

Driving Growth: Category Management's Sustainable Approach and the Four Winners

Webinar: How sustainability can act as a driver for growth in category management

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9th April 2024



Leading Companies' involved from both retailers and manufacturers side



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The objective and the scope



**Environmental
as a CPG value
chain issue**

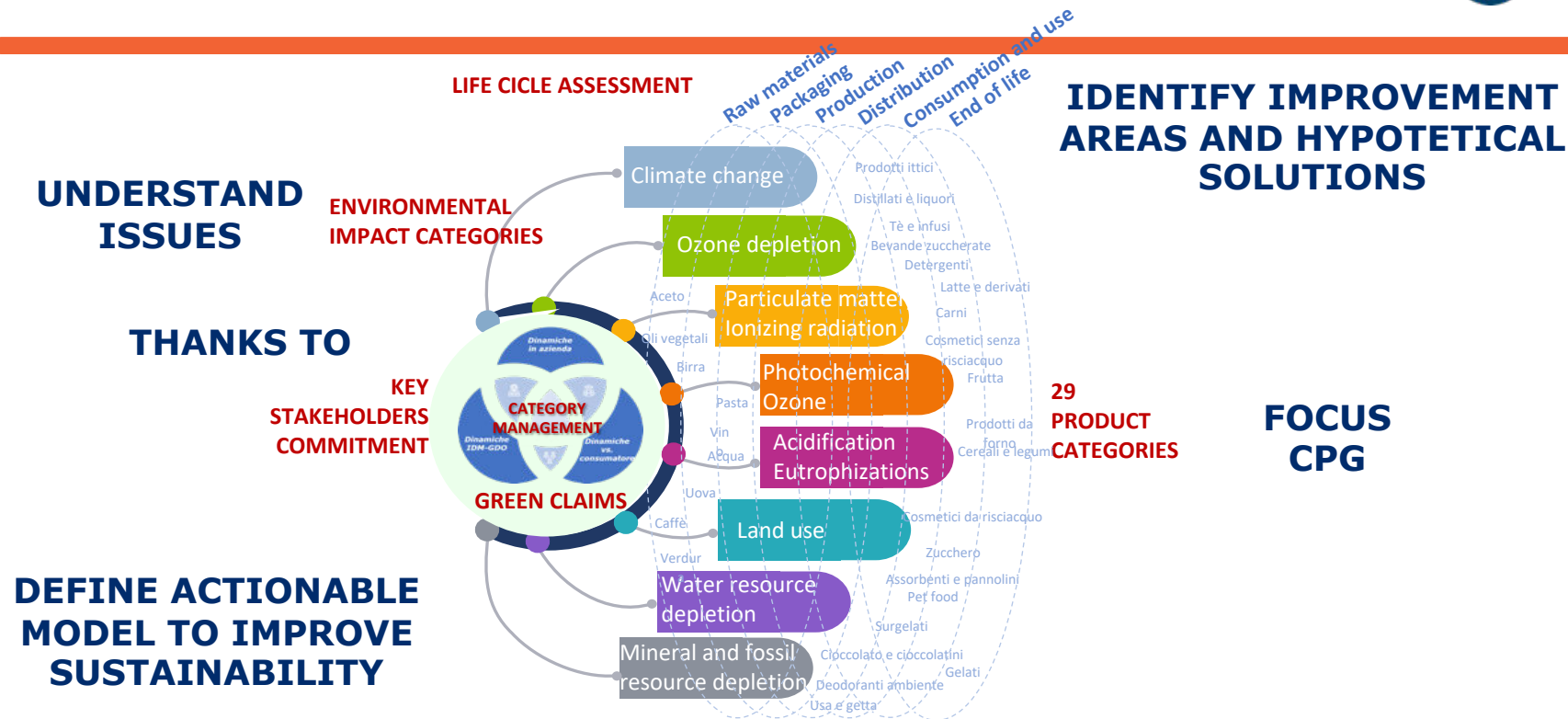


**Building a
common language**

**Building know how
of the key stakeholders**

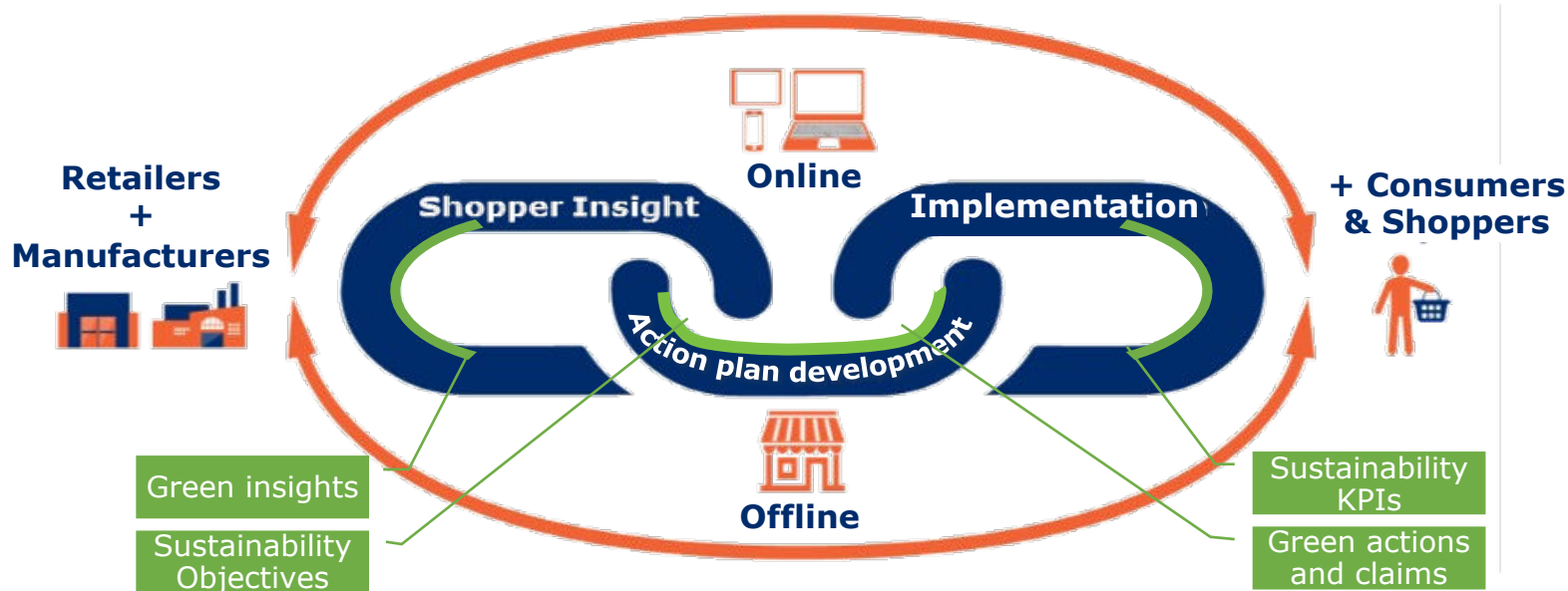
Key objective:
Penetration in day by day
business of environmental
actions to reduce impacts
of full CPG value chain

