

### Introduction

This Quick guide will show you how Baseline effect works in BMS.

### Quick guide concept

Through a number of easy steps you learn how to use the software.

Each step is numbered and defines a phase. Each phase contains a short description and an illustration to show how to navigate or operate in the software.

On the last page it is described how to set up the Security to activate, view and edit the described tool.

# Baseline effect

Baseline effect in BMS is done by using cannibalization, which is a factor added to a trade promotion in order to reduce the baseline value around the time of the promotion.

Most commonly the cannibalization factor is used to limit or remove the normal baseline delivery. This way you must enter the cannibalization period to match the delivery period of the promotion.

You can also use the cannibalization factor to mimic the consumer behavior. If there is a big promotion on some consumer goods that can stock-up the consumer, you will face a reduction in your baseline orders during and after the promotion. In this case the cannibalization period will be during and after the promotion period.

The cannibalization is entered as a percentage for a given period. This is then used for calculating a share of the baseline on the products matching with the promotion. This share is then stored into a separate stream with negative volume in the baseline.

If you work with wholesalers you will usually plan the trade promotions on the indirect customers (chains) and the baseline on the wholesaler. In this case the factor must include the fair share of the indirect customer out of the wholesaler.

So, in case an indirect customer is 25% of the wholesaler and you wish to cannibalize the entire baseline value during your promotion delivery period you should not type in 100%, but the 25%.

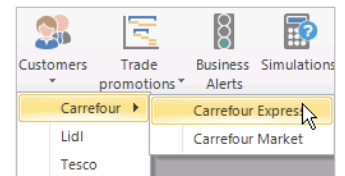
## Setting up a customer template

In order to make it easy to apply baseline effect to promotions, customer specific templates can be set up. The templates are auto applied for new promotions on the customers.

If you change the general template and wish to apply to all promotions, then you need to use the Promotions Edit function from the Promotion List.

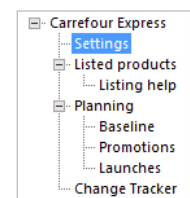
### 1 Open a customer

Click on the "Customers" icon from the navigation ribbon and open a customer that you plan promotions on and you want to create a baseline effect template.



### 2 Go to Promotion settings

From the tree-menu on the left click "Setting" and then in the main window select the tab of Promotion Settings to display.

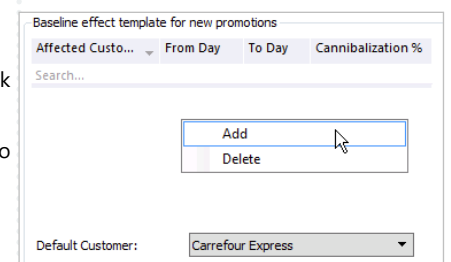


### 3 Create a new Baseline effect template

In the "Baseline effect template for new promotions" area, right-click and select "Add". A new line will be created.

You can have more than one line and set it up in different from-to dates and % of cannibalization.

Basic Data | Promotion Settings | Rules | Stores | Account Numbers



The guide *may* contain important general notices. These will be marked with an exclamation icon.



Tips and tricks are marked with an Info-icon.



Questions & Answers note relevant to the topic at hand.

## 4 Edit the Baseline effect template

Click on the corresponding column cells to edit the line.

**Affected customer** - Is the customer that this cannibalization will affect. This customer is the customer we plan baseline.

**From Day & To Day** - Are the dates that the cannibalization effect will take place. The dates reflect the delivery weeks of the products to this customer. The allocation of the promotion forecast units is on Monday of the delivery week. This means that the cannibalization from-to dates should include the Monday of the week that will be affected by the cannibalization.

It is important to know that the 0 is the first in-store promotion date. So, the -1 is one day before of the first promotion date and +1 is the second day of the in-store promotion dates.

**Cannibalization %** - Is the percent of the promotion effect on the baseline.

Baseline effect template for new promotions			
Affected Customer	From Day	To Day	Cannibalization %
Search...			
Carrefour	-7	-1	60

**Default Customer:** - Defines a default customer for the "Affected Customer" column, in case you add more than one lines to have it as pre-defined.

Default Customer:

When the template is done, it can be applied in old promotions on this customer if necessary and it will be auto-applied to new promotions on this customer..

The user can edit the Baseline effect in promotions to adjust the customer name, dates and % value if necessary. Also, the user can add more lines on the promotion's baseline effect and edit them accordingly if necessary.

