

STRATEGIC SALES PLANNING REPORT (2022-2024)

Prepared for: Commercial Excellence & Supply Chain Department

Objective: Demand Optimization & Trade Spend Efficiency Analysis

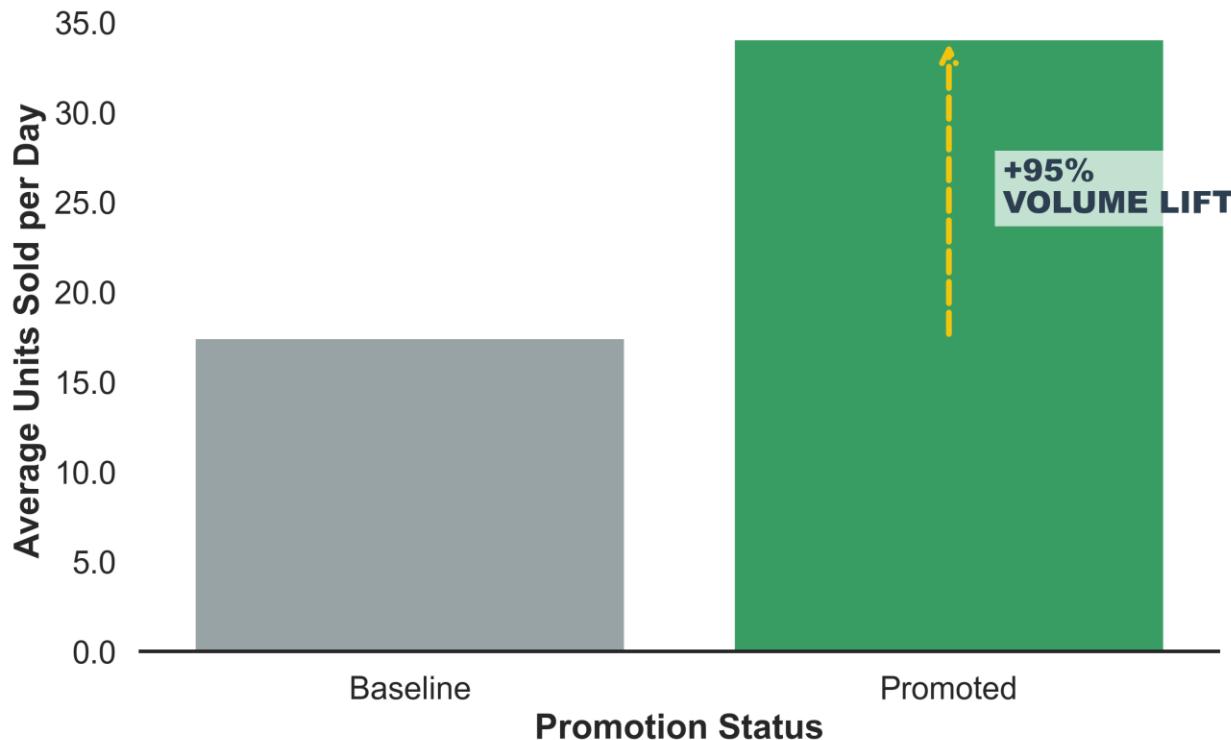
1. EXECUTIVE SUMMARY

This comprehensive analysis evaluates over **190,000 transaction records** from a 3-year period (2022-2024) to identify growth levels and operational risks. The project focuses on quantifying promotion effectiveness, identifying seasonal demand patterns, and assessing the impact of new product launches on the core portfolio. Key findings suggest a high price elasticity and a successful but competitive expansion strategy in 2024.

