



White Paper

Driving Field Force Efficiency Up and Costs Down
Can It Really Be Done?

How Consumer Goods Organizations can win in Australia and Asia.

Driving Field Force Efficiency Up and Costs Down: Can It Really Be Done?

How Consumer Goods Organisations Can Win in Australia and Asia

Consumer goods suppliers in Australia and Asia are at two very different crossroads; responding to challenges, opportunities and market conditions unique to each region, but with one thing in common: the need to drive greater efficiency and cost reduction by optimising field operations to win in-store.

For both, the key to success lies in leveraging technology for perfect store retail execution that makes field forces more effective, identifies new sales opportunities, delivers quantifiable time and cost-savings - and a rapid return on investment (ROI).

Australia: New Opportunities Beyond Traditional Channels

In Australia, consumer goods (CG) suppliers are under stress on multiple fronts. They are increasingly being squeezed to contribute more to fund retailer discounts and trade promotions in the \$112 billion¹ food and grocery sector dominated by two supermarket giants, Woolworths and Coles, who hold a combined 72.5% share of the grocery market².

One dollar in every four earned by suppliers is being returned to retailers to fund discounts, rebates and promotions³. In recent years, high domestic manufacturing costs and a strong Australian dollar drove competition from imports. The 'big two' players are consolidating supplier numbers and reducing shelf space available to branded goods through increasing private label offerings.

As a result, suppliers are looking to reduce their risk exposure and high cost of doing business in this traditional market by developing other channels among a long tail of smaller retailers including other

grocery, convenience, pharmacy, petrol, liquor, general merchandise, discount, speciality and food service outlets.

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Did you know there are 7,850 outlets in the HORECA* channel in NSW alone and over 24,000 nationally?

.....
*Hotel/Restaurant/Café



How many are in your line of sight? How many additional customers could you acquire with greater insight into the ones that aren't customers?

These non-traditional channels require different sales capabilities and new ways of working, including building one-on-one relationships with individual owners and improving efficiencies of sales teams with many more outlets to visit.

The key to success in this new playing field is effective use of technology that drives efficiencies and makes it possible for the same number of, or fewer, reps to target and visit more stores, more effectively.

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When Kimberly Clark implemented the StayinFront consumer goods retail execution and monitoring system platform to support and enhance the activities of its national field force territory managers averaged an extra 2.1 calls per week - more than 100 extra calls in a year - thanks to a reduction in administrative work and better allocation of field resources.



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Finding Every Sales Opportunity

While the task of identifying opportunities in these new channels beyond the large supermarkets is potentially overwhelming, CG companies in Australia can now find virtually every retail outlet in a territory, the size of the sales potential at each one and not just those they currently sell to.

Powerful sales and competitive data on retail outlets nationally enables reps to identify and capitalise on all opportunities in the field by providing strategic insights into a territory, customers and prospects. With the right data at their fingertips, reps become more efficient and productive, sell more and discover better ways to manage their territory.



When analyzing a major CG organisation in Australia, 38% of outlets in a single metro area had a potential sales uplift of up to combined \$50,000 AUD.

Identifying these stores and providing this data enables a sales rep to better prioritise visits and target specific action plans to capitalise on the sales potential of these high value outlets.*

Asia: Insights into Field Activity Key to Growth

It is a different retail quandary, but with a similar technology answer in Asia. Home to 44% of the world's population, Asia's rapidly growing middle class and urbanisation are fuelling retail sales. Thirty percent of the world's retail growth through 2017 is expected come from Asia's emerging markets⁴, where per capita incomes are growing faster than in any other region of the world⁵.

That presents an enormous opportunity for suppliers if they can overcome the limitations of often-unwieldy distribution networks to get their products on shelf in store in a retail landscape split roughly 50:50 between modern and traditional formats.

Asia is rapidly approaching a tipping point where investment in technology becomes key to leveraging the growing retail opportunity by significantly improving visibility to what's occurring in field and eliminating efficiency-draining paper process or outdated technology.

