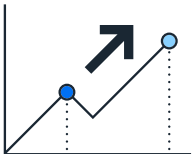
Maximize trade and channel programs by measuring and optimizing performance

Automate the management of trade and channel programs

Increasing your organizational profitability means using sophisticated tools that **model, administer, and analyze** channel partner programs. SAP Channel Program Management by Vistex is an industry cloud solution that enables an efficient, highly automated approach to managing trade and channel programs.

With 10% to 25% of revenue typically tied to channel partner programs, your focus is probably on reducing processing errors, incorrect payments, and improper claims. You can now maximize the performance of these programs with more-informed, smarter decision-making.

Extending the value of your suite of intelligent business solutions from SAP, deployed on SAP Business Technology Platform, can provide vertical capabilities that deliver true business value.



Enjoy engaged partners and **increased profitability** with improved trade and channel management.

Recognize and maximize the value of trade and channel programs

SAP Channel Program Management by Vistex extends the value of SAP S/4HANA by offering sophisticated planning and design tools that support you in administering vital processes from start to finish.

> Enable an efficient, **highly automated approach** to managing your trade and channel programs.

The solution helps you optimize your programs, maximize spend effectiveness, minimize profit leakage, improve administration efficiency, cut processing costs, reduce errors, improve cash flow, enhance customer and partner satisfaction, and most important, increase your profitability.

SAP Channel Program Management can help you manage and improve the following processes:

- Billbacks
- Cooperative (co-op) marketing and market development fund (MDF) activity
- Sales rebates
- Channel tracking
- Tenders
- Deal registration

Manage billbacks

Whether you refer to them as billbacks, chargebacks, rebates, ship and debits, or special pricing agreements (SPAs), chances are your company is experiencing decreased profitability due to inefficient processing of partner claims or inaccurate claim validations. SAP Channel Program Management streamlines claims management – from receipt and validation through to payment – offering you greater accuracy and control.

> Validate billbacks with a **comprehensive audit trail**.

The solution allows manufacturers to minimize losses due to inaccurate processes, lax claim validations, calculation errors, and other administrative issues. This helps you identify the true selling price and make informed financial decisions.

The software also provides an efficient, highly automated approach to managing the billback lifecycle, enabling you to manage the process from agreement creation to accrual, claim submission, or receipt through to adjudication settlement and, as warranted, resubmission and adjustment.

Features and benefits of this functionality include the ability to:

- Gain visibility into your most profitable products, distributors, customers, and geographies
- Validate billbacks with a comprehensive audit trail
- Calculate and accrue billbacks for financial reporting and profitability analysis
- Record accruals and billbacks in compliance with financial regulations
- Reduce claim processing costs, errors, disputes, and delays

Enhance cooperative marketing and market development fund activity

Co-op and MDF programs can help manufacturers boost partner engagement, but they can be complicated and difficult to manage, especially using spreadsheets. These programs require an enterprise-wide structure for increased visibility and program management. SAP Channel Program Management provides the visibility you need to manage funds and balances, monitor approvals and performance, and track spend, claims, and collections.

The solution delivers an efficient, highly automated approach to managing co-op and MDF programs. You can effectively streamline processes while gaining visibility into program financial data and metrics. Powerful analytics provide comprehensive insights into spend and program effectiveness, as well as the status of electronically submitted claims, forms, documents, and receipts to speed up payment accuracy and boost partner satisfaction.

The software's co-op and MDF functionality provides a 360-degree view of the fund cycle, with integrated tools to help you cut costs, view critical analytics and performance data, increase transparency into effective utilization, minimize the back and forth of claim validations, and stimulate greater loyalty from valued channel partners.

Features and benefits of this functionality include the ability to:

- Effectively manage funds and balances
- Streamline and automate approvals, claims, requests, and payments
- Gain increased visibility into program financial data and metrics
- Optimize co-op and MDF spend utilization and performance
- Reduce processing costs, errors, disputes, and delays

Administer sales rebates

Sales (customer) rebate calculation errors caused by a lack of enterprise solution support or by manual work diminish your profitability. With SAP Channel Program Management, you can define eligibility and performance criteria and then accurately forecast, plan, and track rebate programs and customer performance.

The solution can help you model, administer, report, and analyze highly complex rebate plans, including volume, growth, market share, and other multidimensional scenarios.

You can track the status of rebate programs, accurately accrue rebate liabilities, settle rebates on schedule, and report rebate activity with financial and profitability analysis statements.

Features and benefits of this functionality include the ability to:

- Improve value by incentivizing customer performance with rebates tied to measurable objectives
- Forecast, plan, and track flat, tiered, volume, growth, and other rebates
- Calculate payments for individual customers and partners or in aggregate based on members in a buying group
- Perform a midstream evaluation to optimize program performance and retroactively recalculate amounts due
- Communicate current payout and next-tier qualification thresholds to spur additional revenue opportunities with partners

Accurately **forecast, plan, and track** rebate programs and customer performance.

