

## Integrating Trade Promotion Management With SAP CRM For Enhanced Brand Spend Optimization: A Case Study In The Consumer-Packaged Goods Industry

**Vinayak Kalabhavi**

Sr.SAP SD/CRM Consultant, Denken Solution, USA

### Abstract

In a complex retailing environment, there is mounting pressure on retailers to maximize trade promotion expenditure and still have a competitive edge in the consumer-packaged goods (CPG) industry. This paper looks into how to integrate Trade Promotion Management (TPM) systems with SAP Customer Relationship Management (CRM) systems so as to optimize brand spend. This study, based on the study of the implementation experience and quantitative results achieved by the leaders in the manufacturers of CPGs, shows that a full-fledged integrative implementation of TPM and CRM leads to measurable enhancement of promotional performance, financial control, and effectiveness. This research finds that the organizations that use integrated TPM-CRM solutions have distant benefits as they reduce promotion planning cycles, increase forecast accuracy, and ROI. Such observations facilitate strategic knowledge to CPG manufacturing companies that aim at streamlining their trade spend via quality system integration approaches.

**Keywords:** Trade Promotion Management, SAP CRM, Brand Spend Optimization, Consumer Packaged Goods, System Integration.

### 1. Introduction

The Consumer-Packaged Goods industry contended with a more complicated industry environment where competition is intense than in the past, retailing is changing faces, and highly sophisticated consumer demands. Trade promotions can be described as a significant part of the CPG marketing efforts, and manufacturers usually spend 15-25

of their gross sales income on promotional practices (Ijomah et al., 2024). The Market size and growth with most recent trends (Figure 1.) below have huge potential to grow the market share if the companies adopts itself for the trends shaping up the industries. Nevertheless, controlling such large investments is very difficult; in fact, not every organization has managed to get good returns on its investment in promotions.



Figure 1. Consumer Packaged Goods (Strategyhere, 2022).

The conventional trade promotion management processes tend to experience disintegrated systems, an inability to access promotion performance, and poor interconnection between the planning and action mechanisms. A combination of dedicated Trade Promotion Management systems and widespread Customer Relationship Management systems can make a forbidding answer to these difficulties. Finding SAP CRM equipped with the powerful TPM functionality, a manufacturer obtains a chance to establish integrated promotional environments that would begin with strategic planning and end with the stage of operational realization and payoff.

This integration is not as trivial as efficiency in operation. In the era of data-intensive business have been characterized by the need to capture, analyze, and take actions based on promotional data in real-time has become a competitive edge. Companies that manage to harmonize TPM and CRM systems give themselves an opportunity to make decisions regarding investments in promotion more competently, streamline relations with customers, and, as a result, achieve better financial results.

## 2. Literature Review

The latest studies have indicated that the use of integrated TPM-CRM systems in the CPG industry can be revolutionary. Arvapalli (2025a) shows that broad-based

integration structures with SAP CRM parts of promotion management and s/4HANA deals and conveyance systems have an enormous quantitative advantage and incorporate a 3.7 percent yearly revenue upgrade and a 37 percent decrease in promotion calculation times. These results highlight the strategic advantage of the system integration to deal with traditional promotional management. Successful TPM-CRM integration has been well documented as far as the technical architecture is concerned. Rahman et al. (2025) underscore that integrations of Enterprise Resource Planning and Customer Relationship Management systems yield comprehensive perspectives into both internal processes of operation and customer-related systems, thus facilitating an improved relational decision-making and delivery of value. They show, in their meta-analysis, that integration tools with varied perspectives, such as middleware platforms, cloud-based microservices, have vital roles in ensuring the smooth flow of data and internal good operations.

Another very important feature of integrated systems is promotional effectiveness measurement. Arvapalli (2025b) explains that better order processing, promotion effectiveness, delivery performance, and customer satisfaction are provided by the improvement of master data synchronization, promotion flow management, and

financial reconciliation. All these enhancements play a direct role in the maximization of the brand spend since they can guarantee that the investments made on promotions are well streamlined with the customer needs and the market opportunities.

The place of artificial intelligence and automation in the integration of TPM-CRM processes has drawn more and more interest. Arvapalli (2025c) examines the role and benefit of automation via AI workflows, robotic process automation, and conversational AI in augmenting operations and maximizing Return on investment. The new technology is the new battleground in promoting management, where unmatched spending can occur due to predictive analysis and executable decision-making.