The approach



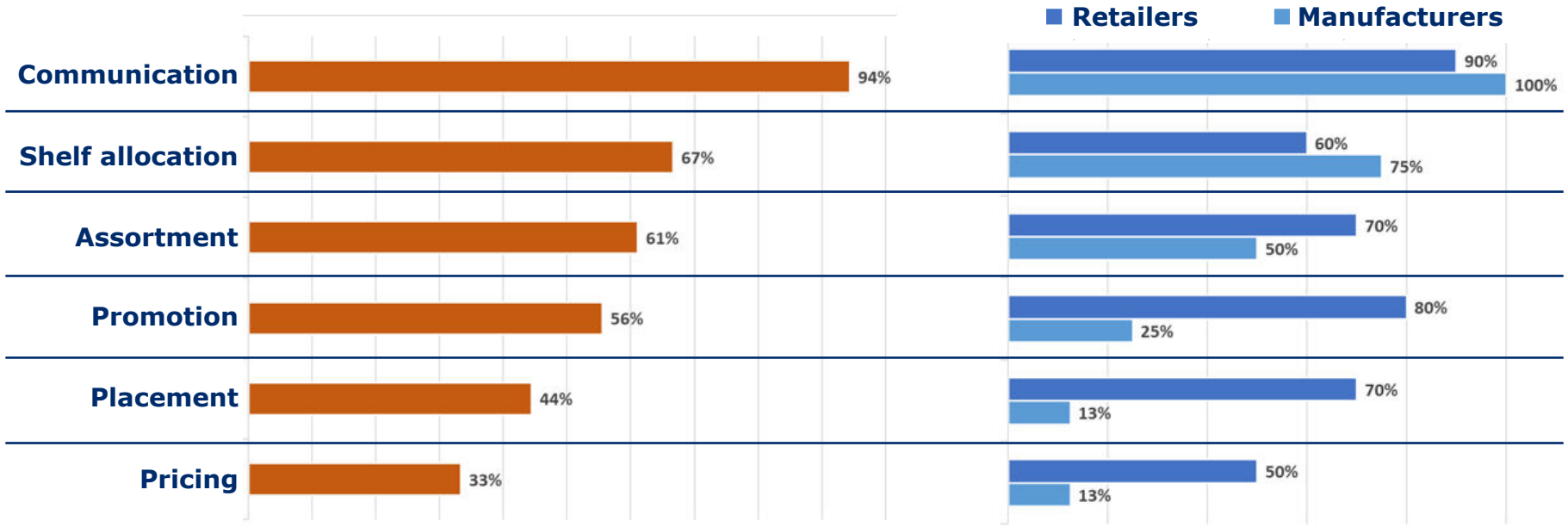
CM is the framework for actionable initiatives on environmental impact areas

CATEGORY MANAGEMENT OMNICHANNEL



All levers are suitable for sustainability but differently for manufacturers and retailers

