



SAP Business Transformation Study | Consumer Products | Pactiv

How Do You Build a Thriving One-Stop Shop from Multiple Trade Spend Systems?

Customers for food packaging products rely on Illinois-based Pactiv LLC as a one-stop shop for all their cardboard, aluminum, plastic, foam, molded-fiber, and pressware packaging and catering materials. Having grown by acquisition over several decades, Pactiv needed to harmonize disparate legacy solutions to optimize trade spend through improved understanding of overall product, customer, and promotion profitability.

The SAP® Paybacks and Chargebacks application by Vistex helps Pactiv automate end-to-end trade spend processes and institute enterprise-wide transparency over business results for each marketing campaign and sales deal. And the SAP Incentive Administration application by Vistex helps Pactiv manage performance-based sales and purchasing incentives and rebates. Software updates in the new integrated system take barely a tenth as much time, and an extensive cross-training program from implementation partner Vistex helps users achieve competency in multiple roles.





Optimizing Trade Spend and Managing Incentives and Rebates with SAP® Applications by Vistex



Pactiv LLC
Lake Forest, Illinois
www.pactiv.com

Industry
Consumer products

Products and Services
Foodservice packaging products

Employees
11,000

SAP® Solutions
SAP® Paybacks and Chargebacks application by Vistex and SAP Incentive Administration application by Vistex

Pactiv, a leader in the food packaging industry, was outgrowing the disjointed legacy systems that tracked its promotions, incentives, and rebates. By leveraging functionality in SAP Paybacks and Chargebacks and SAP Incentive Administration, Pactiv has made those trade spend processes significantly more transparent and efficient. Stakeholders can now base decision-making on comprehensive profitability and predictability analysis, and system updates run 10 times faster.

Before: Challenges and Opportunities

- Maintain enterprise-wide visibility and auditability of trade spend to gain a competitive advantage
- Eliminate redundancies and manual reconciliations across disparate systems
- Determine true cost and profit at the customer and product level
- Develop increased visibility into gross margin analysis to support optimal pricing

Why SAP

- Expertise in software for integrated cross-functional processing and in trade spend processes
- In-depth knowledge of issues and best practices in trade spend management
- Extensibility and flexibility to accommodate expansion and diversification
- Full implementation support from the Vistex service team to help fine-tune the applications

After: Value-Driven Results

- Automation of trade spend processes and record keeping to increase repeatability of positive outcomes
- Traceability of trade spend for internal visibility, external auditability, and improved decision-making
- Faster analysis of customer and promotion performance and delivery of insights to improve processes
- Tighter processes for determining ceiling and floor prices for each sales deal
- More-effective cross-training to increase user knowledge and skills
- More time for high-value resources to focus on strategic tasks

“SAP Paybacks and Chargebacks and SAP Incentive Administration expand visibility into the profitability of incentives, rebates, contracts, and promotions. Our pricing now clearly supports the best deals for us and our customers.”

Tina Blight, Director of Shared Services, Pactiv LLC

Visibility

Full transparency across margins and prices

<10%

Of previous time required for a system update

25%

Reduction in inaccurate claims and write-offs

100%

Automation of trade spend processes and record keeping

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