



# Trust the machine

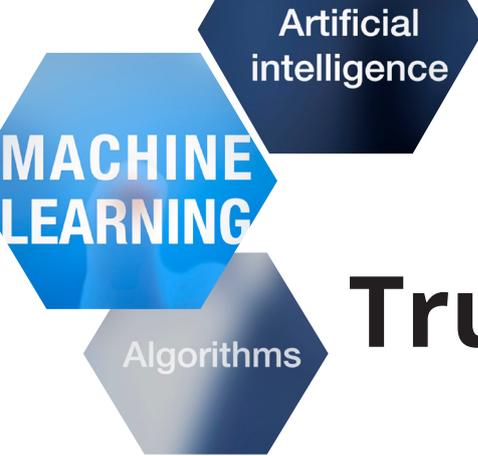
## It does know it better

On a personal level we faithfully follow Google Maps without any concern. We marvel at voice recognition capability and happily depend on our tech assistants. Driverless vehicles make more and more sense to us. Over the past years, we've all been personally handing over more and more to the machine because it has become increasingly evident that is not just perfectly safe to do so, but better for us.

*Written by: Jaco Brusse, CEO visualfabriq*

#### **Disclaimer**

The information in this document is intended solely for personal reference. Such information is subject to change without notice, and although we made all reasonable efforts to ensure the correctness of this presentation, its accuracy is not guaranteed and it may not contain all material information concerning Visualfabriq (the "company"). The company makes no representation regarding, and assumes no responsibility or liability for, the accuracy or completeness of, or any errors or omission in, any information contained herein.



# Trust the machine

## It does know it better

### Get it together FMCG, the Machine knows better

So, here is how it is – advances and successes in machine learning and other tech artificial intelligence are regularly happening way faster than even their own innovators' predictions. From forecasting the top four winners of the Kentucky Derby to diagnosing cancer; from the autopilot avoidance of road accidents to the computer defeating the greatest human master of the world's most complex thinking game, the machine is clearly coming out on top.

On a personal level we faithfully follow Google Maps without any concern. We marvel at voice recognition capability and happily depend on our tech assistants. Driverless vehicles make more and more sense to us. Over the past years, we've all been personally handing over more and more to the machine because it has become increasingly evident that is not just perfectly safe to do so, but better for us.

So it is interesting that the FMCG sector lags behind the trend to trust the machine. Yet, it's an industry rich, but swamped, in Big Data, with just about the most to gain from tech that enables them to unlock the insights.

In excess of \$500 billion is spent by FMCG companies on trade promotions each year. These promotions are mostly planned, managed and optimised by people cut off at the knees because they

cannot access the immediate insights from all their Big Data when they need to make their decisions. We know that the investment in trade promotions is incredibly wasteful because of these limitations. Trusting the machine can change this. Trusting the machine is actually an incredibly simple step to improve the profitability of an FMCG company.

### So why isn't it happening?

Lack of vision combined with the lack of an urgent economic driver for change keeps many FMCG companies cocooned in a deep comfort zone.

While other industries are metamorphosing to position themselves where the change is, many FMCG companies are still simply doing business as usual. The company structure hasn't changed; the roles and responsibilities are just the same; people are still guessing (poorly) about how to make the latest trade promotion profitable.

## Has anybody realised yet that everything has changed?

Yes.

At visualfabriq we are privileged to witness some FMCG companies; pioneers stepping into a new future where they understand the need to trust the machine to improve decision making from their data so that they can boost their trade promotion profitability on a sustainable basis.

These clients of ours have broken with tradition and freed themselves from the depths of the industry's conservatism. They've made fundamental changes, including taking the vital steps to become:

- process-led businesses
- organisations that trust machine learning
- businesses that implement and master change management
- companies where data analysts are moved out of the shade of the back office to the frontline

## What will happen to FMCG companies who can't make this change?

They will continue to look backwards and miss the opportunity to reap the benefits of today's technologies. What are the potential benefits? (based on actual business cases):

1. 80% improvement in workforce efficiency
2. 10% improvement in promotional ROI
3. 20% - 30% better promotional forecasting
4. 5% - 10% lower days inventory outstanding

We need to harness the available tech properly, timeously and enthusiastically to capture millions of value chain improvement

**The winners of tomorrow are the companies who are able to unlock their Big Data and plan, manage and optimise according to those insights.**

## Start trusting the machine. Today.

**About visualfabriq:** visualfabriq was founded in 2013 by Jaco Brussé and Carst Vaartjes – both experienced FMCG and Retail professionals who embarked on a quest to develop a tool that could truly transform the industry's Big Data into instant meaningful insights. In its start-up years, the company already won engagements at various Tier 1 manufacturing companies. In the 2016 Promotion Optimisation Institute (POI) TPx Vendor Panorama, visualfabriq's Trade Promotion Master™ was awarded with 'Best-in-Class' distinctions for both Financial Orientation/Simulation and Post Event Analytics. For more information visit: [www.visualfabriq.com](http://www.visualfabriq.com)

© visualfabriq

### Disclaimer

The information contained in this document is intended solely for personal reference. Such information is subject to change without notice, and although we made all reasonable efforts to ensure the correctness of this presentation, its accuracy is not guaranteed and it may not contain all material information concerning Visualfabriq (the "company"). The company makes no representation regarding, and assumes no responsibility or liability for, the accuracy or completeness of, or any errors or omission in, any information contained herein.