### Applying Baseline template to promotions

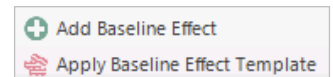
When a new promotion is created for a customer with a baseline effect template, the system will auto-apply the template. The user can choose if it is needed to adjust the Baseline effect line or not or remove it from the promotion.

For old promotions that the user wants to apply the new baseline effect template are two ways to do it. One way is to apply a Baseline effect when in a specific promotion. The second is to multi select promotions from the Promotion list and then edit them.

#### 1a Apply Baseline effect in a promotion

When in a promotion, click from the top navigation ribbon to "Add Baseline Effect" to apply an empty line or "Apply Baseline Effect Template" to apply the template built for the specific customer.

A new line will be created in the Baseline Effect field.



#### 2a Track & edit the baseline effect values

When the Baseline effect template is applied, the user can see immediately the values of the cannibalization and the actual from-to dates they are allocated.

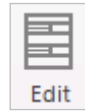
When a new empty Baseline effect line is applied then the user needs to edit first the columns in order to see the result values.

Baseline Effect						
Customer	From Date	To Date	Cannibalization %	Baseline Input	Effect	Baseline Incl. Effect
Carrefour	19-11-2018	24-11-2018	60	2.273	-1.364	909

Products | Allowance | Delivery | Sell-out | Baseline Effect | Selections

### 1b Apply, edit Baseline effect in multiple promotions

When in Promotion list, select promotions from one specific customer and click on Edit button from the top navigation ribbon.



This will open a pop-up window where the user can mass edit the selected promotions.

For more detailed steps read the guide "Working with promotions".

Promotion ID	Banner name	Promotion name	Promotion state	Promotion type	From week	To week	From day
84	Carrefour Express	Dental Care	Planned	On-Pack	3	4	Wed
85	Carrefour Express	Dental Care	Planned	On-Pack	11	12	Wed
86	Carrefour Express	Dental Care	Planned	On-Pack	20	21	Wed
87	Carrefour Express	Dental Care	Planned	On-Pack	29	30	Wed
88	Carrefour Express	Dental Care	Planned	On-Pack	39	40	Wed
89	Carrefour Express	Dental Care	Planned	On-Pack	48	49	Wed

### 2b Edit the promotions' baseline effect

Select the "Baseline Effect" tab. Here the user can select to add a line and edit it and then click on Update to apply the changes to all the promotions.

This will overwrite the Baseline effect lines if exist in some promotions.

Customer	From	To	Cannibalization %
Carrefour	-7	-1	55

**Please note:**  
This function replaces any existing baseline profile.  
"From" and "To" are numbers of days relative to the first "instore date" of each promotion.

### 3b Track the applied baseline effect values

If open a specific promotion, the user can see applied baseline effect values of the cannibalization and the actual from-to dates they are allocated. Also, the user can adjust the values and dates if necessary.

Baseline Effect						
Customer	From Date	To Date	Cannibalization %	Baseline Input	Effect	Baseline Incl. Effect
Carrefour	06-03-2019	12-03-2019	55	2.381	-1.310	1.071

Products | Allowance | Delivery | Sell-out | Baseline Effect | Selections

The impact of cannibalization in the baseline window

To see the values resulting from the cannibalization from the promotion to the customer, the user will have to open the corresponding customer and go to the baseline window.

In the baseline window the Cannibalization stream needs to be in the view of the table. In order to find how to do this, please read the guide "Working with baseline layout".

When the layout of the baseline window is set up to show cannibalization values, the user will be able to track these values for the corresponding products and corresponding weeks/months.

		Nov 2018
Planning Mask	Stream	Forecast Units
5000 - Toothpaste Shiny White	Pred. Baseline	0
	Baseline	5.000
	Promotion	1.500
	Cannibalization	-682
	<b>Total Stream</b>	<b>5.818</b>
5001 - Toothpaste Sensitive	Pred. Baseline	0
	Baseline	5.000
	Promotion	1.500
	Cannibalization	-682
	<b>Total Stream</b>	<b>5.818</b>



*Can BMS calculate the percent to use?*

Not in this version. It only applies the percent that you enter yourself. However, you can use the OLAP Cube to analyze your order patterns (assuming that your company integrates daily sales into BMS).

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