



Why Commercial Performance Breaks Down

How decision infrastructure helps teams improve margin, execution and growth

A practical guide to connecting commercial results, business value and action while decisions are still in motion.



The real problem isn't reporting. It's what happens after the report.

Commercial performance doesn't break down because organizations lack data.

Most commercial teams aren't short on data. They work across sales reports, finance reports, promotion summaries, category dashboards, retailer portals, distributor updates, executive scorecards, static reports, custom exports and a growing number of AI-enabled tools.

Yet leaders still find themselves asking the same questions after the fact.

Why did margin move? Did the promotion actually work? Which accounts drove the miss? Where did execution break down? Which result reflects real growth and which one borrowed from next month, shifted margin somewhere else or hid an operating issue underneath the summary?

That's where commercial performance breaks down.

A dashboard may show the result, but the result alone rarely tells teams what to do next. To improve performance, teams must connect current results to the activity behind them, understand what those results mean for profit and growth and act while the opportunity is still in reach.

*Those aren't just reporting questions. **They're business performance questions.***

And in many organizations, the culprit isn't the reports themselves. It's the decision infrastructure behind them. The business can see the results but can't always connect the results to the context, ownership and action needed to improve profit and growth while there's still time.

That creates decision friction.

Decision friction shows up when teams can see performance shifts, but can't quickly agree on why they happened, what they mean, who owns the next move or which action will create the most value. They have the data and the reports; however, the current system around the decision isn't structured to help people move from performance signal to accountable action fast enough.

You may have experienced this already if:

- Your teams can see that performance changed, but can't quickly agree on why.
- Promotion, margin or execution decisions depend on manual follow-up, spreadsheets or reporting requests.
- Different functions trust different numbers or optimize for different outcomes.
- Teams spend more time reconciling performance than deciding what to do next.
- The right action becomes clear only after the window to act is closed.



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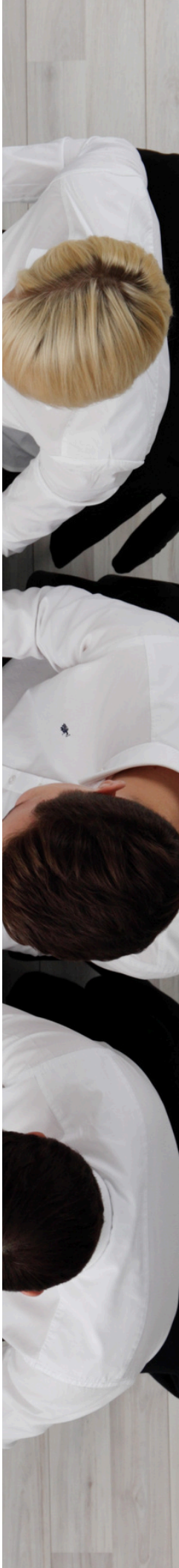
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Why commercial teams stay stuck in retrospective analysis

Commercial teams know the performance improvement cycle: measure performance, see what changed, understand why, act on what matters, learn from the result and use those learnings to guide the next move.

Gaps in the cycle don't show up as awareness. They show up as operational friction.

Most organizations can't move through the cycle cleanly. Before teams can act, they're often dealing with a significant amount of friction – reconciling reports, debating definitions, chasing missing details and aligning on who owns the next move. Each handoff adds drag, creating more distance between the performance signal and the business decision. By the time the team understands what happened and agrees on what to do, the opportunity to protect margin, adjust spend or improve execution may already be gone.

That friction typically stems from a few sources:

Misaligned measures and incentives

Sales, finance, operations, category, revenue growth and leadership all look at performance through different lenses because each team owns a different part of the business. Sales may need volume. Finance may need margin. Operations may need efficiency. Category teams may need velocity, assortment strength and promotion performance. And leadership may need growth and profitability.

Each view matters; however, problems compound when those views don't connect to the same definition of business value. A team can make a reasonable decision within its own function and still work against the broader outcome the company needs.

For example, a sales decision may increase volume while weakening margin. A promotion may lift one item while hurting the total category. An operational decision may reduce cost while damaging availability or customer performance.

Functional priorities should continue to exist.

However, those priorities need to connect to profit and growth in a way that teams can see, trust and act on.

Data that sits in silos

Commercial performance typically doesn't live in just one system. That performance depends on a connected web of data, business logic and operational context across sales, finance, inventory, pricing, promotions, retailer scans, distributor activity, customer hierarchies, store-level performance, route execution, supplier programs, cost data and operational workflows.

