



From Pawn to Power:

The Competitive Edge of Being a Top-Tier Player

An Analysis of Advantage Report Overall Engagement Scores and the Commercial Performance of Top Global FMCG Companies

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Playing to Win in Today's Competitive Landscape

- ✓ In today's competitive business landscape, companies constantly seek ways to differentiate themselves and achieve sustainable growth.
- ✓ One of the most effective strategies to accomplish this is to become a top-tier supplier in the eyes of your retail partners.
- ✓ A recent analysis of global supplier-retailer engagement and business performance over the last three years provides compelling evidence that companies with superior Advantage Report scores enjoy a higher annualized revenue growth rate.
- ✓ **This analysis uncovers why being viewed as a best-in-class business partner among retail customers, with the intel and advisory of Advantage Group International, is crucial for long-term success.**



Advantage Report: A Leading Indicator of Success



- ✓ Advantage Report provides supplier and retailer clients with a benchmarked view of their performance as rated by their business partners. It provides valuable data and insights regarding their **business relationships' strengths, weaknesses and opportunities.**
- ✓ The program has grown to service nearly **50 countries globally**, and suppliers and retailers have a proven track record of using it to drive more meaningful business-to-business relationships.
- ✓ The analysis reveals that companies with higher scores in Advantage Report consistently outperform their lowest-performing peers in terms of **financial performance.**
- ✓ **Top-tier companies** exhibit a **26.88% higher** annualized revenue growth than **bottom-tier companies**, specifically 6.93% over three years (2021-2023) compared to 5.46%.
- ✓ This significant difference underscores the importance of prioritizing collaborative and mutually beneficial relationships with retail partners.



✓ Checkmate: Annualized Revenue Growth

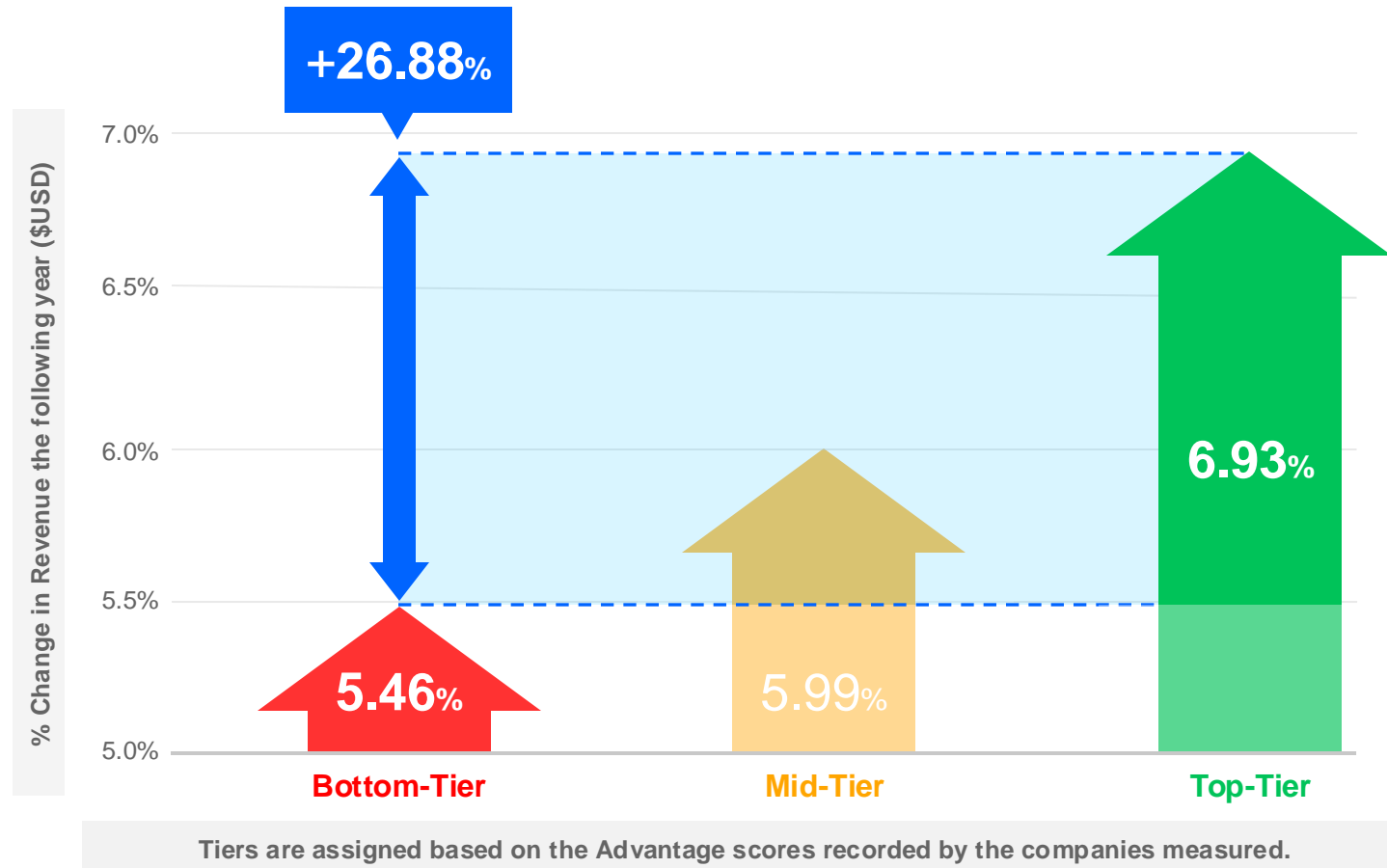
- One of the most striking findings from the analysis is the correlation between Advantage Report scores and annualized revenue growth. Companies rated in the top tier by their retail customers demonstrate a remarkable ability to drive annualized revenue growth.
- Top-tier performance is achievable through various actions.
 - First, top-tier companies are likely to have **strong, positive relationships** with their retail partners.
 - These relationships foster partnership and collaboration, increasing cross-promotional marketing campaign opportunities and resulting in stronger **in and out-of-store product positioning**.
 - Top-tier suppliers are also commonly seen as **trusted partners**.
 - Their **category insights** are valued and sought, which further drives higher sales volume.

