

Progressive Management Programme 2011

The Consumer Goods Leadership Programme

Sir Terry Leahy
CEO, Tesco PLC



*"Jump in! You're going to be surrounded by **very good people**, you're going to **learn important things** about the business and you're going to be **equipped with very valuable skills** in your career development going forward."*

Programme Benefits

- Prompt, identifiable investment return from implementing business practices studied during the programme
- Access to the latest business-relevant academic thinking and research
- Interaction with innovative business leaders from around the world
- Creation of strong relationships across the value chain, complementing existing corporate leadership programmes



The Progressive Management Programme (PMP) is presented by

the International Commerce Institute (ICI) of ECR Europe

The mission of the International Commerce Institute is to bring about a behavioural change in relationships among thousands of Consumer Goods practitioners by promoting joint value creation through shared learning and the implementation of ECR best practices.

For more information on ECR Europe, visit:

www.ecr-all.org

Programme Organisation

Each five-day module consists of sessions led by leading academics, together with interactive discussions led by captains of Consumer Goods Companies

Future and current business practices are brought to life with:

- simulations
- field trips / learning journeys
- strategic case studies from different countries / markets
- group exercises

These sessions are designed to stretch participants to think about how research concepts and results can be exploited in their future roles as business leaders in the Consumer Goods Sector.

Programme Personnel



***Stephanie Penning
Programme Director***

Stephanie is the main contact for all participants on the PMP, ensuring they capitalise on this unique experience. She is also responsible for the PMP Alumni and its events.

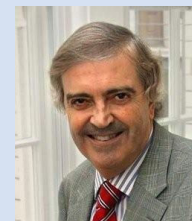
After 30+ years of multi-sector business experience, Stephanie now trains, coaches and mentors Senior Executives and Managers in the skills they need to achieve business success through the people in their organisations.



***Prof. Dr. Arnd Huchzermeier
Academic Director***

Arnd is responsible for supporting each PMP Module Director in ensuring Academic rigor for the PMP. He is also the Executing Supply Module Director.

Arnd is the Chair of Production Management at WHU, Vallendar and an ICI Board Member. His many research interests include: Supply/Value Chain Management and Optimisation; Management of Quality & Industrial Excellence; Promotion Planning and Store Performance Optimisation.



***Peter Jordan
Industry Director***

Peter's role is to ensure the PMP provides the best industry-relevant topics and for sourcing Senior Industry Executives to present.

Peter has recently set up his own consultancy, after nearly 40 years experience in the FMCG business, including 20+ years at Kraft.

Peter has widespread knowledge of B-2-B and international Supply Chain standards. He has worked extensively with ECR, GCI and GS1, including as co-chair of the GCI Global Steering Group.

Kerstin Wickel, Programme Coordinator

Kerstin supports the directors and liaises with each Module Coordinator in ensuring all logistical arrangements are communicated with all participants. Kerstin is also the Coordinator for the Module on Executing Supply.

Introduction to the Programme

The **Consumer Goods Business** is under constant pressure. The need to meet changing consumer needs, environmental issues, food shortages, volatile fuel prices and recovery from the global recession are huge challenges.

Strategies to overcome these and other issues; to also satisfy consumer needs and increase innovation, all need creative input from globally-orientated, original and leading-edge sources.

Participating on the *Progressive Management Programme (PMP)* provides the only opportunity to have access to the latest thinking, techniques and strategies for the business leaders of the future to find the right solutions for consumers - and the whole Value Chain.



The Goal of the Programme

...is to enable executive-level participants to gain a **different perspective** on the challenges facing the Consumer Goods Business today, to confidently develop and implement **innovative and sophisticated** corporate strategies.

From functional specialists to **full-spectrum strategists**, to be able to take emerging ideas from leading academics and implement them for the benefit of their company, trading partners and the future **Consumer Goods Business**.

By the end of the Programme, each participant will be able to:

- define different aspects of consumer behaviour; how they can be examined and influenced to enhance the worth of each consumer to the total value chain
- examine innovative marketing and promotional methods for collaborative campaigns, thus optimising shoppers' experiences and increasing benefits to the whole value chain
- describe the benefits gained across the value chain by deploying industry initiatives such as New Ways of Working and Jointly Agreed Growth
- evaluate the latest techniques for collaborative supply/value chain efficiency in order to select those most appropriate for his/her company and its trading partners
- assess the personal skills required to lead other people in the industry through strategic change that provides an **Efficient Consumer Response (ECR)**

Background to the Programme

The **ECR (Efficient Consumer Response)** movement began in the early 1990's and was characterised by the emergence of new principles of collaborative management along the supply chain.

