



# How NOT to Present to Decision Makers (and Keep Your Job!)

A Complimentary Webinar from Aurora WDC

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*~ featuring ~*



**Nat Brooks**



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*Nat Brooks is the Principal of Strategy Shapers LLC, a strategy and competitive intelligence consulting firm dedicated to helping clients score BIG victories through Expert Facilitation, Organization Design & Development, Training & Coaching, and Directed Analysis.*

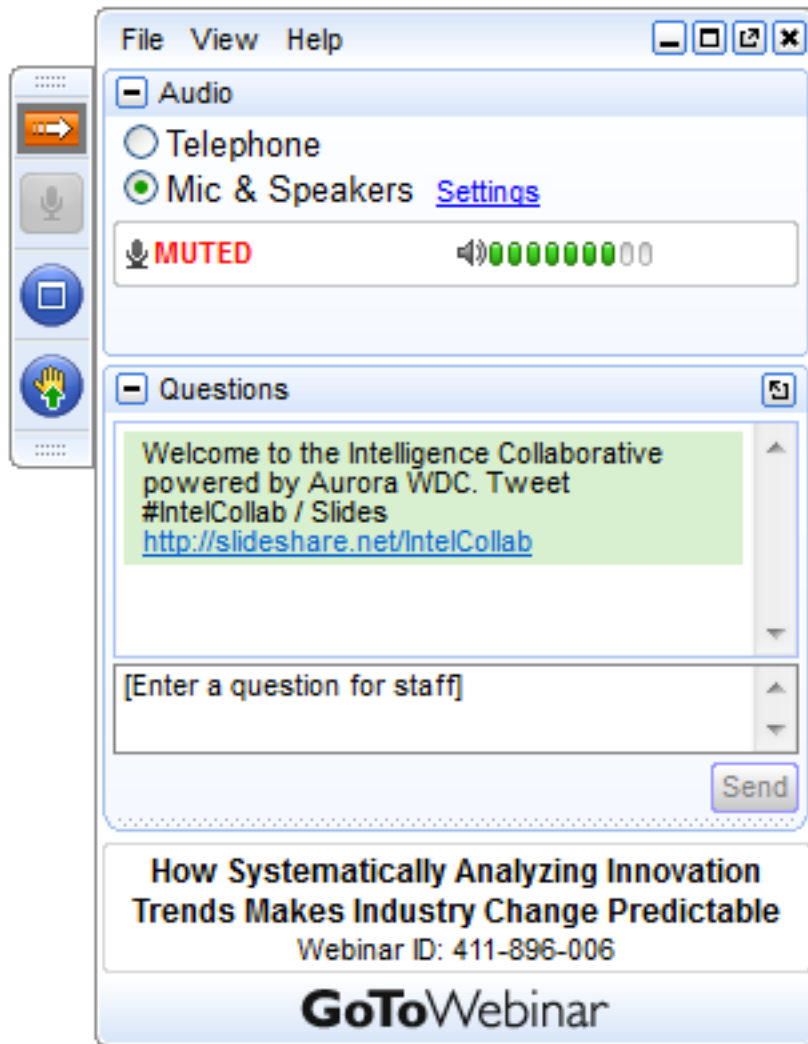
*Nat brings 25 years of Fortune 500 finance, strategy and general management experience to the mission of Strategy Shapers. From 2005 until 2012 Nat built Procter & Gamble's corporate Competitive Intelligence organization, which today is an 850 member global community of practice responsible for competitive analysis, early warning, technology intelligence and strategic options development. Prior to 2005, Nat led competitive intelligence and strategy development for P&G's \$18 Billion paper business. His competitive intelligence team enabled the turn-around of P&G's diaper business after a decade of stagnant growth. After this turnaround, Pampers became P&G's largest global brand, with more than \$10 Billion in global revenue.*

*Nat also writes about and is a frequent speaker on the topics of strategy development, market trends, and market and competitive intelligence approaches. His articles have appeared in Competitive Intelligence magazine, on Reconverge.net and at Competing.com. Nat blogs at [StrategyShapers.com](http://StrategyShapers.com).*

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# Questions, Commentary & Content



- α Use the Questions pane on your GoToWebinar control panel and all questions will be answered in the second half of the hour.
- α You are welcome to tweet any comments on Twitter where we are monitoring the hashtag #IntelCollab or eavesdrop via <http://tweetchat.com/room/IntelCollab>
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# DEATH BY POWERPOINT



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# Today's objectives...

