The Growing Utilization of Data Driven Insights by Consumer Good Companies
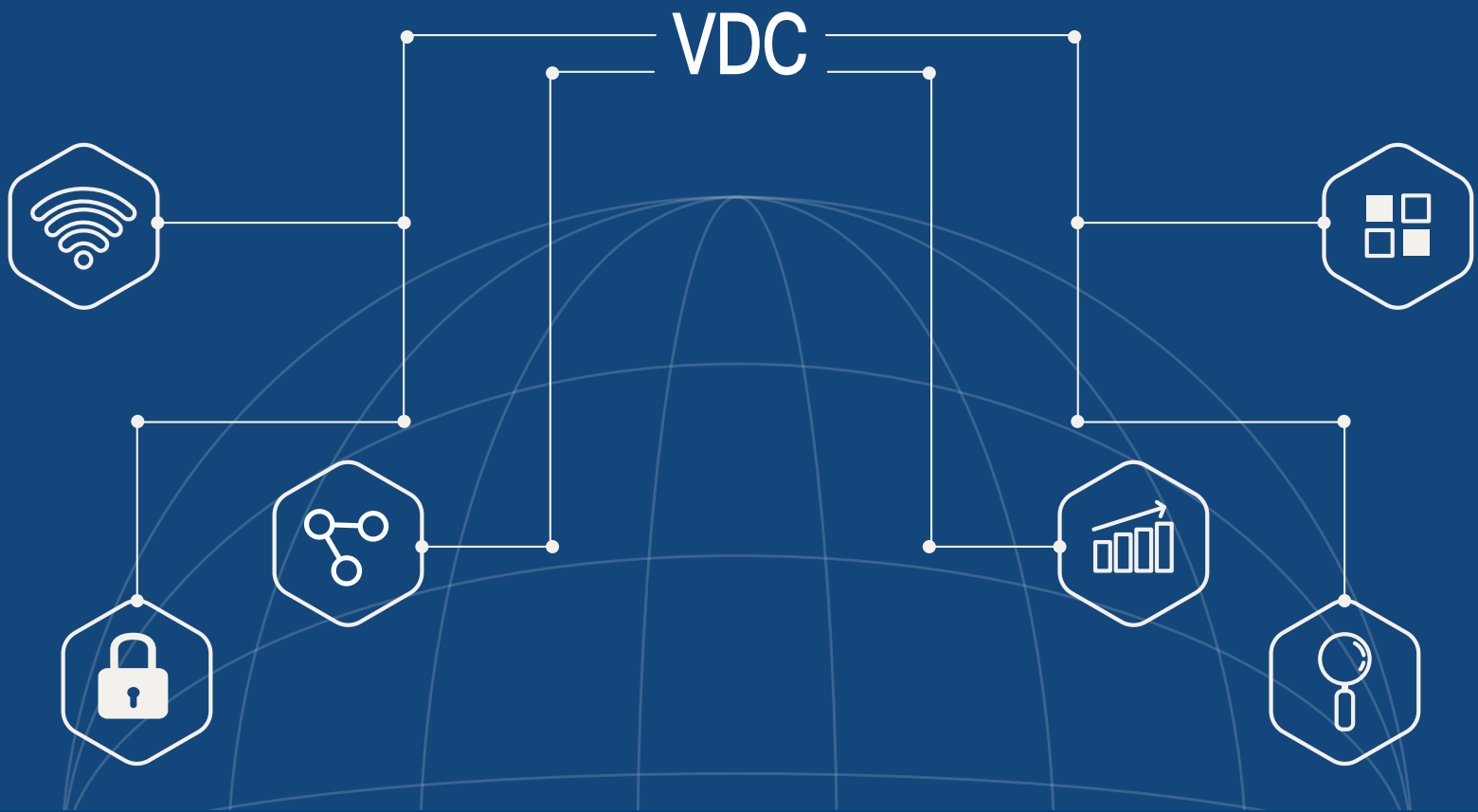
Retail Execution & Direct Store Delivery Operations

