

## **Introduction (Who we are; What we do; Why we do it)**

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We believe that all organisations and individuals can improve, and we are passionate about helping them to do that. Although all clients have different needs, we firmly believe that best practice leaves clues we can learn from. Our purpose is to help our clients and students leverage that learning, to meet their growth and profitability targets.

Our driving strategic intent is to fashion customised solutions which deliver sales and marketing improvements in strategy, structure, systems and skills. Our normal mode of operation is as an adviser to Senior Line Management, and as a high-level facilitator. We have been involved in Key Account Management, Sales Management and Marketing for over thirty years. We are experienced in working within all industry sectors, with particular strengths in consumer goods, hardware, healthcare, grocery, energy, chemicals and retailing. [More...](#)

## **Scope of This Paper**

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Over the past decade we have witnessed a number of trends in many segments of the consumer/retail market place. Our clients asked us to respond, and this overview paper outlines that response.

**Category Management.** There has been a quantum leap forward in the requirement for CatMan disciplines and thinking. Suppliers need to consider their partners' "go-to-market" strategies, category roles, and assortment guidelines. This goes deeper than the traditional range review, and involves strategic thinking about the only domain in which the supplier, the retailer, and the shopper meet.

**Shopper Insight.** Retailers now expect suppliers to engage with them on the shopper decision frameworks for the category. Even in the absence of hard data, suppliers need to be able to hold their own in "grey areas", such as path to purchase, points of engagement, point-of-purchase drivers, and demographic profiling. And they must understand the difference between "consumer" and "shopper".

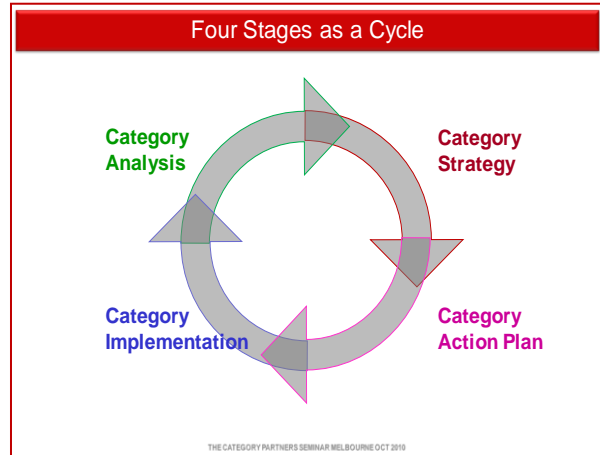
**Score Cards and Metrics.** The simple stuff like GP dollars and GP% are no longer enough. Even stock turn calculations need to become automatic. Retailers now expect suppliers to understand their more challenging metrics including GMROI, GMROS and AWOP, and understand their score cards.

**Personal Selling Skills.** The increasingly "savvy" purchaser, the explosion in on-line retailing, and the continuing entry of well-resourced overseas channels with proven retail formats, will all increase the demands on the "last three feet" of the path to purchase. The sixth "P" in our POP Driver model is "People"; a key differentiator for "bricks and mortar" retailers and arguably the most important. Well trained sales staff can still make a telling contribution to brand and product choice, in most segments.

## Category Management and Shopper Marketing (Our Proprietary Models)

Category Management, or “Shopper Marketing”, is the only place where Shopper, Retailer and Supplier meet. Information sharing and planning within each Category help the Shopper make the right purchase by providing the right products, in the right place, in the right quantities, at the right price. It enhances the shopping experience, building loyalty and retention, and delivering Category profitability and growth, for both Retailer and Supplier.

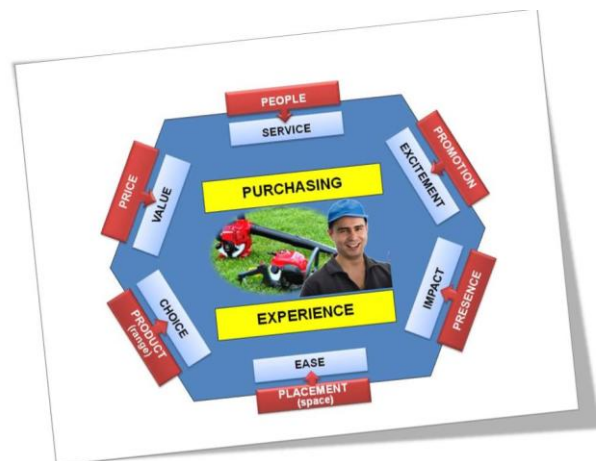
The diagram on the right shows the 4 broad steps we advocate for Category Management. We see it as a cycle, rather than a linear process. If it is to be successful, Category Management must engage all its stakeholders effectively, including the sales force, who normally require significant training. **Appendix A** details these four broad steps, and also lists the supporting skills and tools which are often found to need strengthening. This is important.