The effectiveness of customer relationship management in emerging markets gives more background to the overall implications of CRM systems. Ijomah et al. (2024) examine the ways of promoting sales with the help of CRM tools through easing the sales process, customer data management, and providing individualized marketing approaches. Their studies prove the fact that CRM solutions deal with such common issues as data fragmentation and insufficient information about clients, which are especially appropriate in the framework of promotional management.

### 3. Methodology

The present study uses a descriptive research methodology, relying only on secondary research, which is represented by published works of case studies, local whitepapers of industries, SAP reports, and research papers published in peer-reviewed journals. The aim was also to interrogate actual case studies on how Trade Promotion Management (TPM) systems and SAP Customer Relationship Management (CRM) systems have been merged by the Consumer-Packaged Goods (CPG) companies in order to improve brand spend optimization. The case studies that were to be used were identified based on relevant reality-based documentation of the integration results, such as better promotional planning, revenue growth, operational effectiveness, and technological adjustments. The available literature of other companies like Vision11, ScienceSoft, Infosys, PwC, etc., was examined to derive valuable conclusions. The cases have been analysed in order to recognise shared benefits, integration practices, and outcomes of success in different settings. The focus was on the narrative presentation of the implementation journey of each of the companies, the problems associated with it,

tools applied (e.g., SAP BW, ERP, APO, S/4HANA), and the improvements that occurred in the course with the help of the implementation.

This approach will give a unified sense of industry practices and results, which will be used to develop a strategic sense that should be adopted by any organization that contemplates making similar integration within the CPG industry

## 4. Results

### 4.1 Case Study Analysis: European Consumer Goods Companies

#### Targeted Sales Promotion Optimization

Another European company dealing with consumer goods managed to restructure its promotion management through the utilization of SAP CRM combined with complex TPM processes (Vision11, n.d.). This was done by planning, calculating, simulating, executing, and analysing the success of this implementation through the SAP CRM middleware that was attached to Business Warehouse (BW), ERP, and Advanced Planning Optimization (APO). The single web-based front end allowed the top-down and bottom-up methodologies of planning to allow the real-time measurement of success with ease of data flow between systems. The effect that the usage of standardized data extraction frameworks has on its ability to reduce the time spent developing reports by 76 percent when compared to that of using ad-hoc data extraction techniques (Gannamneni et al., 2021). Such integration has led to more accurate promotional planning, better budgeting control, and the highest sales lift driven by the use of data on the scope of promotional planning.

#### Legacy System Integration and Modernization

A Dutch consultancy firm in SAP software offered a complex solution to integrating legacy TPM software (PromoXL) with the most recent on SAP infrastructure to the clients in the CPG industry (ScienceSoft, n.d.). This was solved through integration of a thorough analysis of the systems, documentation, and implementation of smooth information protocols in the promotion planning, implementation, and tracking. Studies also confirm that master data synchronization minimizes the processing time of orders by an average of 30 percent because redundant data entry and verification processes are dispensed with (Piehl, 2013). The combination created the synergy between the promotions planned and inventory

estimates and made it possible to compare and consider promotional efficiency. This strategy provided cost-effective on-budget and on-time implementation, and continued post-implementation support that led to effectiveness in promotion management and better trade spend control.

### **Sales Performance Enhancement**

In a huge European beverage company, TPM implementation based on SAP CRM helped it convert its time-consuming manual promotional processes based on Excel. Their solution offered real promotion visibility, a better budget management system, and complex demand forecasts. The overall implementation comprised the business analysis, solution design, testing, and functional deployment in an intensive business-IT cooperation. Improvements came in the form of a 4-18 percent uplift in the efficiency of trade promotion investment, 12-16 percent sales lift, less unprofitable trade spend thanks to scenario building, and a more productive sales force (Infosys, 2018).

## **4.2 Advanced Implementation Strategies**

### **Accelerated Planning and Execution**

A major European CPG manufacturing company was aiming to decrease the time available to plan and execute promotions to make them more responsive in the market. Automated planning, simulation, and success tracking in real time was made possible by the SAP CRM TPM implementation- SAP BW and SAP ERP. In the research by Forrester Total Economic Impact, organizations that applied SAP Cloud for Sales solutions gained ROI in three years in the amount of 306%, and sales representatives did less administrative work with 15-20 percent (SAP Community, 2014). The main consequences were the reduction in planning and implementation time by 23 percent, the 17-point increase in the forecast accuracy, and the wastage of the promotional spend by approximately 780,000 euros per year without affecting the sales volumes. The solution was used to promote agile, timely promotional measures using real-time performance feedback possibilities.

