



Consumer Goods Industry Suite



Target Audience

The course is designed for everyone new to the consumer goods industry and those selling or marketing products and services to it. The following will benefit:

- New hires with no previous experience of working in a consumer goods company. This is especially true for headquarters-based personnel and new graduate intakes.
- Consumer goods company IT teams who need to understand their business more fully to build effective applications.
- Foundational training for those developing or implementing consumer goods specific business processes.
- Vendors selling and marketing to consumer goods companies.
- Professional services teams working with consumer goods companies.

Objectives of the Suite

By the end of the program, participants will be able to:

- Explain what the consumer goods industry is, the different segments in the industry and the different customer segments CG companies serve.
- Explain the key trends and challenges that consumer goods companies face, now and in the future.
- Describe a typical company organization structure, the main functional areas, the key management roles and the primary responsibilities of the senior leadership team members. They will also be able to identify the common challenges those executives face.
- Review a CG company's financial statements, calculate the most important key performance indicators and be able to identify financial strengths and weaknesses which need addressing.
- If you are a service provider to a CG company, be able to formulate key questions to explore with the management team to identify ways in which you can help them improve.
- Coupled with your understanding of the financial statements you will be able to articulate the business value of your solutions or services.

Course Overview

The Consumer Goods Industry Suite is a self-paced web-based training program for all those who need a good understanding of the consumer goods sector. This includes:

- Those working in the sector who need a wider view of the business
- Those just joining or recently joined with no previous work experience in consumer goods companies
- Those working in firms that sell goods or services to consumer goods companies.

The suite contains 6 modules, which can be bought individually or as a complete package, depending in a learner's needs and individual starting point.



The six modules are:

- Consumer Goods Industry Overview
- Consumer Goods Organization
- Consumer Goods Financials & KPIs
- Consumer Goods & Retail Supply Chain
- Consumer Goods & Retail Channel Interactions
- Consumer Goods Sales & Marketing Operations

The classes are complemented by our Retail and Consumer Goods Industry WIKI and performance support system, which contains additional detail on topics such as consumer goods manufacturing and IT systems.

There are three pricing options:

- Induction is suited to new joiners who will complete the complete training suite in a limited time. An induction licence costs \$245/£194/€224 and is valid for 3 months.
- Professional costs \$408/£324/€373 and is valid for 12 months. This allows those who need to re-visit the classes periodically to refresh their knowledge to do so whenever necessary.
- Performance Enhancer includes access to the complete Retail and Consumer Goods Industry WIKI and performance support system also for a 12 month licence and costs \$484/£384/€442.

You can get a full explanation of the benefits and what is included in each option as explained in our [class pricing options](#) web page.

All a student needs to run the program is access to the internet. The program is hosted on Martec International's Learning Management System and is available round the clock.

Companies may also purchase a corporate licence which provides unlimited access within the company's own organization. Prices are available on request.



Program Contents

1. Consumer Goods Industry Overview

- Consumer goods value chain
- The retail players
- Consumer Products Manufacturers
- Market segments
- Customer drivers
- Key trends
 - Emergence of the connected customer
 - Growth from emerging markets
 - Changes in supply chain and sourcing
 - Availability issues on the store shelf
 - Growth of retailers' private label
 - Growth of consumer conscience and Government edicts
 - Counterfeiting and grey market distribution
 - Other emerging trends and challenges
- Consumers
- Summary
- Exercise
- Mastery test

Consumer Goods - An Overview v4.3

Consumer Goods Definition

Consumer Packaged Goods

Consumer Durables

Consumer Goods

Manufacturer

A consumer goods manufacturer can be defined as a company that manufactures goods for end consumers to use in their daily lives and distributes them through different channels, mostly via third parties. The main third parties are retailers and wholesalers.

Increasingly consumer goods companies also sell direct to consumers (known as DTC). Some manufacturers sell to other manufacturers, where their products are used as component parts of a more complex product. We will address these channels shortly.

