

More Sales. Higher Profits.

Sales and marketing organizations of consumer brands are facing an unprecedentedly challenging macro environment today.

- Margins are being squeezed due to rising commodity costs, coupled with pricing pressure from a sluggish economy and increased competition
- Channel dynamics are shifting due to an increasingly savvy consumer and growing retailer power resulting from industry consolidation and an increase in private labeled products
- Consumer preferences are changing rapidly due to a plethora of choices and the increasing pace of introduction of niche products
- Marketing techniques are changing as traditional media effectiveness is eroded and is being replaced by an explosion of new media options

Executives Must Drive Revenue Growth

Sales and marketing executives must respond to these issues and seek to get the most leverage from their marketing and trade investments. As a result, they are striving to create the right media mix for the most impact from their marketing spend, implement trade spend strategies that deliver the best possible sales lift, and ensure right pricing strategies to maximize their sales and revenue.

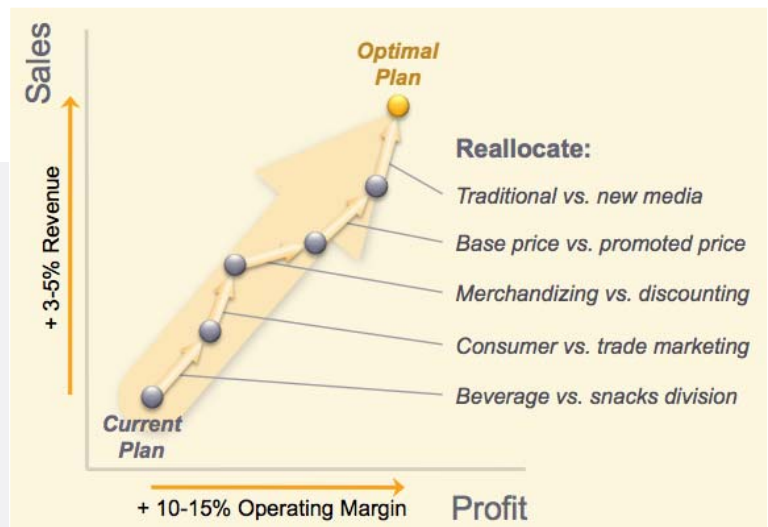
Analysis of past results delivers clear insights and provides the starting point to forecast or optimize future plans. However, a mountain of data from multiple sources makes it extremely challenging to use spreadsheets to manually perform this analysis on an ongoing basis. In addition, with spreadsheet-based models, it is extremely difficult to factor in side-effects such as cannibalization or incorporate the non-linear impact of marketing activities on sales uplift.

M-Factor Offers Solutions

M-Factor, a dynamic profit and revenue optimization software services company, has solved this problem for leading consumer goods and quick serve restaurant companies through its M-Factor 4 suite of solutions that empower users to continuously analyze, forecast, and optimize marketing investments and trade spend.

Results Are Proven

M-Factor's experience shows that the application of best-in-class profit and revenue optimization solutions such as marketing investment management, trade spending effectiveness, and portfolio pricing optimization can have dramatic benefits. A conservative estimate of the potential benefit of an optimized marketing plan and pricing strategy relative to a non-optimized plan are **operating margin improvements in the range of 10%-15% and revenue improvement in the range of 3%-5%**.



Understand

Predict

Optimize



Marketing Investment Management:

By using M-Factor's acclaimed technology, M4 leverages actual sales and marketing data to develop models that provide deep insights into the impact of pricing, product assortment, media-mix, competitor's actions, and in-store promotions on results. These models also enable marketing executives to perform what-if scenarios and choose between various options. Finally, they enable marketing to optimize the marketing investment plans on various dimensions such as products, brands, regions or channels with one push of a button.



Trade Spending Effectiveness:

Using the sophisticated modeling capability of M-Factor, T4 enables sales executives to identify drivers of their own and competitor's volumes and use that information to create the most effective trade spending distribution across channels, or to allocate optimal trade spend dollars between accounts in order to maximize overall sales. It also enables account managers to seek the right balance between various pricing and display program options for a channel to maximize sales lift from trade spending, as well as create monthly forecasts automatically.



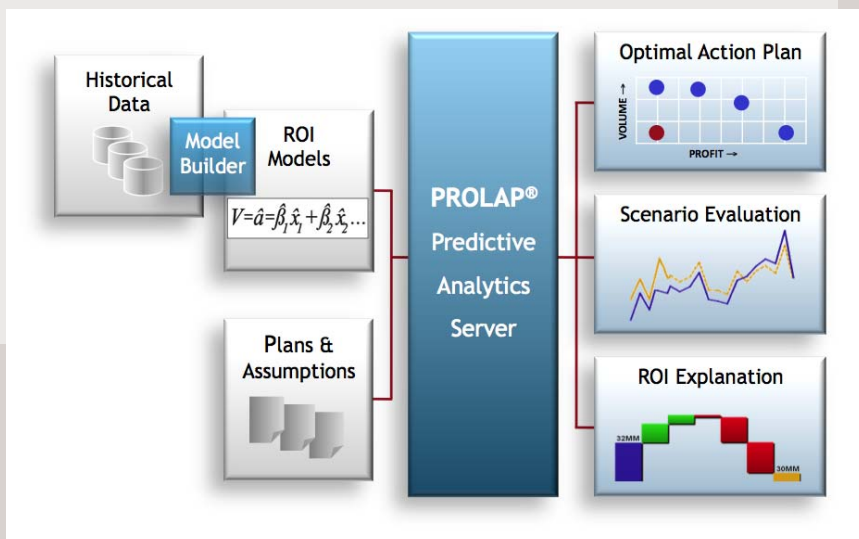
Portfolio Pricing Optimization:

The P4 solution from M-Factor enables marketing and brand executives at consumer goods organizations to incorporate elements such as store locations, competition in the local market, portfolio mix and seasons into its pricing model to create an optimal pricing across a group of stores, channels, assortment, or products. It also allows users to understand elasticity of each promoted product by channel and over time. As a result, P4 enables CPG companies to maximize their sales volume and profits.

M-Factor DPRO Platform

The foundation of each solution is M-Factor's Dynamic Profit and Revenue Optimization (DPRO) 4 Platform. It contains specific components for collecting, transforming, and verifying the requisite input data, developing and updating custom-built demand models, and for executing sophisticated analytics, simulation, and optimization calculations using the data and models. It is based on patent pending ProLAP® (Predictive OLAP) technology that weaves together historic and simulated data in an enterprise-class software platform. The solution is highly configurable and allows a client to easily incorporate new variables, data hierarchies or business units without writing any code. It can scale to easily accommodate thousands of combinations of products, channels and regions.

Built using the latest J2EE standards, the platform is hosted in highly secure SAS 70, Type II certified facilities.



About M-Factor

M-Factor provides dynamic profit and revenue optimization software services for leading consumer brands. M-Factor's Marketing Investment Management, Trade Spending Effectiveness, and Portfolio Pricing Optimization solutions empower users to continuously analyze and optimize pricing, marketing investments, and trade spend. For more information on M-Factor's solutions, please visit www.m-factor.com.



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