VDC

VDC|Research

Retail Execution & Direct Store Delivery Operations

An in-store operation with mobile-driven execution can generate a powerhouse of business process benefits. Last mile workflows related to product placement, promotional compliance, sales, delivery, payments, inventory management, customer surveys, traceability and more all stand to improve from dedicated mobile solutions. But those dedicated solutions must evolve while remaining focused on optimizing the full spectrum of touchpoints throughout the food distribution and consumer goods supply chain. According to the *2020 Enterprise Buyer Behavior Survey* by VDC Research, suppliers' top benefits are quicker speed-to-market capabilities, greater visibility into their operations, and improved relationships with retailers and operators.

However, attempts at squeezing efficiencies in Retail Execution and Direct Store Delivery operations seem to be aimed at a moving target. Organizations claim that the single most significant obstacle to their operations in general is "optimizing digital channels" (Exhibit 1). As frontline field mobility workers get equipped with more mobile devices year after year (especially smartphones and tablets) at the same time that supply chains become more complex and increasingly cater to omni-channel customer experiences and growing traceability demands, organizations find it difficult to get the intended strategic benefits out of their siloed (and expensive) mobile assets and channels. Without a unified and real-time digitized view of the varying and disparate channels involved in a modern supply chain, the perceived advantages are elusive. Operations need a closed loop of physical and digital touchpoints to enhance visibility and execution.
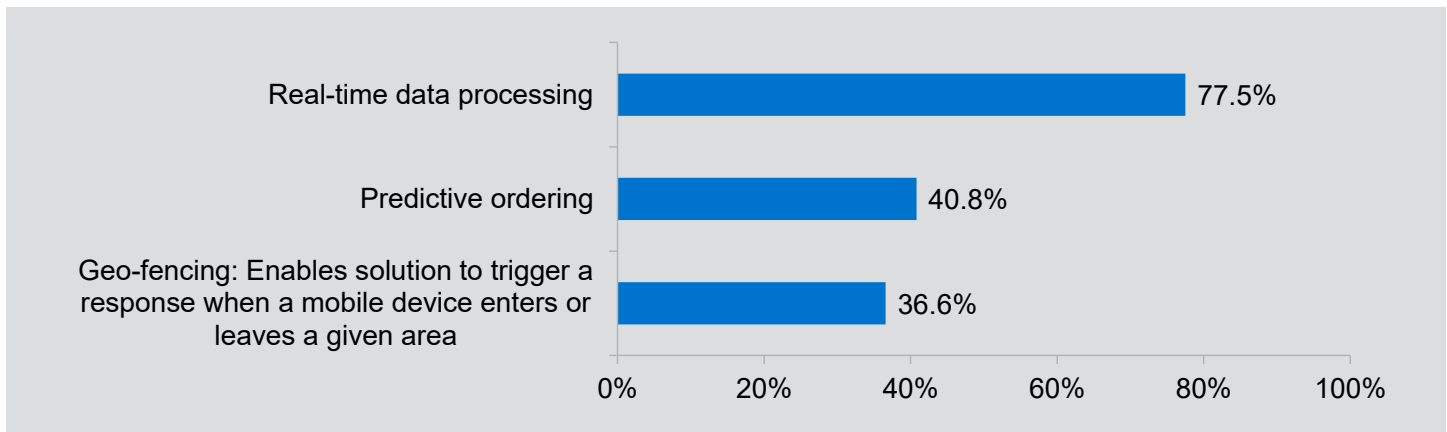
Exhibit 1: What would you say are the most significant obstacles facing distribution in general?
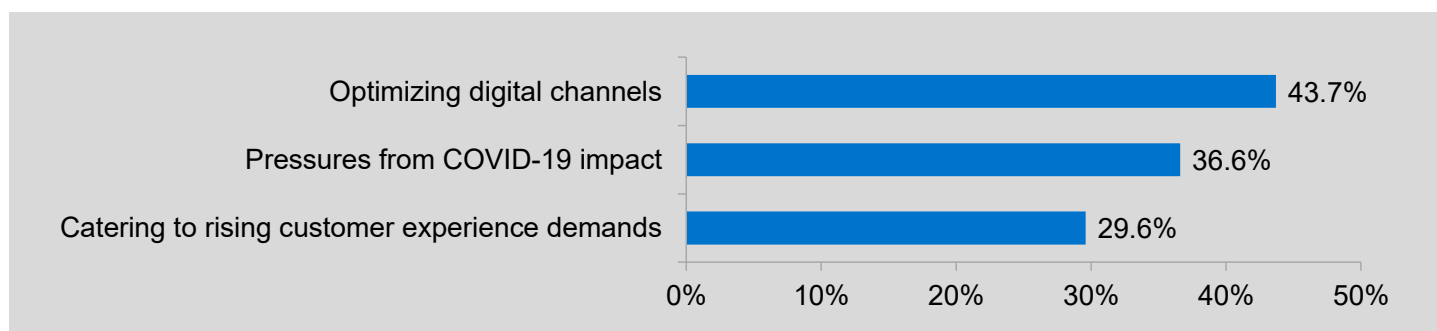
2020 Enterprise Buyer Behavior Survey, VDC Research

