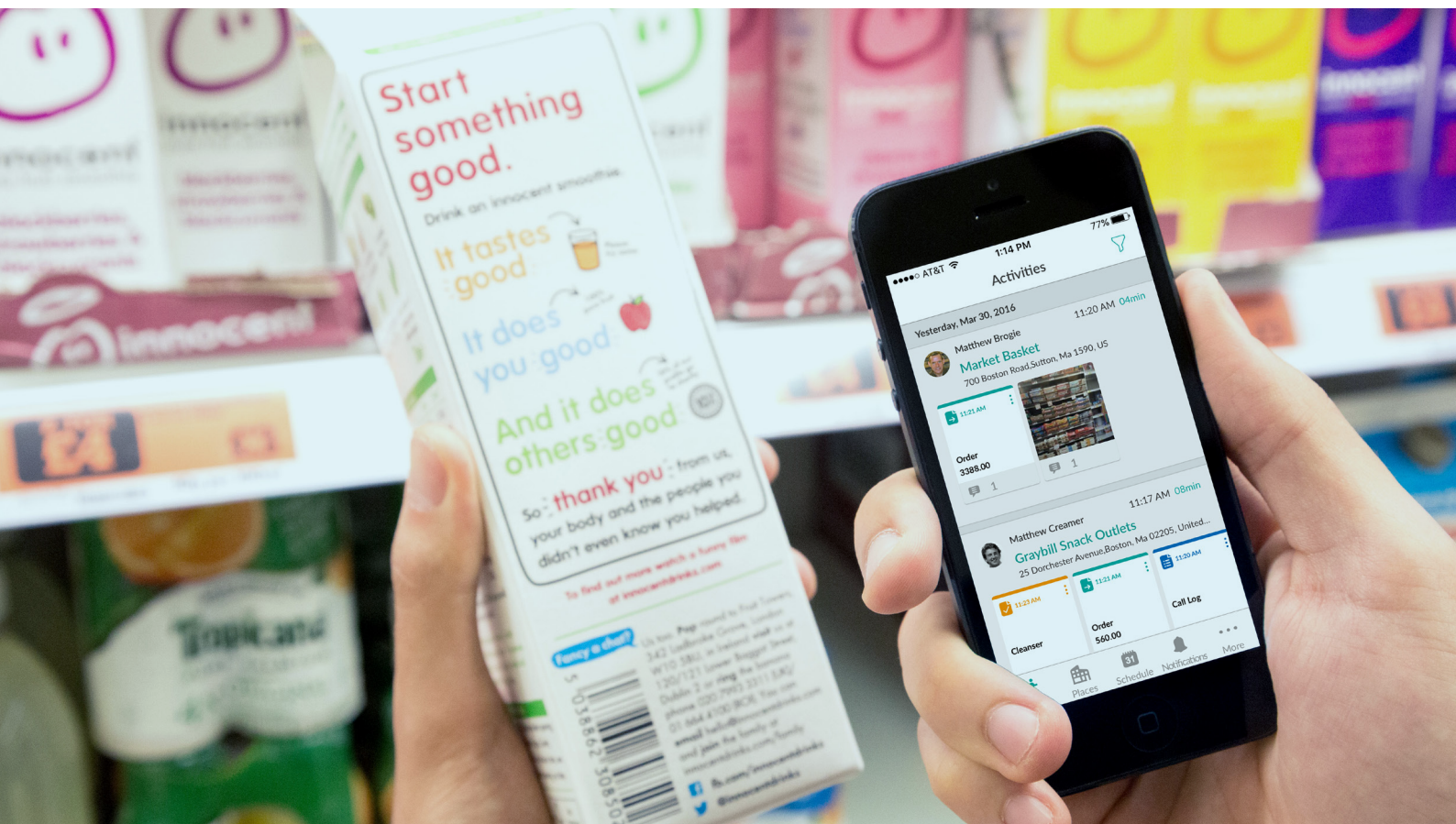CPG FOOD & BEVERAGE

Mobile Worker Activity Report

Repsly ™

Introduction
Gaining Insights From Field Data

CRM data can provide insight into productivity, focus, accountability, and the overall health of a field organization.