Outperform their
lowest-performing
counterparts by

26.88%

Companies With Top-Tier Advantage Report Scores Achieve Over 26% Higher Annualized Revenue Growth Than Their Lowest-Performing Counterparts

Advantage Report serves as a crucial indicator of revenue growth. Companies measured in Advantage Report and rated in the top tier by their retail customers saw **an average of 26.88% higher annualized revenue growth** than those in the bottom tier.



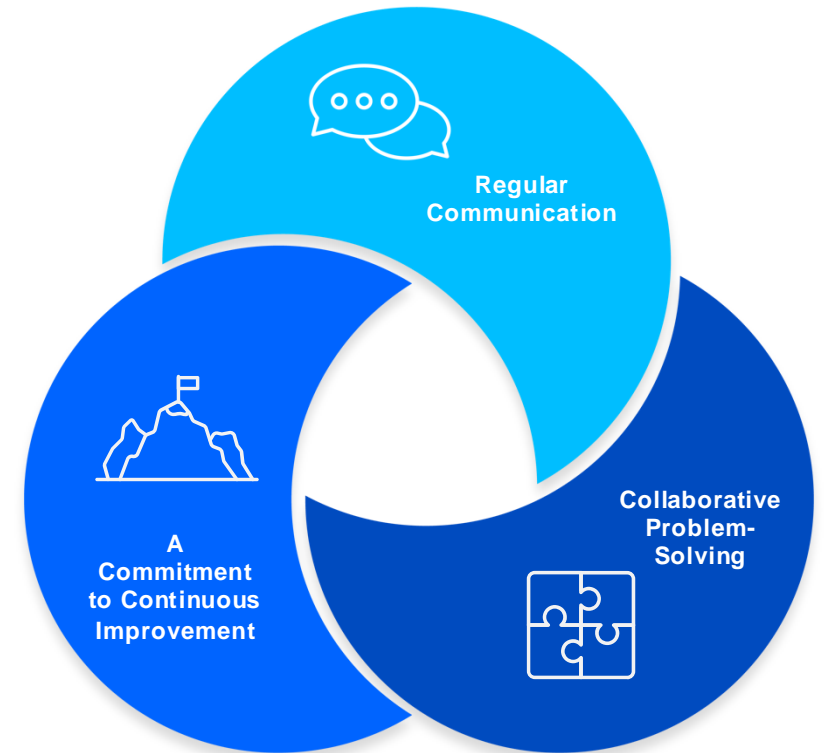
Source: Analysis based on 2021 to 2023 Advantage Report Overall Performance scores of the top 35 global suppliers for revenue growth, using publicly available financial information and with all calculations based on results in USD (converted by using relevant foreign exchange rates as required).

The State of Supplier-Retailer Relationships Post-Pandemic

- ✓ The post-pandemic period analyzed in this study (2021 to 2023) was indicative of supply chain constraints and hyperinflation. Much of the growth experienced by FMCG companies was brought on by steep price increases and a competitiveness to win following a period of significant uncertainty.
- ✓ While these circumstances propelled suppliers to grow, the findings from the analysis highlight the importance of building and maintaining strong partnerships with retail partners to sustain such growth.

Building Strong Retail Partnerships

- ✓ Suppliers that invest in understanding the needs and preferences of their retail partners are better positioned to deliver value and exceed expectations. This requires **regular communication, collaborative problem-solving, and a commitment to continuous improvement.**
- ✓ By prioritizing the satisfaction of retail partners, suppliers can secure their position as top-tier partners and enjoy the associated financial benefits.



The Competitive Edge of Being an Advantage Report Sponsor

- ✓ In a market where competition is fierce, being an Advantage Report sponsor provides a significant **competitive edge**. Only sponsoring suppliers of Advantage Report benefit from **objective and unbiased views** of what their partners think of them across various critical business metrics, all relative to their peers.
- ✓ Moreover, sponsors receive **insights and recommendations** based on their retailers' feedback on where best to invest their time and resources to strengthen customer partnerships. Applying these recommendations is the key to unlocking top-tier performance.



Conclusion: Why Being a Top-Tier Supplier Matters

- ✓ This analysis validates that companies with top-tier Advantage Report scores can achieve 26.88% **higher annualized revenue growth** and solidify a reputation as a **company that other companies want to work with**. The potential for top-tier suppliers to leverage this reputation is limitless.
- ✓ Companies viewed as best-in-class can leverage this reputation to attract new customers, enter new markets, and negotiate better terms. Furthermore, being recognized as a top-tier supplier can enhance a company's brand image and increase its **overall market value**.



Advantage_

**Helping people and organizations work
better together.**
