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ACTIVISION®

Use Case

Trade Promotion Execution
Trade Promotion Planning

Challenge

- Retail promotion execution across sales, retail marketing, finance and accounts receivable was inefficient and error-prone

- Finance was spending time gathering information and importing data into systems rather than performing analysis and planning

- Limited ability to provide real-time reporting and ad hoc analysis

- Inability to understand spend and reliably forecast across organization

Solution

- More efficient and reliable promotion execution and payment processing

- A single data source of truth for trade promotion execution and planning across all titles, customers, and marketing vehicles

- Groundwork laid for integration of trade management execution and planning with financial planning processes

- Pre-built reports with drill down ability details provide greater real-time transparency for all stakeholders

Results at a Glance

- Estimated 50% productivity gain two weeks after go-live–less time doing administrative work, more time doing analysis

- Replaced spreadsheets with Anaplan reports and ad-hoc analysis

- 100% confidence in the data when making decisions on retail spend

- Less time spent getting data into the planning systems and building spreadsheet reports, freeing up team's time for detailed analysis

- Increased confidence in detailed analysis on retail spend and forecast against plan

Activision implements **retail execution and planning applications** offering efficiency and transparency

Introduction

For more than 30 years, Activision has been changing the way people play. In the process, Activision has become the world's largest video game publisher while building one of the largest portfolios of recognized brands including Call of Duty, Guitar Hero, and Destiny. The Santa Monica-based company operates globally with 7,000 employees worldwide with 4.4 billion dollars in annual revenues.

One of the most critical functions at Activision is cross-departmental trade management, more formally known as "retail execution." This is the workflow process of tracking and approving the company's retail spend i.e. the dollars supporting sales, such as promotional price discounts or shelving space for merchandise. Historically, Activision managed retail spend with a workflow point solution; that is, until Q1 of 2012, when the tool failed to transmit crucial data at quarter close. This left the Finance team without a complete picture of financials, when they needed it most. It

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also left the team in need of a new solution—something that would enhance retail execution and set Activision on the path toward more integrated trade marketing and financial systems.

The Business Challenge

Prior to Anaplan, Activision's retail execution application had its challenges. It didn't work with certain updated web browsers, it was slow to work with, and if something was wrong on the back end—as it often was—there wasn't great support. Most problematic of all, the tool was limited in its ability to deep dive or view data from new perspectives. For that kind of analysis a user had to export to Excel, a dangerous step that risked exposing the workflow process to the corruption associated with manual spreadsheet manipulation.

The risk of human error and miscommunication is high in trade management, and at Activision, it is a process that involves 25 stakeholders in the US. The process begins with Field Sales, where data is entered and customer activity tracked; then to Retail Marketing, where the spend is approved or rejected for the budget; then to Finance, where all financials are captured and verified; and finally, into Accounting, where deals are closed out through back-end invoicing. On top of this, Activision was managing its bi-quarterly forecasting rounds through Excel and then manually transferring and up-loading this to Hyperion. Because of this manual process, Activision's Retail Marketing team struggled to gain timely insight into their costs and was unable to forecast accurately.

It's easy to see how managing this process while shuffling data back and forth from Excel, Oracle Essbase, Hyperion, and Adesso was undermining Activision's productivity and confidence in their analysis. More often than not, the team was left waiting for the information needed to make key decisions. In this industry, you pay for those kinds of delays.
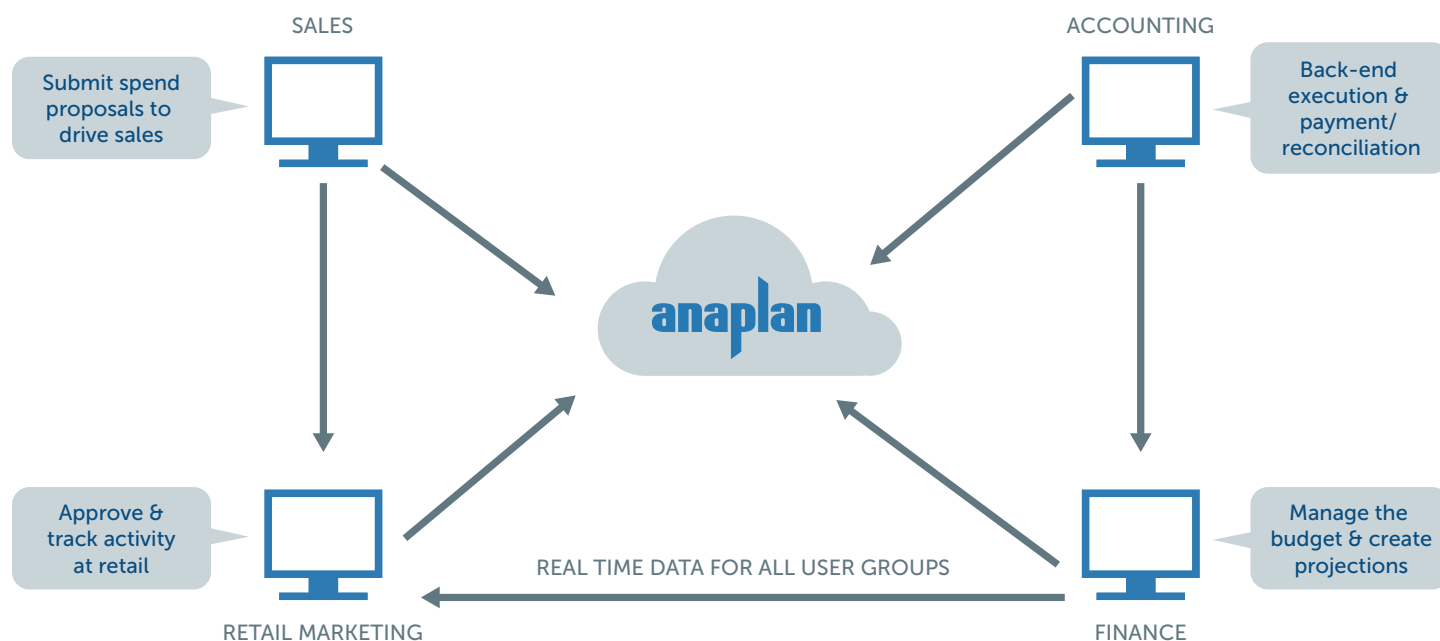
Selection Process