Repsly is the world's leading provider of Mobile CRM and Data Collection Software for more than 500 organizations in over 50 countries. These organizations typically engage a mobile workforce, whether that's a few independent sales representatives or a team of reps from a large scale merchandising organization. One thing they all have in common is the Mobile CRM data they generate by simply executing their jobs.

CRM data can provide insight into productivity, focus, accountability, and the overall health of a field organization. Collecting and analyzing field activity data sets the baseline and the measures that organizations need to

effectively manage and optimize operations. The following report includes aggregated activity data from the millions of tasks that thousands of field representatives perform using Repsly as their mobile workforce management tool of choice. This data can help organizations understand how they are performing in comparison to their peers and competitors in terms of workforce management.

This report is the second in a series that provides unique insight about mobile worker activities performed all around the globe. This information will be broken down into two key parts: The first section will focus on how

representatives across the Consumer Packaged Goods Food and Beverage space leverage Mobile CRM functionalities to fit their industry specific needs. The second section will focus on four key performance indicators (KPIs) that center on productivity and efficiency. These metrics include Visits per Day, Activities per Visit, Minutes per Visit and Minutes per Activity. We will examine each slice of information, including what may influence the numbers, how managers can interpret the data, and the raw metrics themselves.

There is a wide range of mobile workforce management styles represented in this study. On the surface, these differences may be interpreted as indicators of work ethic; however, on a deeper level, they most likely indicate differences in how business is conducted in different industries and cultures around the world. Given that our data is an aggregate of the Consumer Packaged Goods Food and Beverage Industry all across the globe, we strongly encourage you to read this report carefully and to compare your own data against these results to gain insight as to how your organization measures up against the hundreds of organizations that this data represents.

The authors of this report offer readers permission to use and share any of the data included in this report with no obligation other than to provide proper citation.

Marko Kovac
CEO, Founder of Repsly

"On the surface, differences in activity data may be interpreted as indicators of work ethic; however, on a deeper level, they most likely indicate differences in how business is conducted in different industries."

The Metrics
Industry Overview & KPIs

As previously stated, this report is organized across two dimensions: Mobile CRM metrics and an overview of KPIs across the Consumer Packaged Goods Food and Beverage industry. Mobile CRM metrics refer to the tools that Repsly has to offer, and we will contrast this industry-specific data with averages outside of the food and beverage industry, including those in other consumer goods sectors, field services, medical sales, and more. For a full list of industries referenced in this study, refer to Display A. While there are various tools and functions in our software that users can leverage, we will only analyze five key functionalities representatives use to collect data while out in the field. These key functionalities are Photos (Standalone Photos and Photos in Forms), Mobile Forms, Purchase Orders, Audits, and Client Notes. Refer to Display B for further information on each of these functionalities.

This report will also focus on a set of KPIs that cover the Consumer Packaged Goods Food and Beverage industry in aspects pertaining to productivity, efficiency and even the complexity of tasks that reps perform in the field. We will explore the average number of visits per rep and the average number of activities per visit, and analyze variations between reps in this particular industry and that of our aggregate data. This will help readers understand the nature of field workforce management across the Consumer Packaged Goods Food and Beverage Industry.

We will also examine the average time spent per visit and the average time spent per activity, and analyze how these two metrics differ from the aggregate data. From these core KPIs, we will be able to extract meaningful conclusions that can help organizations identify differences across teams, therefore presenting new training opportunities. These KPIs also serve as a reference for current managers and field teams to track changes over time and identify bottlenecks in their current processes, therefore creating an opportunity to identify and implement best practices. The data in the Repsly Mobile CRM Report is aggregated across all 50+ countries and it is intended to serve as a reference for performance evaluations.

