

Frictionless Deals: The Future of Trade Processing



Trade Promotion & Deal Processing Today

Trade promotion and deal processing are critical drivers of success for manufacturers, and consumer goods companies recognize the need for targeted, efficient deal-processing decisions at scale and speed.

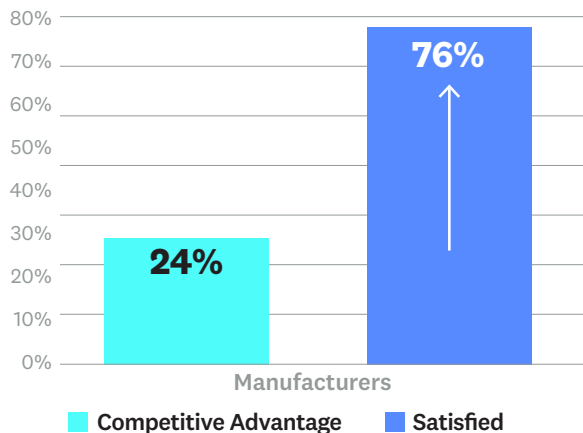
Facing numerous challenges, manufacturers are reevaluating their approach to deal-processing and the platforms they rely on to execute promotions. An exclusive survey by DemandTec and Consumer Goods Technology reveals a notable shift in expectations, with many respondents now seeking more responsive, refined, and data-driven solutions.

The findings, fielded among manufacturing leaders in late 2024, reveal that the deal processing space is ready for major transformation. While the majority (76%) of respondents are satisfied with their deal processing platform, less than a quarter (24%) believe it gives them a competitive advantage. This difference of opinion reveals a key opportunity in the space. Manufacturers and retailers alike are recognizing the need to move beyond outdated, manual systems and are keen to explore smarter, more efficient ways to stay competitive. Pivotal pain points such as integration complexity, data quality issues, time-consuming manual processes, and deal processing bottlenecks continue to impact business operations.

Automation is at the heart of this shift, with faster and smarter technologies poised to drive operational efficiency,

Conflicting Opinions?

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enhance customer experience, and provide the insights needed to fuel greater productivity for manufacturers.

Retailers also stand to benefit from these changes, as improved demand processing fosters stronger supplier relationships, leading to greater efficiency and growth.

Read on for a predictive peek at what to expect in the world of deal processing — and the opportunities to meet the needs of leaders in the retail and consumer goods space.

A NOTE ON SURVEY RESPONDENTS

The survey targeted two key groups involved in promotional software decisions:



1. Influencers who advocate, guide and support solution selection. This includes day-to-day use of the software in their companies.



2. Decision-makers who hold the authority to approve and implement the final choice.

This approach ensured insights were gathered from both perspectives of groups driving decisions around deal processing investments.

METHODOLOGY:

DemandTec and Consumer Goods Technology conducted the survey from November 13 2024 – December 2, 2024. Results were collected from 85 total qualified respondents. Respondents came from a variety of industries, with the main focuses including food/beverage (84%), alcoholic beverages (61%), consumer electronics (42%), household products (39%), health and beauty (35%), apparel (34%), DIY/ Home/Garden (30%). Job title and function breakdown among respondents was C-Suite (25%), VP/SVP/EVP (24%), Director/Sr Director (26%), Manager/Sr Manager (9%), Analyst/Coordinator/Planner (16%).



THE MESSAGE IS CLEAR

Saving money, saving time, and putting the customer first are all top of mind for decision-makers and influencers.

What Manufacturers Want — And How Automation Can Help

When it comes to measuring output, there are a few of different metrics manufacturers are working against.

Respondents are understandably most interested in their financial performance (45%), followed by customer-centricity (19%) and operational efficiency (14%). The message is clear: Saving money, saving time, and putting the customer first are all top of mind for decision-makers and influencers.

In terms of top challenges, respondents pinpointed efficient deduction clearing as their weakest capability, along with bottlenecks in deal processing, data quality, and integration complexity. This speaks to a broader need for greater automation and tech-enabled efficiency. For example, the automation of deal creation is a capability currently in the spotlight, with 68% of respondents listing it as either extremely important or very important.