**Appendix A** also illustrates the different levels of CatMan at which we operate (especially taken together with the four case studies on the following page. Case Study 1 (for example) engaged us across all three columns of Appendix A, installing processes, but also honing skill-sets and developing customised tools, templates and formats. Case Study 2 by contrast, required us simply to discuss and refine existing processes within the client’s existing business model.

Typically, therefore, our first step is to help our client audit their CatMan capability, prior to defining our intervention. **Appendix B** shows screen shots from the proprietary tool we use for this purpose, which links the key success factors of the CatMan process to the relevant competencies to be found in position descriptions and KPIs.

The framework for this audit, and for subsequent training, is the six elements shown in the diagram on the right. We refer to them as “POP Drivers”, or Point-of-Purchase Drivers. This model has been used successfully with many clients, both inside of their own businesses and in coaching their channel partners. [More...](#)



## Case Studies

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**Client 1:** Major supplier with 5 leading hardware brands  
**Requirements:** Three levels of training for CatMan and Sales skills

We designed and installed the CatMan process itself, but we also sharpened all of the necessary “soft skills” and provided all of the templates and tools for financial metrics, etc. Target audience was a core group of 23 nominees, who became the “engine room” group (“Level 2”). They received 12 days of training, using two facilitators, over an 18 month period. The Client invested a total of around \$70,000 on this influential group of managers and senior sales people.

**Client 2:** National building supplies buying group  
**Requirements:** Review best practice in Category Management processes

CEO asked us to spend 1½ days with his newly formed (but experienced) Product CatMan Team, with very little preparation or customisation, at a cost of \$5000. The input was required to add credibility and substance to company’s transition from a buying group to a CatMan support team for their members.

**Client 3:** Cleaning products company  
**Requirements:** Install a process for a “Plan on a Page” Account Plan

National Business Manager asked us to spend two highly interactive workshop days with his team to develop and install a highly customised process, template and discipline for producing simple Account and Category plans. As well as the learning outcomes, we produced actionable output in the form of written “first-pass” plans for a number of real-life situations in hardware and grocery channels.

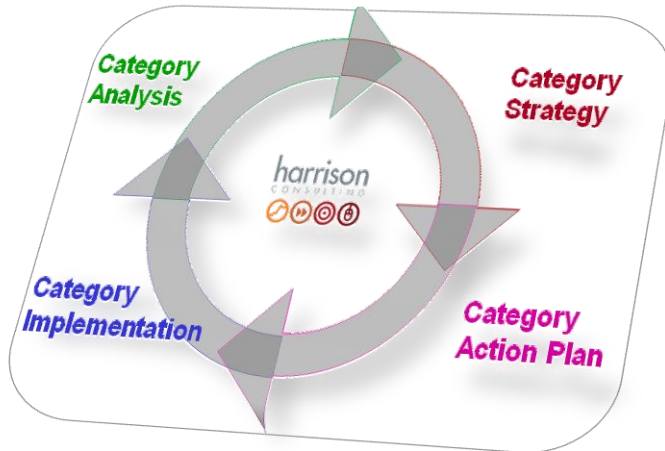
**Client 4:** Leading supplier of garden power equipment to specialist dealers  
**Requirements:** “Brickwall” existing channel relationships through CatMan and Marketing skills

Senior Management wanted to refresh and sharpen the consultative Dealer management skills of their team of Account Managers. Our first meeting addressed marketing and merchandising, which were both seen as key elements in supporting the competitiveness and profitability of the Dealer network. We provided our 6P framework in a checklist format for the experienced team to “audit” three of their Dealers before the program.

Our second workshop, to be conducted next month, will deal with financial and negotiation skills in more depth.

## Appendix A: Category Management Skills Map

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The Harrison Consulting approach to Category Management is based on extensive learning from CatMan application in a variety of industries. It is a streamlined and cyclical model, in the four broad areas shown in the diagram. Below the diagram, the process is documented in more detail, along with the supporting training we have the capability to deliver on the soft skills and typical support tools we design to facilitate the process. The balance of client needs across all three columns determines the overall intensity, depth and duration of the training required.