500 Participating Organizations

From Over 50 Countries Around the World

21 Different Industry Segments
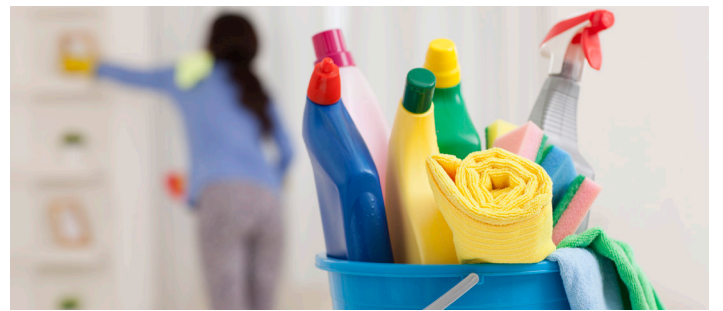
DISPLAY A - List of All Industries Outside of Food & Beverage

CONSUMER GOODS OTHER

Consumer Goods - Apparel

Consumer Goods - Cosmetics

Consumer Goods - Distributors

Consumer Goods - Durable

Consumer Goods - eCigarettes

Consumer Goods - Electronics

Consumer Goods - Equipment

Consumer Goods - Home Furnishings

Consumer Goods - Household

Consumer Goods - Miscellaneous

Consumer Goods - Nurseries & Gardening

OTHER

Finance

Property Management

SERVICES

Automotive Services

Cellular Wireless Services

Construction Services

Internet Services

Maintenance and Repair Services

Medical Services

Miscellaneous Services

Sales & Marketing Services

MEDICAL

Medical - Equipment

Medical - Pharmaceuticals

Display B
Tools Used in Mobile CRM

Photos (In Forms)

Many organizations utilize photos to gain a better visual understanding of how their products are presented on the shelf. These photos are often collected within a form, as a supplement to other data representatives collect in the field. Managers can view these forms and photos on the web in real-time.


Standalone Photos

Representatives in the field can also take photos outside of forms. Each photo is automatically location-tagged, time stamped, and associated with a customer and the representative who took the photo.

Mobile Forms

Mobile forms allow organizations to collect data in the field. These are completely customizable based on individual company needs. Forms can include text, numeric values, yes/no checklists, dropdown fields, barcodes, dates, photos, and signatures.
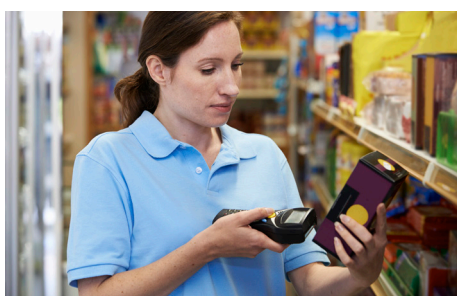

Purchase Orders

Organizations looking to streamline billing use purchase order systems to create invoices and bill customers in the field. Each order form includes a list of products, as well as their quantity, price, discounts, other fees, and associated e-signatures. Representatives also have the option to email these invoices to customers from their mobile devices immediately upon creation.

Retail Audits

Retail audits provide managers with insights into stock levels in different retail locations. Keeping track of products help companies manage inventory more efficiently.
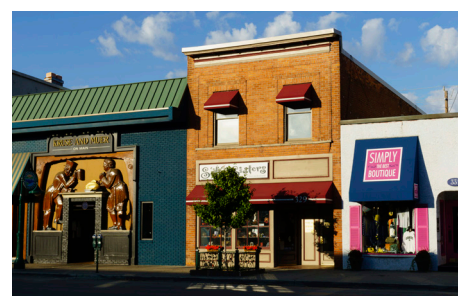
Client Notes

Part of efficient customer relationship management relies on maintaining an accurate, up-to-date record of customer information. Client notes aid representatives with collecting more in-depth information about their clients. This information allows them to provide better customer service the next time they visit the location.

