



CASE STUDY

Successful Pet Food Brand Discovers Their \$5 Million Trade Spend Could Go Even Further



How a Pet Food Brand Optimized Trade Spend With Data and Analytics

One retailer accounted for a pet food brand's \$5 million trade spend. The brand's executives wanted to dig deeper into the many promotions they ran throughout the year. After all, this was their #1 retailer and they wanted to ensure their significant trade budget was getting the highest return possible. That's when they decided to implement [SPINS TradeROI](#).

Finding the Winners

When they met with their SPINS representative, the brand's team supplied the details of each trade event, including base price and discount depth, which allowed them to analyze performance through two lenses: offer type and tactic.

Once the data was in the [TradeROI Tool](#), combined with SPINS proprietary data and analytics, the brand team was presented with a simple dashboard displaying the results. Through these dashboards, the team could easily explore the profitability performance of each individual promotion. Their spend had yielded positive news: They received a positive lift on 60% of the analyzed promotions, which was well above the CPG average of 41%.

This information, combined with coaching from their SPINS representative, helped the brand identify key opportunities within the data. At a high level, they identified 2 key approaches:

- **Streamline promotions:** While 60% of the promotions received a positive lift, 40% did not. This brand now knows which promotions are not performing and can now shift those trade dollars to promotions, store locations or seasons that perform best.
- **Optimize promotions:** This brand was able to double click on each of the 60% of promotions with positive returns to identify which had the strongest return. This brand is now able to focus more effort and trade dollars in areas – stores, like stores, geographies, seasons, and products that drive the most profitable promotions.

Overlaying these core strategies with more tactical efforts included: keeping some discounts low to maximize ROI and allocate trade dollars for the end of the year in order to put the best promos in their most successful calendar slots. They also focused on the length of the promotion, ensuring that single promotions didn't drag on too long, ensuring they were getting incremental lift rather than discounting existing behavior.



Action Items

As soon as they had these lessons in front of them, they began to take action.

The reporting showed an immediate opportunity worth more than \$350,000. It also laid the groundwork to rethink trade strategy for the coming quarters. The team adjusted their plans for the back half of the year to take advantage of quick wins. They also brought these findings into discussions as they planned for the following year, giving them the opportunity to experience positive ROI beginning January 1.

Now, this pet brand's team not only understands how their trade promo has performed in the past, but they know how to make the most effective choices for the future. If you're curious to find out if your trade dollars are going far enough with retailers, contact SPINS today.

HOW TO

5 Benefits of TradeROI: The Tool Every Brand Needs

We outline 5 ways brands can use SPINS TradeROI to give them a view into promotion results and allowing them to monitor efforts to optimize strategically and drive positive ROI.

[Improve your promotion strategy](#)