

How Rootit generates positive ROI as from year 1

In this read, we explain why our approach of combining deep expertise with advanced analytics, cloud-based tools and professional support is considered unique in the market.

After a short introduction to Rootit, follows a deep dive into how we deliver positive Returns on Investment as from the first year of implementation.

We break it down in three chapters: explaining how we ensure a successful set-up (1), how we drive profitable revenue growth (2), and why we outperform alternatives on cost efficiency (3).

Contact us for more information



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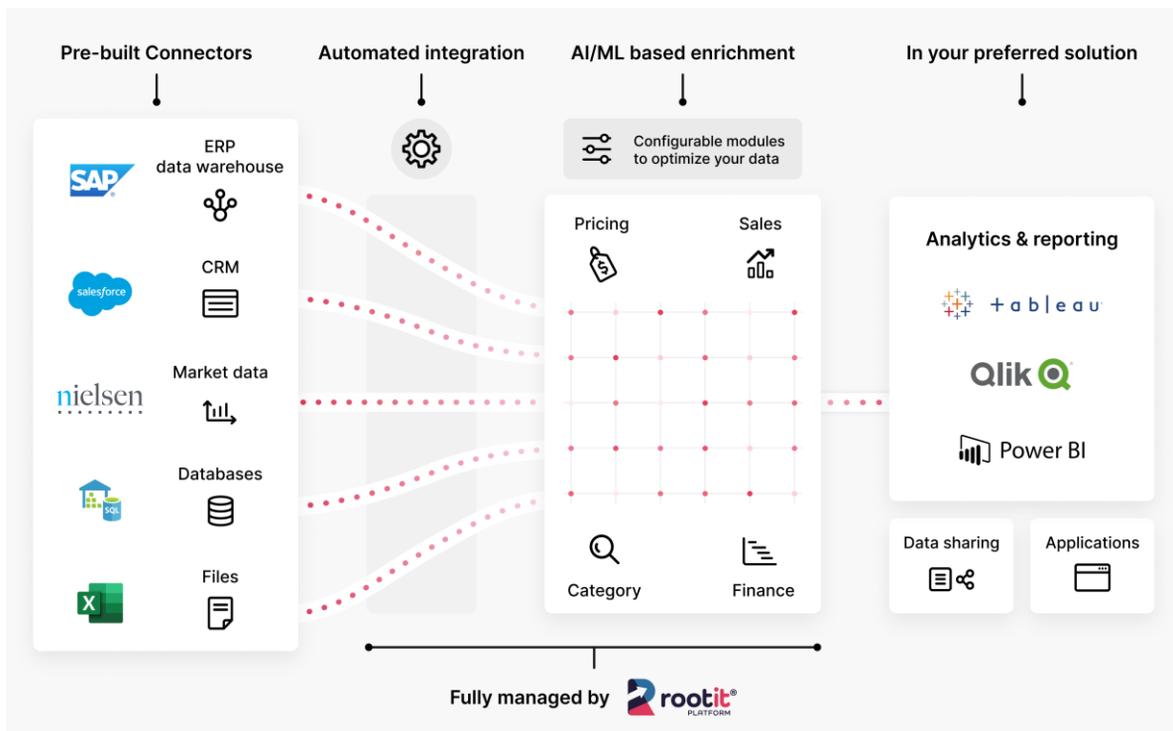
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A short introduction to Rootit

Before we explain how we help companies get fast results via Rootit, we want to recap briefly why we founded the platform three years ago.

Over the past ten years, we – as revenue growth consultants - have encountered many companies in a wide range of sectors. One thing these companies had in common, was the struggle to extract maximum value out of their data. Instead of having to start similar journeys for each company from scratch, we believed an off-the-shelf platform would yield better and faster results.

As such Rootit positions itself as the middle layer between a variety of data sources on the one hand, and the data visualization tools on the other. Besides data management (ETL, integration & preparation), the core of Rootit is the leading IP together with advanced analytics.



Rootit's position within this ecosystem responds to the current trends in IT. Companies are moving away from one-size-fits-all software, as it typically needs a large amount of customization. Instead, they prefer specialized solutions, like Rootit, embedded in an integrated environment.

Rootit has a >90% success rate, vs 30% market average

An imperative for positive ROI results is a successful implementation track, with high adoption and retention rates. Rootit implementations are considered very successful as they start from laser sharp solutions for specific business needs (1), are built with leading technology (2) and come with tailored training & coaching services (3).