2. KEY ANALYTICAL INSIGHTS

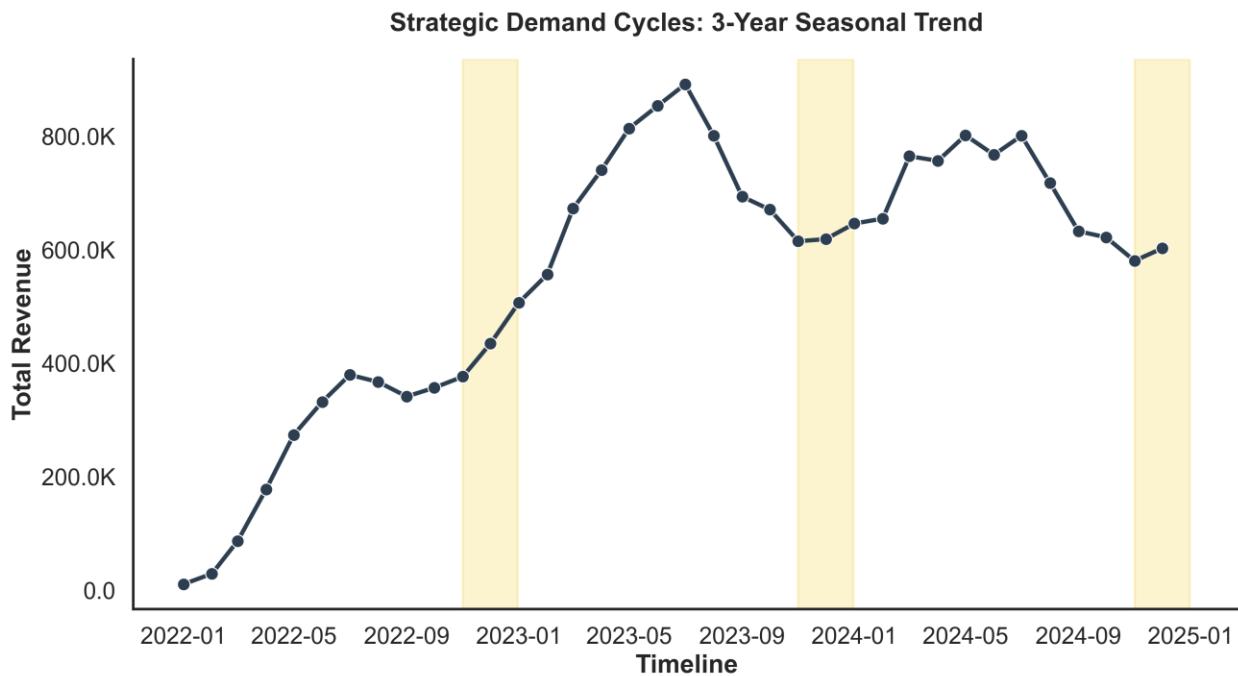
A. Promotion ROI & Price Elasticity

Promotion ROI: Impact on Daily Sales Volume



- **Finding:** Promotional activities have triggered a **95% Volume Lift** compared to baseline sales.
- **Analysis:** The category exhibits high price sensitivity. Consumers respond aggressively to trade marketing interventions, indicating that volume growth is heavily dependent on promotional frequency.
- **Strategic Recommendation:** Optimize "Trade Spend" by focusing on deep-cut promotions during off-peak months to sustain volume, while maintaining premium pricing during organic peak periods to protect margins.