Many CG companies have employed local distributors in Asia and, inevitably, those distributors are selling other suppliers' products too. The challenge for multinational CG suppliers in Asia is maximising the sales of distributor networks and encouraging distributors to prioritise their product over others. That is difficult to achieve in a traditional distribution network where visibility into rep activity is limited.

Suppliers Need Timely Information on

-  Where distributors are selling
-  How many calls they're making
-  Where the opportunities are

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Limited visibility into distributor systems, virtually zero control over the data collected and outdated technology of paper based processes restricts the visibility of field reps and managers into current market conditions – and their ability to react effectively.

Driving Visibility Into Field Activities

The key to success is improving the visibility of distributor networks and getting the field team to adopt best practice and efficient ways of working that will enable them to get the most out of each opportunity.

A market leading technology-led system that puts a mobile device in the hands of a field force can deliver benefits not possible with the current approach.

Mondelēz International, which boasts brands including Oreo and Cadbury, drove visibility and boosted the effectiveness of its in-store sales force in Asia when it deployed StayinFront TouchCG® mobile software. The system helps reps drive in-store sales by providing detailed information about store conditions, sales volumes and promotions – information that was previously invisible to reps and managers.

By placing actionable insight at the reps' fingertips, Mondelēz is able to uncover sales opportunities and spot problems or trends to address concerns or leverage opportunities.

Australia's Opportunity: Return On Investment From Efficiency Gains

Whether in Australia or Asia, ROI in the cost of a system is achievable within a year simply by driving costs down through increased efficiencies – even without factoring the sales uplift enabled by a system that identifies and directs reps to stores with the greatest potential.

Spend Less Time Driving, More Time Selling

Efficiency improvements can generate quantifiable cost savings of between 7 to 14%⁶ by reducing the amount of time spent on administration, optimising processes, reducing travel time between store visits, and having an optimal coverage plan for each territory.

Cost savings are achieved through improving core efficiencies in three high level areas:



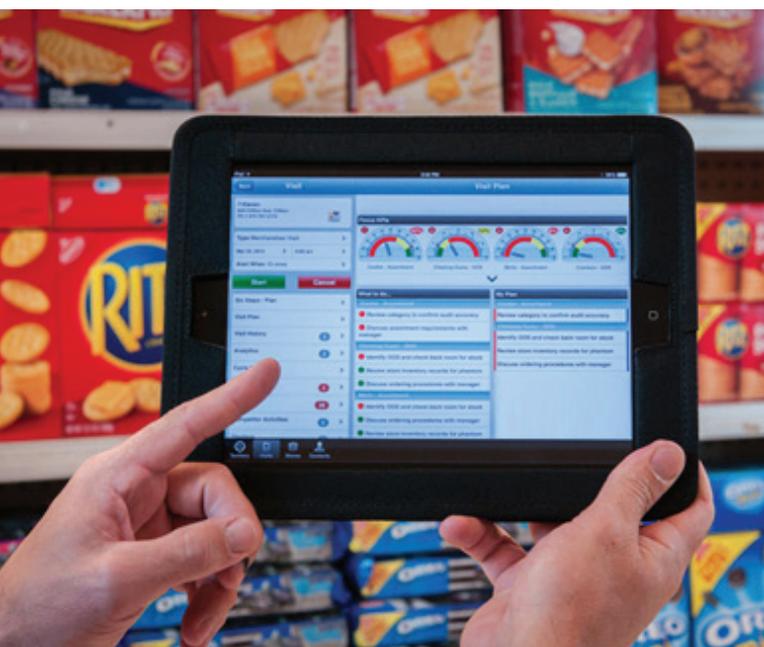
Territory Optimization - the efficient allocation of outlets to reps in an optimal geography; determining who should be doing which calls to create a more efficient overall territory structure.



Route: how reps navigate their territory - enhanced journey planning to direct the field team to the right customer, at the right time, in the optimal sequence, so they spend less time driving and more time selling.



Streamlining work processes and keeping teams up to date - via a system that makes relevant, timely data available to everyone who needs it for better, faster decision-making, coaching and training, including guiding reps' workflow actions based on KPIs.