Consumer Packaged Goods... a unique industry

We decided to analyze Consumer Goods Food and Beverage as its own category, taking into consideration the fact that we serve various other industries in the Consumer Goods space. Just by taking a quick glance at Display C on the following page, it is evident that there are clear differences between Food and Beverage organizations and organizations in other industries.

The Food and Beverage industry is a unique industry. For one thing, it is marked by cutthroat competition. The number of retail locations penetrating this industry has increased at an average rate of 3.6% per year between 2010 and 2015, according to IBISWorld's Specialty Food Stores in the US Industry Report. As of 2015, that amount totaled more than 46,000 key industry players. To add to the challenge, social media and the increasing flow of information has diversified consumer tastes and preferences. More consumers are looking for niche product offerings, opening the gates for smaller, specialized brands to penetrate the industry.

It is becoming increasingly evident that as more companies emerge to cater to these changes in consumer taste and preference, customers' bargaining is only growing. A combination of these factors has led to fierce competition within the CPG F&B space, which in turn has led to an increased focus on product differentiation in order to make goods more appealing to consumers. This industry saw a record year in 2014, when sales topped $100 billion in the U.S. for the first time, according to the 2015 State of the Specialty Food Industry Report published by The Specialty Food Association. That's nearly triple the size of the market in 2005. Moreover, IBISWorld also reported that due to a greater interest

in sustainable living and buying local, consumers are now turning to all natural and organic products, which has in turn generated greater demand for specialty foods. This is apparent when we look at the impact these changes in consumer tastes and preferences have had in supermarket chains like Whole Foods Market and Trader Joe's. For example, in their 2015 Annual Report, Whole Foods Market found that sales have grown from approximately $93 million to around $15.4 billion between fiscal years 1991 to 2015.

We can reasonably conclude that the Consumer Packaged Goods Food and Beverage industry is at the forefront of change and innovation. We have already seen some of the big players in this space explore alternatives to how they approach consumers - either through increased marketing spending or new, niche product lines. Whichever direction the industry heads towards, it remains certain that new and smaller players must leverage technologies available in the market in order to drive their competitive advantage over rivals.

This is where companies at the forefront of this ever-changing environment leverage Mobile CRM to optimize their competitive strategy. To be competitive, it is imperative that companies know they are getting the right shelve space and exposure. Plus, they should be able to analyzing their products' packaging and labels against competitors. Big industry players have traditionally relied on ERP systems and custom built solutions to address these needs, but most of these solutions have tremendous upfront costs and are too complex and outdated for new entrants to implement. Therefore, the scores of new entrants who are driving of innovation in this industry have turned to more simple and dynamic cloud-based solutions like Repsly.