1. Do not re-invent the wheel

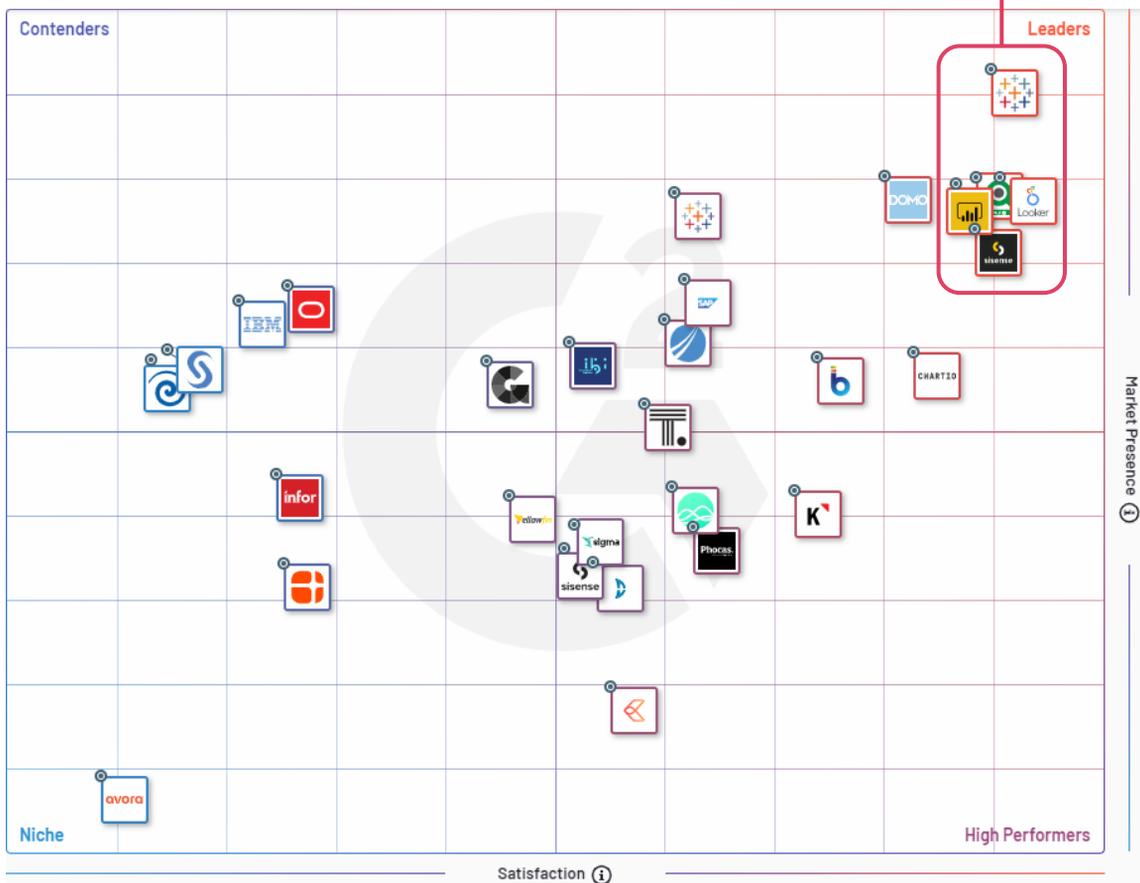
One of the main reasons for suboptimal analytical experiences, is the disconnect between business and IT. The IT department is often frustrated because of unclear business requirements, while business people are disappointed in the developed solution.

With Rootit, we avoid these issues, as **we start from our best-practice analytical solutions**. On top, our business and technical experts tailor Rootit solutions to the exact needs of the customer.

2. Win with the winners

A second important reason for suboptimal analytical implementations, is the choice of visualization tool. At Rootit we are solution agnostic, however **we select the leading platforms** (Tableau, Qlik Sense, PowerBI...) on the market that allow to unleash Rootit's full power. We continuously monitor market evolutions and advise our customers on which solution is best suited for their specific case.

Analytics visualisation tools 1)



3. A holistic approach

A third important root cause for unsuccessful analytical implementations is the exclusive focus on tools. As leading experts in revenue growth, we not only help you to obtain results quickly, but also support you in **building the right internal skill set** to achieve lasting success. We provide tailored training sessions before going live, and specific additional support to ensure adoption is satisfactory in each department.

Net margin impact up to 20%

Rootit solutions provide transparency into big data and help companies gather actionable insights on product (SKU, brand, category..) and customer (channel, sales rep..) level to drive lasting performance improvement.

