

TRADE MARKETING

THE ULTIMATE GUIDE

A TO Z OF TRADE MARKETING

-- A Must-Read for All OEMs and Distributors --

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BRUSHING THE BASICS

Let's begin by brushing the basics – what exactly is trade marketing? How is it different from marketing per se? So, trade marketing is one of the most initial and critical aspect of marketing because here you are selling not to the consumer but to the trader himself. Simply put, trade marketing is a form of B2B marketing where the products are marketed to marketeers/companies who when convinced, go ahead and sell those products to the consumers.

Hence, the seller in this case is generally the manufacturer while the buyer is a sales chain partner (can be a wholesaler, distributor or even a retailer). Now that the top-line information is taken care of, let's also understand why it is extremely critical for companies to perfect it to the core.

Firstly, if you're not impressing your supply chain partner to buy your product for reselling then certainly, your competition is filling up that gap. Secondly, the fight for the optimum shelf-space or consumer-redressal is more real than what you'd be anticipating.

Briefly, the purpose of trade marketing is to ensure:

- Retailer & Influencer Enrolments
- Increasing brand visibility
- Understand competition trends
- Engage existing retailers & influencers to promote brand loyalty

Hence, trade marketing is something, which you can neither afford to misunderstand nor to overlook if you're serious about sustaining your business.



UNDERSTANDING THE ECOSYSTEM

While we touched upon the ecosystem to understand the concept of trade marketing when we delved into the definition, let's also look into it in a detailed manner now.

- The journey which starts from an OEM, traverses towards distributors. Distributors can simply be understood as the first league middlemen, bridging the gap between OEMs and end-level sellers.
- Then comes in the sub-dealers – again, part of the middlemen herd.
- Sub-dealers then reach out to the eventual consumer outreach endpoints, i.e. retailers or last point service providers.
- While retailers are the point of connect for end-consumers, there's one important linkage between the two which impacts the sale, and that linkage is that of influencers.

For example, in case of a petrol pump, the influencers can be the mechanics, for a sanitary warehouse, the influencer can be the plumber, for a mom & pop store, the delivery guy or the store-helper will influence the purchasing decisions of consumer and similarly, for a construction warehouse, a mason or carpenter can have a defining impact on the consumer.



SHIFTING OF DYNAMICS

Trade marketing has been a common topic of concern since the very beginning of trade practices. Initially, OEMs held a decision-maker stance and thus, commanded more value in the complete business chain. Reasons varied from lesser competition to limited supply etc. However, with time, the axis shifted and gradually, retailers became the power-holders since they could select between so many available choices.

With the changing dynamics, the simpler circumstances also became progressively complex. The nature of challenges changed and also their count. And even for retailers, things became challenging because of the humungous load of options which became available in the market.

With the advent of technology, advancements in media, diversification of outreach channels etc. OEMs now need not just convince the buyer for their brand but for the product and the category as well. Retail consolidation and omnichannel trend has also made the competition tougher.

To level this playing field, the new-age trade marketing solutions have also undergone a metamorphosis. For understanding the present-day landscape for OEMs, let's look into this matrix of challenges and solutions more deeply.



THE GAME OF CHALLENGES & SOLUTIONS

If You're in Marketing

#1 Challenge - This industry is highly fragmented; how can I capture and use relevant information?

Solution – Invest into solutions which come with 360-degree information capture mechanism and in-depth analysis

And You Get - Real-time market stand information and thus, can define a more impactful marketing strategy.

#2 Challenge - How can I effectively plan & prioritize my marketing activities (segment/region) in face of such cut-throat competition?

Solution – Zero down on a solution which comes with robust activity planner and doesn't limit you to a traditional to-do list format. Customize activity planner according to regional marketing needs. Further, a comprehensive, central dashboard displaying strategic data can give information related to effectiveness of the activities, based on which future beat plans can be conceived.

And You Get – A widely optimised coverage.

#3 Challenge – How can I effectively track and monitor on- ground efforts & performance towards marketing activities?

Solution – A process automation solution which comes with real-time and geo tagging ability enabling field force tracking. Align KPIs to key business drivers and monitor, revise on ground efforts with insights from operational dashboards

And You Get – Last mile visibility around the activities and their impact towards the final sales.



THE GAME OF CHALLENGES & SOLUTIONS

If You're in Marketing

#4 Challenge - How will a process automation solution help in driving maximum participation towards our promotional programs?

Solution - Business of retail always benefits with on-ground engagements, how much so ever we automate, hence, a solution provider who commits on-ground engagements and visits, is the one to place your bets on.