The levers to improve environmental sustainability of categories



Some examples of tools to manage levers and reduce environmental impact

ASSORTMENT



PLACEMENT AND SHELF ALLOCATION



PROMOTION



Tools to design initiatives on categories environmental beneficially

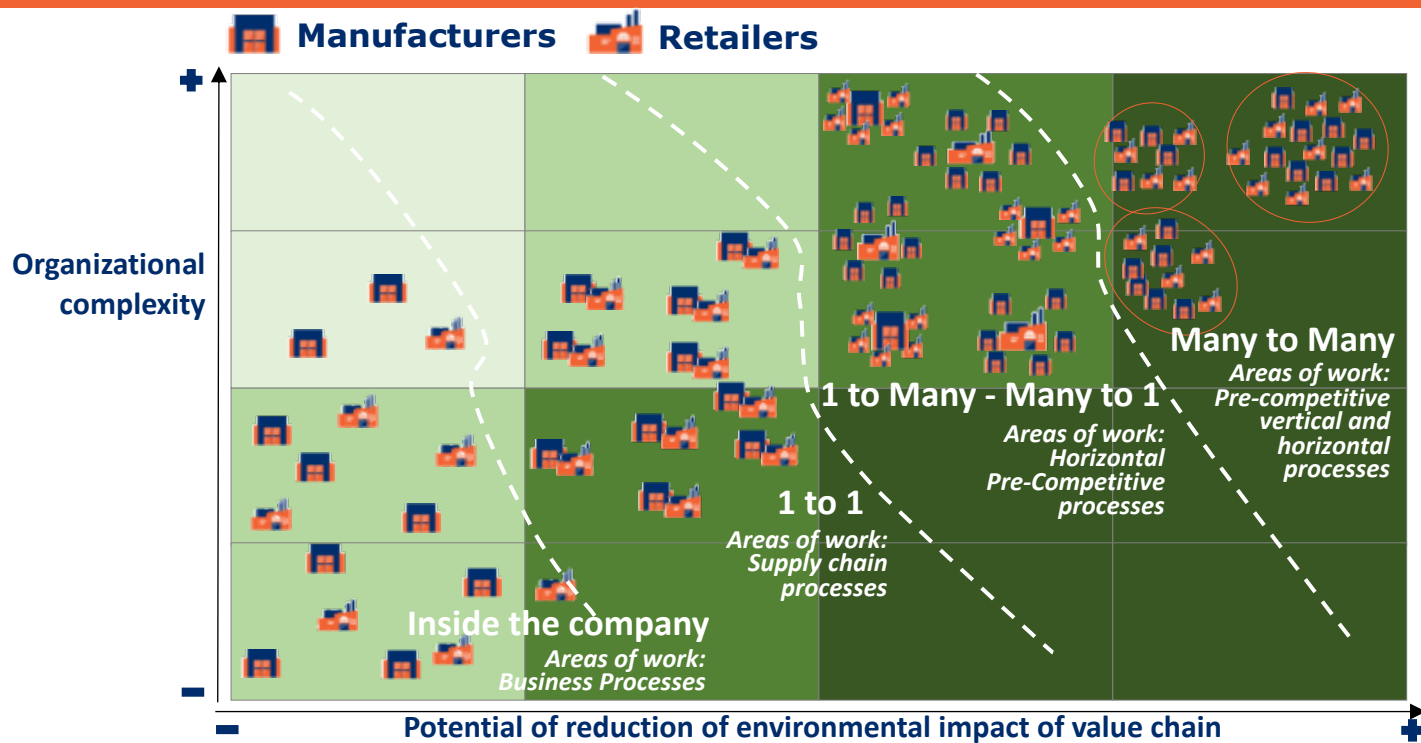
COMMUNICATION

	Elementi da non comunicare senza certificazioni di eccellenza o prove scientifiche	Green claim poco coerente	Green claim coerente
Zero ciclo di vita			
Hotspot principale	Elementi da non comunicare senza certificazioni di eccellenza o prove scientifiche	Green claim abbastanza coerente	Green claim coerente
Altri hotspot	Elementi da non comunicare senza certificazioni di eccellenza o prove scientifiche	Green claim poco coerente	Green claim abbastanza coerente
Altre fasi del ciclo di vita (non hotspot)	Elementi da non comunicare	Green claim non coerente e irrilevante	Green claim poco coerente
	Termini generici (sostenibile, ecologico,...)	Categorie d'impatto poco rilevanti	Categorie d'impatto molto rilevanti

Processo per la costruzione di un green claim corretto

Step 1	Descrizione caratteristica concreta
Step 2	Identificazione vantaggi ambientali del prodotto/categoria derivanti dalla caratteristica concreta
Step 3	Quantificazione e comparazione dei vantaggi
Step 4	Scelta di un'equivalenza intuitiva
Step 5	Descrizione fonti dei dati e delle equivalenze utilizzati nel claim

Different collaboration models for different level of impacts and complexity



The goal for brands and banners conquers additional consumers' «*trust*»

$$CLV = \sum_{n=years}$$

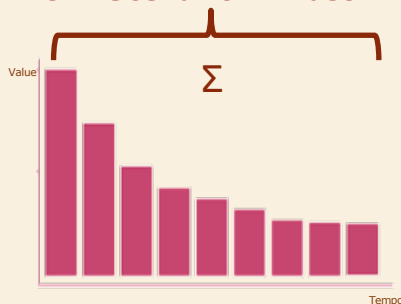
$$\text{Frequency} * \text{Average expenditure} * \text{Profit Margin}$$

Customer Lifetime Value
per BRAND or BANNER

CLV Scenario 2: Trust +

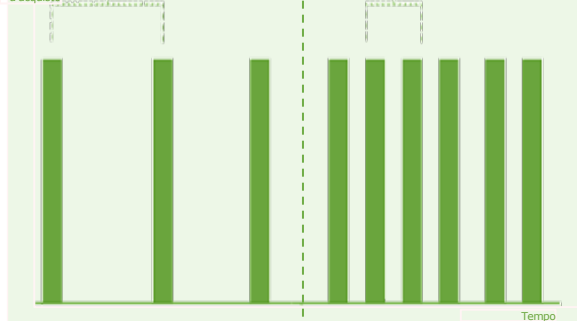


CLV Scenario 1: Trust =

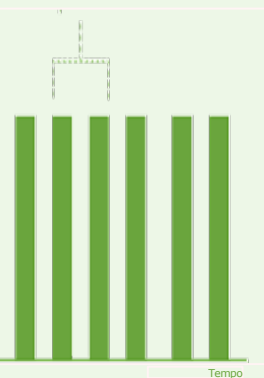


Scenario 1:
Trust =
Average consumer frequency

N. Atti d'acquisto

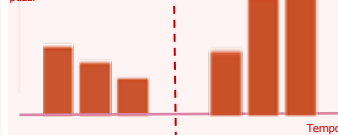


Scenario 2:
Trust +
Average consumer frequency as a result of initiatives to reduce environmental impact