These solutions bridge the gap between the commercial department and finance. They each drive profitable revenue growth through at least one of the main dimensions (volume growth, price optimization & cost reduction), and are packaged per functional domain (Sales, Pricing, Category management & Finance). We will walk through the different solutions to explain how we typically identify growth opportunities and make an impact on the top- and bottom line.

Rootit solutions focus on 4 growth areas

- Price leakages
- Price indices
- Peer pricing
- Discount optimization
- Pricing simulation



Pricing



Sales

- Sales vs plan/forecast
- Order book
- Go To Market
- Customer revenue optimization
- Customer insights
- Store performance

- Pareto/complexity
- Product mix
- Rate of sales
- Cross- & up-selling
- NPD/phase-out
- Weeks-on-hand inventory



Category



Finance

- Cost-to-serve
- Variance analysis
- Consolidation
- Intercompany reconciliation
- Budget & forecast
- Cash position

1. Pricing

Our pricing solution creates a uniform view on the price - and discount structure across the organization. It allows to compare price levels across customers, taking conditionality of discounts into account. This way, you are able to act upon price exposure risks across or within customer groups and to closely monitor trade margins in indirect markets.

Per pricing segment, Rootit identifies margin growth potential by setting realistic target prices using the pricing methodology that is best-practice in your industry (value based, cost+, dynamic...). The typical **validated net margin opportunity is 5-20%**.

2. Category management

Our product portfolio optimization solutions (pareto, product mix and rate of sales) are examples of actionable product segmentations that serve specific needs depending on the role of the end-user and industry. In a few clicks, it identifies opportunities to reduce costs via product rationalizations (1), to boost sales of high potential products (2), for innovations (3) and to improve profitability by rebalancing the product mix (4).

On top, advanced analytical solutions to meet specific requirements are available. The cross- and upselling module is a great example of how Rootit augments transactional data and suggests new revenue opportunities to category managers. The typical **validated net margin opportunity amounts to 5-10%**.

3. Sales

One of the main frustrations for sales has always been that they are confronted with tools that serve the needs of other functions (e.g. finance, supply chain), but generate a lot of administrative hassle for sales people. Rootit solves this challenge, as it integrates all data sources (ERP, CRM, databases, files...) and provides sales centric uniform dashboards integrating sales targets, follow-up of actuals vs plan and financial outlooks.

The Go To Market optimizer provides insights in the performance of sales channels and allows to generate insights on both the marketing & sales performance. The typical **validated net margin opportunity is 2-3%**.

4. Finance

Rootit provides a suite of solutions that allow automated and professional financial reporting (P&L reporting...).

The cost-to-serve model supports profitability modelling on granular product and customer levels. These insights are often translated into reviewed service levels, prices and discounts, product strategies... The typical **validated net margin opportunity is up to 5-10%**.

Financial statements via Rootit

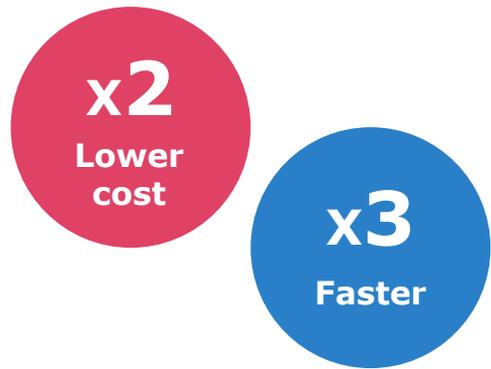
	Q1			Q2			YTD		
	AC	ΔPY	ΔPP%	AC	ΔPY	ΔPP%	AC	ΔPY	ΔPP%
Revenues	29.4M	-8.7M	-29.3	18.7M	-12.9M	-69.4	48.1M	-21.7M	-45.1
Revenues Russia	349.6K	+349.6K		275.6K	+275.6K		625.2K	+625.2K	
Commissions received		-14.0K		-132.8K	-132.8K		-132.8K	-146.9K	-10.9
Total Revenues	29.7M	-8.4M	-28.3	18.8M	-12.8M	-68.6	48.6M	-21.2M	-43.6
Total Product Cost	-17.2M	+6.7M	-39.0	-10.8M	+9.0M	-83.3	-27.9M	+15.7M	-56.3
Gross Product Margin	12.5M	-1.7M	-13.6	8.1M	-3.8M	-46.7	20.6M	-5.5M	-26.7
Other Product Cost	-3.7M	+34.9K	-0.9	-2.6M	+1.1M	-42.3	-6.3M	+1.2M	-19.0
Net Product Margin	8.9M	-1.6M	-18.0	5.5M	-2.7M	-49.1	14.3M	-4.3M	-30.1
Selling And Admin	-3.1M	+425.4K	+13.7	-3.3M	-244.0K	-74.2	-6.5M	+181.4K	-2.8
Other Income And Expense	-68.4K	-68.1K	-101.0	-34.0K	-22.7K	-66.5	-102.4K	-90.8K	-88.7
Depreciation and Amortization	-265.8K	-27.6K	-10.4	-267.9K	-14.8K	-5.5	-533.8K	-42.3K	-7.9
Operating Earnings	5.4M	-1.3M	-24.1	1.9M	-3.0M	-158.0	7.2M	-4.3M	-58.3
Interest Net	-9.7K	+7.0K	-7.1	-1.9K	+2.4K	-126.3	-11.6K	+9.4K	-81.0
Net Income Before Tax	5.4M	-1.3M	-24.1	1.9M	-3.0M	-158.0	7.2M	-4.3M	-58.3
Income Tax Expense	-1.3M	+655.5K	-50.4	-468.5K	+962.4K	-205.6	-1.8M	+1.6M	-88.9
Net Result	4.0M	-654.8K	-16.4	1.4M	-2.0M	-142.9	5.4M	-2.7M	-50.0
Quantity	32.3M		0.0	21.7M		0.0	54.0M		0.0