Looking ahead and turning attention to specific deal promotion capabilities, the top three that both influencers and decision-makers are focused on are:

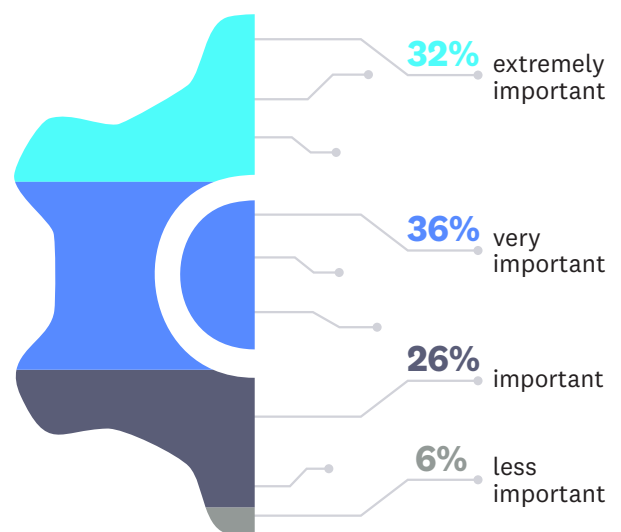
1. The ability to track trade spend in real time.
2. Accurate and quick deduction clearing.
3. Ability to track product performance accurately.

These priorities that have caught respondents' attention hinge largely on greater data visibility and would benefit from more automation.

In fact, moving to look at expectations around software upgrades, over half (59%) of respondents identified automating manual processes as a top priority for improving their promotion software, making it the top choice among both influencers and decision-makers in the space — outpacing more straightforwardly financial expectations such as increasing margin (47%), revenue growth (45%), and taking market share (45%).

A message begins to emerge: cost-saving and financial performance remain important, but time-saving through automation is extremely important.

How important is automation of deal creation?



Total between Decision Makers and Influencers.

Getting the Data Right

'Garbage in, garbage out,' is an often-used phrase to describe how poor data quality can put a drag on operational efficiencies, particularly in retail and consumer packaged goods. Key productivity multipliers such as forecasting accuracy, real-time visibility, and bill payment optimization are all reliant on high-quality data, yet manufacturers continue to struggle with data challenges.

In addition, top issues cited such as selecting the right promotions (34%) and evaluating product performance (34%) highlight a core problem: inadequate access to reliable data. Automation presents a real solution, addressing these data gaps by replacing manual processes like emails and spreadsheets — which are still used by 35% of respondents.

By adopting smarter systems, companies can enhance data accuracy and improve operational performance, making automation a vital tool for overcoming the data quality barriers that continue to slow businesses down.

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of respondents identified automating manual processes as a top priority for improving their promotion software.

Reducing Manual Processes and Complexities

On the workflow side, respondents cite overcomplicated approval systems and manual processes as major factors holding them back. Continued reliance on these processes, of course, opens workers up to more errors. Considering that the majority of surveyed respondents have between 51 and 100 users involved in deal processing, there's plenty of users in the mix leaving space for slip ups to occur.