Together, those signals help explain the health of the business and where action should happen next.

However, when those views remain disconnected, each team sees only a portion of the business. Departments and partners may make reasonable decisions from where they sit while the broader business outcome moves in the wrong direction.

Summaries hide the detail that explains performance

Summaries help leaders see the business at a glance, but also tend to hide the operating detail needed to understand root cause.

A top-level margin number may still appear stable while certain customers, routes, products or stores underperform. A promotion may appear successful in aggregate but cannibalize a profitable companion item. A route may appear on plan while cost-to-serve weakens profitability.

When details disappear too early, teams lose the path back to the activity that shaped the final outcome. They can see the result, but can't always see what created it, what it means for the business or what decision should change.

Ownership and action aren't always clear

Even when a performance issue is identified, the next move isn't always obvious.

A margin problem may be more complex. It may involve pricing, product mix, promotion strategy, account behavior, cost-to-serve and/or field execution.

A miss on a promotion may require mutual understanding and agreement to rectify. Alignment must involve sales, finance, category and operations to adjust spend, modify timing, fix execution or rethink a follow-up program.

Routing issues may masquerade as volume problems until cost-to-serve shows the real decision is about delivery frequency, order minimums or how an account should be served.

These scenarios quickly become decision friction: they add cost, dilute margin and slow performance improvement.

Teams lose time deciding who owns the issue, which tradeoff matters most and whether they're solving the right problem. Decisions may default to the loudest function, the easiest metric or the next scheduled review instead of the action most likely to improve profit and growth.

That's why commercial teams feel stuck even after investing in reporting tools. They have visibility, but inadequate understanding. They have data without context. And dashboards without the decision infrastructure to reduce friction between performance, ownership and action.

Decision friction often sounds like:

"We need finance to validate the number first."

"That's not how sales measures it."

"We need a new report to answer that."

"By the time we know, the promotion will be over."

"Who actually owns this?"

"We can see the issue, but we don't know what to do about it."

The feedback cycle and the performance foundation



The shift from retrospective analysis to a faster performance feedback cycle

Decision friction keeps commercial teams stuck between knowing something changed and deciding what to do about it.

The goal isn't just faster reporting. It's a faster, more complete feedback cycle between performance, context, ownership and action.

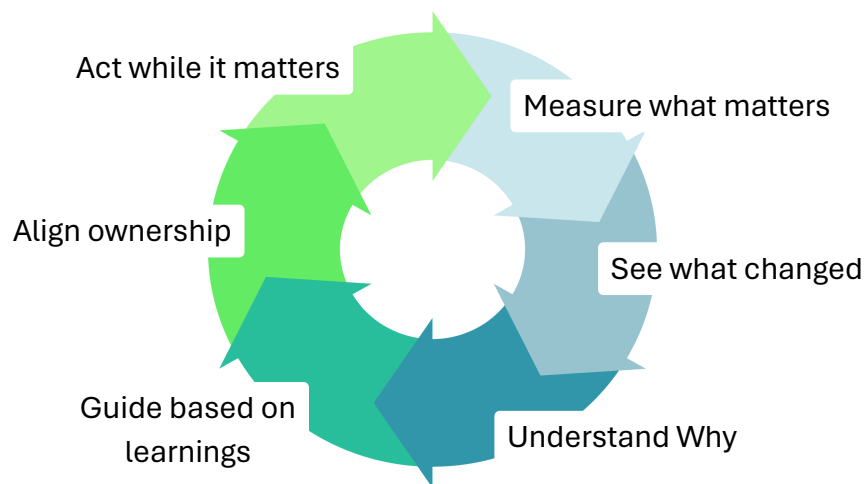
In the current state, teams often review performance after the fact. They close the period, reconcile the numbers, explain the

variance and plan the next move from a delayed or incomplete view of the business.

In the future state, feedback becomes part of how the business operates. Teams can see what changed, understand what drove the change, know what it means for profit and growth, align on ownership and act while the decision still matters.

That's when performance improvement stops waiting for the next review. Instead, it turns into an operating rhythm.

Rapid performance feedback cycle



When the cycle becomes fast enough, complete enough and clear enough to support daily work, performance improvement moves from review exercise to operating rhythm.

Decision infrastructure makes operational feedback possible

A faster feedback cycle doesn't happen because teams have more data. It happens when the organization has the decision infrastructure to reduce friction between performance, context, ownership and action.