The aim being:

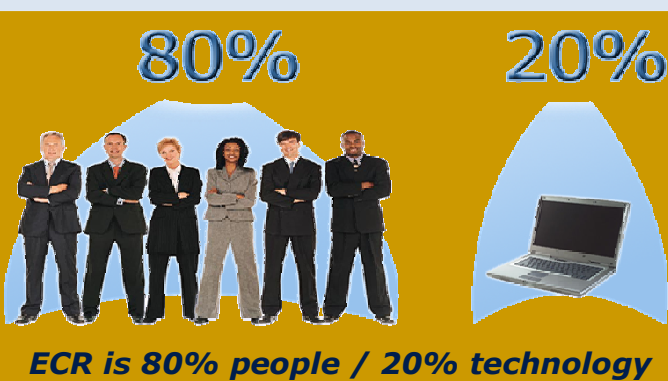
Working Together to Fulfil Consumer Wishes Better, Faster and a Less Cost.

This reality required a fundamental reconsideration of the most effective way of delivering the right products to consumers at the right price.

To better serve the consumer, ECR set out to invert the traditional model and break down non-productive barriers. The impacts were extensive and continue to resonate across the Consumer Goods Business.

The 'Case for ECR' Study found:

- Since 1995 3.6% of consumer sales value has been saved through successful ECR adoption in Europe = €18 billion benefit in cost and inventory reduction. At least 3.3% of retail sales value can be saved.
- Potential sales growth of 5% (€42 billion) is available by meeting shoppers and consumers needs better through improved information, plus new product and service offerings in store.
- Top tier ECR adopters enjoy 6% better service levels, 5% higher on shelf availability and 10 days lower finished goods inventories than low or non adopters of ECR practices.



New Ways of Working

New Ways of Working Together is a project, launched in 2008, resulting from the Global Commerce Initiative (GCI) study "2016: The Future Value Chain".

Its purpose is to develop new ways for vertical trading partners to work together – including sustainable changes in culture, collaborative business planning and new measures and rewards.

New Ways of Working Together is about business transformation to better satisfy the consumer and shopper, with four main areas: Focus on the Consumer; Connecting Business Information; Preparing People for the New World; and Sharing the Supply Chain.

Jointly Agreed Growth (JAG)

Driving demand and generating growth requires the Consumer Goods Business to innovate, which requires change not just in the range of products and services, but also in the ways of working together.

The JAG process, launched by ECR in 2008, provides: a shopper-centric approach to business planning and negotiation; a fact-based approach allowing reliable quantification of the opportunities & objective selection of growth targets; a co-generated growth plan to drive demand by increased consumer and shopper satisfaction; and a three-year rolling business plan with annual review.

These two strategic Industry initiatives form the key RED THREAD through the whole Progressive Management Programme.

Participants of the Programme

Executives who:

- Are ready for the next corporate challenge in their company, sponsored by their superior,
- Or who nominate themselves, as an important extension to their continuous professional development,
- Or who seek to acquire a more global view on the Consumer Goods industry of the future, having already completed internal development programmes and/or an MBA,
- Or who are interested in understanding the particular challenges faced by the Consumer Goods business.

In summary, executives who are the next generation of business leaders in Retailers, Manufacturers or Service Providers.



... and who have:

- Senior positions in sales, marketing, business development / innovation, purchasing, commercial, distribution, logistics / supply chain, as well as customer development / relationship management and finance departments.
- At least 5 to 10 years of industry experience, reporting to board (or operating) directors
- A good command of English language
- Potential to take new, unusual, emerging ideas and implement strategies from them
- Assurance from their Company to commit to the programme and derive benefits from it to gain a win-win-win!

"One year from now, we have to be considered **better than we are now**. The key is to collaborate and compete. Seeing things from the other side delivers win-win-win. **We need to do this**, not wait for others. I will create **joint business plans** with our new suppliers in China and help to create a PMP in Asia!"

Tony Hoggett,
Regional Director,
Tesco Turkey



"I now have **11 key practical, yet strategic actions** to benefit my business, plus 3 personal ones. My main takeaway is that things can really happen – **it's all about people**. I will take category as a key topic for shared growth – with my new colleagues! **This would not be possible without the PMP!**"

Victor Geus,
Director Category Strategy
GlaxoSmithKline

Module One: Understanding Consumers

In an increasingly **global and competitive market** with more sophisticated and **knowledgeable consumers**, data and information about consumers and consumer trends are **critical to the success** of consumer goods companies **throughout the value chain**. This module highlights successful initiatives and techniques for companies to collaborate in **sharing information** and understanding the ever-growing complexity of "the shopper", thereby enabling both parties to **align their business** and marketing plans.