Fast results with a cost efficient set-up

To develop analytical revenue growth solutions, companies start developing solutions with their team of business analysts and with the support of an IT partner. For these teams, Rootit is an accelerator to build solutions faster and sustainably integrated within the IT landscape.

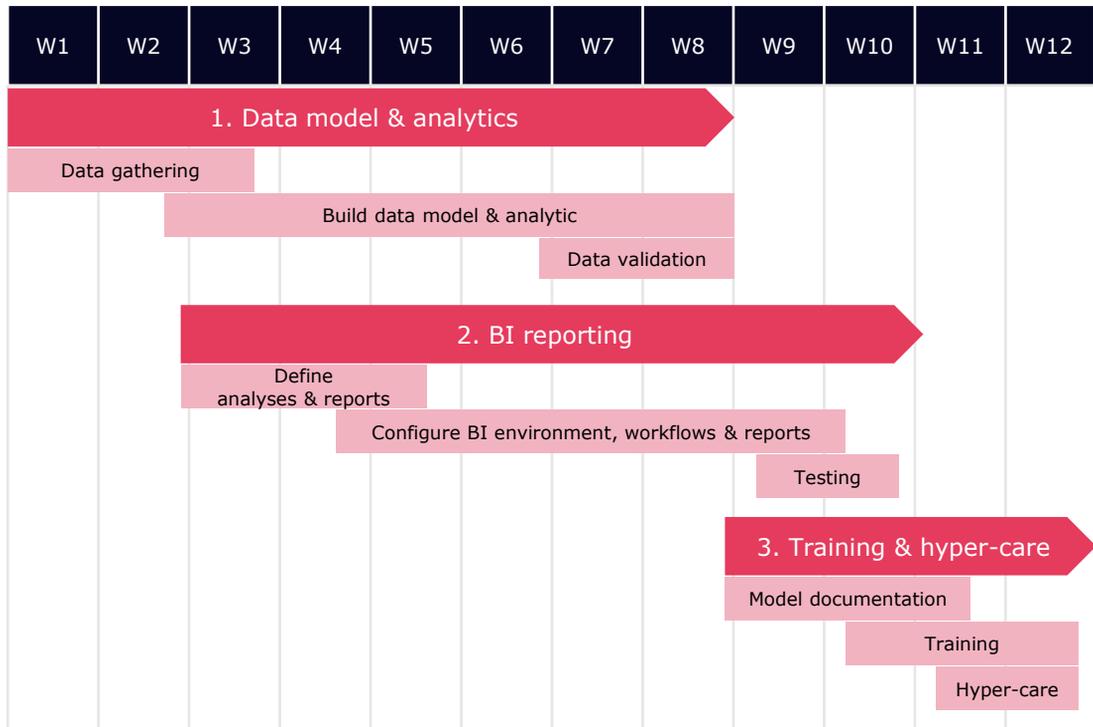
Rootit vs build in-house

In head-to-head comparisons, Rootit outperforms on speed & price.



We can support you to go live in a period of twelve weeks. In the first four weeks the data sources and reporting needs are defined. The following weeks are used to build and test the data model and analytics solution. Finally we ensure an excellent adoption, by training the end-users and monitoring success after the go-live.

Rootit 12-week implementation timeline



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