	PROCESS	SKILL SETS	TOOLS
CATEGORY ANALYSIS	Define the category and its segments	Analytical skills	The Retail Wheel
	Establish a consumer need framework		
	Explore retailer strategy/clusters etc	Communication skills	Mark-up/Margin tables
	Establish current category role		
	Assess item roles/category assortment	Relationship skills	Discount tables
	Analyse current category performance		
<i>Cross-validate retailer/supplier data.</i>	Strategic planning	Strategic profit checklist	
CATEGORY STRATEGY	Category SWOT and insights	Marketing skills	Retail finance reminder card
	Value-add options (quantified benefits)		
	Integrate with Account Plans and Mgt	Retail finance	Assortment assessment grid
	Category strategy		
	SMART objectives	Consultative selling	OPEN® Question planner
	Program the POP Drivers		
<i>Align supplier and retailer strategies.</i>			
CATEGORY ACTION PLAN	P1 for ranging and assortment	Presentation skills	Account mgt reminder card
	P2 for space and planograms	Negotiation skills	Stakeholder mapping tool
	P3 for visual merchandising		
	P4 for pricing	Account planning	Negotiation shopping list
	P5 for promo support and advertising		
	P6 for staff training and incentives	Account management	CatMan planning templates
<i>Negotiate retailer/supplier inputs.</i>			
CATEGORY IMPLEMENTATION	Build and Present Category Case	Training (Retailers)	Score Cards and Dashboards
	Obtain Trial Commitment		
	Set up Score Cards and Dashboards	Mentoring (Internal)	Review templates
	Conduct deep and thorough Review(s)		
	Identify Resources and Budget	Leadership.	CatMan Support Package.
	Roll out to stores, "buy-in" & compliance		
<i>Engage &amp; utilise joint resources.</i>			

CATMAN TRAINING CASE STUDIES: CONSUMER PACKAGED GOODS, WHOLESALE, RETAIL, HARDWARE

**Appendix B: CatMan Capability Assessment Tool - Screen Shots**

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**CATEGORY MANAGEMENT MASTER MAP OF COVERAGE**  
LINKED TO JOB COMPETENCIES OF CHANNEL MANAGER AND REPRESENTATIVE (SHEET 2)

Rest mouse on red flags for help

CatMan Topics Covered	Click Link for Detail	Client Use	Client Comments
What is Category Mgt?			
The Rationale and the Promise			
Definition, Philosophy, Process			
Retail and Category Strategy			
Structure, Systems, People, Data			
The Original FMI Model			
Four Phase Category Management Cycle			
Importance of Consumer Insight	Marketing		
Consumer Buying Behaviour	Marketing		
The Marketing Dimension	Marketing		
Defining the Category with Insight	Marketing		
Real Category definitions			
Consumer Frameworks			
Home Improvement Insights			
Success Factors in Retailing	Finance		
Useful Retail Financial "Metrics"	Finance		
The retailing wheel	Finance		
Markups, margins and stock turn	Finance		
Channel differences	Finance		
Improving retail profitability	Finance		
ROI, GMROI, GMROS, PL, stock density	Finance		

71	Strategic Account Planning Cycle	Account Planning
72	Step-Wise through the Account Planning Process	Account Planning
73	Account Profiling	Account Planning
74	The Retailer's World	Finance
75	Retail Finance Revisited	Finance
76	Paradigms Around Negotiation	Negotiation
77	Negotiation Skills	Negotiation

Links to Competencies

CatMan Content Key Competencies

**JOB COMPETENCIES OF CHANNEL MANAGER AND REPRESENTATIVE**  
WITH LINKS FROM CATEGORY MANAGEMENT MASTER MAP OF COVERAGE (SHEET 1)

Rest mouse on red flags for help

Key result Area/Specific Task and Accountability	Job competences	Priority	Need
<b>Account Planning and Management</b>			
Understand the role & hierarchy of Account Mgt or strategic business process			
Know the Account Management cycle and its driver			
Maintain & improve the content of Account Profile, database or CRM			
Monitor relevant external trends and changes <i>see red flag</i>			
Understand and use SWOT to challenge trends but not strategic choices <i>see red flag</i>			
Prepare Account Development Plan, maintain and order of control methods			
Construct and commit to a plan which places importance on SMART objectives			
Establish the specific of implementation and communicate to activities			
Submit plans to formal review on a regular basis			
Involve other members of the role force in Key Account Planning and research or review			
Communicate plan to those affected, and those who must support implementation			
Set benchmarks but ensure to monitor the progress of plan			
Four planning or an ongoing process, which is reviewed as part of the			
Learn effectively from this - what to repeat, what to change			
Conduct rolling quarterly review - track and update the plan (time, what to plan)			
Communicate quarterly Business Review and Development ("BRAD") Meeting			
Partner business review and special meeting management ability			
<b>Leveraging Marketing and Strategic Inputs</b>			
Write marketing and Sales Plan document to provide strategic leadership to sales			
Monitor internal and external factors, sales and product structure and Customer potential			
Understand the value of various market channels (eg B2B, On-Line, Channel Partners, etc)			
Apply portfolio management to Channel Management, as appropriate			
Forecast volume, profit and market share effectively			
Keep up to date on technology change as it's impact on Customers and Categories			
Understand consumer and shopper behaviour and can "explain" the consumer framework			
Take on board inputs from Customer Marketing and Brand Management			
Know how to relate "STP" (segmentation, targeting and positioning) to Channel Partners			

Drop down help boxes