Consumer goods can be

Consumer Goods - An Overview v4.3

Emerging Trends and Challenges

Consumer

Stores

Direct Selling

E-commerce

Joint Venture

Franchises

Consumer Goods - An Overview

Introduction

Consumer Goods Trends

Emergence of the Connected Consumer

Growth from Emerging Markets

Changes in Supply Chain and Sourcing

Availability Issues on the Store Shelf

Growth of Retailers Private Label Products

Growth of Consumer Conscience and Government Edicts

Counterfeiting and Grey Market Distribution

Emerging Trends and Challenges

Consumers

Summary

Exercise

Mastery test

Program Contents

2. Consumer Goods Organization

- Typical consumer goods organization structure
- Key job roles and responsibilities
 - CEO
 - Sales and Marketing
 - Category Captains
 - Manufacturing / Operations
 - Supply Chain
 - Research and Development
 - Packaging Engineering
 - Finance
 - IT
 - Human Resources.
- Summary
- Mastery test

3. Consumer Goods Financials & KPIs

- An overview of consumer goods financial statements
- The profit and loss account
- Impact of the product life cycle on gross margins
- SG&A expenses
- The balance sheet
- Formula recap
- Evaluating changes in inventory
- Key performance indicators reviewed so far
- Other key performance indicators (KPIs)
- Reviewing the accounts
- Example
- Vendor questions to ask
- CAPEX process
- Summary
- Mastery Test

Consumer Goods - A Typical Organization Structure v4.3

Resources | How to use | Ask an Expert | Contact | Start of Course | Exit

Chief Financial Officer (CFO)

The Finance function in a company is run by the Chief Financial Officer (CFO). The CFO is responsible for:

- Production of the company accounts
- Managing the company treasury, which includes the company's cash balances, buying or hedging foreign currency and managing any investments the company has
- Carrying out the corporate planning, especially all the financial dimensions of the corporate plan (the senior leadership team as a whole will work on the corporate plan)
- Managing the financial

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Consumer Goods - A Typical Organization Structure v4.3

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Category Captains

Reviewing the category

Evaluating results

Implementing strategy

Planning merchandising

Targeting consumers

Source: AC/Nielson

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Consumer Goods - Financials and KPIs v4.3

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Profit and Loss Account

Heading	Amount	Percent	Of Which Sales
Gross Sales	600	100.0	Gross
Order Size Discount	15	2.5	Gross
Competitive Discount	17	2.8	Gross
Trade Promotions	144	24.0	Gross
Damaged Product Returns	20	3.3	Gross
Net Sales After Trade	404	67.3	Gross
Cost of Goods Sold	238	58.9	Net
Gross Margin	166	41.1	Net
Distribution	33	8.2	Net
Marketing/Advertising	30	7.4	Net
Selling	28	6.9	Net
Customer Service	15	3.7	Net
Profit Before Tax	60	14.9	Net

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KPIs Reviewed So Far

- Sales
- Gross margin percent
- SG&A% to sales
- Profit before tax %
- Days sales outstanding
- Days payments outstanding
- Inventory turn

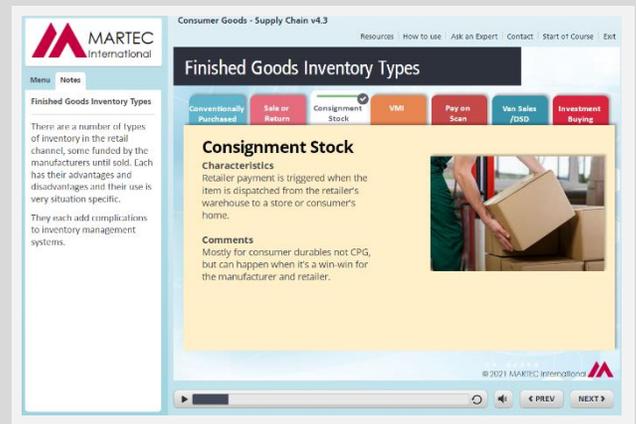
Click on the 'info' buttons to see more

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Program Contents

4. Consumer Goods & Retail Supply Chain

- Supply chain objectives
- What is supply chain management?
- Key goals for supply chain management
- Example apparel supply chain
- Supply chain verses demand chain
- Lost sales estimation
- Inventory types
- Finished goods inventory types
- Inventory ABC analysis
- Inventory – how much do you really need?
- Forecasting
- Parallelism and postponement
- Parallel textile industry supply chain
- Sourcing
- Supply chain challenges
- Product costs, shrinkage and waste
- Supply and demand imbalance (the bullwhip effect)
- Security and counterfeiting
- Sales and operations planning (S&OP)
- Collaborative planning and replenishment (CPFR)
- Global data synchronization network
- Compliance – track and trace
- Key performance indicators
- Supply chain management applications
- Summary
- Mastery test



