

**Supply Chain Management for Efficient Consumer Response
Conference**

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Valahia University of Targoviste, Romania

SCM 4 ECR

**The Next Generation – New Ideas for the Next
Ten Years from ECR-Europe 2012**

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AGENDA

- I. CONSUMER & SHOPPER
- II. SUPPLY CHAIN
- III. ENABLING TECHNOLOGIES
- IV. BUSINESS STRATEGIES
- V. ECR The next generation

I. CONSUMER & SHOPPER

(DEMAND SIDE)

Consumer and shopper journey

Case study offer a rare insight into understanding shopper behavior, leading to superior value for consumer retailer and manufacturer alike.

Innovative technology in-store to drive demand **- *a shopper approach***

The five senses

The next generation of shoppers – Digital Customers & Shoppers

The ***digital world, social media and online grocery shopping*** offer retailers and marketers incredible new ways of connecting with the shopper.

OSA in the digital age

Nothing *frustrates shoppers* more than *empty shelves*. **With online retailing, out-of-stocks are potentially less of an annoyance.** This makes it more important than ever for retailers and manufacturers to improve in-stocks, with **digital technology**.

If out-of-stocks, currently averaging eight per cent, were to be cut by half, Europe's manufacturers and retailers would generate billions in additional sales.

Applied shopper knowledge

- Shopper marketing starts with a comprehensive understanding of shopper segmentation and the latest thinking of segmentation approaches at FMCG level. Successful implementation is based on achieving the right balance between sophistication and pragmatism, the ability to break clusters down to category level, and continuous measurement.

II. SUPPLY CHAIN

(SUPPLY SIDE)

Multimodal transport – the challenges and opportunities

Keen attention is currently being paid in the business community to ***sustainability and competition in transportation***, and these are increasingly viewed as key elements in improving business efficiency. The result is a desire to find **best practices** that include all alternatives to road transportation. The findings of an ECR Italy working group on rail transport will be examined, and Procter & Gamble and Carrefour will share their experiences and approach to intermodal transport.

Maximizing multichannel opportunities through **digital technology**

Through digital technology, shoppers become increasingly informed, connected and savvy. Whether in terms of product reviews, recipe finders, price transparency, promotions or ordering, shoppers are demanding more online solutions for their grocery shopping.

The 3D effect on business information

- The consumers and shoppers benefit from the 3D-effect on business information. Data synchronization, data quality and POS data sharing are core elements in ensuring effective business and satisfied consumers in the world of mobile commerce.
- With consumers increasingly asking questions about product origin, sustainability, recycling and price via smart-phone apps, it is becoming harder for manufacturers and retailers to keep up.
- The 3D effect application optimizes the relationship with customers through better data quality, with greater brand controls over product information and more reliable data resulting in more satisfied consumers.

III. ENABLING TECHNOLOGIES

(SUPPORT SIDE)

Innovate with technology in-store to drive demand

One of the major barriers to in-store growth is **shoppers automatic de-selection of most products on shelf.** Routine auto-pilot shopping is the enemy of category engagement, and without engagement it can be difficult to ensure shopper marketing strategies work.

Winning in-store

Creating sustainable and transformational growth in a mature category in a mature market without resorting to the “old reliable” of price and promotion is challenging.

Digital product information.

Mobile commerce – fundamental element of digital technology

- **Smart-phone owners** use their phone for **shopping-related activities**. This is mirrored in Europe. Consumers are making purchase decisions based on information they find on the internet. However, research by GS1 has shown that most of this information is inaccurate or incomplete.
- As **e-commerce grows**, driven by increased consumer use of **smart-phones and tablets**, so does **the need for high-quality digital information to support consumer purchases**.

IV. BUSINESS STRATEGIES

-COLLABORATION

-SUSTANABILITY

Profit by working together to prevent supply chain waste

Leading retailers, wholesalers and manufactures are increasing profits, **minimizing greenhouse gases and combating poverty by rooting out waste** between factory in-gate and till and by ensuring the consumption of any material unfit for normal sale.

Delivering ECR Principles through great people

We all have to recognize the value of great people and attract and **retain great talent**. It is necessary to signpost the skills we value and those we will need in the future. The high-potential future leaders must prepare their skills in order to lead the companies and achieve sustainable growth.

Collaboration in a crisis

- Status on collaboration in the current crisis
- Top collaboration today and what impact might have in sales and profits
- Do make collaboration work and prepare metrics are used to measure it effectively
- Do look for in an effective collaboration partner
- The main reasons behind collaboration failures
- To be the most important areas for collaboration in the future

Shrinkage in the digital age

Innovative new technologies, such as smart-phones acting as scanners and payment devices, are sent to transform the shopper experience.