- Examine the Intelligence Communication Challenge from The Boss's Viewpoint
- Propose Intelligence Communication "Design Principles"
- Share Tips for Success to "Get the Message Through"
- Share Examples of Better Intelligence Writing

# What We Do is TOO Important to Hold Hostage to Poor Communication!



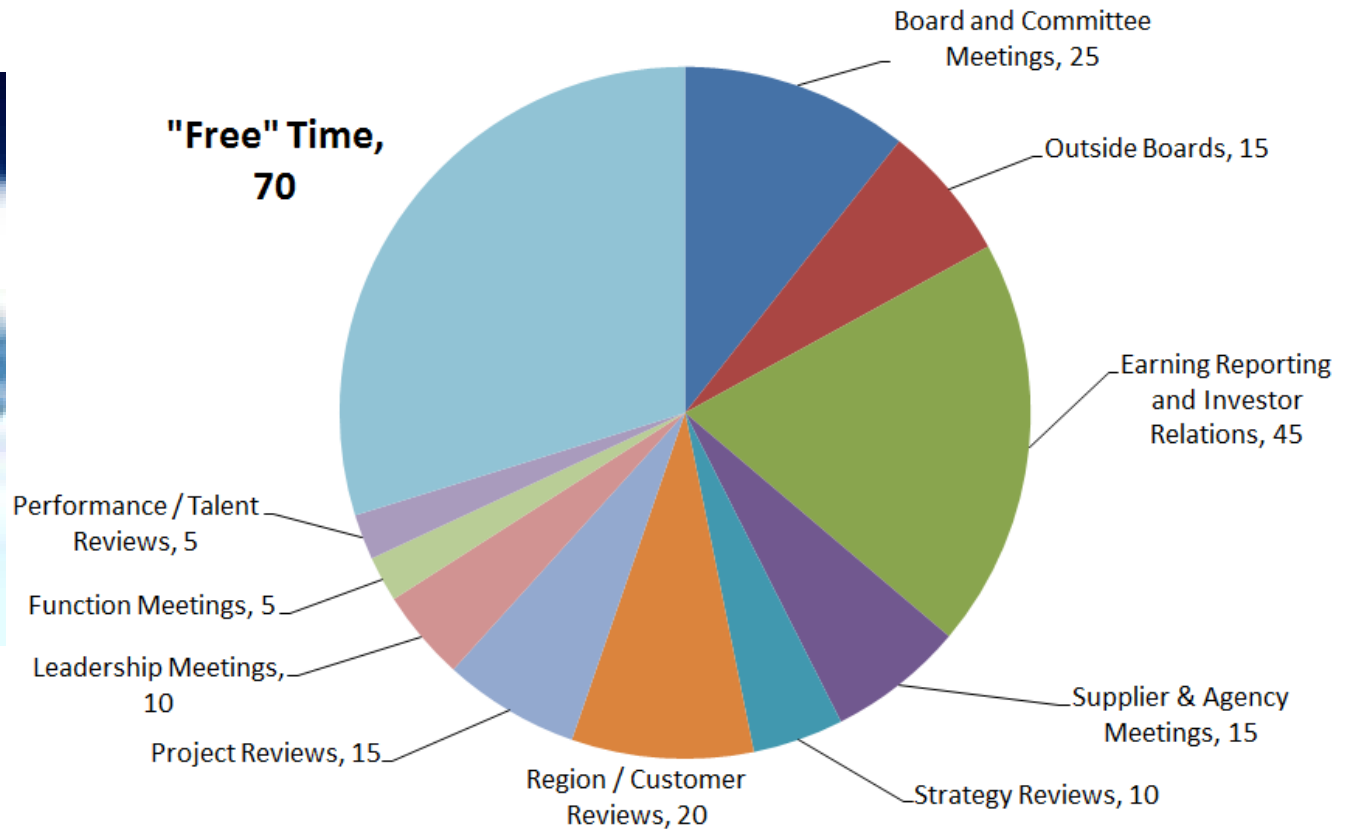
EPIC FAIL

# A Problem of Time & Focus...

## A Typical C-Suite Executive Annual Calendar

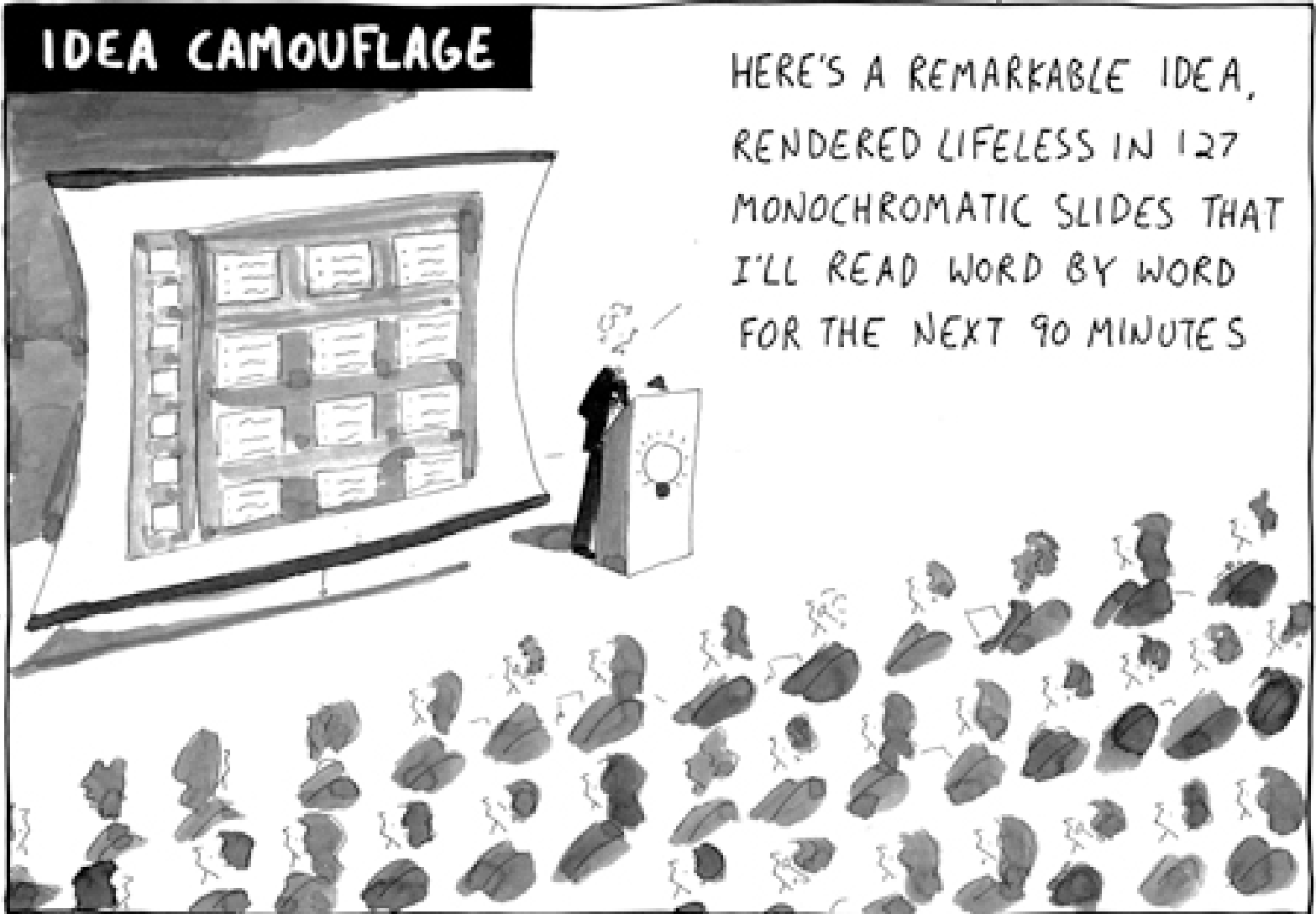


Based on average work year of 235 days:  
52 weeks – 5 weeks for  
Holidays and Vacations