Decision infrastructure connects data, business context, measures, accountability and guided exploration so teams can understand what's happening, why it's happening, why it matters and where action can improve profit and growth.

That foundation includes four essential pillars:

1 Aligned measures and incentives

Teams need measures that reflect their functional responsibilities without pulling the business in different directions. Sales, finance, operations, category, revenue growth and leadership all need a clear view of how their decisions affect profit and growth.

When measures and incentives follow the same logic, teams are less likely to optimize for local wins that weaken the broader result. Aligned measures don't eliminate functional priorities. They connect them to the same definition of business value.

2 Structured business context

Structured business context connects data, definitions, operating detail, business logic and performance measures to the outcomes the business is trying to improve: profit and growth.

It shows how today's activity affects business value in real time, enabling teams to understand what performance means in their part of the business. It helps teams understand which measures matter, which actions influence outcomes, which roles own the decision and which level of detail is needed to understand root cause. That's what turns data into something teams can use in daily decision-making.

3 Operational detail and guided exploration

The people responsible for performance need to investigate it at the level where decisions happen. That doesn't mean everyone becomes an analyst. It means business users can move from a summary to the customer, product, store, route, promotion or account detail behind it without waiting for a new report.

They need to ask follow-up questions in the flow of work. What changed? Why did it change? Where is it happening? How much does it matter? What should be evaluated next?

Guided exploration supports natural paths of understanding. It helps teams move from visibility to understanding without the limitations of fixed dashboards or canned summaries.

4 Accountability embedded into the workflow

Performance improves when accountability is clear and supported by trusted information. Teams must align on owned objectives, performance measurement and the impact of their work on profit and growth. Leaders need visibility into results without centralizing every decision, while the organization needs enough structure to maintain alignment without slowing action.

When accountability becomes part of daily work, performance management shifts from periodic review to ongoing adjustment. Teams can see what changed, understand what drove it and act with confidence.



AI can accelerate the feedback cycle. It can't replace the context behind it.

AI can help commercial teams move faster through analysis. It can summarize results, surface patterns, support natural-language questions and guide users toward the next area to explore. This creates meaningful opportunity, but only when AI has the business context needed to interpret performance correctly.

If AI works from disconnected reports, inconsistent definitions or overly summarized data, it inherits the same limitations that already create decision friction. It may produce faster answers, but faster answers don't help much if they aren't grounded in how the business defines performance, creates profit and manages growth.

AI needs decision infrastructure it can safely use.

It relies on the definitions behind the numbers. It needs to understand products, customers, markets, locations, routes, categories, promotions, financial measures, thresholds, business rules and operating relationships. It must also recognize which signals matter to margin, execution and growth.

Without that context, AI may summarize what happened without helping teams understand what it means or what decision should change.

However, with that context, AI can become a practical extension of the performance feedback cycle. It can help teams ask better questions, surface relevant findings faster, identify patterns, summarize what's changing and stay connected to the business logic that makes an answer useful.

The goal isn't to replace commercial judgment. It's to support the people responsible for performance with clearer context, faster exploration and better guidance at the point of decision.

As AI becomes more embedded in the way teams communicate, plan, prioritize and act, the need for trusted business context becomes even more important. The organizations that benefit most won't be the ones that simply add AI to reporting. They'll be the ones that give AI the context needed to interpret performance correctly and support decisions responsibly.

The result isn't more reporting or more AI.
It's decision infrastructure for business performance in motion.

Feedback in practice

Decision friction may not look the same in every commercial business; however, the pattern is consistent: performance shifts, but the organization can't always connect the result to the right context, owner and action quickly enough to improve the outcome.

The business impact depends on where value is created, where margin is most exposed and where teams are most likely to optimize for different outcomes.



Retail, grocery and convenience

A performance breakdown in retail, grocery and convenience often shows up when category results appear healthy in the recap, but tell an incomplete story.

A feature promotion may appear successful because units moved and the item sold through. However, the margin story may be very different. The lift may have come at the expense of a full-price companion item. A markdown may clear inventory while weakening total category profitability. A promotion may perform in aggregate while execution missed in key stores. A convenience retailer may see movement in a beverage or snack category without connecting it to basket impact, regional pricing or store-level availability.

The issue isn't that the team lacks a report. It's that the report doesn't settle the business question: Did the activity create profitable growth, shift demand, weaken margin or expose an execution problem? And once the answer is clear, who owns the next move: category, merchandising, operations, the supplier or the store team?

