CSI Trade Story:

TSVC's Retailer-focused scenario model for successful innovation launches

The FMCG market is changing faster than ever. Innovations follow each other at a rapid pace, while retailers are setting increasingly strict requirements for the justification of product introductions. A strong concept or a good sales presentation alone is often no longer sufficient; retailers want insight into category impact, shelf efficiency, rotation, and concrete growth scenarios.

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Over the past several years, TSVC has specialized in forecasting the sales potential of innovations across a variety of market conditions. By combining volumetric models, virtual shelf simulations, and scenario analyses, new product launches can be assessed in advance for the impact of factors such as consumer awareness, distribution, pricing, promotional intensity, and shelf positioning. This expertise has led to the development of: **the CSI Trade Story**.

Retailer-Specific Optimization

The CSI Trade Story builds on TSVC's existing CSI Volume Validator model. Whereas traditional volume models primarily answer the question of how much volume an innovation can generate, the CSI Trade Story translates these insights into the commercial reality of a specific retailer.
This means that the focus is not only on the total market potential, but more importantly on the role of the innovation within the actual shelf environment of retailers such as Albert Heijn, Tesco, Delhaize, or Colruyt.

The models provide insights into:

- The optimal shelf position for the innovation
- Which products will gain or lose volume
- How the introduction impacts the total category
- Which pricing strategy delivers the best results
- How awareness and promotional activities reinforce each other
- Which scenarios lead to maximum retailer revenue.

As a result, an innovation evolves from being just another new product into a data-driven and retailer-specific growth story.

The shelf as the decision moment

A key principle of the CSI methodology is that consumer decisions largely occur unconsciously at the shelf. Many traditional studies ask consumers directly if they would buy a product. In reality, purchase behavior is determined within seconds by dozens of factors simultaneously: visibility, price comparison, packaging, brand recognition, promotions, and competing products.

The CSI Trade Story simulates this exact decision moment. Innovations are not tested in isolation but placed within the actual retail shelf, alongside existing products, current prices, and competing alternatives. This results in a more realistic view of future shopper behavior per retailer.

This creates a far more realistic picture of future shopper behavior for each individual retailer.

This also makes the outcomes particularly relevant for trade marketers and category managers. After all, retail is not just about innovation itself, but ultimately about answering one critical question:

"What happens to my total category when this product is introduced?"

The CSI Trade Story provides exactly that insight. It transforms innovation validation into a retailer-specific growth strategy, supported by realistic shopper behavior and category impact analysis.

Joint Growth Planning

One of the key advantages of the CSI Trade Story is its strong focus on collaboration between manufacturers and retailers.

Instead of a traditional sales pitch, the approach creates a joint optimization session in which multiple scenarios can be evaluated and discussed, such as:

- What happens if the product is placed in a different shelf position?
- What is the impact of premium pricing versus promotional pricing?
- What levels of consumer awareness are required?
- How does product rotation develop at different distribution levels?
- What happens when the product is positioned next to a market leader?
- Which launch scenario delivers the maximum category growth?

As a result, the conversation shifts from "Should we list this product?" to **"How can we make this launch successful together?"**

Retailers are increasingly looking for suppliers who actively contribute to category development. Suppliers who can precisely substantiate the optimal shelf position and accurately predict the expected category impact have a significant competitive advantage.

Flexible Scenarios

The strength of the **CSI Trade Story** lies in its flexible scenario modeling approach. The model enables a wide range of market conditions to be simulated, including:

- Consumer awareness levels
- Weighted distribution
- Pricing scenarios
- Promotional support
- Alternative shelf configurations
- Retailer-specific assortment scenarios.

As a result, the output is not a static forecast, but a dynamic management tool.

For example, it becomes possible to quantify exactly how much additional volume is generated when consumer awareness increases from 20% to 50%, or when an innovation is placed at eye level instead of on the bottom shelf.
The model also reveals which products within the existing assortment are likely to come under pressure and which products generate incremental sales or additional shopper traffic. For retailers, this provides a much more concrete basis for decision-making than traditional sales presentations or generic market forecasts.

This provides retailers with a much more concrete basis for decision-making. After all, a listing decision ultimately comes down to an allocation question.

This is where the true power of the CSI Trade Story lies: not just in forecasting the future, but in partnering with retailers to create successful, sustainable category growth before the launch takes place!

Not Just Volume

An important element of the **CSI Trade Story** is that it goes beyond analyzing the volume potential of the innovation itself. The model also evaluates:

- Source of business
- Cannibalization effects
- Category growth
- Incremental retailer revenue
- Changes in shopper behavior

This provides a more realistic view of the true business impact of an innovation. After all, an innovation may generate high sales volumes while simultaneously taking volume away from existing products within the same assortment. Therefore, the key question becomes:

How much incremental category revenue does this innovation actually create for the retailer?

This distinction is becoming increasingly important as retailers take a more critical view of assortment profitability and shelf efficiency.

"Shopper purchase decisions are made within seconds and are shaped simultaneously by dozens of factors, such as visibility, price comparisons, packaging, brand recognition, promotional activity, and competing products."

A More Strategic Role

The introduction of retailer-specific volume models for innovations is also transforming the role of trade marketing, moving it increasingly towards strategic category consultancy.

With the help of the **CSI Trade Story**, companies can:

- Provide retailers with better-informed recommendations
- Strategically substantiate shelf positioning decisions
- Optimize product launches
- Bring greater objectivity to internal sales discussions
- Conduct more effective forecasting conversations
- Directly link marketing investments to retailer performance

For many organizations, this creates a new way of working. Instead of launching first and evaluating performance afterwards, companies can analyze, optimize, and align multiple scenarios with retailers before the launch takes place.

This transforms trade marketing from a supporting commercial function into a strategic partner in category growth and retailer success.

Rather than launching first and evaluating performance afterwards, companies can optimize their launch strategy upfront, thereby reducing risk and maximizing the probability of success. By evaluating all relevant variables within the scenario model in advance, a far more robust business case can be built.

At the same time, retailers are becoming increasingly data-driven in their decision-making. Consequently, innovation presentations that directly address key metrics such as rotation, penetration, revenue generation, and category growth are significantly more relevant and persuasive within retail organizations.

Bringing Disciplines Together

An interesting additional benefit of the **CSI Trade Story** is its ability to bring together different disciplines within organizations.

Marketing typically focuses on concept strength and brand building. Sales is primarily concerned with listings and revenue generation. Category management focuses on shelf efficiency and retailer value.

The CSI Trade Story creates a shared decision-making framework that aligns marketing, sales, and category management, allowing organizations to prioritize more effectively and make better-informed investment decisions.

The Future

The introduction of the **CSI Trade Story** demonstrates how closely trade marketing and volumetric forecasting are converging.

Retailers increasingly expect tailored solutions, robust evidence, and retailer-specific scenarios. As a result, a generic innovation presentation is becoming less and less sufficient.

The future lies in models that not only predict the potential of an innovation, but also demonstrate how that innovation can be optimally integrated into a specific retail environment.

This transforms forecasting from a purely analytical exercise into a strategic collaboration tool.

Comments or ideas?
In each edition of FPWork, we explore a topic related to innovation. If you have any questions, comments, or suggestions, Gijsbert den Hertog would be pleased to hear from you at **gdenhertog@tsvc.nl**