StayinFront TouchCG® store-level dashboard and KPIs helps field reps focus on priorities, tasks and objectives.

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The size and shape of sales territories can either support a sales team or prevent them from making sales. Poorly constructed territories create unnecessary driving time, wasting money and opportunities to sell. An efficient territory minimises travel time while balancing workloads.

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An analysis of one million rep journeys in Australia found technology-driven, optimised journey planning reduced rep inefficiencies by 9 -15%, and in some cases as much as 40%.
.....

More efficient territories combined with providing field workers with excellent technology – a system that is easy to use, with guided work processes that provide best practice action plans and real time feedback on their achievement mean fewer reps are needed to do the same amount of work. Companies can then choose immediate cost savings through reducing the size of their field force, or drive new sales through redeploying talent elsewhere to develop other targeted channels and opportunities

Asia's Opportunity: Guiding Rep Best Practice in the Field

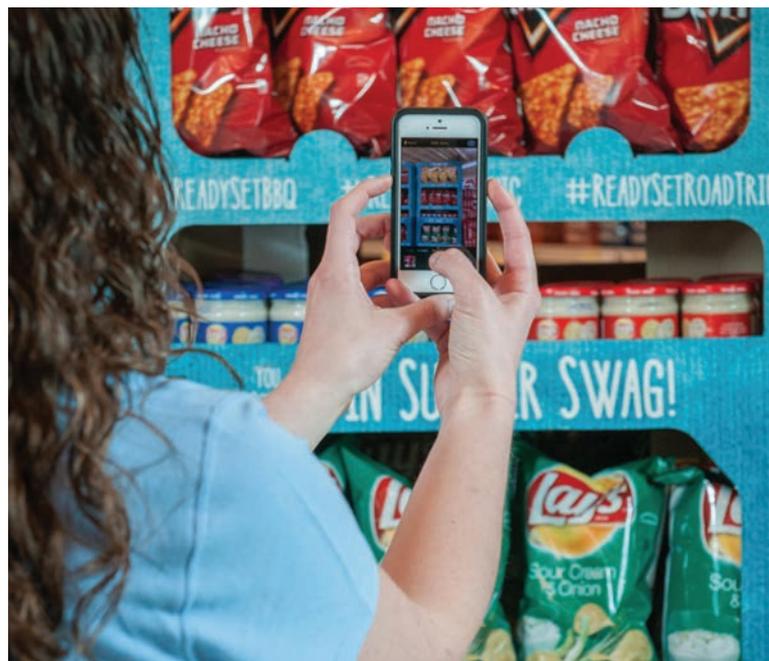
While territory compaction and route optimisation, using tools including access to a complete outlet list, should be the goal in the mature Australian marketplace with its more sophisticated levels of automation, it is not the case in Asia.

The priority in Asia should instead be on eliminating inefficient manual processes and gaining greater understanding into what reps are doing in the field. Many companies simply lack the capability and visibility needed to determine which outlets are most valuable, which products to target within those stores, how to best position them on the shelf, how to inform and motivate sales teams to sell more of them - and how to check if and how well those tasks are being carried out.

This information vacuum creates great disparity in rep performances and makes fast, informed decision-making by empowered local management virtually impossible.

Put simply, managers can't measure, target, control or change what they can't see and don't know about.

Replacing manual processes or outdated technologies with a leading edge mobile-based solution gives consumer goods organisations the ability to develop the capabilities they currently lack. That might include an automatic checklist of product items for every store on the rep's route, a list of standards, such as optimal product placement and providing reps with easy to use best process guides to help them understand and fully execute the perfect visit every time. Simply enabling reps to take and share photos of their in-store work on a mobile device would further managers' ability to check standards are being met in the field, verify instructions are understood and being followed, as well as identify and address any roadblocks preventing correct processes being applied.



Field rep using StayinFront TouchCG® with seamless integration with digital merchandising and image recognition services to capture, upload and manage photos.