# IDEA CAMOUFLAGE

HERE'S A REMARKABLE IDEA,  
RENDERED LIFELESS IN 127  
MONOCHROMATIC SLIDES THAT  
I'LL READ WORD BY WORD  
FOR THE NEXT 90 MINUTES



© 2009

TOM FISHBURNE.COM



# The Boss Hates...

- ☹ **Comprehensive Pre-Reading**
- ☹ **Having Pre-Reading 'summarized' in the meeting**
- ☹ **'Pre-Reading' issued the night before the meeting**
- ☹ **Communication heavy on documentation and explanation and light on indicated actions**
- ☹ **Power Point slides**
- ☹ **Meetings paced to the speed of the presenter vs the speed of the audience**
- ☹ **Meetings when none are necessary**
- ☹ **Meetings with participants not critical to the decision at hand**

# The Boss Wants...

- 😊 Pre-Reading / Action Document structured to provide what we need to know to make a decision
- 😊 One (or two) page issue sheets typically most effective
- 😊 Pre-Reading materials sufficient to cover the meeting
- 😊 At least 24 hours to process any Pre-Reading
- 😊 If Power Point is the communication vehicle (**not recommended**), provide sufficient context and limit to a few slides (5-7)
- 😊 Send material in a format that the recipient can access anywhere
- 😊 No unnecessary logos and graphics

# And another thing...

## About Meetings...

- ☺ **Include only the people necessary to make the decision (unless purpose is recognition)**
- ☺ **Meetings should be judged by how much input you are able to solicit from others (how much they talk) and how much you learn, not by how much you talk**



# Yeah, but your boss is a Jerk!

## But it's NOT about the boss...

### It's about...

- Respect
- Productivity
- Creating Value-Added Interactions
- Enabling Your Thinking and Insight to Shine Through

# Intelligence Reporting Goals

- Provide an **UNFILTERED – OBJECTIVE – EXTERNAL** POV
- Establish and instil the *Competitive Lingua Franca*
- Provide **TIMELY INSIGHTS** that advance decisions
- Develop line-of-sight relationships with decision makers
- Create right to “bypass” chain-of-command



# Intelligence Reporting Principles

- Economy in everything!
- Make it easy!
- ALWAYS provide SPECIFIC “conclusions / insights” and “recommendations” up front
- Always provide for EARLY EXITS
- Favor face-to-face discussions with decision makers



THE KISS PRINCIPLE  
**KEEP  
IT  
SIMPLE,  
STUPID**

# Communication Process Design

- Design and differentiate types of communication (e.g., alert, background briefing, action recommendation, etc.) ... and **BRAND** them
- Consider creating a “drumbeat” of reporting
- Develop publication calendar around company planning process ... deliver analysis at point-of-decision!
- Invest in “App Friendly” reporting





# Avoid the POWER POINT TRAP

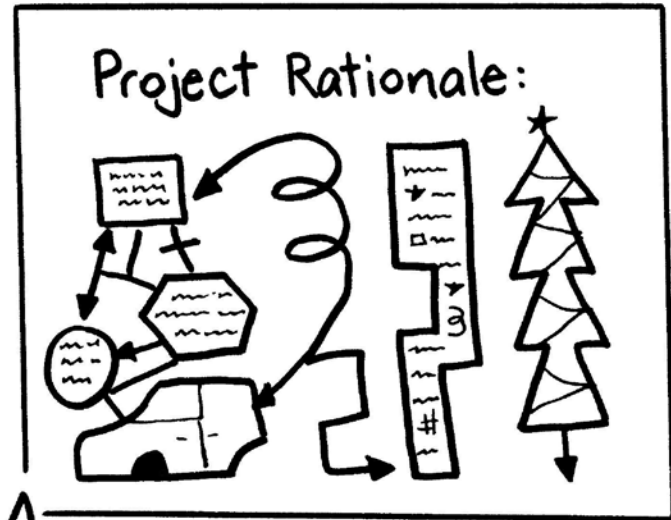
- In-person communication is CRUCIAL!
  - *Competitive Lingua Franca* must be spoken
  - Passion for winning is communicable and needs to be spread
  - Faces are remembered better than names



