



Highlights

- Manage many downstream, demand data sources with confidence
 - Build a solid information foundation for business analytics and optimization
 - Create one, enterprise-wide version of data “truth,” with trusted governance
 - Evolve into a demand-driven enterprise with proper business consultation and change management
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Demand Signal Repository for Consumer Products

Create breakaway, demand-driven insight

Many consumer products companies understand the importance of transforming into a demand-driven company. A challenge is that downstream demand data is vast and can be difficult to master and govern without a cohesive approach across the organization. The demand signal repository solution for consumer products from IBM is an integrated information hub that provides the foundation for breakaway analytics and optimization across the enterprise.

Managing downstream data effectively

Demand-based insights have become increasingly important to consumer products companies. Yet, few companies are able to use demand data to fuel the insights they need. Information sources such as retailer point of sale (POS), syndicated sources, loyalty programs, consumer panels and social media, as well as ERP software from SAP, finance and internal systems are all available to drive powerful analytics. Downstream consumption data is now more widespread, with many retailers sharing POS data with the consumer products companies on a daily basis, and therefore expecting enhanced knowledge from their suppliers.

There are challenges to becoming a demand-driven business. Many of the data sources are new for most companies to manage, so ownership, expertise and governance are important. Many executives say their organizations are still in the basic stages of data integration and cleansing, due to data quality, governance and internal lack of skills about how to maximize analytic benefits.

In today’s consumer products business environment, there are significant financial implications to ineffectively managing all this data. These can take the form of higher costs and lower revenue due to conditions such as non-optimized inventory, ineffective demand planning, strained product launches and higher out-of-stocks.



Enterprise repository ignites true demand-driven insight

The core goal of the demand signal repository solution is to integrate and synchronize demand data throughout your enterprise to drive valuable insights not available today. Near real-time visibility across various business functions enables consumer products companies to respond more effectively to the rapidly changing consumer environment.

The solution provides the integrated data and support services to optimize on-shelf availability, improve vendor managed inventory, enable more profitable trade promotions, optimize new product introductions, and enhance consumer understanding to name a few. Over time, with proper data management, centralization, harmonization and cleansing, information trust can be established inside and outside the organization, enabling “one single version of the truth.”

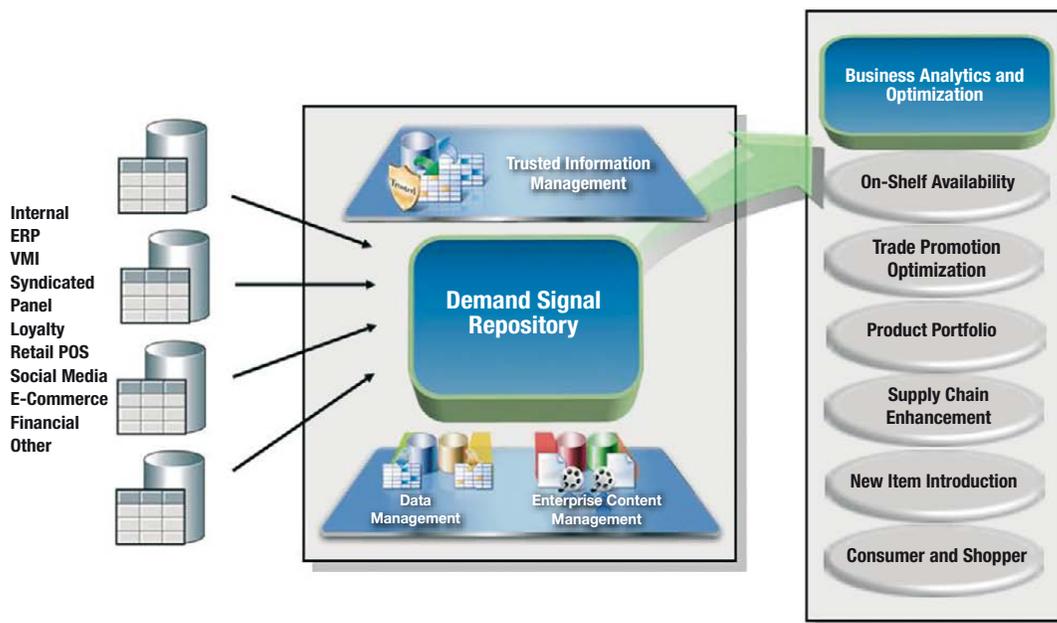


Figure 1: The demand signal repository delivers a foundation to drive business analytics and optimization.