The benefits: they also present new challenges on how the value of products moving through retail supply chains is best protected.

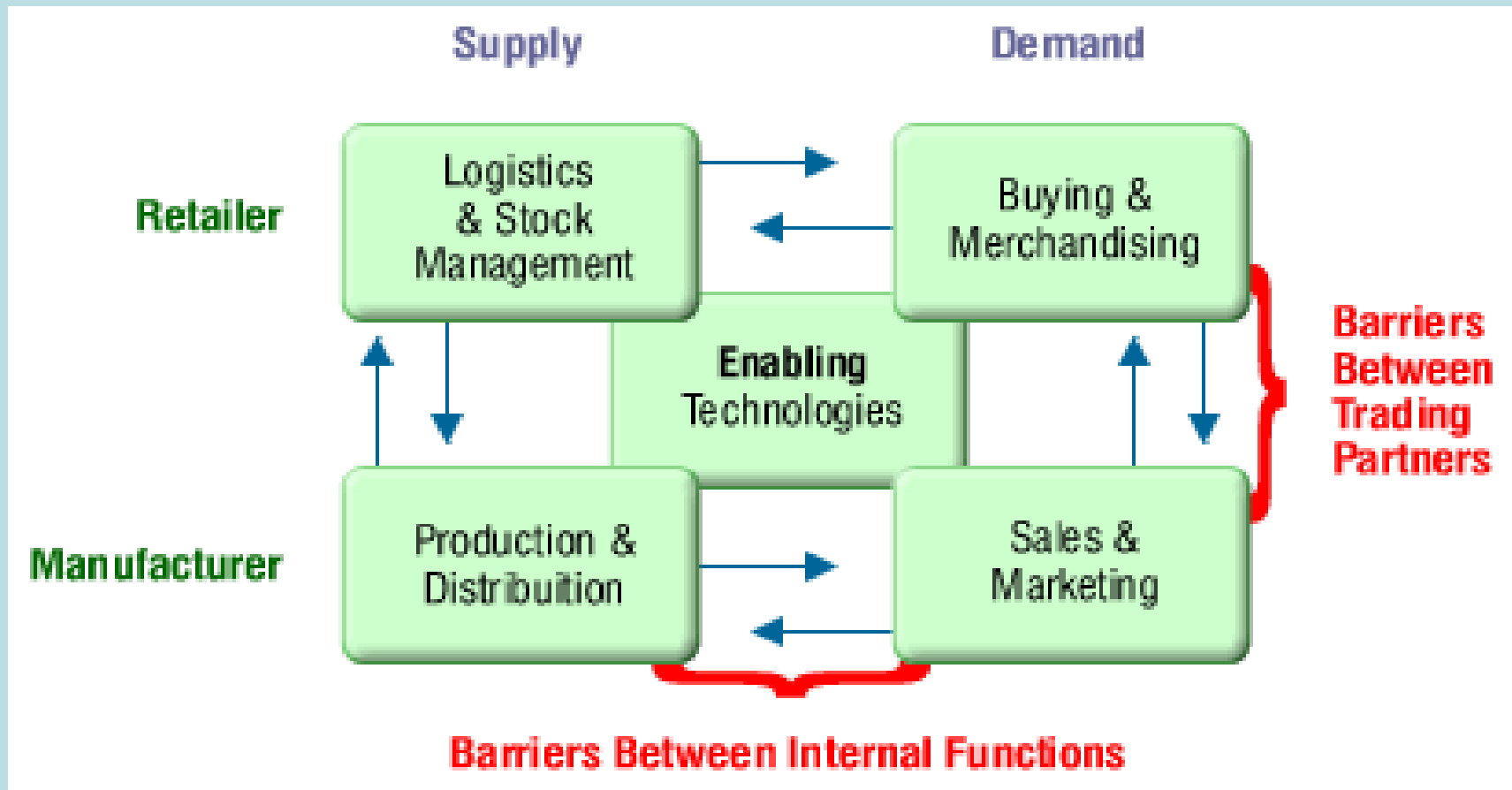
Sustainability for the next generation

- Major initiatives such as the eSave project on energy efficiency and carbon footprint monitoring, the CO3 project on horizontal transport collaboration and the Green Freight Europe initiative support the sustainability in the future.