Manage tenders

For many businesses, tender management is an essential part of overall revenue forecasting, management, and measurement. Using the tender functionality of SAP Channel Program Management, you gain control over the tender and request-for-proposal (RFP) process from start to finish. Contracts and pricing are integrated with planning to formalize the RFP process.

To maintain a competitive advantage, you need comprehensive insights into how tenders have performed, access to and tracking of wins and losses, and forecasts of inventory levels when bids are considered.

As part of a well-structured tender management process, bids can be priced for profit or market penetration. When these are aligned with internal objectives and demand planning, you can improve on the results of previous tenders by reevaluating responses, retender for similar contracts, and standardize the bidding process.

Features and benefits of this functionality include the ability to:

- Set alerts for tender opportunities and provide transparency into planning
- Optimize tenders to fill your book of business and increase profits
- Report on decisions, tracking, and fulfillment and analyze lost opportunities
- Optimize planning with fulfillment forecasts, account for price adjustments, and validate delivery and manufacturing requirements
- Assess the impact of pricing and ancillary processes, including claims and rebates
- Perform “what-if” simulations and gross-to-net calculations

Determine pricing and margins that **align with your pricing strategies**.

Facilitate deal registration

A key aspect of selling is understanding your pipeline. In a direct and indirect model, pipeline visibility can be a challenge without visibility into opportunities in both channels. Furthermore, channel conflict can be avoided when partners and vendors are aligned on opportunities and can better collaborate to improve close rates and decrease sales cycle times.

> Create **clear visibility** between you and your manufacturer, partner, and customer.

Deal registration using SAP Channel Program Management is a foundational aspect of pipeline visibility and establishing a clear relationship between manufacturer, partner, and customer. It helps manufacturers gain visibility into revenue forecasts through partner registration of sales opportunities. You can also tie incentives to stages of the sales cycle or opportunity elements, such as deal size or value versus volume products, to drive behavior that results in greater profitability and increased close rates.

What's more, when you consider tiered incentives and the impact of billbacks or SPAs, you can see the full picture – deal, partner, and customer value.

Features and benefits of this functionality include the ability to:

- Identify, formalize, and protect opportunities by registering prospects and deals
- Enable collaboration and increase transparency between account managers and distributors
- Set alerts for time-to-close periods and track negotiations, deal terms, and pricing impact
- Identify opportunities by status, customer, product, and more
- Attain a clear line of sight to ROI with deal tracking and full audit trails
- Use pricing, billback, and special pricing to determine true sales profitability

Track channels

Manufacturers need effective tools to manage inventory, associated claims, and rebates to and from channel partners. SAP Channel Program Management enables visibility into channel inventory by recording sales into the channel and capturing critical point-of-sale (POS) data from partners.

The solution's channel tracking functionality allows you to maintain inventory and track ownership as well as accrue and accurately recognize revenue. It helps you identify inventory on hand, anticipate potential stock-outs, and validate partner claims, reducing reporting inaccuracy and unnecessary business exposure. And with integrated serial number tracking, you can even perform validations at the serial number level.

You can manage multiple locations with detailed tracking that enhances supply chain management, insights from manufacturer to channel partner to customer, and activities across the channel sales process. And key reporting tools improve profitability by estimating the impact of price drops based on inventory levels as well as providing in-depth, real-time views into key partners.

> Keep your trade and channel programs under **tight control** and maximize performance.

Features and benefits of this functionality include the ability to:

- Use inventory pools to validate claim pricing and quantities for accuracy
- Process partner data automatically, including POS, inventory, and claims
- Compile reports on moving inventory and current inventory status
- Use inventory levels to estimate price protection

Summary

SAP Channel Program Management by Vistex – an industry cloud solution deployed on SAP Business Technology Platform – enables an efficient, highly automated approach to managing trade and channel programs, with sophisticated planning and design tools to help you administer vital processes from start to finish. The solution includes functionality for managing billbacks, sales rebates, bids, channel tracking, deal registration, and co-op and MDF activity.

Objectives

- Optimize channel programs with partners and customers
- Maximize spend effectiveness, minimize profit leakage, improve administration efficiency, increase profitability, and more
- Gain maximum program value by using compelling and interactive visualizations, individualized dashboards, and advanced real-time analytical tools

Learn more
To find out more, watch this video.

Solution

- Real-time comprehensive visibility into agreements, transactions, and claims processing
- Ability to model, administer, report, and analyze highly complex rebate plans
- Control over bid tender and RFP processes
- Management of channels, deal registration, and co-op and MDF activity all in one place

Benefits

- Streamline claims management – from receipt and validation through to payment
- Better manage funds and balances, monitor approvals and performance, and track spend, claims, and collections
- Accurately forecast, plan, and track rebate programs and customer performance
- Price bids for profit or market penetration
- Align partners and vendors on opportunities, improve collaboration and close rates, and decrease sales cycle times
- Monitor channel inventory and its value, and use this data to validate subsequent claims

78702enUS (24/02)
© 2024 SAP SE or an SAP affiliate company. All rights reserved. See Legal Notice on www.sap.com/legal-notice for use terms, disclaimers, disclosures, or restrictions related to this material.