ability to Capture and Coordinate Trade Spend with Trade Promotion Management**

The Global 360 BPM solution enables retailers to address the critical requirements to optimally manage trade spend for the company.

### **Ensure financial transparency.**

Deal-related documents are captured, indexed and archived to a repository. Invoice receipt triggers automated retrieval and presentation of relevant documents to cross-functional participants for deduction confirmation and prioritized payment processing. By applying document management to trade spend, deal sheets and associated content can be collected via fax, scan, web or email and added to the trade spend repository. This enables current period audit capabilities.

### **Automate the trade spend process.**

Trade spend procedures can be automated, with integrated workflows that complement invoice processing. Promotion approvers and terms are identified to facilitate subsequent invoice comparison and justify current period deductions. Business rules enforce procure to pay standards and insure that cash discounts are realized by prioritizing payables to achieve in-period trade spend resolution.

### **Enable interdepartmental and store cooperation.**

Effective TPM requires the cooperation and communication of all procure-to-pay participants from corporate purchasing, to in-store buyers, Accounts Payable and IT. By deploying a BPM solution, interdepartmental cooperation is improved, manual tasks eliminated and pertinent promotion-related documents are made universally accessible.

### **Change How Your Work Gets Done**

Retailers can do more than traditional and simple process automation – just focusing on the way work moves through an organization and making it go faster. Successful companies instead are focusing on the people, processes, documents, and collaboration throughout the organization – truly changing how the work gets done. Global 360 combines its market-leading business process and document management suite with the

first out-of-the-box user applications – viewPoint™ – that address the unique needs of all people in a process. These applications gives each individual participant unique “views” of the information and capabilities they need to do their job – improving their experience as well as the interaction and collaboration between all of the participants in a process.

By changing the way work gets done, Global 360 BPM solutions cut deployment time by 50% and achieve 40% greater productivity - dramatically improving business performance while reducing operational costs. As a result, organizations can meet business performance goals, and exceed the service expectations of customers.

### **Accelerate Time to Value with Supply Chain solutionViews**

Benchmark studies show that leveraging industry solution frameworks can dramatically improve time-to-value for organizations.

Global 360 solutionView frameworks bring together industry best practices and proven process improvement solutions to accelerate your company's productivity gains and operational results in critical business areas.

Built on Global 360 process and document management technology, each solutionView delivers out-of-the-box components pre-configured for your specific business process, with the tools and best practices to quickly get everyone critical to your process initiative started, including:

- » viewPoint - our distinctive, out-of-the-box applications to dramatically improve productivity for every user-type
- » Baseline Process Maps
- » Business Rules, and
- » KPI Metric Dashboards and Reports

Take the first step towards greater productivity for a competitive performance advantage. Global 360 solutionViews, along with expert implementation services, enable you to build on our industry-specific process knowledge and experience base. We'll work with you to tailor a solutionView to your specific business needs and goals. The result is measurable productivity improvements with dramatically quicker time to value for your organization.



#### **CORPORATE HEADQUARTERS**

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