What You Get – With aptly executed on-ground activities, your market coverage, as well as your market share increases.

#5 Challenge – I want an accurate performance evaluation and thus, fair incentive calculation but do the trade marketing solution help with that and how much precise would it be?

Solution – Most of the modern trade marketing solutions or process automation solutions for field marketing activities come with a performance evaluation platform which is highly customisable to calculate incentives based on defined and varying KPI metrics. These platforms are also sensitive to any discrepancies.

What Do You Get – With correct measurement and thus management, ultimate result is an engaged and motivated workforce.

THE GAME OF CHALLENGES & SOLUTIONS

If You're in Marketing

#6 Challenge - How can a trade marketing solution help in attrition management which is such a big menace in our industry and ensure operational hygiene?

Solution – This formulates the foundation for the advanced trade marketing solutions which leverage technology for their utmost optimisation and provide you with cutting-edge workforce process automation.

What Do You Get – With a managed attrition rate and thus, a stable field force, you get a better grip on your brand which is conveyed in your increased and consistent brand visibility and performance.

If You're in Sales

#1 Challenge – How will this solution help us in increasing our channel base?

Solution – With a solution provider who holds an expertise in new customer acquisition and partner management, you get top-notch net-new partner registration and enrolment feature.

What Do You Get – Increase in channel breadth translates into exponential growth in market share.

#2 Challenge – How do I drive stock liquidation from my existing channel?

Solution – Put your money into a solution which promises a robust and tech-managed promotional activities' tracking platform instead of relying completely on traditional manual reporting.

What Do You Get – Exponential increase in repeat orders from existing channel base.

#3 Challenge – Getting into the untapped market is my biggest concern; how will a trade marketing solution ensure expansion in my outreach?

Solution – A sales enablement partner with a stronghold in whitespace data management will help you in tapping the unexplored market with robust market storming techniques.

What Do You Get – Increased market penetration means revenue upsurge for you.



THE GAME OF CHALLENGES & SOLUTIONS

If You're in Sales

#4 Challenge – How do you target the influencers and increase my engagement?

Solution – Invest into a solution which comes with a dedicated influencer engagement and management platform, thus covering you on that critical outreach front too.

What Do You Get – Striking the right cord with influencers will translate into enhanced brand awareness and increased consumption.

If You're in Higher Management

#1 Challenge – How do I get the right assessment of the impact on eventual sales?

Solution – In the age of self-serving BI, real-time and interactive dashboards are the answer to that question.

What Do You Get – A transparent and non-delayed (single version of truth) information about any activity and its impact.



THE GAME OF CHALLENGES & SOLUTIONS

If You're in Higher Management

#2 Challenge – Is there some spend-impact analysis which can help me in optimising fund allocation?

Solution – Invest into a solution which comes with a smart (i.e. advanced algorithms based) budget management mechanism.

What Do You Get – With a smart budget management platform, you can be rest assured that the investment is optimally utilised.

#3 Challenge – What is the USP which will help me stay ahead of my competitors, all the time?

Solution – New-age trade marketing solutions come with real-time delivery provision of market and competition insights with the help of intelligent analytics.

What Do You Get – Equipped with the competition, market and expected trends knowledge, you can do the most effective business planning.

A photograph of several people in business suits sitting around a table, looking at documents and talking. The image is partially obscured by a blue diagonal graphic on the left and right sides.

PEEKING INTO THE PROCESS

With the understanding of potential asks and their provisions, let's proceed towards the process. While your solution provider will be managing the entire workflow, it is always beneficial to be aware of the nitty-gritties since it will strengthen your understanding of not just the process but tentative challenges and work-arounds.

1st Step: Planning

User Persona: Program Manager, Marketing Manager, Sales Team (Client/OEM)

Channel: Web Platform

Key Activities: User ID Creation, Target Assignment, Data Consolidation, Cluster Mapping of Database , access to interactive operational & analytical dashboards, approvals etc.

2nd Step: On-Ground Execution

User Persona: Marketing Executives, Marketing Managers

Channel: Mobile Platform

Key Activities: Attendance Capture, Customer Interaction & Feedback, Collaboration through chats and notifications Training Request, Issue Reporting, Performance Evaluation, Data Validation, Knowledge Quiz, Leave Management etc.

3rd Step: Review Reporting & Dashboards (both Operational & Analytical)

User Persona: Program Manager, Market Development Team (Client/OEM), Marketing Managers

Channel: Web and Mobile Platform

Key Activities: Attendance Review, Training Scorecards, Activity-Wise ROI Analysis, Performance Evaluation Dashboards, Overall Program Health Index etc.



