

## Developing “Your Candy and Snacks MVE Programs”

### GETTING STARTED STEPS FOR SUCCESS OVERVIEW

- 1** Select a manufacturer category captain and validator to help you make the right category management decisions by applying a holistic, data insights–driven category management process.
- 2** Focus on Core SKUs in each category segment—the proven winners over time; the “best of the best.”
- 3** Product performance drives the placement, and a cost share program with manufacturer participants is developed after the products are selected. Each manufacturer pays for their share of space on the rack.
- 4** Assure retailer compliance by tracking rack placements, monitoring the in-stock position and the integrity of the planogram. Quarterly compliance reports are to be provided to participating manufacturer partners on a quarterly basis to obtain funding.
- 5** Take advantage of the studies and materials to train your sales organization how to sell the value of your program to your c-store customers.

### MANUFACTURER CANDY & SNACKS MVE CONTACTS

*Contact one of the manufacturer representatives listed here, or your local sales representative, for support in developing your program*

#### **General Mills, Inc.**

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DEVELOP A  
BALANCED  
DATA-DRIVEN  
PROCESS

Selecting the SKUs for the Candy & Snacks MVE  
is a Holistic Data-Driven Process.

Multivendor endcaps (MVEs) are a proven success for all trading partners in the convenience channel and exemplify category management at its finest by featuring the best-selling, highly-impulsive SKUs across each candy and snacking segment.

THE  
COLLABORATIVE  
PARTNERSHIP

Appoint a category captain and validator (trusted manufacturer partners) as advisors, to help guide your category management team in the development of the MVE planogram and to provide additional resources.

Once you have assembled your project team, it is important to source the right data. Your own data is very important, but you need to validate versus the market to establish best sellers in each category segment.

THE  
DATA ELEMENTS

Use multiple data points

- ✓ Review your own SKU movement and determine the best sellers for consideration in your planogram
- ✓ Review market, national, regional, syndicated or CDA InfoMetrics data as a check and balance to assure that you haven't missed any SKUs

PROPERLY SIZE  
THE CATEGORY  
SEGMENTS

Whether you're developing a candy or snacks MVE program, the process is the same. You bring the breadth of the category to the MVE.

For candy, the MVE should consist of all of the category segments; chocolate, non-chocolate, gum & mints. For snacks, space should be dedicated to salty, sweet and alternative.

Share of space on the MVE should be determined by each segments contribution to total candy, or total snacks sales.

**MANUFACTURER  
SUPPORT &  
FUNDING**

**FUNDING IS  
EXCLUSIVELY A  
DISTRIBUTOR  
MANUFACTURER  
MATTER**

**BEST PRACTICE  
CONSIDERATIONS  
FOR COST SHARE  
DEVELOPMENT**

**The MVE Rack Program is created in  
Collaboration with Manufacturer Partners and is  
Managed by Each Distributor as it is “Their Own  
Unique Program”**

Manufacturer support & funding of the MVE program is strictly between each distributor and their manufacturer partners. Each distributor owns that relationship with their manufacturer partners.

Since SKUs selected to be on the MVE planogram are determined by the best sellers, according to data; manufacturer funding of the rack should be determined after the planogram is developed. This holds true to holistic category management process.

**Best Practice Considerations**

- ✓ MVE program support payment potential elements
  - ✓ Space Allocation (fair share of space) or other agreed to method developed between each distributor and manufacturer
  - ✓ Rack Payments may include reimbursement for:
    - ✓ New MVE Rack Cost
    - ✓ Annual Retail Placement Incentive
    - ✓ Sales Spiff (placement & set up)

An example of the “Cost Share” Excel spreadsheet can be found in the Resources section of the Warehouse-Delivered Snacks page on CDA's website.

## MANUFACTURER PROGRAM COMPLIANCE & TRACKING

### Manufacturer MVE Program Compliance & Tracking is an important requirement of managing Your MVE Program

## THE BENEFITS OF TRACKING & COMPLIANCE

Manufacturer MVE program compliance and tracking requirements are important for multiple reasons :

- ✓ Verifies MVE placement
- ✓ Validates planogram integrity
- ✓ Assures future funding based on a measurable ROI for your manufacturer partners (internal accountabilities)
- ✓ Keeps all parties focused on execution

## MANUFACTURER MVE PROGRAM COMPLIANCE & TRACKING

Manufacturer MVE Program Compliance Tracking & Requirements

- ✓ SKUs on the rack are to be determined by a category management process, selecting the best-selling SKUs across segments. It is not a new item fixture. (cost share is at the end of the process)
- ✓ All SKUs placed on the MVE are secondary placements – a Key To Success
- ✓ Quarterly reports from participating distributors, by account, rack type, SKUs, & movement (CDA InfoMetrics tool can assist members)
- ✓ Refresh MVE planograms annually or semi-annually

## RETAIL CONTRACT MVE PROGRAM COMPLIANCE

Retail Commitment & Compliance (your requirement examples)

- ✓ Develop a one year contract for placement of the MVE that is renewable annually
- ✓ Determine placement incentive
- ✓ Develop your own requirements
  - ✓ Commitment to the location of the MVE in the store (path to purchase, front end, across from beverage cooler)
  - ✓ Maintain the integrity of the planogram (keeping all SKUs on the POG for the specified period of time, no substitutions)
- ✓ Provide retailer with MVE item performance reports
  - ✓ Get credit for bringing a powerful solution
  - ✓ Helps assure renewal in subsequent years

## Ideas and thoughts for Launching a Successful MVE Program

KICK OFF

SELL IT  
INTERNALLY

LEARN TO TELL  
THE STORY

LEVERAGE THE  
DATA & STUDIES

CREATE  
EXCITEMENT

REINFORCE THE  
MERITS

MEASURE  
SUCCESS

RECOGNIZE TOP  
PERFORMERS

- ✓ Sell the program internally to create excitement and commitment
  - ✓ The value of incremental profit by increasing same store sales in profitable distributor categories
  - ✓ Gaining more space in the store for your products
- ✓ Develop a compelling selling story that your sales representatives can clearly articulate (leverage the studies and presentation materials of the committee, to augment your story)
  - ✓ Practice at sales meetings
- ✓ Make a Big Splash
  - ✓ Kick off at a trade show
  - ✓ Display your MVE racks fully loaded with product
  - ✓ Develop a dynamic keynote presentation
- ✓ Continuously reinforce with retailers
  - ✓ Great Brand Strengths across all category segments
  - ✓ Only multi-vendor can deliver the best of the best
  - ✓ Higher Margins than DSD
  - ✓ The MVE deserves prime placement
- ✓ Get retailer testimonials
  - ✓ Measured success
  - ✓ Include in your publications or newsletters
  - ✓ Invite them to co-present at a show
- ✓ Recognize/reward your best sale team for execution
  - ✓ A best of the best award might be appropriate