Decision infrastructure helps retail teams connect product, store, promotion, basket, supplier and margin context so they can separate true performance improvement from margin-shifting activity. Category and merchandising teams can align the right owner around the right action, whether that means adjusting pricing, fixing execution, changing the next promotion or reframing the supplier conversation.



Consumer packaged goods

CPG suppliers see the failure point between the story told by shipments and the reality revealed through deductions, billbacks, depletions and retailer performance.

Shipments may spike, volume may increase and a trade program may appear successful; however, the reconciled view may show that the promotion pulled demand forward, cannibalized future sales or gave away margin the business won't recover. By then, sales, revenue growth, finance and category may already have built different narratives around the same program.

That's where decision friction shows up. The question is more than whether the promotion worked - it's whether the team can agree on the right definition of success, connect planned performance to realized margin and decide what should happen to the next trade dollar.

Decision infrastructure connects shipments, depletions, trade spend, cost, deductions and retailer behavior so teams can distinguish real lift from borrowed volume. It gives sales, revenue growth, finance and category a shared view of performance, making it easier to align on whether to repeat, adjust or redirect the spend.



Alcoholic beverage

In alcoholic beverage, performance breakdowns often happen across the handoffs between supplier, distributor and retailer.

A supplier may see depletions soften in a market while distributor volume still appears healthy. On paper, the market may not look urgent, but inventory sitting in the distributor's warehouse instead of moving through to the shelf tells a different story. In another market, distributor execution may appear aligned in a meeting but vary significantly by account, display, package or price point.

The friction comes from each tier or business unit optimizing from the view it can see. The supplier may focus on depletions, the distributor on volume and the retailer on category movement. Each view is valid, but without shared context, teams can debate the signal instead of aligning on the action.

Decision infrastructure helps suppliers and distributors work from a connected view of depletions, inventory, pricing, execution and portfolio performance. That gives teams a better way to see the same issue, decide who owns the next move and act together before soft demand becomes aged inventory, missed execution or margin pressure.



Non-alcoholic beverage

Non-alcoholic beverage performance depends on the connection between brand strategy, route execution, bottler alignment, pricing, promotions, packaging changes and shifting demand.

A new package may look fine in aggregate while specific accounts lose facings because it doesn't fit the cooler planogram. A route may hit its volume number while small accounts quietly weaken delivered margin. A promotion may move cases but fail to improve profitability once service costs, returns, merchandising and execution realities are included.

The issue isn't just that the signal is late. It's that the signal may not have a clear path to the team that can act on it. The field may see the account-level problem, the brand team may see the aggregate trend, finance may see the margin pressure and the bottler may see the route reality. Without connected context, each team is holding a different piece of the decision.

Decision infrastructure connects shipments, depletions, financials, route execution and account-level performance so teams can see where demand, execution and cost-to-serve are moving out of alignment. It helps the business connect field signals to brand, bottler, sales and finance decisions before the issue becomes a quarterly explanation.



Wholesale and DSD distribution

For wholesale and DSD distributors, the danger is that performance can look fine at the route, brand or territory level while the economics underneath tell a completely different story.

A route may appear on plan every week until someone traces cost-to-serve and finds that specific accounts have been margin-negative for months. Delivery frequency, drop size, returns, merchandising time or order patterns may have changed, but the issue stays buried because the business is managing from summaries that don't show profitability at the level where the work happens.

The problem isn't just visibility. It's the decision that follows.

Once the issue surfaces, sales, operations, supplier management and branch leadership may all have a role in the answer. Should the account have a new delivery frequency? A different order minimum? A different service model? A different supplier program? Without the right context, teams can spend more time debating ownership and tradeoffs than fixing the economics.

Decision infrastructure puts product, route, customer, supplier and margin detail in one place so teams can manage the business at the level where margin is created or lost. Branch, sales and operations teams can align on which accounts, routes or supplier programs require action now instead of discovering the issue after quarters of leakage.



The toolkit: A quick assessment to guide investigation



Self-assessment:

Do you have the decision infrastructure for a faster performance feedback cycle?

Use the following questions to evaluate whether your organization has the foundation needed to improve margin, execution and growth.

Assign values from 1 (not true today) to 5 (strongly true) to complete.

