

Elevating Sales Strategies to Reach New Markets: A Category Management Case Study

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Introduction/Business Situation

Gold'n Plump has been an innovator in the production and marketing of premium chicken products for more than 80 years. However, in spite of its reputation for unsurpassed quality in the upper Midwest market, the family-owned and operated business needed to better convey the value of its products and align its business practices with premium based retailers in order to penetrate into new territories.

A superior product that can't be explained in a sound bite

Much of Gold'n Plump's challenge centered on their unique high-end protein product. Not only is it trimmed to perfection and free of injections, but the company also mastered the life cycle of chicken. Each tray of fresh meat, by sku, weighs the same and is sold at the exact same price. Weight consistency is an inventory management and retail operations godsend especially for products susceptible to spoilage and other inherent supply chain constraints.

Most poultry producers simply weigh the meat along with the water they have added (which is oftentimes 20 to 30 percent of the product's overall weight), and they include neck, back and other parts. Because boxes delivered by Gold'n Plump competitors can fluctuate in weight, retailers must weigh each case at the warehouse. Under the Gold'n Plump approach the barcode provides information that helps establish a more profitable retail business.

Gold'n Plump products, on the other hand, always weigh the same, come in leak proof packaging, and do not include extra water or chicken parts. This coupled with higher overall quality standards makes their product one of the best in the market. The consumer and customer attributes associated with the Gold'n Plump strategy were not always understood or appreciated, in support of their premium price.

"We wanted our sales people and our representatives to be considered "best-in-class" in category knowledge. Our fixed weight barcodes already provided key information, but as we started to supply more progressive retailers, we needed to align with their more sophisticated systems. These retailers tend to see the value in better management of the category," explains Tim Wensman, Executive Vice President of Gold'n Plump.

Getting the message across

That's where ArchPoint Consulting comes in. We immediately began to collect and compile consumer insights through focus groups, surveys and other research methodologies to refine Gold'n Plump's commercial go-to-market strategy. "Most companies make the mistake of focusing on all the great features of their product when, in reality, retailers really don't care. What they want to know are the benefits that the product will deliver, if the product will sell, and will their customers be satisfied," Russell Ray, Managing Partner of

ArchPoint says. "Gold'n Plump was having a challenging time getting customers to understand the competitive advantage and value proposition they offered."

Stephen Peele, Managing Partner with ArchPoint adds, "Gold'n Plump needed to change how they marketed and functioned as a company in order to deal with the "Targets" and "Costco's" of the world. ArchPoint helped them learn how to think like their clients and align their strategy accordingly. We pride ourselves on building strong partner relationships with clients so we can challenge them to grow in a manner they're comfortable with that also meets their goals."

Among other things, Gold'n Plump's sales force was trained on a new strategic category management approach derived from the recently acquired consumer, market, and category insights. They then shared this information and supporting analytics with their customers. ArchPoint also helped Gold'n Plump evaluate their customer base to determine where to allocate resources for growing the business.

"It becomes a much richer conversation when you provide meaningful expertise and information that the retailer needs to better run their business," adds Ray. "As a result of this strategic realignment, Gold'n Plump is now the category captain for Target."

An ongoing partnership

Like many companies, Gold'n Plump faced some unique challenges in 2009. In a down economy, consumers became more cost-conscious. Nevertheless, Gold'n Plump has been able to grow their business and attract new customers while leveraging their commitment to quality, service, and supply chain efficiencies, according to Ray.

But the work is not over. As the new category management practices become more fully ingrained, ArchPoint and Gold'n Plump began reevaluating their messaging to make it more consumer-centric and relevant. "Effective marketing is a challenge; consumers have become numb to messaging. Traditionally, 40 percent of all purchasing decisions are made in-store, but that number has increased as consumers adhere to stricter budgets. Gold'n Plump will focus on the need to influence the shopper at this moment of truth," adds Ray.

Wensman concludes, "ArchPoint helped us develop skills to grow in our customer service capabilities to include "best-in-class" category management. They are a very professional group, have a thorough understanding of business processes and work well with different business styles."

Key Insights to Success When Considering Your Go-to-Market Strategy

1. *Become consumer-centric* – products, services and brands are simply benefits for consumers, so know everything about their needs, wants, behaviors, and habits.
2. *Know your customers and industry* – trust is built when the sales force are experts in the field and can support their claims with strong concepts, analytics, and facts.

3. *Understand value* – consumers and customers respond best when the value they acquire from you is clear.
4. *Know your competitors* – understand your competitor’s products and service offerings so you can clearly differentiate your value proposition.
5. *Accept change* – the customer is always changing so become comfortable with that reality. Realignment with customer processes, if done correctly, can secure and accelerate growth.
6. *Know your own strengths and weaknesses* – and pick the right strategic partner to help meet your business goals.

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