Activision hired a consultant to research new solutions that would replace their current processes. Anaplan was one of five solutions that were brought in to mock up a POC. Days later, Anaplan's platform emerged the clear winner.

"What Activision loved about Anaplan was that our team could so easily customize it to meet the specific needs of each department. Each of the four groups involved in Activision's trade management process—Sales, Marketing, Finance, and Accounting—engage with the data differently and Anaplan made it very easy to tailor to their individual perspectives," said Breanne Blesse, Finance Manager.

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ACTIVISION / ANAPLAN SCHEME

SALES

Submit spend proposals to drive sales

ACCOUNTING

Back-end execution & payment/ reconciliation

Approve & track activity at retail

RETAIL MARKETING

REAL TIME DATA FOR ALL USER GROUPS

Manage the budget & create projections

FINANCE

Benefits

Just two weeks after Activision went live with the retail execution application, the team estimated 50% gains in productivity. "Almost overnight we've vastly improved communication," she said. "Anaplan is saving people time and emails, making information easier to understand, and allowing people to act more quickly." The UI's aesthetics have played in such rapid improvements. "People really like the look and feel of the system. We're no longer dealing with force-fed, canned reporting; we're manipulating data on-demand to show it in whatever way is most relevant to our questions."

After the execution model was successfully implemented, Activision implemented a planning and forecasting model for their annual operational plan and quarterly re-forecast. Both Finance and Retail Marketing are able to work smarter and more confidently with Anaplan. Retail Marketing, on its own, can now easily pull its plan together, submit it into Anaplan, and Finance can see the impact in real time. The benefits from access to live data are priceless for Activision.

With the planning model linked to the promotion execution model, the finance team can now perform meaningful real-time analysis, such as easily comparing forecast to prior forecast to last year's performance. "Our new planning and forecasting model allows both Finance and the Retail Marketing team to dig into our spend analysis much more in-depth and has created transparency across Finance and Retail Marketing." said Blesse. "Anaplan has given us the power to answer any question that an executive or other department may ask, and now we can really speak in detail about where we're spending our money."

"As the Finance Manager, the more information I can get, the better," said Blesse. "I have reports set up in Anaplan by retailer, marketing vehicle or title, and can easily compare any set of data, like our spend by region from this month to last month. It has streamlined our entire process, and gives everyone their time back to do the needed analysis and reporting."

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With this kind of transparency of spend across all key dimensions and versions, the Activision team has more time to focus on the work that matters. The integrated trade promotion execution and planning modules help Activision plan their spend to meet sales objectives, execute to ensure timely, accurate payment to their customers, and ultimately provide the analysis to determine which promotions make a positive impact on their business.

Going Forward

Anaplan provided immediate value in meeting Activision's need for a more reliable retail execution tool as well as planning and forecasting, but Blesse is well aware that they've found a platform, not just a point solution. "We're no longer dealing with force-fed, canned reporting; we're manipulating data on-demand to show it in whatever way is most relevant to our questions."

About Us

Anaplan is the leading planning and performance management platform for smart businesses. Anaplan combines an unrivaled planning and modeling engine, predictive analytics, and cloud collaboration into one simple interface for business users. Anaplan is a privately held company based in San Francisco with 16 offices worldwide. To learn more, visit **anaplan.com**. Follow us on: **Twitter**, **LinkedIn**, **YouTube**, and **Facebook**.