- Power Point is a poor intelligence communication vehicle
  - Linear
  - Hard to portray dynamic, multivariate issues and problems
  - Hides poor thinking

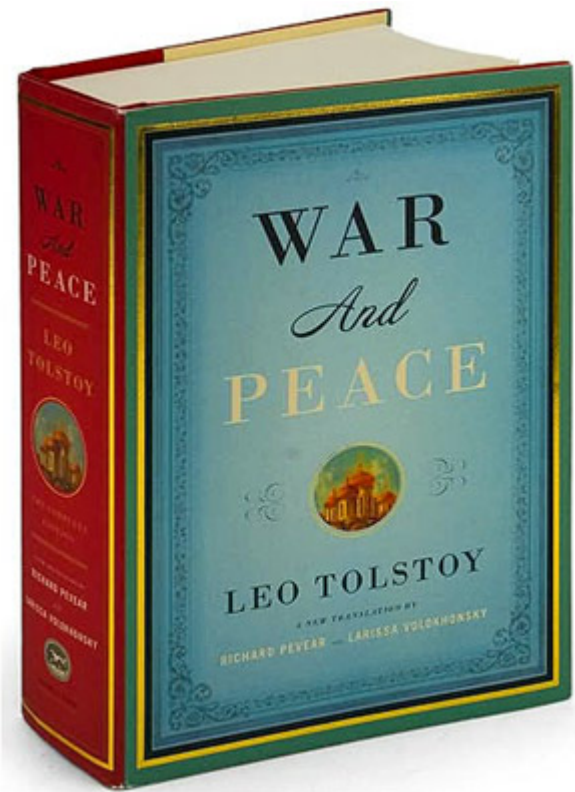


This diagram, on slide 377, explains the project rationale. I know it's too hard to read but I included it anyway.



*Aurora*

# Intelligence Writing 101



versus



# Intelligence Writing 101

- Write in the active voice (I see, I saw; he sees, he saw)
- Use expository style (...let the “persuasion” happen)
- Put insights, conclusions and recommendations up front
- Execute classic “1 page” approach:
  - Summary / Conclusion paragraph with the key message (insight, recommendation, etc.)
  - Discussion / Facts in detail that support the conclusion (favor numbered or bulleted paragraphs which confer the logic of the argument)
  - Follow-up action or next steps that the writer will execute or the reader is requested to execute

**Key for Intelligence:** Implications for markets and players

## COMPETITIVE INTELLIGENCE ALERT

### Clorox AMJ 2012 Sales & Fiscal Year Earnings Results

This afternoon, Clorox announced AMJ quarter and Fiscal 2012 results. Clorox continues its steady progress, methodically “fixing” each of its business and achieving growth in all segments despite underlying category weakness. Margins continue to be squeezed by high fuel and commodity prices, as well as transition costs to SAP and a new R&D center. But savings programs and price increases are covering the lion’s share of cost hurts.

Clorox’s Cleaning Segment led results for both the quarter and the year. Clorox’s professional cleaning business (which is focused on the Health Care industry) grew double digits behind both acquired and organic brands. The retail cleaning business also posted strong results with Clorox claiming record market share in Hard Surface Cleaners led by growth in branded spray forms.

#### Presentation Highlights

- **Organic net sales up 3% in AMJ and 4% for the fiscal year. Volume was up 2% for the quarter and the fiscal year.**
- **Gross margin down 80 bp for the quarter, driven by commodity costs, logistics and higher manufacturing expenses. 150 bp in savings and 230 bp in increased pricing helped offset much of the cost increase.**
- **Clorox Cleaning Segment posted the strongest growth, up 7% with a 5% volume increase. The company claimed record volume on Clorox sprays and highest Hard Surface Cleaner shares ever.**
- **Clorox Confirmed Fiscal 2013 Financial Outlook**
  - 2-4 percent sales growth
  - BT margin up 25-50 basis points, versus flat during analyst meeting
  - EPS in the range of \$4.20-\$4.35

#### Segment Highlights & Notes

- Cleaning (Laundry, Home Care, Professional Products):**
- Double digit growth on professional cleaning products.
  - All time shipment record on Clorox spray cleaners.
  - Lower Pinesol shipments following price increases.
- Household (Bags and Wraps, Charcoal, Cat Litter):**
- The Bags and Wraps business declined due to lower shipments of Glad food storage products following price increases. Glad trash bags with Febreze odor block are growing strongly.
- Lifestyle (Dressings and Sauces, Water Filtration, U.S. Natural Personal Care):**
- Clorox claimed double-digit shipment increases in Personal Care business behind Burt’s Bees and the launch of the qud natural personal care line.