Paul Polman, CEO Unilever

This module will comprise a range of Academic & Industry speaker sessions describing leading-edge research and strategic case-studies; plus field trips, simulations and group-work covering topics including:

- The Collaborative Landscape – Present and Future
- Shopper Loyalty Beyond Reason
- Consumers' Willingness to Pay: the Psychology of Pricing
- Brand Appeal and the value of Brand Assets
- Future Trends in Consumer Retailing, using 21st Century Technology

30 January to 4 February, 2011 at London Business School, London, UK

"We need to Talk-the-Walk and to Walk-the-Talk. I learned a lot during the Programme and realise even more that there is still lots to do!

My first action is to initiate a project with a Retailer I met here, starting with a meeting with them on 1st October and to present our case at the ECR Forum 2009 in Barcelona."

**Kees-Jan de Vries,
Global Account Director
Coca-Cola**

Module Two: Generating Demand

The link between understanding consumers and actually **persuading them to purchase** can be complex and fraught with challenges. Success depends on relating the most **efficient channel-to-market** and format to suit the **chosen consumer segments**, whilst arranging company processes to be truly shopper-centric. This module highlights successful initiatives and techniques for companies to collaborate in **identifying different shopper behaviours**, to improve promotions effectiveness and in-store policies.



This module will comprise a range of Academic & Industry speaker sessions describing leading-edge research and strategic case-studies; plus field trips, simulations and group-work covering topics including:

- Retail Execution: Different Models, Markets and Formats
- Pricing and Promotion Management, Unplanned Purchasing
- Linking Marketing to Financial Metrics
- Scenario Planning / Peripheral Vision
- Innovation Tournaments



Innovation Tournaments
Taking Innovative Ideas to Execution

28 March to 1 April, 2011 at the Wharton School, Philadelphia, USA

Module Three: Executing Supply



Fulfilment of consumer needs can be just as complex as generating consumer demand for all sizes of companies, especially in a **global, highly competitive market**. Today's **Value-Chains** need to make sophisticated and coordinated use of the increasing range of tools now available. This module highlights successful initiatives and techniques for companies to gain **Value Chain efficiencies** and the management of the supplier-buyer relationship for the **efficient fulfilment of shopper demands**.

This module will comprise a range of Academic & Industry speaker sessions describing leading-edge research and strategic case-studies; plus field trips, simulations and group-work covering topics including:

- Industrial / Service Excellence for Sustainable Advantage
- Supply Chain Collaboration, including Out-sourcing and Direct Marketing
- Information Sharing in the Supply Chain / Best Practice in Distribution
- The Future Retail Supply Chain / Best Practice in Logistics Services
- Innovative Store Value-Chain Technologies / Best Practice in Retailing



Prof. Dan Jones
Lean Solutions

23 to 27 May, 2011 at the WHU, Vallendar, near Koblenz, Germany

Module Four: Leading Change



Companies that are the **leaders** in the **consumer goods business** need to have executives who are **courageous, knowledgeable and dedicated** to lead people through significant changes to work practices and company procedures, whilst maintaining **continuity of workforce loyalty and commitment**. This module highlights successful techniques for applying key tools for fair process and internal communication that **improve your impact as a leader** in your company, your trading partners and the Value Chain.



A Celebration of Achievement:
The PMP Graduation Awards

This module will comprise a range of Academic & Industry speaker sessions describing leading-edge research and strategic case-studies; plus field trips, simulations and group-work covering topics including:

- Fair Process & Leadership in the future consumer environment
- Collaborative Innovation: Jointly Agreed Growth
- Leading Effective Teams for continued High Performance
- Personal Commitment to Strategic Change in your Company and the Consumer Goods Business

5 to 9 September, 2011 at INSEAD, Fontainebleau, France

The exact session timetable and content for each module, together with hotel details, maps and directions - plus any pre-reading information - will be sent 3-4 weeks before each module starts.

- Module 1 – Understanding Consumers

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- Module 2 – Generating Demand

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23 to 27 May, 2011 at WHU, Vallendar, near Koblenz, Germany



- Module 4 – Leading Change

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For the latest information, or to request your application form, in confidence, please call:

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