

CPG Promotions: Unlocking Revenue Growth with Data-Driven Insights

Promotions are vital for boosting sales, enhancing brand visibility, and cultivating customer loyalty, yet many campaigns fall short. Common barriers include outdated analytics, poor planning, and a lack of real-time monitoring, leading to wasted budgets without the desired return. This infographic explores these issues and presents solutions for turning data into profitable promotions that drive sales growth.

Atheon Statistics: Missed Opportunities in Promotions¹

- Promotions drive 22% of sales volume (1 in 5 products sold).
- 1 in 3 promotions suffers from missed sales due to poor availability.
- 6% of promotional demand goes unfulfilled due to out-of-stocks.
- 1 in 11 (9%) promotions lose more than 20% of their potential uplift due to poor availability.

Effectiveness of Promotional Campaigns

- **Untarget Investment:** Over half of CPG companies allocate more than 20% of their budget to trade promotions, yet 59% of promotions do not meet their planned objectives.³
- **Risk of Loss:** 30–40% of promotions are either inefficient or fail to break even.⁴

Challenges in Promotional Analytics

- **Analysis Gap:** Only 29% of companies use advanced tools for analysing promotion effectiveness.⁵
- **Insight Deficiencies:** 60% of CPGs lack the necessary tools to derive actionable insights about promotions from their trading data.⁶

The Deeper Problem: Your Data is Holding You Back

- **Past Sales Performance ≠ Future Success:** Basing demand forecasts on past sales while ignoring factors such as availability, waste, and distribution is prone to errors.
- **Lack of Deeper Insight:** Shifting conditions require deeper analysis and comparison of trends to avoid wasting the budget on underperforming mechanics and store support.
- **Reacting in Slow Motion:** A lack of real-time insights hampers adjustments to promotions, causing supply chain delays and missed opportunities.
- **Missing the Local Picture:** One-size-fits-all promotions neglect local variations, risking stock misallocation and suboptimal results.
- **Limited Retailer Influence:** Without solid evidence and insights in negotiations, you lack the leverage to secure optimal retailer terms, stock levels, and visibility.
- **Measuring True ROI:** The inability to isolate true sales uplift from promotions complicates justifying expenditures, optimising tactics, and resource allocation.

SKUtrak: Essential Data to Fuel Promotional Intelligence

- **Sources:** Automatically collects and integrates data from the entire flow of goods (store, depot, reference, forecast, and epos).
- **Granularity:** Access detailed data at the store, SKU, and day level.
- **History:** Analyse 2+ years of historical data to identify trends and patterns.
- **Metrics:** Track uplift factor, sales rates, units sold, £ sales, wastage, availability, cannibalisation, and service levels.
- **Breakdown:** View aggregated data or drill down by region or store type.
- **Standardised Model:** Unifies retail data across all grocery clients.

Forecast, Execute, Evaluate with SKUtrak – Optimising Every Step

Plan with Precision

- **Identify High-Impact Promos:** Evaluate past promotions to choose types with the best returns.
- **Forecast promotional update:** Establish baseline demand and predict uplift to set targets.
- **Secure Retailer Buy-In:** Use data-driven arguments to gain retailer approval for promotions.

Execute with Agility

- **Track Availability:** Monitor on-shelf availability and inventory during promotions.
- **Ensure Compliance:** Track sales uplift and stock levels by store to identify issues.

Measure and Enhance

- **Analyse Outcomes:** Measure actual sales uplift and ROI from promotions.
- **Identify Key Promo Drivers:** Pinpoint effective tactics, stores, and mechanics.
- **Build Knowledge:** Keep an updated library of past promotions.

Effortless Integration for Maximised ROI

- **Seamless TPM/TPO Integration:** Pre-approved connectors to leading TPM tools ensure quick and easy setup, maximising ROI.
- **Universal Compatibility:** Easily integrate SKUtrak data into any business application for a customised analytics powerhouse.

Unlock Revenue and Profit from Promotions

- Understand which promotions generate the strongest sales uplift and profit margins.
- Accurately forecast promotional demand preventing stockouts and maximising sales.
- Compare the true profitability of different promotional scenarios before launch.
- Leverage insights to enhance your promotional planning playbook.
- Gain real-time visibility to adjust promotions and ensure product availability.

Take the next step

Email us at info@skutrack.com or call 08444 145 501 to schedule your demo.

1 Based on Atheon's research of over 150 CPGs spanning a three-year period Apr 2021 to Apr 2024
2 Households save £13 billion on supermarket deals, Kantar, April 2024
3 Survey on Trade Promotion Accelerating Consumer Engagement, HPG, 2023
4 How analytics can drive growth in consumer packaged goods trade promotions, Boston Consulting Group, 2019
5 The analytics advantage – 2023 Retail and Consumer Goods Analytics Study, CGT & RIS, 2023
6 Trade promotion optimisation – shining light into the darkness, Deloitte, 2020

About Atheon Analytics

Atheon Analytics helps humanise data so that people can make complex decisions confidently. Through accurate visual representations that drive interaction and actions, we help consumer packaged goods (CPG) companies maximise sales, improve product availability, optimise their supply chain, and collaborate with their retailers. Our primary product line, the SKUtrak Demand Intelligence Platform, connects grocery suppliers with detailed daily insights from their retailer customers and helps them optimise the flow of goods from retailers to shoppers.