Some of the technical features of the demand signal repository solution include an open architecture, prebuilt POS integration and validation routines, a proven ability to integrate EDI data, write-back capabilities, a consumer products-specific data model, and a flexible deployment model that can be hosted, implemented behind the firewall or a hybrid of both.

Evolve to predictive analytics

Consumer products companies are clearly realizing the imperative for rapid response in the marketplace. SAP and ERP business process automation is no longer the differentiator as it was just five years ago. Additionally, better and timely collaboration with retailer partners, through shared analytics and insight, can be “game changing.” The imperative for business insights from the near real-time data available is a new challenge.

The demand signal repository solution is based on a business-driven approach developed through our years of experience in predictive analytics, consumer products solutions, software, hardware and business consulting. IBM provides domain knowledge of the industry and data sources as well as change management to help your transformation. IBM’s worldwide experience in complex data management, business analytics and optimization coupled with our ability to work as a single resource offers consumer products companies a distinct and measurable competitive advantage.

The trend toward enterprise demand signal repositories is here to stay. This is not just about technology and deploying it for optimal organizational use. It involves business process change to be fully adopted and domain knowledge of integrating multiple data sources for enterprise, cross-functional use.

As your organization moves to this strategy, it is important to first develop a cohesive business case with key stakeholders, building a rationale and support. Start with a pilot program on measurable initiatives in a few functional areas, with a

longer-term plan of an enterprise-wide rollout for full benefit. Involving your channel partners early in the process helps with collaboration. Over time, as your organization sees the benefits realized from the advanced analytics and optimization, full enterprise adoption will be embraced.

A foundation for future success

The dynamic retail environment and consumer demands are changing many consumer products companies’ traditional approach to the market and a major key to success is reliable, trusted information. Employing our demand signal repository solution positions companies to thrive in this environment, become more responsive, gain optimized business insight, lower costs, and improve margin and sales. Leading consumer products organizations are moving from an automated “what happened” view, to an optimized “what will happen” view to transform their business.

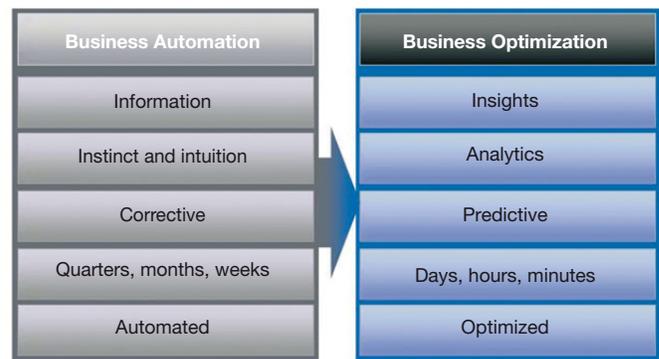


Figure 2: Evolve to predictive analytics.

Companies that master the challenges of demand data, and who can successfully mine new and disparate information sources for improved analytics are able to become—and remain—leaders in the industry. IBM's enterprise-wide, business-driven approach to building a demand signal repository creates a competitive advantage that can help you develop lifetime consumer relationships, further collaboration with retailers and other channel partners, manage enterprise performance and drive true efficiency.

For more information

To learn more about the demand signal repository solution for consumer products, please contact your IBM representative or IBM Business Partner, or visit: ibm.com/consumerproducts



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