



**Vendor Profile:** Cornerstone Capabilities, recently acquired by NielsenIQ, supports end-to-end RGM processes utilizing their Curve Software, advanced models and easy to use visual dashboards.

Cornerstone’s AI technology—Curve—combined with NielsenIQ’s Connect platform, and exceptional data assets, will extend the commitment to existing and new clients to provide price and promotion analytics leadership with an end-to-end revenue management solution that can fully integrate a clients’ financial, promotional and sales data – delivered globally.

**Geographic Presence:** North America (100%).

**Total Consumer Goods Users (seats):** >250.

**Tiers Represented:** Tier 1 (26%), Tier 2 (53%) and Tier 3 (21%)

**Solution Offerings:** RGM.

**Major Product Sub-Segments Not Covered:** Tobacco, semi-durables (footwear, apparel, furnishings, etc.), and consumer durables (consumer electronics, etc.).

**Data Management:** Cornerstone cleanses and harmonizes data within the system, as a standard part of implementation. Cornerstone understands syndicated and POS data very well and have proprietary algorithms to ensure common data quality issues are addressed before loading into their Curve software.

**Baseline Creation:** Cornerstone can use syndicated baselines; however, they have a proprietary baseline algorithm that they often use for clients when syndicated baselines aren’t sufficient.

**Headquarter Capabilities:** See RGM Analytics below, as all headquarter capabilities are fully embedded in the RGM suite

**Marketing:** N/A

**TPM:** N/A, but they can API into any existing TPM platform that a manufacturer utilizes.

**General Analytics:** See RGM Analytics below, as all analytics are fully embedded in the RGM suite.

**TPO:** See RGM Analytics below, as TPO is fully embedded in the RGM suite.

**Analytics Modeling:** Cornerstone Capabilities uses advanced analytics and statistical models (regression, random forest, as well as Bayesian learning models), they generate demand functions, cannibalization, and category expandability. They define business objectives as math-based optimization problems with real world limitations and guardrails built in as model constraints. The models use iterative loops of scenario testing to maximize profit across the portfolio.

**RGM Analytics:** The best way to think of Cornerstone is “Revenue Management in a Box.” It is a full suite of pricing and promotion tools that are very visual and intuitive, allowing for sales, finance, and marketing to utilize the same tools for pricing, promotion, and reporting vs. multiple systems. Cornerstone provides an intuitive interface to manage all aspects of creating a price-promotion framework that can be used to build an annual operating plan as well as customer plan for joint business planning.

The main drivers of ROI for Cornerstone’s clients reside within their predictive and prescriptive capabilities, scenario planning and promotion optimization dashboards. Cornerstone has Promo Calculator, a side-by-side scenario planning view with full PandL viewer. The visual promotional elasticity curve and promotional “multipliers” (e.g., flyer, display) featured beneath the scenarios so a planner can easily see the individual activity impact is powerful. The Beat-the-Curve dashboard helps a user ascertain what promotions worked or didn’t vs. “expected” lift from price discount alone.

They can test and learn from different promotional strategies to see what brands respond best to various promotion levers like price thresholds and multiples. POI affirms this has tremendous benefit for HQ teams who are evaluating go-to-market-strategies (GTMS). The goal is to find what activities beat the curve, which is visually depicted nicely. The Portfolio Map is critical to annual operating plan development. Sales, marketing, finance, RGM, and Sales Strategy collaborate on this report to determine brand/pack strategy: price increase opportunity, drive non-price growth, invest for volume etc. For trade spend and promo ROI tools, the Fishpond dashboard helps users to determine where they want to push and pull activity, and reallocate trade dollars. Waterfall Reporting visually shows the outcomes from various scenarios to show the drivers of change and helps a user to understand which products, markets, etc. are driving key metrics such as revenue, profit, etc.

To drive improved scenario planning and optimization, Cornerstone has artificial intelligence capabilities within their Category Optimizer dashboard, Portfolio Advisor. This focuses on maximization of several metrics including; manufacturer profit, trade spend, net revenue, etc. via identification and execution of optimal regular, instore, and flyer pricing. Their platform uses smart business constraints to make the results realistic and executable. If you are trying to maximize profit across your portfolio, want to take a price increase without negatively impacting sales and/or retailer margins, or are time-starved in scenario planning, AI can positively impact your planning. By using Portfolio Advisor, you can now find the most profitable scenarios across your portfolio. By identifying trends and relationships in the data, the system delivers pragmatic and actionable recommendations, thereby enabling faster decision-making, planning, and more accurate forecasts and assumptions.

In terms of “foundational dashboards,” POI likes the Pricing Bandwidth (ladder) capability that helps a user understand their company’s pricing vs. competition. A user can evaluate pricing strategy and drill through the path (multiple hierarchies) to see pricing strategies by region with weekly detail. One can understand who has taken price when and evaluate potential “next step” options. It enables the organization to evaluate where there is room to take price.

Another valuable analytical tool is Rangefinder, which enables an RGM and pricing team to answer key business questions (for example, “How much of my volume sells at a given price point?”) with the goal of pulling back on heavily funded price points. A user can review key price thresholds (simple slider), learn what price points are critical (via sales velocity changes), see where the organization is over/under funding, and also determine which customers will be impacted by a change. One can see natural price thresholds from the tool and take action.

