



# European food company

5% increase in profit through implementation of a strategic approach to revenue growth management



## Client challenge

A client in the consumer goods industry was seeking to revamp its approach to revenue management to drive accelerated growth in its top and bottom line. Its existing net revenue management (NRM) function needed to evolve into a more strategic revenue growth management (RGM) capability. Navigating this transition presented several challenges for the client. These included:

- Shifting from a tactical to a strategic mindset and approach across the organization.
- Enabling data-driven decision making, supported by robust analytics capabilities.
- Identifying opportunities to improve margins in the short and medium term.

## Our approach

Our approach included the following steps:

- **Organisational alignment:** The first step involved aligning key stakeholders and leadership around the vision of the RGM transformation. This required extensive communication and change management efforts to secure buy-in and commitment from all levels of the organisation.
- **Capability building:** To enable data-driven decision making, the client invested in building the capabilities of its RGM team. This included training on advanced analytics, data visualisation tools, and other relevant technologies.
- **Data integration:** To access the necessary data for analysis, the client implemented a robust data integration strategy. This involved aggregating data from various sources, including sales, marketing, and finance, to create a single source of truth for RGM decision-making.
- **Lever analysis:** The client conducted a thorough analysis of each RGM lever, such as portfolio mix, pricing strategies, promotions, trade terms, and pack price architecture. This analysis aimed to identify areas for optimisation and growth potential.
- **Pilot implementation:** Before implementing changes at scale, we conducted pilot tests with the client to validate the effectiveness of proposed RGM strategies. This iterative approach allowed for fine-tuning and learning from real-world outcomes.

## Benefits for the client

Implementing a strategic revenue management capability resulted in accelerated revenue growth, boosting both top and bottom-line performance, while the new RGM team successfully embraced data-driven decision making, leading to more informed and effective strategies.

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