

# Category Knowledge Drives Commercial Momentum

## Spotless - Category Management

### Category Management

**Margin compression through the supply chain means a combination of vigilance, analysis and market intelligence is defining the leaders in category management.**

**Understanding the nuts and bolts of individual categories can provide the leading edge in today's highly competitive landscape.**

**Take a close look at your category portfolio to identify where you can pick up pace and performance for your business.**

### Case Study – Spotless

#### The Challenge

Spotless provides services to businesses, institutions and Governments globally. It employs more than 27,000 people worldwide and has over 20,000 private and public sector clients throughout Australia and New Zealand.

The Spotless procurement team manages a multitude of categories, principally in the highly competitive sector of fast-moving consumer goods. Knowledge of market dynamics is crucial to ensure the needs of consumers are met.

Spotless had a team of category managers applying business strategies that produced effective results.

A new strategy, supported by the appointment of a new Chief Procurement Officer, was to “lift the bar” and review existing processes to uncover unidentified opportunities to deliver value.

One of the stated commercial objectives was to seek cost saving opportunities.

#### Our Approach

Having facilitated more than 100 category workshops and developed category strategy frameworks for leading global organisations, The Faculty was able to assist Spotless in its category review.

In collaboration with the Spotless procurement team, The Faculty implemented a framework to uncover potential cost-saving data.

Experts in their field, Spotless category managers' knowledge was crucial to the success of the project. With this knowledge, and expertise in managing categories in all sectors, The Faculty delivered a summary of forty different categories, which included:

- ▶ Current supply arrangements
- ▶ Expenditure profile
- ▶ Market dynamics
- ▶ Supplier profiles
- ▶ Risks
- ▶ Short-term actions
- ▶ Long-term strategic focus

Using the consolidated data, The Faculty facilitated a two-day workshop with the Spotless category management team to agree upon priorities and strategies.

#### The Results

Knowledge gained from this sustained category focus revealed potential multi-million dollar cost savings. Significant momentum was created during this project which further delivered:

- ▶ A consolidated view of the Spotless category management processes
- ▶ Communication and engagement benefits as the team moved outside their individual category boundaries to a more collegiate approach
- ▶ Clear cost saving targets identified within the category portfolio, supported by specific action plans

**“In a very short space of time, I had consolidated data that I could trust. My team was part of the process and we can all see very clearly where our focus and energies need to be to achieve the goals set by the business.”**

*Chris Anderson, Executive General Manager  
Strategic Procurement, Spotless*