GOING BEYOND THE NICE-TO-HAVES

While it's critical to be aware of the competitive offerings made by multiple trade marketing solution vendors or service providers, let's also just recollect the basic features which your selected solution must provide as basic value-for-money provisions:

- Marketing Activity Calendar & Target Planner
- Geo-Fencing Enabled Activity & Deviation Tracker
- Info Broadcast and Interactive Collaboration Platform
- Issue Management Platform
- Smart User Management Interface
- Reporting & Dashboard Interface
- Business Analytics and Business Intelligence Plug-ins
- 3rd Party Data Mapping and Integration Platform
- Capturing lead details
- Mapping brand visibility and analyse competition trends



GOING BEYOND THE NICE-TO-HAVES

Beyond those non-negotiable features, keep a look-out for these value-adds as well, which will give you that competitive edge against other market players:

- **End-to-end integrated solution**

How much so ever promising it may seem, it is beneficial to stay away from silo- approach solutions and instead go for cohesive solutions which provides you marketing process automation while driving KPIs through on-ground execution framework.

- **Content repository/library**

It is always beneficial to have a ready reckoner for all the marketing content for anytime on-demand access, be it collaterals or videos etc.

- **Business insights, analytics & inferences**

While analytics may have become a term often misused in advertising but always look for solutions which not just promises the leverage of advanced analytics but also commits intelligent insights and inferences instead of leaving that job on you after giving you complex reports.



THE IDEAL PICK

Beyond those non-negotiable features, keep a look-out for these value-adds as well, which will give you that competitive edge against other market players:

Getting your hands on the perfect trade marketing solution is a dream for all OEMs and today, it is not even a tough one to achieve as well, if some essentials are kept in mind while researching for the right partner. The foremost thing is to ensure that you don't fall into the trap of legacy solutions which come with a flashy bit of technology which too, just covers a few aspects of the solution and leaves the rest. For example, a process automation solution which doesn't provide real-time interactive data dashboards or a solution which caters to all your needs but doesn't hold any expertise in whitespace tapping, thus, limiting your potential outreach.

An ideal solution is an end-to-end process automation tool which helps you in planning your trade marketing activities, executing them on-ground, managing the field performance and tracking it real-time. Thus, allowing you to have access to each and every move, including the ground-level activity analysis. Ultimately, stakeholders across levels have the requisite visibility around sales performance, funds' leverage, market coverage and brand advocacy of channel ecosystem.



THE IDEAL PICK

The journey of getting the perfect match is still a tricky one and certainly an ongoing one as well (who wants to stop the wheel of expansion after all). As an OEM, you have to explore and experiment with all possible outreach channels. For example:

- Trade Shows (Advantage is that you get an active, engaged and interested audience, all in one plane)
- Trade Promotions (Offers incentivising the purchases can never go wrong)
- Trade Magazines and Websites (Apt visibility across the right platforms means you get the right eyeballs)
- Branding (Even retailers want to sell a product which will help in building a loyal customer base instead of doing a one-time sale)
- Market Research (Nothing can undermine the value of consistent market research which strengthens the reliance on data and eliminates guesswork as much as possible.)
- Digital Marketing (In today's era of social selling, digital is something you cannot ignore anymore)
- Relationship Management (A solo survival is a thing of past, a collaborated vision is striven for – be it in terms of exchanging market research, aligning operational systems for shared savings etc.)



THE JUDGEMENT CALL

Now that you know what all it takes to have that successful trade marketing strategy in place, you're ready to do an optimal market search and get your hands on the perfect sales enablement partner or service provider who can usher you into this journey of perfecting trade marketing.

The right partner will help you with the market research, shopper behaviour analysis, recommendation of product/ service/ offers' improvisation if any, branding & creation of product value proposition and eventually, the end-to-end execution. Hence, the toil to not settle with the second-best is always worth it when it comes to investing into a trade marketing solution.

Therefore, look for a partner who suffices these 4 E's:

Enquire: Understands your requirements – Complete ecosystem and gap analysis

Enrich: Architects the solutions in line with the unique requirements instead of forcing a readymade solution

Engage: Drives planning and adoption in the entire ecosystem instead of going fragmented

Execute: Executes, monitors and leverages advanced analytics for complete assessment and course correction, if any required.

Equipped with all the foundation, you're now ready to take the plunge in the market – the right application of this comprehensive knowledge and ultimately, an expert partner will uplift your brand to heights you aim for or may be even further.



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