

# Pride Passion Profit™

## 7 Steps to Category Development Workshop

Revolutions begin long before they are officially declared. For many years, businesses have been struggling with how to increase profits through productivity or cost containment and have concluded that new strategies and competitive realities demand leadership, change and new ways of working together. The days of driving market share exclusively through price and promotion are over, as consumers today want the fountain of youth at a discount.

Why reinvent category management?

1. Consumers are not at the centre of core category management strategies
2. The job of category management cannot rest exclusively in the hands of category managers – Explosion of data and information requires a combination of shared responsibilities and analytics
3. Retailers cannot overtly depend on suppliers for full analytics and resources
4. Category roles and goals are not cascaded from the top down and across all departments
5. Execution at store level still falls short of expectations with a noted lack of merchandise standards
6. Consistent and balanced performance metrics and scorecards are noticeably absent

This session will demonstrate how you take your Category Plans and Retail Strategies to the next level by learning how to develop categories instead of just managing them.

### Key Features and Benefits

1. Category Strategies anchored to corporate objectives rather than isolated brand and category objectives
2. Developing rather than managing categories for maximum impact merchandising and assortment planning
3. Deployment of balanced performance metrics anchored to what your customers want and need and the evolution of your customer
4. Category strategies that are mutually beneficial for target customers and trading partners
5. Tailoring brand strategies and innovation to consumers not segments

Beyond metrics and managing categories, for your business to thrive you need to create stronger ties with your customers. If the retail wars and chaos on the floor have taught us anything, it's that we need to focus on creating solutions for people rather than on selling products to customers.

*Pride, Passion, Profit: 7 Steps to Category Development* goes where no one else has dared go: to the heart of the relationship between a consumer and a buying experience. If you learn to let your customers determine how, what, and where they buy, you'll move beyond category management to category development, and it's there--and only there--that sustainable profitability awaits.

You will discover how to:

- Measure share of heart instead of share of wallet
- Stop guessing about what your customers want
- Remain flexible in the face of changing consumer demands
- Solve your customers' problems on their terms
- Promote a solution instead of a price

**Our 7 step approach to Category Development will also address the following challenges and shortcomings of category management to create development opportunities:**

1. It is difficult to reconcile a decline in shareholder value to a specific category product or brand when a corporate objective is in conflict with a category objective. for a specific brand
2. Category and brand managers are often limited to performance metrics myopically focused on short-term financial objectives rather than strategic objectives.
3. Current compensation packages and rewards promote short term objectives with short term thinking
4. Ongoing challenges with reconciling and translating corporate objectives into product level or category goals
5. Product and Category managers often do not collaborate with other departments and do not have enough information to construct strategic objectives
6. Marketing takes ownerships of brands , category / merchandising mangers claim their categories, logistics / distribution takes ownership of their trading partners and the consumer is left out of the equation
7. Consumers shop for solutions in stores and browse in aisles, they do not shop categories resulting in the need for category plans to be anchored to a stronger value proposition
8. Diversification , convergence and acquisitions often result in categories and products from the same company competing with each other

## Introducing *Pride Passion Profit* - 7 Steps to Category Development

Module 1	The War on the Floor—Customer-Centric Conflict
Module 2	Step 1: Validate and Collaborate—Reconcile Category Plans with Current Operations
Module 3	Step 2: View and Perspective—Improve Your Situational Awareness
Module 4	Step 3: Myth or Reality—Identify Your Best Development Opportunities
Module 5	Step 4: Mirage or Oasis—Set Your Category Objectives, Goals, and Strategies
Module 6	Step 5: Need or Desire—Identify Your Category Solutions Mix
Module 7	Step 6: Greed or Growth—Position for Profit
Module 8	Step 7: Formalize and Integrate—Complete Your Category Development Plan

*Pride, Passion, Profit* – 7 Steps to Category Development is a revolutionary system for leveraging consumer-centric practices. It's about integrating the best practices from category management, marketing, and human relations into a fresh way of doing business with the customer at the center.

## New Ways of Working Together Workshop

The need to work collaboratively has never been more important. Manufacturers and retailers face mutual challenges: a global economy in crisis, the appearance and convergence of technology, demographic shifts and the affluence of emerging economies, a renewed focus on distribution economics, and a retail landscape that is changing as new sales channels emerge. These forces will individually and collectively influence and alter the value chain, changing where consumers live, shop, and work.

Companies understand that success will not be realized by individual efforts but rather the combined efforts of their companies and their trading partners. Collaboration is at the forefront of center stage. Central to this discussion is the importance of the customer; undoubtedly, all strategy should begin and end with the consumer. All structures, incentives, rewards, and training must be defined in accordance to creating a stronger value proposition for the consumer.