How Respondents Measure Success

MACRO CATEGORY

Financial Performance



45%

CATEGORY

Revenue and Sales Growth

21%

Profitability

16%

Cost-related Metrics

7%

Customer-centric



19%

Customer Satisfaction and Experience

13%

Customer Retention and Loyalty

6%

Operational Efficiency



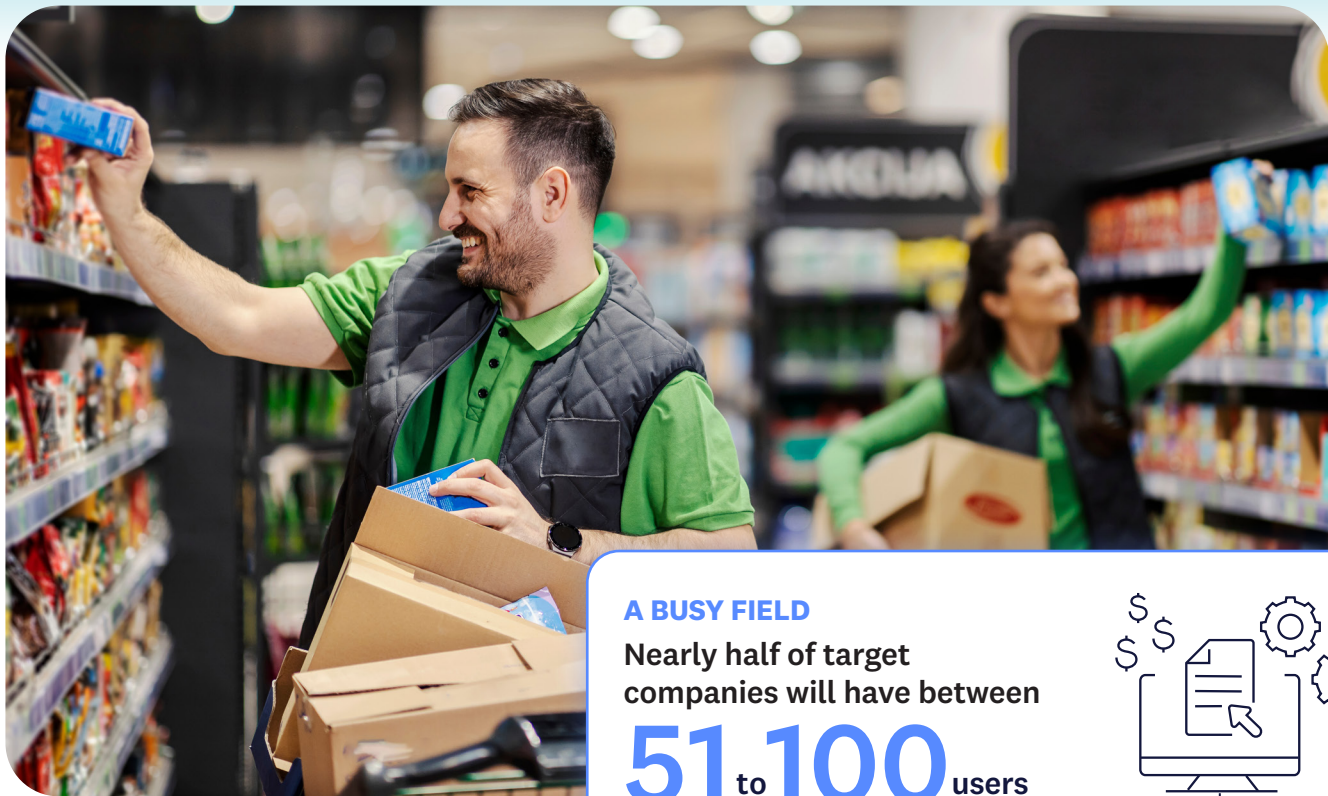
14%

Operational Performance

11%

Product Quality

3%



A BUSY FIELD

Nearly half of target companies will have between

51 to 100 users

involved in handling deal processing.



In fact, survey respondents say these cumbersome, outdated systems are more than just minor inconveniences — they are actual roadblocks to progress. Over 18% of those surveyed identified process inefficiency as a primary challenge, with a significant chunk (10%) pointing to the burdensome nature of manual tasks.

One of the main issues? Overly complex approval hierarchies, which create bottlenecks that delay deal closures and stymie decision-making.

In short, manual workflows are a missed opportunity for growth and innovation. As respondents point out, relying on outdated processes takes time away from teams who could be focusing on high-value tasks. With 23% highlighting strategic challenges like budget management, cross-departmental coordination, and market insights, it's clear that businesses are being held back by time-consuming approval loops and manual inputs.

Automation is the game-changer here as well. And it's not just about improving efficiency — it's about unlocking the full potential of employees.

Opportunities & Promotional Tech Advances

When it comes to promotional activities, speed matters. Looking ahead, leaders should be focusing on this need for optimization — filling the gaps and making the most of the appetite for a change of pace.

Demand processing needs are also not one-size-fits-all and manufacturers often require tailored features to address specific pain points. For example, senior leaders and decision-makers might prioritize efficient deduction clearing, while day-to-day users are seeking solutions that enhance collaboration and streamline workflows.

Finding The Right Partner

Partnering with an expert in responsive and real-time pricing and promotion solutions will enable seamless collaboration between manufacturers, retailers and their customers.

Get in touch to learn how DemandTec can help your business to level up in the following areas:

- Process automation to improve data accuracy and time efficiency.
- Developing resilient, real-time reporting capabilities for product performance and trade fund tracking.
- Customized features to address specific pain points across workflows and capabilities e.g. efficient deduction clearing and improved collaboration tools.

The Loyalty Paradox

7 out of 10 decision-makers are open to alternative deal processing solutions, indicating unmet needs. In contrast, 5 in 10 influencers are promoters of their software, suggesting higher satisfaction.

Despite mixed satisfaction levels, the majority of users plan to stick with their current vendors. This loyalty, especially among decision-makers, reflects a high expectation for enhanced solutions from existing providers.

Close to half of decision-makers doubt their competitive advantage with current deal processing platforms, indicating a need to better understand their specific expectations for improved solutions.

There is a satisfaction gap between decision-makers and influencers. Decision-makers exhibit higher expectations and lower satisfaction with current platforms (69%), while more influencers report positive experiences (83%).

Why it matters: Respondents show loyalty — or perhaps even complacency — toward their current solutions. Still, their dissatisfaction signals a growing demand for better services, hinting at imminent shifts in the adoption of deal processing platforms.

A Sweet Deal for Retail Too

More efficient deal processing is a win-win for manufacturers and retailers. Here are just a couple of ways automation can help retailers too:



Stronger Supplier Relationships

Smarter deal processing improves forecasting and trade tracking for smoother, more profitable partnerships.



Smarter Decisions:

Real-time insights on trade spend and product performance keep shelves stocked and inventory optimized.



Greater Efficiency

Automating approvals and data entry frees up time for strategic growth.



Lower Costs, Better CX

Automation cuts costs, protects margins, and enables personalized promotions that boost loyalty.

***demand*tec**

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