Key Results in MM's	AMJ '12	vs YA	FY 2012	vs YA	Segment Net Sales as reported (MMs)	AMJ '12	vs YA	FY 2012	vs YA
Net Sales - Rpt	\$ 1,541	+4%	\$ 5,468	+5%	Cleaning	436	7%	1,692	5%
Net Sales - Organic		+3%		+4%	Household	559	3%	1,676	4%
Gross Margin	42.7%	-80 bp	42.1%	-120 bp	Lifestyle	235	3%	901	6%
Op Profit	\$ 288	-1%	\$ 903	-2%	International	311	3%	1,199	4%
Op Margin	18.7%	-100 bp	16.5%	-120 bp	<b>Total Company</b>	<b>\$ 1,541</b>	<b>4%</b>	<b>\$ 5,468</b>	<b>5%</b>
EPS	\$ 1.32	+5%	\$ 4.09	+2%					

#### Fiscal 2013 Outlook

Looking forward, Clorox reiterated their strategic focus on growing the professional business, revitalizing the bleach “mother ship”, and continuing volume growth in their key international markets (South America and Australia). Clorox confirmed FY 2013 expectations of 2-4% top line growth AND lifted their BT margin target from flat to up 25-50 bp in anticipation of improving commodity costs. Here are Clorox’s Sales growth building blocks for the new fiscal year:

- + 3 pts from innovation and improved product performance (3D)
  - + 1 pt from category base business growth
  - + 1 pt from pricing (mostly in South American markets to combat devaluation)
  - 2 pts of FX impact
- 
- +3 pts ... in the middle 2-4% top line goal

On ONE PAGE!

Recipients can stop reading after introduction AND be “informed”

Highlights are short bullets and NOT exhaustive!

Financials provided in table ... No wasting words reconciling year-over-year, quarter-over-quarter, etc.



**Analysis**

A Private Label Key Drivers Assessment shows the relative vulnerability of each HOME TEAM business line:

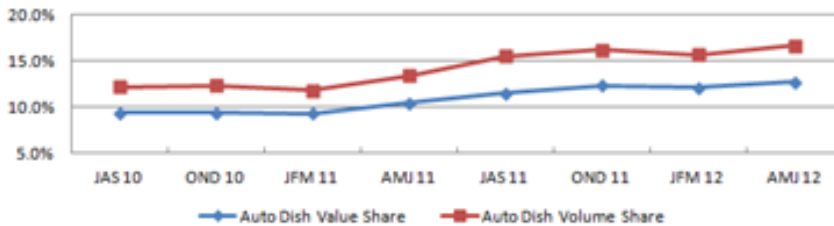
	Structural Economics	Price Sensitivity	Technology Importance	Breadth of Benefits	Marketing Weight	Retailer Interest
Driver Definition	Degree to which capital and profitability provide resources to build brand power	Consumer sensitivity and anxiety about prices	Role of technology in driving product performance and differentiation	Number of distinct benefits recognized and valued by consumers	Level and distinctiveness of marketing	Potential ROR / NPV of retailer's private label investment
Dish Care		Consumer awareness of price growing	No enforceable differentiation ... NIP limits auto-dish performance	NIP harms auto-dish appeal ... can't justify expensive forms?		Slow / no growth category means increased PL can improve shelf ROI
Quick Clean		Starter cost barrier, refills high to drive mfg profit	Technology crucial to performance but limited and easy to copy			Slowing growth makes PL refill tool to maintain/improve turns and penny profit
Surface Cleaners	Gross margin varies significantly by form ... growing Spray forms less attractive		No enforceable differentiation	Lots of benefit vectors, many brand and form niches		Slow growth, ROI should be under pressure ... but too many niches to attack
Air Care			Technologies important but relatively easy to copy	Lots of benefit vectors, many brand and form niches		

Look for ways to express logic and insight visually!

