

CPG Company Identifies Poor Pricing Strategy and Saves Over \$200,000 in One Week Alone

Situation:

Due to competitive activity, an international dairy foods company began experiencing a decline in their sour cream product category. Like most CPG companies, their sales were built around many territories managed by many sales representatives, across multiple regions, with multiple brands and thousands of SKUs. The decline was hard to identify, because it was specific to one territory and was only occurring in certain retail environments.

Challenge:

Because the company manufactures so many products across multiple territories and channels, monitoring sales performance at a granular level is next to impossible. Additionally, sales for this particular dairy product had always been consistent and stable. Therefore, the regional manager who was affected by the competitive activity did not spend time examining the performance of this product.

Solution:

This CPG company uses VERIX – a solution that automatically discovers changes in business performance and provides alerts directly to users, saving time and reducing the negative impact of the changes.

Without losing any of his valuable selling time, the regional manager receives weekly email alerts of that particular week's sales performance changes. The decline in sales of the sour cream product was reported in this email alert as soon as it happened. Without this email alert, the regional manager would have continued believing that the performance of this particular product was as stable as it had always been.

Armed with this information, the regional manager tasked the field reps with uncovering the driver of the sales decline for the sour cream product. The sales reps were able to quickly identify that a competitor in the region recently reduced the price of their competitive product. As a result, a combat pricing strategy was created to regain sales and market share.

Results:

The new pricing strategy repaired performance and market share back to previous levels. Not only did it keep the competitor from gaining a foothold in this market, but it also saved the CPG firm over \$200,000 in potential losses within one week alone.

Case Study

Company:

International dairy food products manufacturer

Results:

- **\$200K** – Savings in one week of executing new pricing
- **1 competitor** – battle won, by sustaining a foothold in the market
- **1% market share** – regained from major regional competitor

Industry:

Consumer Packaged Goods (CPG)

Case Study:

VERIX saves CPG firm from losing hundreds of thousands in revenue

About VERIX

VERIX offers customized Performance Management and Optimization – reporting and dashboards – that present data and Key Performance Indicators (KPIs) in a format that reflects your business and workflow. Our intuitive presentation layer puts the critical information on dashboards and reports for headquarters, field management and salespeople. Data is instantly actionable without days or weeks of internal analysis.

Only VERIX delivers complete Performance Management Optimization with a patented analytics engine. Now you have everything you need to analyze performance at all levels – sales, marketing, brand management, managed care. Align your organization behind your strategy and immediately take action.

Developed by a team of leading analytics experts, VERIX was built to analyze vast amounts of data and present the information in a workflow aimed at business users. The VERIX analytics engine is at the core of our solution, and the company devotes significant resources to its ongoing refinement. The company's entire team was hand selected and includes patent holders and other noted analytical experts; nearly a third of the company holds Ph.D.s from the world's premier research institutions.

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