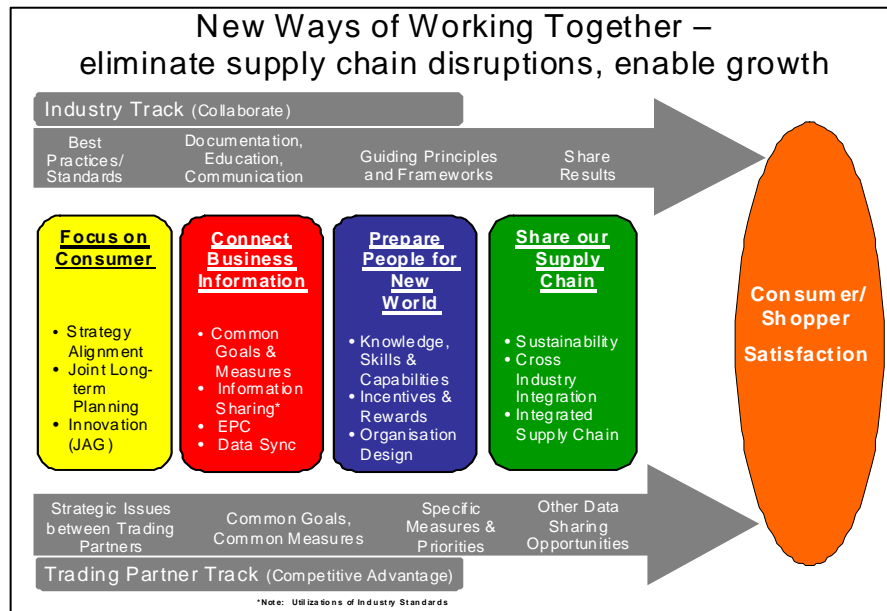
The concept of understanding connectedness across an organization and corresponding impact on incentives and rewards is a strong argument for standards in performance metrics as it dictates protocols of performance. Preparing people for change recognizes that the environment is constantly changing and you must therefore have the correct view to put the right practices and processes in place. Also evident is the fact that in a highly competitive environment, there is a strong propensity to control and manipulate information. Views in isolation can often be manipulated—shared view promotes understanding and often changes perspective.

To serve the consumer best, manufacturers and retailers must prepare their own people for change and also enter into open relationships with each other. Companies exist as a network of relationships and success is defined by the strength of those relationships, which is different from a traditional organizational chart (structure). Founded in trust and understanding, these relationships help ensure that the consumer becomes the focus of process and policy. It takes courage to look at a situation from the perspective of someone else, and it takes leadership to make that change.

If we are to improve, then we must change by impacting at its core the behavioral, cultural and structural drivers of change

- We need to understand what to change (Structure, Incentives, Rewards)
- What to change to (Structure, Incentives, Rewards)
- The catalyst for change and how to change ( Current performance)

*New Ways of Working Together* framework and core objective was to develop new ways for vertical trading partners to work together – including sustainable changes in culture, collaborative business planning and new measures and rewards.



*New Ways of Working Together* is about business transformation to better satisfy the consumer and shopper. It offers a framework for getting alignment and commitment on four key strategic choices in the collaboration of trading partners.

**Focus on the Consumer:** involves Trading Partner bi-lateral collaboration to better meet the needs of our consumers and shoppers. One breakthrough concept here, the Jointly Agreed Growth (JAG) methodology addresses the fact that, in more strategic relationships, annual business planning is simply insufficient. Business plans must stretch the time horizon to allow for *bricks and mortar* or capital investments. With this longer term business planning, protecting intellectual property and creating trust are essential.

**Connect Business Information:** involves establishing common goals, common measures and a common language. Key components of this *plank* include the establishment of GS1 standards for key performance indicators called: *Trading Partner Performance Measures* and the use of Global Data Synchronization to ensure there is one single view.

**Prepare our People:** addresses the organizational structures, capabilities, measures, incentives and rewards that either facilitate or create barriers to collaboration. If people behave as they are measured are we confident that we are measuring and rewarding the right behaviors

**Share Our Supply Chain:** is all about how the industry and trading partners must do things differently to address volatile energy costs and the need for more sustainable business practices. It is also about creating visibility across the supply chain to ensure a more proactive versus reactive culture.

The New Ways of Working Together Workshop will include an overview of the research and key findings as well as the opportunity to determine the collaborative IQ of your organization. The workshop will cover the four pillars of the NWWT framework as well as interactive sessions that will identify how you can leverage the New Ways of Working together Framework within your organization.

As it turns out, what's good for the consumer is good for business. As you look to grow relationships as well as profits, you're about to discover that winning results from working together for mutual benefit, not from battling for a bit more shelf space.

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## **Fees and Conditions**

**The estimated costs assume on site training and reflect a fixed cost per day per instructor with an option for 2 and 3 day training.**

### **One-day workshop: Category Development or New Ways of Working Together**

Provide an exclusive one-day workshop to a maximum of 25 participants per session – Fixed fee \$10,000 per day plus instructor travel and accommodations and course material (estimated \$150 per participant and will include a copy of our new book).