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Armed with a simple mobile device, reps could enter specific details about the outlet - track stock levels, competitor pricing, product placement and schedule a future visit - while in the store. It might then tell them where to go next on their route and provide a map to get them there. When the rep leaves the store, all their work for that outlet is completed with no paperwork to complete later.

Additionally, the live flow of data from the field gives a company what was - until now - the missing link in Asia: knowledge of what reps are doing and what is happening in store regardless of who manages those reps, you or your distributors. The information flow empowers managers to measure sales effectiveness and make knowledge-based decisions. They can then turn those customer insights into an action plan and provide reps with simple to understand performance metrics to create a more accountable and productive sales team.

Such a system delivers time and cost saving benefits to drive ROI.

While saving time and improving productivity will have a direct impact on ROI, the primary benefit of moving away from manual processes or outdated technologies in Asia comes from having streamlined, accurate and timely data from the field from which to make informed decisions and compare selling efforts to results.

One Solution, Many Opportunities

A single sales force automation system equipped with full retail execution, selling, analytics and management reporting tools to drive sales growth in both traditional and modern trade markets eliminates the inherent complexity and inefficiencies of having different systems for different teams.

Simplot Australia, manufacturer of brands, including Birds Eye, Edgell and Leggo's, discovered the benefits of supporting all its routes to market from a single, integrated solution when it standardised its sales and operations processes on the StayinFront EdgeCG® field force automation platform and StayinFront TouchCG® mobile retail execution application.

DRIVING FIELD FORCE EFFICIENCY UP AND COSTS DOWN

IN AUSTRALIA

TO VIEW THE FULL AUSTRALIA INFOGRAPHIC, [CLICK HERE](#)



OPPORTUNITIES

CHALLENGES

STRATEGIES

SOLUTION

IN ASIA

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While Simplot previously had a different system for each of its sales teams, the new solution supports its sales representatives, merchandisers and managers operating in its separate national retail, independent grocery and foodservice teams, across all sales models and routes to market.



StayinFront TouchCG® view of in-store analytics dashboard.

Mobile dashboards and KPIs enable reps to see their targets for each visit and take the steps to improve their performance, while management has real time access to reporting and information from the field.

Fundamental shifts are occurring in both the Australian and Asian CG landscapes, as both markets ready to take the battle for the shelf to the next level. They may be facing different challenges, but the answer is essentially the same: a cost-effective, on-demand, mobile field force management solution that enables managers to plan, schedule, optimise, direct and monitor field activities to improve visibility, efficiency and performance and drive ROI.

A market leading technology solution allows CG organisations to do just that: define best practice work processes and action plans based on in-store conditions, trends and KPIs. Easy to use, visually presented store and task recommendations enable reps to quickly and easily follow a best practice plan of action. Results and KPI changes are provided in real time as users complete their work so they are continuously receiving guidance and coaching on performance in adherence with best practices.

As the dynamic retail landscapes across Asia Pacific continue to present challenges and opportunities for CG companies, the winners will be those who deliver the efficiencies and insights needed to win in-store. Teams that are equipped with the right tools and information will be able to complete more tasks on each store visit, tap into powerful data to identify new channels and opportunities and sell more effectively than their competitors.

How StayinFront Can Help

CG companies who leverage the latest technology and tools will be able to drive field force effectiveness, reduce costs and increase selling opportunities. StayinFront's mobile cloud applications can empower field teams with the ability to complete more work in less time, know more about their customer and their store performance and uncover opportunities to sell more product.

Learn how StayinFront can help your business **Do More, Know More and Sell More.**

Visit stayinfront.com for more information.

Sources

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² Roy Morgan Research, article no. 5427, Market share narrows between Coles and Woolworths, while ALDI makes important gains, 12 February 2014.

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⁴ Bain & Co, 'What does it really take for grocers to win in emerging Asia', Serge Hoffmann et al, 12 February 2014

⁵ The Economist Intelligence Unit, 'Asia Rising – Wholesale and Retail', 2014

⁶ FieldForce Planning customer journey analysis, Australia, 2015

*Source: StayinFront Sales Locator 2014

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