Program Contents

5. Consumer Goods & Retail Channel Interactions

- Objectives
- Synchronizing operations (between CG companies and their direct customers)
- Touch points between retailers and consumer goods companies
 - Buying and merchandising
 - Store operations
 - Marketing
 - Logistics
 - Finance
 - Trade support
- Partnering
- Summary
- Mastery Test

6. Consumer Goods Sales & Marketing Operations

- Objectives
- Customer segments and consumer goods sales and marketing organizations
- Exercise
- Account team responsibilities
- Marketing
- What is category management?
- What is a category?
- Basic steps in category management
- The 8 stages of category management
- The need for data
- Promotion planning
- Managing trade promotions
- Impediments to effective promotion assessment
- Trade support
- What are your 3 greatest challenges in working with retailers today?
- Direct to consumer sales
- Direct to consumer marketing
- Examples
- Summary
- Mastery test

This slide illustrates the interaction between retailers and consumer goods companies. On the left, a retailer's perspective includes Buying and Merchandising, Store Operations, Marketing, Logistics, Finance, and E-commerce. On the right, a consumer goods company's perspective includes Sales and Marketing, Trade Promotion Mgt., Category Mgt., Sales and Marketing, Category Management, Marketing, Supply Chain, Finance, and Sales and Marketing. A double-headed arrow connects the two sides, indicating mutual interaction.

This slide focuses on the marketing interaction between a Retailer and a Consumer Goods company. The Retailer's side involves sharing store level/product level sales data with vendors weekly and feeding combined data into sales and marketing plans. The Consumer Goods side involves sharing information on how the whole market is doing. A double-headed arrow connects the two sides.

This slide features a large 'PROMOTION' graphic with colorful price tags. Below it, a statistic shows '15%-28% gross sales' supported by 'Promotional support' and 'Co-operative advertising funds'. At the bottom, 'General trade support' is also indicated.

This slide discusses 'Direct to Consumer' (DTC) factors. It shows a hand holding a smartphone with a shopping cart icon and a 'BUY' button. Social media icons (Facebook, Twitter, YouTube) are visible. A red 'X' is placed over a smartphone, and a green arrow points to 'Gross Margin'. A red arrow points to 'Web Technology' and a blue arrow points to 'Logistics Networks'.

Testing

At the end of each module there is a test of the participant's knowledge. Test scores are recorded in the Learning Management System and are available to management to review achievement. At the end of the mastery test, learners are asked to complete a survey, which helps Martec improve its products. Learners who pass the mastery test and then complete the survey will receive a certificate of achievement by email almost immediately. If they used our LMS or their company participates in our digital badge program, they will also receive a digital badge shortly afterwards.

You can learn more about Martec's digital badge program [here](#).

Delivery Options

This program can be delivered in three ways:

- Individuals or companies can order the program for one or more people via our web site at www.martec-international.com.
- If a company wants to train batches of students, the e-learning program can be studied to a group time schedule and live web-based instructor-led sessions can be provided to allow for interaction with a subject matter expert. There is an extra charge for this for smaller size groups.
- Live instructor-led classes can be presented using the same material. This is relevant when there are 20 or more people to train at the same time.

Further information and pricing can be provided on request.

Job Aids

Various classes also have downloadable performance support job aids and checklists to assist students after the class.

Martec International

Martec International is a leading provider of industry knowledge and insight to retailers, consumer goods companies and other suppliers to consumer goods companies, including:

- Technology suppliers to consumer goods companies and retailers
- Third party logistics suppliers to these sectors
- Accountants and consulting firms working in these sectors
- Marketing services companies that promote services to retailers and consumer goods companies, and other industry suppliers.



We help clients increase their industry knowledge, develop their skills and grow sales and profitability. Companies from approximately 35 countries across 6 continents come to Martec for skills development and we have learners in 58 countries.

More Information

You can learn more about Martec at the following locations:

<https://www.martec-international.com>

Our YouTube channel at <https://www.youtube.com/channel/UCy9AbIJSWOI0JitqjqWZsDA>.

If you have an enquiry you would like to make of Martec, you can use the Enquire Further button on <https://www.martec-international.com/contact-us> or call +44 1823 333469 or +1 770 756 8231.

