



Modern Commerce in the Food Service Industry

Extending CRM to Maximize Revenue, Boost Margins, and Enhance the Customer Buying Experience

Food service manufacturers spend countless hours and resources staying on top of the tastes and nutritional needs of consumers. They strategize for ways to use fast-evolving new manufacturing technologies that produce products more efficiently as well as manage the constantly fluctuating costs and supply constraints of seasonal and commodity ingredients.

These measures are necessary to deliver products that satisfy market demand in such a highly competitive industry.

With so many similar competing products on the market, manufacturers often lower prices using the methods they have at hand: thin market research, disparate data sources, manual internal processes and pure gut instinct methods that are outdated and incomplete.

Food manufacturers that still rely on traditional practices to develop a pricing strategy (such as cost-plus pricing with a discount mindset) are putting their business at a distinct disadvantage by possibly devaluing brands, products and services while losing revenue.



Below are three tips on how to effectively leverage existing CRM investments to drive organic revenue growth:

1. Close the Gap Between CRM and ERP

Many food manufacturing companies have invested in ERP and CRM systems, but they have not been as proactive with investing in capabilities that close the gap between the ERP “back end” and the CRM “front end.”

ERP is the system of record for general cost-price and order information, and CRM holds customer, opportunity and deal data. Too often, the gap between these two systems (which usually includes critical transactional information) has been filled by manual, error-prone spreadsheets or word processing software. While deploying a CRM system is a great start to help automate internal marketing and sales processes, to fully maximize the CRM investment, food manufacturers need to take the next step: investing in CPQ (configure, price, quote) and price guidance capabilities to bridge the gap between CRM and ERP. With this holistic and integrated solution, manufacturers can drive revenue and margin improvement through price optimization and a streamlined quoting experience.

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2. Leverage Data Science to Maximize Revenue and Enhance the Customer Buying Experience

As mentioned above, CRM alone is a great sales administration and efficiency platform. However, when it is not extended with Smart CPQ and price optimization, food service manufacturers are losing a critical opportunity to increase their top-and-bottom-line and protect or expand their market share.

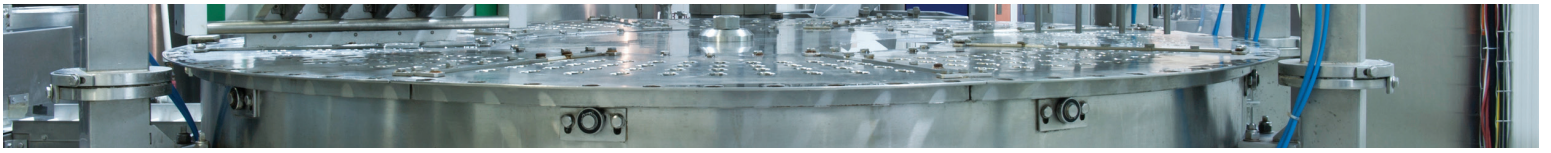
Data science-driven price optimization leverages sophisticated micro-segmentation to determine true “willingness-to-pay” pricing parameters for customers and prospects at any given moment in time. By delivering these prescriptive pricing recommendations to sales representatives inside CPQ at the time of quote, reps spend less time haggling over price with customers and improve overall sales velocity.

Using the same science-based approach, Smart CPQ allows sales reps to easily and quickly develop quotes and offer data-driven cross-sell-upsell recommendations to food service customers. All too often, cross-sell and upsell opportunities are missed or ignored due to time constraints, lack of product/opportunity knowledge to suggest best option(s) or the know-how to navigate internal cumbersome processes. By delivering rapid quotes and sensible cross-sell or upsell offers at a fair price to both the customer and manufacturer, food service manufacturers can maximize revenue, optimize margin for every single sale, and deliver the B2C influenced modern commerce buying experience more and more customers expect.

3. Food Industry Expertise Matters

When it comes to choosing vendors or partners for a CRM extension project, industry expertise should not be overlooked. Look for a partner who has customers and implementation expertise across the food supply chain, from commodity to value-added products, paper goods and food service distribution. Choosing a vendor who understands the inherent intricacies and complexities food manufacturers must navigate will ensure stronger alignment with established go-to business strategies and greatly increase your ability to have a successful deployment.

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PROS and Food and Beverage Manufacturing

PROS Smart CPQ with Price Guidance delivers expert price guidance to sales reps at the time of quote. With guided selling and upsell and cross-sell capabilities, PROS can help food service manufacturers leave cost-plus pricing behind and finally start meeting aggressive revenue and margin goals. In the age of Amazon.com, modern B2B buyers expect a modern commerce experience. Companies that fail to adapt to these expectations will experience lower win rates and higher customer turnover, which can be disastrous in the highly competitive and highly volatile food manufacturing industry.

About PROS

PROS Holdings, Inc. (NYSE: PRO) is a revenue and profit realization company that helps B2B and B2C customers consistently realize their potential through the perfect blend of simplicity and data science. PROS offers solutions to accelerate sales, formulate winning pricing strategies and align product, demand and availability. PROS customers experience meaningful revenue growth, sustained profitability and modernized business processes because of PROS revenue and profit realization solutions.

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