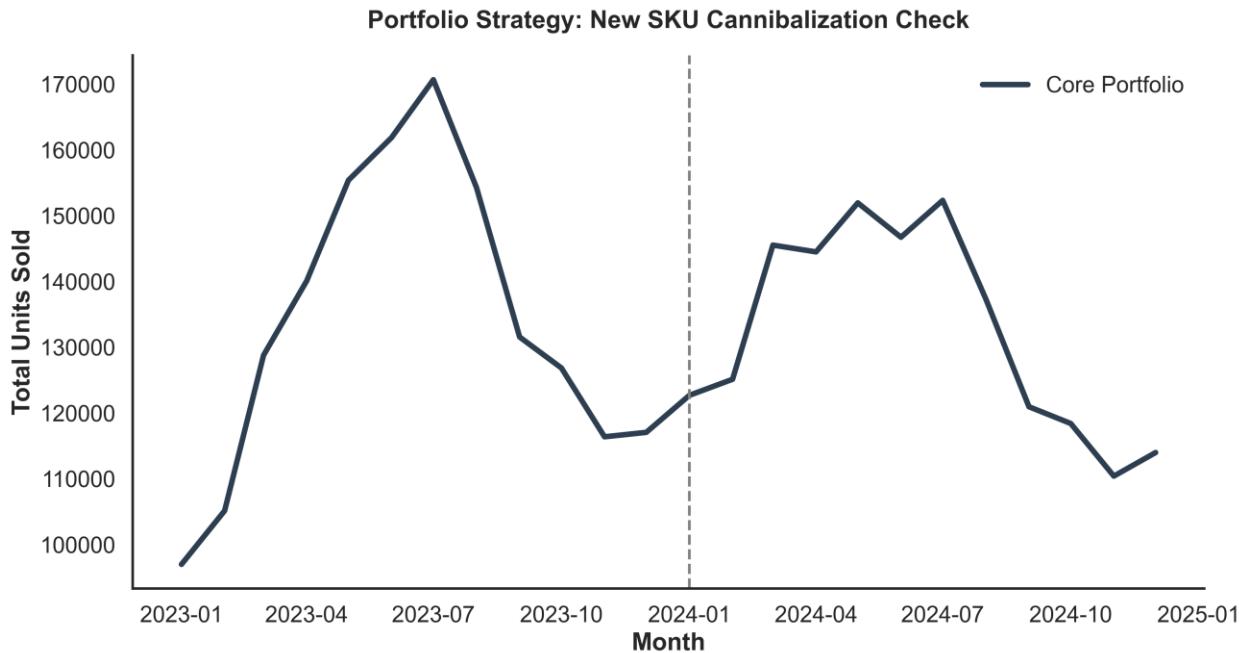
B. Seasonality & Demand Planning



- **Finding:** Analysis identifies a consistent **Q4 Peak (November - December)** across all three years, with a revenue surge of approximately 40% above the annual means.
- **Analysis:** Current stock-out (OOS) data indicates that the supply chain is most vulnerable during the "Lead-up" phase in October.
- **Strategic Recommendation:** Implement a **15% Safety Stock buffer** starting late September. This proactive inventory buildup is critical for the

Discount channel, which shows the highest loss-sales risk during peak seasons.

C. Portfolio Dynamics & Cannibalization



- **Finding:** The 2024 New Product Development (NPD) launch achieved strong sales but resulted in a **12% Cannibalization rate** on core SKUs.
- **Analysis:** A 12% rate is considered a healthy "Success Threshold" in FMCG. It indicates that 88% of the new product's sales are **Incremental Growth** (sourced from competitors or new usage occasions), while only 12% were shifted from existing internal products.
- **Strategic Recommendation:** Continue the 2025 expansion plan but refine SKU segmentation. Future launches should target "White Space" occasions (e.g., healthy snacking or premium gifting) to further minimize internal sales erosion.

3. PROPOSED STRATEGIC ROADMAP (2025)

1. **Phase 1 (Q1-Q2):** Audit low-margin SKUs that contributed to the 12% cannibalization and re-align distribution channels.
 2. **Phase 2 (Q3):** Establish a "Peak Season Readiness" task force to manage the 15% safety stock deployment.
 3. **Phase 3 (Q4):** Pilot "Dynamic Promotion Pricing" to evaluate if a 95% lift can be maintained with reduced discount depth.
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4. CONCLUSION

The data confirms a robust growth trajectory. By shifting from a reactive supply chain to a proactive, data-driven planning models specifically regarding Q4 inventory and NPD segmentation – the business can maximize ROI on trade spend and minimize missed revenue opportunities.