- ___ Our teams use the same definitions for margin, growth, execution and performance.
- ___ Our KPIs connect across functions instead of creating competing priorities.
- ___ Our incentives support the same definition of business value across commercial teams.
- ___ Commercial teams can investigate performance without waiting on IT or analytics.
- ___ Teams can connect current results to the activity that shaped them.
- ___ Teams can understand how daily activity affects margin, profit and growth.
- ___ Promotion results can be evaluated while there's still time to adjust.
- ___ Sales, finance and operations trust the same version of the numbers.
- ___ The people responsible for outcomes can access the detail they need.
- ___ Leaders can see accountability without centralizing every decision.
- ___ Our data foundation can support practical AI use cases grounded in business context.
- ___ Teams know where to act when performance shifts.
- ___ We can connect supplier, distributor, retailer, customer or store-level views where needed.

Total

What your score may indicate:

52–65: Strong foundation

Your organization likely has many of the structures needed to support a faster performance feedback cycle. Opportunity may exist to expand access, strengthen AI-supported exploration or apply the foundation to more teams and use cases.

39–51: Progressing, with friction points

Your organization has meaningful pieces in place, but performance may still depend on manual work, delayed reporting or inconsistent context across functions. Focus on where the feedback cycle slows down, where teams debate the numbers or where action arrives after the opportunity has passed.

26–38: Visibility exists, but action limited

Your organization likely has reporting, but teams may struggle to connect outcomes to root cause quickly enough to act. This is where margin leakage, promotion uncertainty and inconsistent accountability often show up.

Under 26: Reporting may not be enough

Your organization may have data, dashboards or reports, but not the decision infrastructure needed to improve performance at scale. Start by identifying where data fragmentation, unclear ownership, misaligned measures or delayed analysis most directly affects margin, execution and growth.

How Salient helps commercial teams improve performance

Salient helps commercial organizations build decision infrastructure for margin, execution and growth.

That infrastructure brings structured business context, human expertise and purpose-built advanced technology together so teams can understand current results, see what's driving them and act while the opportunity is still in reach.

For nearly four decades, Salient has worked with organizations that need to connect performance accountability across roles, teams, locations, customers and partners. We understand commercial performance isn't managed through a single dashboard or a one-size-fits-all model. It requires a foundation that connects daily activity to business value: profit and growth.

Salient helps organizations structure the data, context, measures and decision paths

that allow teams to see what they own, understand what drives results and make decisions with confidence.

We connect data depth, operating detail and business logic behind performance while preserving the ability to move from high-level outcomes to the granular activity behind them. Teams aren't limited to fixed dashboards, canned summaries or reporting requests when they need to understand what changed, why it changed and where to act.

Salient also brings the expertise to help organizations define what performance means, where accountability should sit, how incentives and measures should align and how teams can use the system to improve outcomes over time.

The result isn't more reporting. It's decision infrastructure for commercial performance in motion.

Salient helps organizations:

- Align measures and incentives across functions so teams work from a shared definition of business value
- Connect fragmented data across systems, teams and partners
- Map data to the operating context that makes performance meaningful
- Preserve the detail needed to understand root cause
- Support business users with direct, guided exploration
- Strengthen accountability across distributed teams
- Prepare business context for practical AI-supported decision-making
- Create a faster, clearer feedback cycle between results, ownership and action
- Improve the way teams manage margin, execution and growth

Salient continues to evolve with practical AI support grounded in structured business context, guided exploration and human judgment. Some questions are best handled through fast, direct exploration. Others benefit from AI-supported summaries, pattern recognition or help knowing where to look next. Salient brings both approaches together so teams can move from question to understanding with the right level of support.

Better performance starts with a faster feedback cycle

Commercial teams don't need more disconnected reports. They need decision infrastructure that helps them understand performance as it moves.

They need to see where margin is created and where it leaks. They need to evaluate promotions while there's still time to adjust. They need to connect supplier, distributor, retailer and customer views. They need shared measures and incentives that make accountability practical. And as AI becomes part of daily decision-making, they need business context that AI can understand and use responsibly.

That's how commercial organizations move from fragmented reporting to coordinated performance: not by centralizing every decision, adding another dashboard or expecting AI to solve what the business hasn't structured. It requires decision infrastructure that makes the feedback cycle fast enough to use, complete enough to trust and distributed enough to reach the teams responsible for performance.

When teams can see what changed, understand what it means for profit and growth, align on ownership and act while it still matters, improvement stops waiting for the next review.

It becomes part of how the business runs.

Ready to understand what's slowing commercial performance?

Salient helps commercial teams build the decision infrastructure to connect performance, accountability and action so they can improve margin, execution and growth while it still matters.

**Start a commercial
performance conversation**