The leading priorities for mobile Retail Execution and DSD solution investments are to increase employee productivity, increase revenues and reduce costs, and the top perceived functionality or benefit of such solutions is by far real-time data processing (Exhibit 2). That coveted real-time data processing, and the operational visibility and insight that it offers is key to achieving the intended investment priorities and making the operation efficient enough to be worthwhile in general. Given that, dedicated mobile solutions need to be as agile and diverse in their capabilities and configurations as the retail operations and supply chains that they support. Compared to pen and paper processes, a modern mobile solution with standardized processes offers immediate, accessible, and operation-wide insight and reconciliation while leaving fewer opportunities for manual entry errors that an offline frontline worker with a clipboard in hand is more vulnerable to. The true value of real-time data processing functionality comes from knowing where products are and how they are moving to increase sales with greater shelving and stocking agility.

Exhibit 2: Which of the following mobile solution functionalities do you believe to have the greatest potential benefit to distribution?

Real-time data processing — 77.5%
Predictive ordering — 40.8%
Geo-fencing: Enables solution to trigger a response when a mobile device enters or leaves a given area — 36.6%

2020 Enterprise Buyer Behavior Survey, VDC Research

Vendor Spotlight: AFS Technologies, now Exceedra and Ignition

The two business units are now a part of TELUS-AG along with six other acquired entities.

In this section, we highlight Exceedra, one of the leading global pure play consumer goods solution providers. Although there is a proven business case for in-store operations and the modern mobile solutions that support the most effective among them, many organizations face significant barriers to adoption. VDC Research finds that among consumer goods supply chain stakeholders, a key obstacle is the need for digitization at the network level and the continued impact of COVID-19 at field level. In contrast, the benefits of real-time visibility and data-driven insights show clear value. Given that, it is important for decision makers to partner their organizations with trusted and experienced technology providers that can help facilitate smooth, supported deployments as they look to expand their full distribution lifecycle capabilities. Significant insight can be gained by decision makers and technology partners focused on food and beverage services and grocery supply.

Exceedra mobile solutions provide consumer good companies with the real-time visibility and data-driven insights that empower field sales teams to achieve immediate improvements to in-store execution. The Exceedra solutions suite includes Retail Execution (RE), Direct Store Delivery (DSD), Point-of-Purchase (POP6), Digital Image Recognition (DIR), Proof of Delivery (POD) and Analytics (G2). Most notable is the suite's breadth and configurability – it offers distinct, customizable workflows and capabilities that an organization can leverage as a toolkit to specifically address its needs across the entire product lifecycle. The visibility that this tailored solution then provides to that organization enables every efficiency available. Thought leadership is also present across Exceedra's solutions with multiple innovations leveraging Artificial Intelligence, Voice Recognition, Image Recognition, Enhanced Gamification and In-Depth Analytics to drive informed actions. Those innovations are aimed to take advantage of untapped productivity, a better in-store experience and a response to ever-changing strategic challenges in the operation. Exceedra connects all customer-facing workers such as drivers, field sales reps and merchandisers as well inside sales and customer service teams using mobile devices. The net result is complete visibility of an operation and real-time service to the customer.

