



“Renoir’s preparatory work before they took on this assignment prepared them well for what to expect. What impressed me most, was their methodical approach to problem solving, which is contagious. Their focus on training and transferring skills were critical on this project. They are specialists with anything to do with processes and improving work methods.”

Johann Voster
Chief Executive

Key Results

7% year on year sales volume improvement for focus product

Quick wins of R6.1M

Trade Returns improvement of 0.87%

ROI - 1.6 : 1

Clover S.A (Pty) Ltd

Selling more. Wasting less.

Clover is an iconic South African consumer brand with strong market recognition. It has the largest chilled and one of the largest ambient distribution networks in South Africa.

Clover’s rich history began in 1898 in the lush pastures of the Natal Midlands. Since then their proudly South African heritage has turned into a publicly listed company that is still passionate about the milk procurement industry.

ANALYSIS

The Renoir analysis had shown that there was opportunity in distribution shrinkage and in the management of trade returns. It was decided by Clover management that this intervention would be a route to a bigger project in the redesign of the key sales roles within the organisation and hence a third area of focus was scoped in the ‘Sales Effectiveness’ or ‘Revenue Enhancement’ stream.

PROJECT APPROACH

As a result of the Analysis, Renoir recommended a 24-week programme, “CAMPRO”, to develop and implement all the identified improvement initiatives, for Clover and Clover beverages. The approach was two fold:

- 1. Revenue enhancement and Trade Returns would span the entire 24 project calendar weeks**
- 2. ‘Distribution Losses’ was to run over a 10 week period as the causal factors were mainly inconsistent controls and procedures**

The project focused on redefinition of the Sales Execution roles and responsibilities, by implementing routine “focus and fix” practices, practicing effective route cause and corrective actions, and implementation of key measures, which were integrated into the Management Control System (MCS).

This strategy focused on creating the opportunity for the Sales Execution teams to increase their ‘control of the order’, allowing first line supervision to manage at a store level in a more structured way and at the correct frequency or interval of activity.

The Project Initiation and Focus Process™ occurred over a 5 week period, during which a Management Action Team (MAT) was employed to assist in various diagnostic exercises, brainstorming sessions, observation studies and data analysis to reveal the specifics around the improvement potential. Specific improvement initiatives were identified and signed off at the Strategic Integration Meeting (SIM) by business owners, to ensure involvement from all stakeholders and sustainability through ownership.

From weeks 6-14, new MCS elements for Revenue Enhancement and Trade Returns were designed. This included the re-definition of Roles & Responsibilities for Sales Execution plus testing of new MCS elements and pre-implementation coaching to support the implementation.

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“The implementation of the Change Management Process (CAMPRO) across all layers of the organization was seamless. Everyone accepted the new “way of working” as if it was all their own.”

Dr. Jimmy Botes
Commercial Director

THE RENOIR GROUP

Renoir Consulting is a world leader in sustainable, implemented change. Founded in 1994, Renoir has offices located in North and South America, UK, Europe, Turkey, Middle East, Southern Africa, India, Pakistan, China, South East Asia and Australasia. With over 350 fully employed and highly trained consultants, their work across a wide range of industry sectors gives them a broader perspective of the issues facing your business, allowing them to be sensitive to your unique challenges, culture and specific business issues. This cross-pollination ensures truly effective, rapid and sustainable solutions.

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IMPLEMENTATION

All levels of the organisation were engaged via a series of training interventions. In the first installation phase, design and development of the initiatives identified during the Focus Process™ commenced. The MAT members and Area Sales Managers (ASMs) were trained to become change champions, engaging the entire organisation in initiating sustainable change. Activities included:

- A 2 day executive alignment session to strengthen the sponsorship requirements as well as give the ASMs an in-depth view of the programme.
- The branches were then engaged at an Account Manager level to introduce the new elements and tools
- Extensive “on the floor” coaching rollout, broken into three phases
- Initial installation coaching -compliance to new system
- Element scoring and Assessment report - recalibration
- Implementation coaching for sustainability

As a critical component to ensure sustainability, coaching, monitoring, evaluation of implementation compliance and benefits continued throughout the project, in close partnership with business leaders. This allowed for adjustments to be made and individual attention as required. The key philosophies that were installed during the project were taken forward into new projects, ensuring that a continuous improvement culture was embedded.

RESULTS

Operational Sales Volume Target Achievement:

Against a moving baseline established to compare last year’s week to this year’s week, we achieved a 7% improvement on average over the installation period, from week 14 to week 24 of the project. This was against a target of 3%.

Negotiation and Sales conversation:

Because of the careful structuring of the Sales Call behaviour, the Account Manager has been coached towards having a much more meaningful conversation with the decision makers in stores.

Eliminating Waste/ Trade Returns Achievement:

Eliminating waste resulted in improved Trade Return levels. The project benefit for this area is just over a 0.87% improvement, very significant based on the volumes in question, however, the ability to understand causes of waste is far better now due to the daily visibility given by the flash report.

Improve KPI focus:

By implementing the new MCS, efficiencies are now starting to be measured more accurately. Improving the data integrity of various reports also affected the measurement of efficiencies.

Electronic Data Interchange:

Identification of an issue that allowed duplicate orders has yielded an annualised return of R6.1M.

Merchandiser behavioural change:

Results of comparisons in merchandiser behaviour between project start-end, showed dramatic results. An example is the Flowwalk, an activity that provides insight into in-store opportunities, which has improved from 4% to 17%.

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