

Business & Marketing Glossary of Terms

CRM: CRM, or customer relationship management, is the strategy that a company uses to keep its customers happy and loyal. A good CRM benefits both the company and its customers.

EDLP: Every-day low price

End-cap: A product display at the end of a supermarket aisle

FIFO: An inventory term for managing stock meaning First In - First Out

Free Fill: Providing the retailer with a product for free by using an MCB. Often used for a new placement deal or when store requires samples.

Guaranteed Sale: A program where items are guaranteed to sell by the Supplier (preapproved needed) or money back.

Hip pocket deal (or Case stack deal): An unpublished deal for reps to offer a deeper discount and/or bigger promotion

In-Store Feature (ISF): A promotion within the store and advertised within the store, using in store or on shelf advertising; e.g. shelf tags, PA announcements, in-store flyers and/or marketing tools.

KPI or Key Performance Indicator: a measurable value that demonstrates how effectively a company is achieving key business objectives. Organizations use KPIs at multiple levels to evaluate their success at reaching targets.

Margin/profit margin: The difference between cost (including or excluding operating overheads) and selling price of a product or service. Percentage margin is generally deemed to be the difference between cost and selling price, divided by the selling price ex tax (ex.- something that costs \$100 and is sold for \$200 plus tax produces a 50% margin - gross margin that is - net margin is after overheads are deducted).

MCB: Manufacturer Charge Back: A charge from the distributor to supplier for cost incurred at the retailer level (discounts, promotions and demos)

Off Invoice/OI: A discount given at time of invoicing
Pipeline: The sales pipeline represents the movement of sales from brand-new leads to deals that are about to close.

Planogram: This is a visual representation that shows how merchandise should be arranged on store shelves in order to drive more sales. It's a model that indicates the best placement and positioning of your merchandise. Remember that product positioning can influence consumers' purchases, so planning how they're displayed and organized can maximize sales. Planograms can also guide and assist in store mapping and they enable retailers use space more effectively.

Point-Of-Purchase (POP): Marketing materials or advertising placed next to the merchandise it is promoting. These items are generally located at the checkout area or other location where the purchase decision is made.
Projection: Prospective financial statements which present an entity's expected financial position, result of operation and changes in financial position, based upon one or more hypothetical assumptions.

Return on Investment (ROI): The rate of return at which the sum of the discounted future cash flows plus the discounted future residual value equals the initial cash outlay
RFC:

Request for Credit Sales forecasts: Also called sales projections, these are the predictions that salespeople and sales managers are required to make about future business levels, necessary for their own organization to plan and budget everything from stock levels, production, staffing levels, to advertising and promotion, financial performance and market strategies.

Slackoff Program: A program for frozen goods to be sold as guaranteed sale fresh or dry grocery.

SOP: Standard Operating Procedure

SRP (MSRP): Suggested retail price/ manufacturer suggested retail price.

Spiff: Slang term for the sum paid by a vendor's salesperson to a retailer's salesperson to motivate him or her to push the vendor's goods.

Unique Selling Proposition/ USP: A Unique Selling Proposition (USP) is a specific characteristic that makes one product, company or person stand out from the competition.