Particularly in the retail grocery segment, the explosion of BOPIS (buy online, pickup in store) models require much more in-store visibility than before to ensure excellent service and optimal product distribution and replenishment. Exceedra amplifies an organization's frontline data collection and utilization, thereby bringing the management of the operation into the field and empowering mobile teams with actionable insights. One notable application of this empowerment is the use of Image Recognition through the Exceedra's proprietary technology, which allows reps to get immediate visibility on the conditions of their stores, compare them with the "Picture of Success" for their segment, and produce instant follow-up actions that will in turn become won sales opportunities.

Regarding the benefits of the solution's rich data capabilities, an Exceedra customer described in an interview how their operation improved after implementing selling, order taking and point-of-sale evaluation capabilities. Renato Molina, Service Manager of Regional Apps Americas and Application Services of Mars Global Service, explained that Mars' tailored Exceedra deployment improves worker productivity with guided step-by-step mobile procedures, and importantly, allows them to capture critical point-of-sale assessment and customer compliance data that informs crucial business decisions.

> *We initially went with Exceedra because these kinds of solutions were a competitive trend, and then we quickly realized it was the right thing to do because it helped us make more educated business decisions – the solution drastically improves and speeds up our operation.*
> – Renato Molina, Mars Global Services, AFS customer for 10 years

On the hardware front, these solutions are often paired with mobile devices from leading enterprise OEM Zebra Technologies. With Zebra Technologies' industry-leading rugged mobile devices in hand, field mobility workers can reliably and effectively view and collect all of the critical data needed to leverage Exceedra without any disruptions.

About The Authors

Pat Nolan supports a range of syndicated research programs and custom consulting projects within VDC's Enterprise Mobility practice. His previous market research and consulting coverage includes enterprise communications and the MarTech space. Before that, he supported the marketing and communications efforts of a mobile healthcare solutions developer. Pat graduated from Syracuse University with a B.S. in Advertising and a minor in Information Management & Technology.

Pat Nolan

Contact Pat:
pnolan@vdcresearch.com

David Krebs has more than 10 years of experience covering the markets for enterprise and government mobility solutions, wireless data communication technologies, and automatic data-capture research and consulting. David focuses on identifying the key drivers and enablers in the adoption of mobile and wireless solutions among mobile workers in the extended enterprise. David's consulting and strategic advisory experience is far reaching and includes technology and market opportunity assessments, technology penetration and adoption enablers, partner profiling and development, new product development, and M&A due diligence support. David has extensive primary market research management and execution experience to support market sizing and forecasting, total cost of ownership (TCO), comparative product performance evaluation, competitive benchmarking, and end-user requirements analysis. David is a graduate of Boston University (BSBA).

David Krebs

Contact David:
davidk@vdcresearch.com

About VDC Research

Founded in 1971, VDC Research provides in-depth insights to technology vendors, end users, and investors across the globe. As a market research and consulting firm, VDC's coverage of AutoID, enterprise mobility, industrial automation, and IoT and embedded technologies is among the most advanced in the industry, helping our clients make critical decisions with confidence. Offering syndicated reports and custom consultation, our methodologies consistently provide accurate forecasts and unmatched thought leadership for deeply technical markets. Located in Natick, Massachusetts, VDC prides itself on its close personal relationships with clients, delivering an attention to detail and a unique perspective that is second to none.

VDC|Research
Insights for the Connected World