www.repsly.com

Display C
Activity Metric Comparison

Average Number of Activities (Food & Beverage vs. Others)
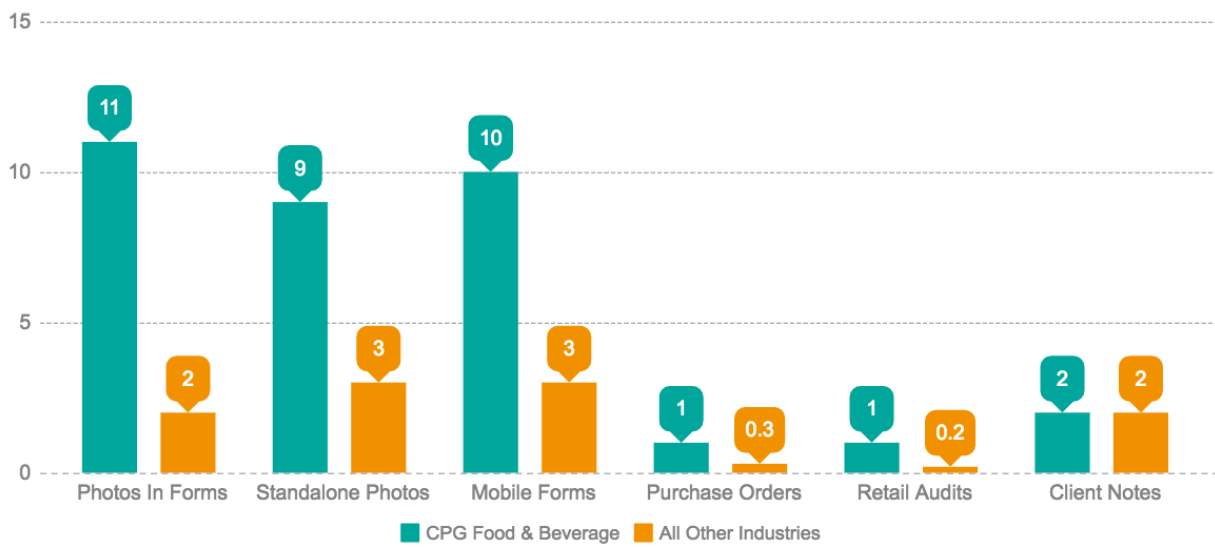
MOBILE CRM FEATURES	CPG Food & Beverage	All Other Industries
Photos in Forms	11	2
Standalone Photos	9	3
Mobile Forms	10	3
Purchase Orders	1	0.3
Retail Audits	1	0.2
Client Notes	2	2

Manager using Repsly Mobile CRM

> CPG Food and Beverage field teams are not only leveraging more traditional methods like photos and mobile forms, but are also looking to complement their field activity data with audits and purchase orders.
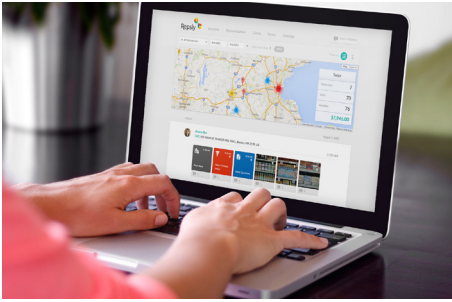
www.repsly.com

Activity Metrics Compared to Other Industries

The average representative in the Food and Beverage industry takes around 20 photos per workday, which is four times the average of all other industries combined. This translates to around three photos per rep, per visit. The vast majority of photos they submit are attachments within electronic forms, at about 11 photos per rep, per day (view Display C for reference).

Another way to submit a photo is by itself without a form, which this report refers to as "standalone photos." In all instances, we see that the average rep in this industry takes many more photos than the average rep outside of the food and beverage industry. Any data that reps are not able to capture through photos is largely captured within mobile forms.

The average rep completes around 10 mobile forms per workday, which is about three times the average across all our industry data. This translates to an average of one to two mobile forms per rep, per visit. Since the Food and Beverage space is a highly competitive industry, it is not surprising to see that managers in this space require their reps to fill out more mobile forms and take more photos, since they can help increase representatives productivity and efficiency.

In contrast to the numbers of photos and forms, we see that the average number of client notes per rep, per day is around two, which is the same as the average outside of the food and beverage industry. There was also little difference between the number of audits and purchase orders, with an average rep completing one audit and one purchase order per workday. However, the data becomes more varied once we analyze the differences between the two sub industries within Consumer Packaged Goods: the food and beverage spaces.

Findings indicate that representatives in the beverage space use three times more audits than representatives in the food space. During Q1 2016, reps in the Beverage space were conducting around two audits per workday, showing a steady linear increase in the amount of reps using audits out in the field.

When analyzing the number of orders, the reverse is true. More representatives in the food space use orders than those in the beverage space. Audits and purchase orders can in some ways overlap, so the key takeaway here is that as competition increases within this industry, Consumer Packaged Goods Food and Beverage field teams are not only leveraging more traditional methods like photos and mobile forms, but are also looking to complement their field activity data with audits and purchase orders.