Many vendors have bump reports to depict non-promoted and promoted volume flow, but Cornerstone’s representation is excellent and customizable by user. Users can directly input data where they have additional promotional details that aren’t represented in the data (e.g., price multiples, loyalty points, etc.). We really like the split-screen capability to see cross-customer cannibalization impact. A suite of “rear-view mirror” dashboards, reporting, and executive summary tools allow data reporting to all be in a single location.

Cornerstone has the capability to “exclude weeks”, which carries through the software to eliminate data anomalies. This enhancement came about as a result of COVID and will be leveraged going forward. Cornerstone released a new way to plan using a “Weekly Planner” view. This view is a calendar view which takes into consideration both holidays and Marketing events. The functionality to see elements of promotions and copy/paste them easily and dynamically within the calendar takes planning to a new level in Cornerstone. Cornerstone can integrate directly to any TPM platform, eliminating the need to swivel seat in the optimized promotions into a separate system.

**User Experience (UX):** Cornerstone converts the “tough to explain” market research lingo into easy and simple sales vocabulary. All of the tough “research and optimization” oriented terms (i.e., Elasticity/multipliers, etc.) are available, but are hidden within default views. Data and pages are laid out in simple terms for all levels of the organization including Sr. Executives to easily understand what is happening. The calendar has been enhanced to include all marketing and GTMS planning inputs. It is highly visual and intuitive. Each of the reports reviewed in the analytics section have visual representations that are easily deciphered and actionable. These are reports that drive insights for a user and cross-functional team. Reports are exportable directly to PowerPoint so teams can pick up a graph or data that they need to create an internal or part of a retailer story. Cornerstone’s hands-on approach ensures that they are not just delivering software, but rather, they are involved in many aspects and stages of annual and quarterly planning with their clients. This allows Cornerstone to incubate best practices directly within the various account teams and across their clients. Training of client “Power Users” ensures that there is enthusiasm and expertise residing on-site at all times within the cross-functional teams.

**Food Service:** N/A

**Configuration/Customization:** Cornerstone does allow for some customization within their software, but also actively solicits input from clients and prospects, adding many of these suggestions into product roadmap. As part of Cornerstone consulting services, they work with clients on RGM and planning best practices which lessens the client’s desire for customization and improves user adoption and insights gained from the analytics.

**Technology Architecture/Delivery Options:** Public cloud.

**Service Partners:** None, Cornerstone capabilities provides service as well as capabilities.

**Technology Partners:** Amazon Web Services, Azure.

**Vendor Trend:** They have demonstrated the ability to listen to their clients, market needs, and industry advisors. As a result, they have a strong future roadmap. Cornerstone has an impressive ability to turn around a new enhancement quickly when it is strategic for their client base. They have made the right investments in their people and platform. Cornerstone has a great ability of making technical things simple, and we look forward to this platform taking on additional layers of CPG AI application. The NielsenIQ acquisition of Cornerstone is mutually beneficial for both organizations. The acquisition demonstrates the continued commitment to CPG clients. Incorporating Cornerstone’s software into NielsenIQ’s existing price and promotion suite of products will further expand the scale of our analytics capabilities and broaden solutions to global clients. NielsenIQ’s data and analytics coupled with Cornerstones AI capability will provide a unique and unbiased view of consumer behavior and bring more transparency and clarity to price and promotion strategies.

**Strengths:** Cornerstone’s unique blend of RGM focused TPO software and processes, combined with real-life experience through consulting services, has created a strong TPO value proposition. The Cornerstone team is hands on with their clients and can help initiate business reviews and forward-looking planning processes throughout the clients’ organization, helping deliver “one version of the truth.” They create elasticity coefficients for the entire category (all PPG’s and banners/markets) and update them every 4wks.

They can launch with a brand-new client in 3-4wks from the time they have access to data and their speed for each data refresh is typically within 48-72hrs from the time data is available. In addition to the client centric model, the recent acquisition of Cornerstone by NielsenIQ, demonstrates the team's commitment to continue a client centric model along with the global data and expertise from NielsenIQ. Now more than ever, CPG brands need to understand, leverage price and promotion analytics, especially in environments with unpredictable or rising inflation coupled with the continuing uncertainty of the COVID-19 pandemic and other macroeconomic disruptions.

**Adjacent Offerings:** N/A.

**Key Differentiators:** RGM focused services in combination with intuitive RGM and Trade Promotion Optimization Advanced Analytics. The hands-on approach can take an organization from limited or no knowledge of RGM practices and embed into the enterprise exceptional advanced analytics. Cornerstone's speed to launch and to actionable insights is impressive.

**Outlook and Prognosis:** Cornerstone has a strong and insightful platform and is coupled with a team that thrives on serving its customer needs. Cornerstone has a solid business in Canada and a growing list of new customers and pilots in the U.S. Further global expansion is in motion, and we feel confident their passion and drive will overcome any obstacles and mitigate growing pains. They have started down the path of hiring and partnering with the right people and continuing to do so as they scale up into new markets to ensure success. NielsenIQ's acquisition of Cornerstone will provide investment and resources for the platform, Cornerstone organization and clients.

**Evaluate Cornerstone When:** Consider Cornerstone when you are resource strapped, require speed to market and are looking for RGM software to guide better price/promo decisions. With Cornerstone you don't need to have an RGM plan, they can lead and guide your journey.

**Avoid Cornerstone When:** You are only looking for TPM (transactional) capabilities or are interested in TPO capabilities outside the RGM lens and framework noted above.

**Distinction:** RGM

**For more information, visit [Cornerstone Capabilities website](#).**