



Axis MD criticises poor category management

Category management has been turned into “an overly complex, jargon-laden, number crunching exercise, “ according to a specialist consultant in the area.

Jonathan Smith, the managing director of Axis Management Consulting, says that category management is in desperate need of reform. He claims that a sound concept has been hijacked by management consultancies that have created complex systems to further their own ends.

Smith says that as a result 90 per cent of commercial people in the grocery business are “sceptical, disillusioned or plain hostile toward the idea”.

Category management is generally taken to mean the practice of manufacturers and retailers working together to boost total category profits through better understanding of consumer needs, typically in the grocery industry. The practice became popular about ten years ago.

Smith, who was speaking at the Marketing Week conference on category management this week, says: “ A fresh start is needed. This new form of category management needs to be drastically simplified, less obsessed with process and more clearly focused on results.

“Focused analysis needs to replace massive data trawling exercises, and there needs to be increased emphasis on qualitative information and on work at retail store level,” he adds.

He compares the situation category management finds itself in to that of CRM, which many in the marketing industry also feel is in need of a shake up.