Productivity Metrics Compared to Other Industries

To put the data into perspective, field teams in the Consumer Packaged Goods Food and Beverage Industry spent over 100 million minutes collecting data out in the field during 2015. More importantly, since July 2015, the number of customers has been growing at a monthly compounded growth rate of around 7 to 8%. If you take this into account, we are looking at a dataset that accurately pans out the following KPIs at a global scale.

In order to fully understand the level of productivity and efficiency, plus the complexity of tasks that field representatives are assigned to complete, we will look at five KPIs that go hand in hand with the data analyzed in the first half of this report. Take a look at Display D below for data on each KPI.

The average rep in the Consumer Packaged Goods Food and Beverage space completes around eight client visits on any given day and executes around five activities per visit. Given that the average rep across all other industries completes around six client visits per day and three activities per visit, this indicates that field reps in the Consumer Packaged Goods Food and Beverage space are much more active. As you may recall, this is a rapidly growing industry where competition is fierce. Managers expect their field representatives to perform at a high level when they're out in the field, constantly analyzing their own strategies against those of competitors.

To further support this argument, we can examine the average amount of time reps spend completing their activities and visits. The average rep within the Consumer Packaged Good Food and Beverage space spends around 33 minutes completing each visit, which is similar to the 28 minutes that the average rep in other industries spends completing client visits. The key to understanding field workforce management in this space lies in the amount of time reps spend completing such activities and the amount of information they are able to convey during their visit. The average representative across all our industry data takes around 13 minutes to complete each activity. The average field rep in the Consumer Packaged Good Food and Beverage space takes only 6 minutes to complete each activity, which is nearly half the amount of time across industry averages.

To conclude, we know the average rep in the Consumer Packaged Goods Food and Beverage industry conducts far more customer visits and activities per visit, while keeping the amount of time spent completing each activity low and managing to keep the amount of time spent at each client on par with the average across all industries. For organizations in the Consumer Packaged Goods Food and Beverage space, it seems that organizations have found a way to transmit significant amounts of data in short periods of time by leveraging what Repsly has to offer. In comparison, reps in other industry spaces complete a fewer amount of photos, audits, client notes, mobile forms and purchase orders. This in itself is not a negative attribute - it just puts into perspective how mobile workforce management in the Consumer Packaged Goods Food and Beverage space operates.

Display D
Productivity Metrics Comparison

PRODUCTIVITY MEASURES	CPG Food & Beverage	All Other Industries
Total Visit Time (Minutes)	100,084,552	-
Visits Per Day	7.59	5.83
Activities Per Visit	5.26	2.53
Time Per Activity (Minutes)	6.29	13.47
Time Per Visit (Minutes)	33.09	28.26

Conclusion

So far, current market conditions look favorable for those operating in the Consumer Packaged Goods Food and Beverage space, especially for new entrants that are primarily focused on targeting niche markets. Therefore, the key question is how much longer these trends will continue and how responsive current industry players will be to changes in consumer tastes and preferences. Moreover, not only are customers exerting a great deal of pressure on this industry, but there are also other external factors involved, such as regulatory risk.

Just recently, the U.S. Food and Drug Administration announced that it would seek to redefine how it classifies a product as "healthy". According to The Wall Street Journal, sales of low-fat foods have fallen, as consumers are buying more gluten-free or all-natural items. At least for now, this seems like a positive externality for new entrants and firms targeting organic and healthy trends. It is also important that new industry players are able to find a competitive advantage over incumbents by leveraging Mobile Workforce Management and promoting team collaboration in order to stay on top of current market trends. This will ensure timely responses to changes in strategy based on the current competitive landscape. Regardless of whether you are a key industry player or a new entrant, as technology becomes a much more integral part of conducting business on a daily basis, it will be interesting to see the direction that this industry will take.

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