V. The New Framework for ECR

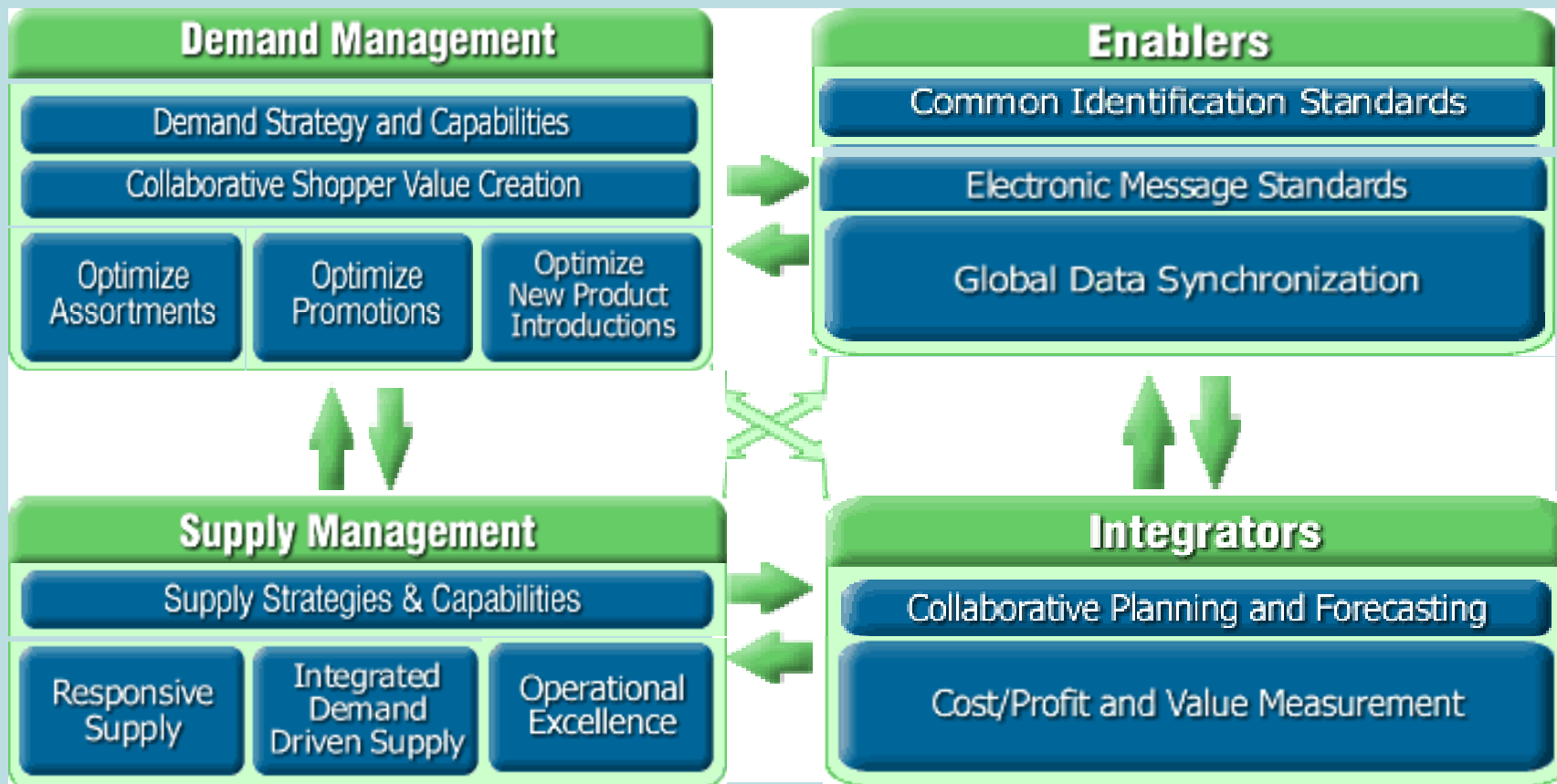
Working Together to Fulfill Consumer Wishes Better, Faster and at Less Cost

Efficient Consumer Response – First Framework



ECR Europe Conference 1996

GLOBAL ECR SCORECARD



ECR Europe, Global ECR Scorecard

ECR: The Next Generation

Re-invent the
cornerstones of ECR



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Working Together to Create
Sustainable Value for Consumers
Better, Faster and at Less Cost

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Good business practices



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The Role of ECR



- **Shaping the future** of our industry
- Becoming a **voice** with a **point of view**
- Creating a **clear agenda** for **collaboration** and **execution**
- Setting concrete **goals** for 2020

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*Thank you for
your attention!*