### **Multi-category Business Integration**

A multi-category consumer products goods company needed an end-to-end connection of TPM software, demand planning, and SAP ERP to improve their trade spend and promotional effectiveness. Demand planning, SAP ERP, and TPM systems are tightly integrated to enable a tightly integrated solution to align the promotion to the

inventory and forecast data. It has been shown that in cross-system implementations, 68 percent of order processing errors can be attributed to the customer data misalignments (Gannamneni et al., 2021). Other advantages featured the higher correspondence between promotion business with respect to reality, an increased ability to KPI tracking so that high-ROI promotions would be presented, and decision-making abilities toward the optimization of trade spend.

## **4.3 Digital Transformation Enterprise Integration**

### **Digital Transformation as a Holistic Process**

One beverage-based company in Europe was unable to gain visibility on its spending and also faced manual promotion processes; it therefore implemented an SAP CRM based TPM solution, which has been integrated in the areas of sales, finance, and the supply chain. The study conducted by SAP has revealed that the revenue of digitally transformed businesses increases by over 23 percent as compared to that of their competitors (SAP Insights, n.d.). The transformation provided better visibility of promotional spend, minimized trade steps spend by designing scenarios and channel performance analytics, increased sales lift by 12-16 percent, and improved returns of trade investment by 4-18 percent, and also rectified sales force productivity with better relations with the retail partners.

### **Enterprise-Scale S/4HANA Integration**

Hershey's implementing TPM optimization practices by modeling with PwC is an example of an enterprise-level participation in SAP S/4HANA (PwC, 2025). This hands-on strategy involved designing and developing an SAP-based TPM platform that will be fully S/4HANA compatible with managed TPM services to be followed. The introduction demonstrated nearly 99.5 per cent precision when estimating trade investments, 7.30 basis points of enhanced performance in utilising trade spend, and more than 50 per cent decrease in mishaps in the functioning of the TPM systems. Its implementation has brought efficient promotional processes with real-time reconciliations on finances, an increase in the promotion flow-through, and successful rates of the first set promotion, better promotional budgeting and ROI readings, and continuous optimization with managed services.

### **Important Success Factors and Advantages**

Along the line of all the case studies, some critical success

factors were identified. The reality of increased visibility and control achieved via SAP CRM-incorporated TPM systems offered real-time information on promotion performance and the ability to make adjustments proactively and to make decisions confidently. Data-driven planning and analytics facilitated trade spend optimization by helping to realize which promotions were profitable and which were not helpful to save lost promotion dollars. The studies have shown that organizations using event-driven patterns of data extraction enjoy 91 percent savings in data latency when compared to the traditional batch extraction methods (Gannamneni et al., 2021).

Better stock-out was minimized by enhanced sales forecasting by means of effective simulation and forecasting functions. This helped in planning of inventory better. Automation by eliminating manual procedures created greater efficient operation time and did not put much pressure regarding administration and allowing time to concentrate on revenue generation activities. The key integrated ecosystem between SAP CRM, ERP, BW, and Demand planning was able to connect the smooth processes between planning of promotions and their execution, as well as analysis.

## 5. Conclusion

Integration of the Trade Promotion Management systems and SAP CRM platforms should be regarded as one of the innovative approaches toward brand spend optimisation in the Consumer-Packaged Goods industry. This paper demonstrates that end-to-end integration has a massive quantitative benefit of improved promotions, improved financial management, and high operational efficiency.

The facts and figures offered prove the notion that integration of TPM-CRM cannot be simply discussed as a technical upgrade, but instead, a critical approach that any CPG manufacturer can employ in making it competitive in the complexities of the market conditions. Effective organizations in terms of the application of integrated promotional systems in management have been able to maximize trade spend and build more customer-related relationships and business improvement as a whole.

This gives a very powerful strategic implication in addition to short-term improvement in operations. The ability to component manages investments in promotion through combined, information-based systems will turn out to be decisive in the long-term success of the CPG sector as it continues to change. Even institutions that now invest in

the future by the application of in-depth TPM-CRM intersections will turn out to be more equipped to follow cross-industry and technological opportunities in the future.