NOTE: Not every space is filled in. The color expresses the conclusion and words would be extraneous.

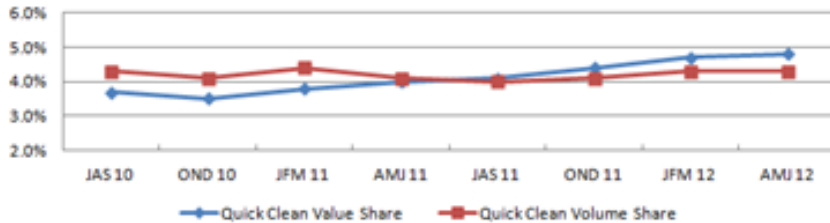
**DISH CARE:** PL development is largely contained in Hand Dish. While technology is less important to brand power, national brands provide numerous distinguishing and appealing benefits (e.g., grease cutting, skin care, scent) that are well communicated with relatively high levels of marketing. Importantly, consumer's economic involvement (i.e., price sensitivity) is relatively low, and national brand products are offered across numerous, well supported price tiers.

Auto-Dish brands provide fewer distinguishing benefits, and the criticality of technology to performance has been diminished with removal of phosphates. As a result, higher priced product forms are less attractive to consumers due to their overall dissatisfaction with the category. The availability of lower priced PL offerings with little trade-off in product performance is likely driving PL growth. Retailers who allocate more shelf space to and promote their PL offerings are improving ROI through both turnover and margin.



**QUICK CLEAN:** PL has a relatively small presence and is concentrated in refills in Quick Clean. Volume share has been stable but value share is growing. National brand power is compelling, providing numerous distinguishing benefits that are heavily communicated. Importantly, communication and promotion of starter kits / devices is critical to unlocking category consumption. Retailers will continue to rely on and support the national brand in this mission. However, the availability of suitable PL supply combined with slowing category consumption makes it attractive for retailers to attempt to use PL to both extend and capture profits from the refill stream.





**HARD SURFACE CLEANERS:** PL presence is very low in HSC despite what might appear to be attractive PL dynamics. Formulations and product benefits are easy to match or copy. Category growth and consumption are slow and retailer ROI on HSC shelf space is relatively low versus other FMCG categories. However, category complexity likely discourages any serious PL development. The sheer number of brands, forms and benefit vectors all competing for small slices of overall category consumption make investment in PL unattractive.

**AIR CARE:** PL presence in traditional Air Care is also low and stable. PL development in Air Care is unattractive because of the nature of purchase behavior (inconsistent and discretionary) and its reliance on heavy marketing and promotion. Also, retailers typically earn higher margins on discretionary categories.

**Indicated Actions**

- 1) In "at-risk" categories, ensure ongoing Purchase Intent analysis includes leading PL offerings. Long term brand strategies need to target winning purchase intent scores versus both top brand and PL competition
- 2) In Auto-Dish, conduct a pricing sensitivity analysis to discover the maximum price premium our brand can sustain versus PL competition by form and still contain PL share growth. Until product performance can be noticeably improved for consumers, brand strategy should be built at pricing levels where PL is unattractive for both consumers and retailers.
- 3) In Quick-Clean, evaluate pricing and promotion options that help spur consumption and blunt trial on PL refills (e.g., lower refill price points, regular BOGOs, etc.)
- 4) Consider a leadership visit to the PLMA "World of Private Label" trade show in Chicago, November 11-13, 2012
- 5) Train HOMETEAM Brand Managers and Staffs on PL key drivers.

S. D. Analyst  
HOMETEAM Competitive Intelligence

cc. Leadership Team Members, Sales Directors, Brand Directors

Because this is a “white paper” recommendations fall at the end .

Why? Because the issues, conclusions and insights are not urgent.

In more urgent or time-sensitive analyses, the recommendations should be summarized in the title or opening paragraph!

“This recommends ... “

“Based on the following analysis, we propose ...”



**Nat Brooks**

# Thank you!

## Now how about a little Q&A?

Email: [NatBrooks@strategyshapers.com](mailto:NatBrooks@strategyshapers.com)

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