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## **Bringing AI and MLOps to Trade Promotion Optimization**

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A solution that takes an intelligence-driven approach, driving smarter decision-making for a global CPG company.



**Trade promotion spending consumes a huge proportion of CPG companies' revenue. Yet TPM continues to be plagued by incorrect data, manual processes, and unending guesswork. Our client, a top-five global CPG company, wanted a better way.**

The client tasked Centific with creating a new intelligent TPO/TPM platform. Expectations were high. We were asked to deliver greater flexibility in planning, improved forecasting, and more intelligent optimization, powered by a complete view of business data – globally.

### **Solution Highlights**

- AI guides decision-making on trade promotion campaigns.
- Intuitive UX makes it possible to build a trade promotion plan with a few clicks.
- Demand forecasting accuracy increased to 85% with the new platform in place.

### **Data-Driven, Cloud-First**

Explainable, predictive planning with AI requires a continuous stream of quality data. Our solution created a single source of truth, ingesting and integrating data on retail sales, marketing

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performance, and financial results. This gives the client exceptional data visibility and trains the AI.

The platform is built on Microsoft Azure, helping our client migrate to the cloud for the first time and quickly scale the new platform. To support a global rollout of the new solution, we built out specialized localization infrastructure to cover 100 markets worldwide.

### **Intelligence Inside**

The AI platform itself is powered by a time series-based (ADL) Machine learning model that predicts the total sales and baseline sales by each product line for each retailer.

Using a custom dashboard, users can generate and simulate promotion scenarios in just a handful of clicks. Users can choose products, select objectives, and set parameters, and the AI generates a plan optimized to their requirements. The AI can even suggest an optimal plan without any user input at all.

The results feed back into the model and continue to train the AI. But with powerful analytics tools built into the dashboard, it's just as easy for human users to compare campaigns and review performance.

### **A Quantum Leap in Accuracy**

- Our solution increased demand forecasting accuracy to 85%.
- More versatile forecasting on total and baseline sales in promo weeks by product ID, sub-category, retailer, and geography.
- Faster decision-making enabled by a more intuitive user experience.

If you're considering taking your trade promotions management to the next level, we would like to speak with you. [Contact us](#) for more information.

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