



Pernod Ricard NZ in high spirits regarding Trade Promotions Management

Pernod Ricard NZ* is New Zealand's largest wine company with brands that include Montana, Stoneleigh, Church Road and Corbans Wines. Part of the formula that has put Pernod Ricard in the enviable position as brand leader is a highly focused promotional program across their range of wine categories and diverse customer base.

Challenge: In 2005, Pernod Ricard made the decision to transform their trade promotional planning and trade spend management process and systems. Whilst the basic building blocks had been in place, Pernod Ricard wanted to provide a greater level of focused on the profitability of the promotional program and alignment of key performance indicators for the sales teams in relation to trade spend. The company set about implementing a new Trade Promotion Management (TPM) solution from Promax.

'The Wine and Spirit business is a very competitive category, one which required us to place greater rigor on pre-promotional evaluation and ROI analysis' said Steve Prescott, Sales Director for

Pernod Ricard NZ. 'We plan for thousands of promotions in a year. Up until we completed the Promax TPM implementation, it was very difficult to manage the level of promotions, reconcile the trade spend and be confident we were getting the best return on our investment. We had been managing the sales planning process manually through a series of spreadsheets which just became inappropriate for our business' Prescott added.

Solution: Promax has been implemented to plan promotions, evaluate and track the trade spend and claims process for all customers including grocery chains, Independents and Specialty Liquor Chains. The system provides full P&L analysis of every promotion, assesses and automates the approval process of trade spend for each Account Manager, provides forecasting and budgeting as well as claims processing and management.

Benefits: 'The Promax TPM system is providing us real time visibility and measurement of the promotions and trade spend as well as customer profitability analysis. This has resulted in a significant improvement in our promotional performance as we can now see what promotions add value, what works for us versus

what does not. Another major benefit of the implementation was streamlining the entire TPM sales planning processes. This includes the integration of information across the entire company including reporting of promotional plans to the field teams of over 130 people. "Promax TPM has enabled us to automate a number of steps in the process saving our sales team valuable time" said Prescott.

Future Plans: Moving forward, Pernod Ricard are planning to increase their use of the system and are reviewing the possibility of automating communication to the field through the use of hand held PDA's.

Pernod Ricard's selection of Promax was taken after a rigorous evaluation process had been completed. 'We placed emphasis on selecting a solutions partner, not just a TPM software vendor', said Prescott. 'We evaluated a number of solutions but in our view, Promax TPM stood out as an exceptional solution for managing promotions and trade spend', said Prescott.