The altered environment of the promotional management technology should also be analyzed in further work, although matters to be paid attention to are the artificial intelligence and predictive analytics capabilities. This will be further supplemented by cloud-based integration platforms and powerful analytics tools, which are only going to take the level to which the systems can increase the value to the integrated TPM-CRM systems of the CPG manufacturers.

## 6. References

1. Arvapalli, S. (2025a). SAP CRM Trade Promotion Management and S/4HANA SD Integration: Streamlining Promotion Planning and Execution. *Journal of Computer Science and Technology Studies*, 7(2), 591-597. [10.32996/jcsts](https://doi.org/10.32996/jcsts)
2. Arvapalli, S. (2025b). SAP CRM and SD Applications: Transforming operations in the CPG Industry. *World Journal of Advanced Research and Reviews*, 26(01), 3640-3651. [10.32996/jcsts.2025.7.2.63](https://doi.org/10.32996/jcsts.2025.7.2.63)
3. Arvapalli, S. (2025c). AI and automation in SAP CRM TPM and S4/HANA SD: Enhancing promotion planning and sales processes. *World Journal of Advanced Engineering Technology and Sciences*. <https://doi.org/10.30574/wjaets.2025.15.2.0499>
4. Gannamneni, N. K., et al. (2021). Integrating SAP SD with third-party applications for enhanced EDI and IDOC communication. *Universal Research Reports*. <https://www.researchgate.net/publication/384541473>
5. Ijomah, T. I., Nwabekee, U. S., Agu, E. E., & Abdul-Azeez, O. Y. (2024). The impact of customer relationship management (CRM) tools on sales growth and customer loyalty in emerging markets. *International Journal of Management Research*, 15(3), 287-304. [10.51594/ijmer.v6i9.1533](https://doi.org/10.51594/ijmer.v6i9.1533)
6. Infosys. (2018). Getting more bang for the buck with trade promotions. Infosys Limited. <https://www.infosys.com/industries/consumer-packaged-goods/documents/trade-promotion-management.pdf>

7. Komorowska, K. (n.d.). When discounts pay off: How to measure the impact of trade promotions. Lingaro Group. <https://lingarogroup.com/blog/when-discounts-pay-off-how-to-measure-the-effectiveness-of-trade-promotions>
8. Piehl, M. (2013). Service management - Configuring the integration with SD through RRB. SAP Community. <https://community.sap.com/t5/technology-blogs-by-members/service-management-configuring-the-integration-with-sd-through-rrb/ba-p/12962344>
9. PwC. (2025). Hershey's trade promotion management transformation yields sweet rewards. PwC Case Studies. <https://www.pwc.com/us/en/library/case-studies/hershey-trade-promotion-management.html#:~:text=Hershey's%20trade%20promotion%20management%20transformation,one%20Kiss%20at%20a%20time>.
10. Rahman, M. A., Zamil, M. H., & Hoque, A. B. (2025). A meta-analysis of ERP and CRM integration tools in business process optimization. ASRC Procedia: Global Perspectives in Science and Scholarship, 1(1), 278-312. [10.63125/yah70173](https://doi.org/10.63125/yah70173)
11. SAP Community. (2014). New Forrester study: The total economic impact of #SAPCloud for Sales. <https://community.sap.com/t5/technology-blog-posts-by-sap/new-forrester-study-the-total-economic-impact-of-sapcloud-for-sales/ba-p/13079343>
12. SAP Insights. (n.d.). What is digital transformation? <https://news.sap.com/sea/2020/12/digital-transformation-imperative-for-business/>
13. ScienceSoft. (n.d.). Effective integration of trade promotion management software with demand planning system and SAP ERP. ScienceSoft Case Studies. <https://www.scnsoft.com/case-studies/trade-promotion-management-system-integration>
14. Vision11. (n.d.). Trade promotion management with SAP CRM. Vision11 GmbH. <https://www.visioneleven.com/en/success-stories/trade-promotion-management-with-sap-crm/>
15. Strategyhere. (2022, June 13). Consumer Packaged Goods - StrategyHere - Medium. Medium. <https://medium.com/@info.strategyhere/consumer-packaged-goods-6f0c59512539>