Scenario 1:
Trust =
Average pieces purchased

N. pezzi



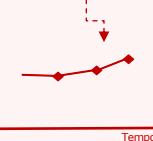
*
Average piece value



Scenario 2:
Trust +
Average pieces purchased (cross selling)



*
Average piece value (up selling)



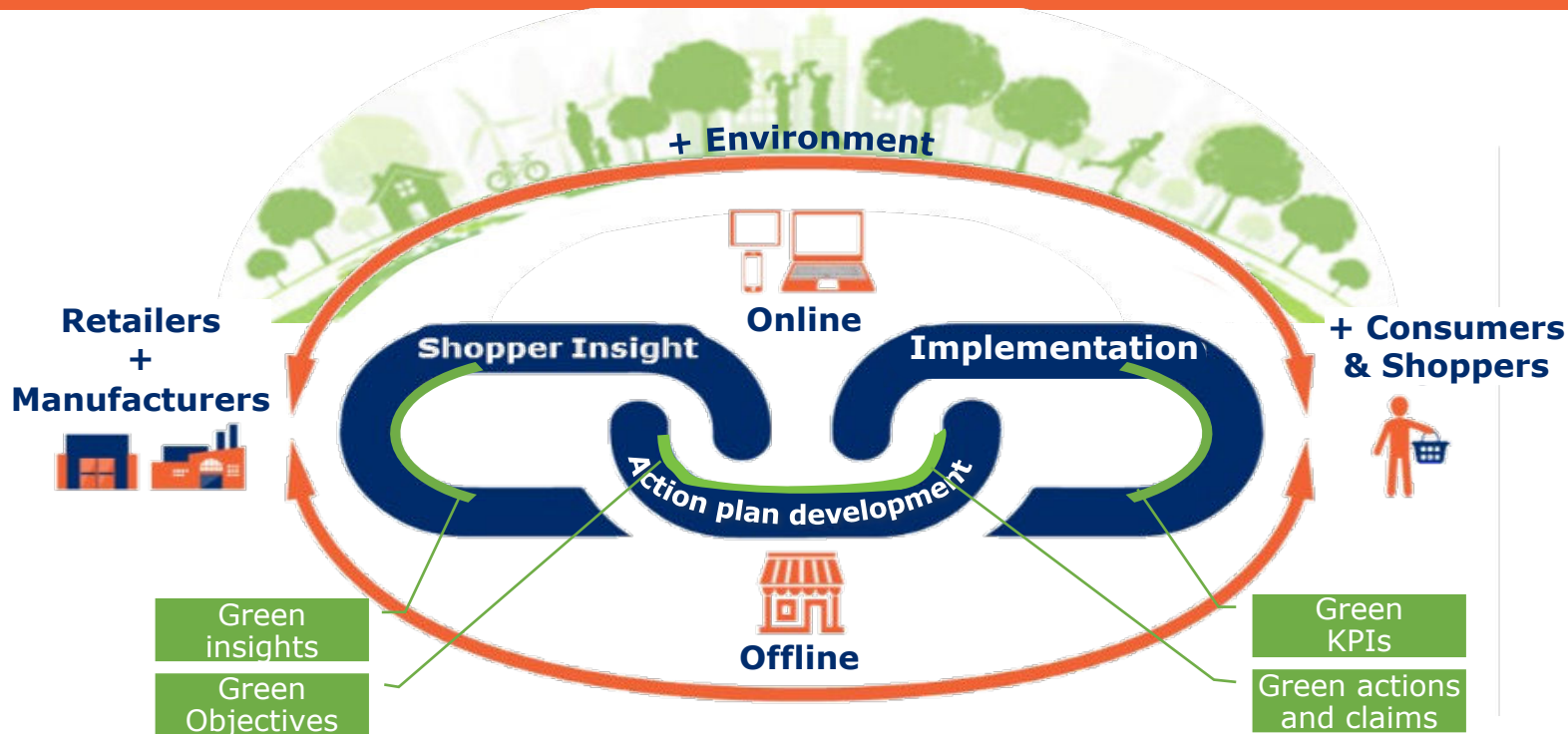
Scenario 1:
Trust =



Scenario 2:
Trust +
costs increase due to investments in initiatives to reduce environmental impact



From 3 winners to 4 winners



Thanks

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