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# TPM Code

by

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Trade Promotion Management for  
Dynamics 365 Commerce & Supply Chain

PRODUCT INFORMATION



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## Executive summary

TPM Code turns trade promotions — the largest and often least-controlled investment in consumer-goods businesses — into a governed, measurable growth lever, natively inside Dynamics 365.

Commercial, finance, and category teams use TPM Code to plan trade investments top-down and bottom-up, design and simulate complex promotion deals before negotiation, forecast incremental volumes and full deal P&L, and govern execution at the point of sale. The principle is simple: if a promotion is not approved in TPM Code, it cannot execute in Commerce.

Because TPM Code lives inside the same platform that prices orders, posts invoices, imports claims, and accrues rebates, forecast-versus-actual reconciliation happens in real time — without external integrations, without latency, and with a single audit trail end to end.

## The trade promotion challenge

Trade promotion is typically the second-largest line on a consumer-goods P&L, and yet it remains the least controlled. Most organisations face the same recurring barriers:

- **Limited visibility** into promotion effectiveness and return on investment.
- **Poor execution** in the field versus the plan agreed centrally.
- **Fragmented processes** across sales, trade marketing, and finance.
- **Inaccurate forecasting** that breaks supply alignment downstream.
- **High administrative burden** from manual planning, deal entry, claim handling, and reconciliation.

TPM Code addresses each of these barriers as a first-class design objective.

## The TPM Code approach

### Native to Dynamics 365

TPM Code is not a satellite system bolted onto an ERP. It is built on Dynamics 365 Commerce and Dynamics 365 Supply Chain Management, and it composes with Dynamics 365 Finance, Demand Planning, and Business Performance Planning. The result:

- Pricing, orders, invoices, claims, and rebates live in one system — no integration tax.
- Real-time actuals flow directly from ERP transactions into the deal P&L.
- The approval gate is enforced by Commerce itself: approved-in-TPM equals executable-in-Commerce.
- Security, workflow, and audit run on the standard Dynamics 365 platform.
- Value-added resellers extend the solution through standard Dynamics 365 extensibility.



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## Channel-agnostic by design

The data model, configuration framework, and calculation engines are channel-neutral. TPM Code supports modern trade, traditional trade, direct, and indirect channels through configuration — not through forks of the core product. It is designed to scale from a single legal entity and channel at go-live to multi-entity, multi-channel global deployments without structural redesign.

## Capability map

TPM Code organises its capabilities into nine functional pillars, each underpinned by deterministic, auditable, and explainable calculations.

### 1. Target setting — top-down and bottom-up

- Driver-based allocation of corporate volume and profit targets to channels, accounts, and SKUs using prior-year actuals, growth percentages, or weighting rules.
- Custom Power BI planning visuals — matrix, graphical, and planning-sheet — for direct entry, adjustment, and simulation of account-level targets.
- Scenario management for base, stretch, and conservative plans with live KPI recalculation.
- Powered by Dynamics 365 Business Performance Planning.

### 2. Baseline volume forecasting

- Unifies sell-in and sell-out signals — shipments, point-of-sale, and inventory — into a coherent baseline demand model.
- Machine-learning forecasting that captures seasonality, weekly patterns, distribution changes, and long-term trends.
- Auditable at store, product, and day grain — every forecast point is fully transparent and reproducible.
- Powered by Dynamics 365 Demand Planning.

### 3. Sales planning and scenario approval

- Sales Plan workspace owned by the key account manager, scoped to one customer and one planning period — strategic (annual) and operational (monthly or shorter) variants are supported on the same model.
- Trade deals auto-included by customer and period overlap, so the Sales Plan always reflects the current set of commercial commitments.
- Trade Deal versioning through an Original Deal Number, with each version carrying a Plan Status of Live, Sales Plan Draft, or Deprecated — exactly one Live version per original deal is enforced.
- Edit-on-publish copy rule: modifying an approved Live deal inside a Sales Plan creates a new Sales Plan Draft version, leaving the Live deal untouched until the new plan is signed off.



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- Immutable P&L snapshots per plan run, used as the basis for internal approval and for later forecast-versus-actual comparison.
- Two-gate approval: construct-level workflow on each Trade Deal, Trade Term, and Sales Plan, plus snapshot-level approval that locks the numbers presented to leadership.
- Dynamic Period Construction splits the plan horizon at every deal start and end date, so Forecast, Estimated Actuals, and Actuals remain structurally comparable across overlapping promotions.

#### **4. Promotion deal design**

- Predefined deal configurations combine funding mechanisms with promotion tactics for fast, consistent set-up.
- Bulk selection of products and customers from large catalogues using attributes and hierarchies — no one-by-one picking.
- Buy-side tactics: price discount, price point, volume discount, in-store display, and co-advertising (TV, flyers, digital).
- Sell-side funding: on-invoice discount, free goods (COGS), off-invoice rebate, lump-sum payment, and long-term agreement (LTA).
- Funding-to-tactic allocation, with side-by-side simulation of alternative combinations on volume and profitability.

#### **5. Volume estimation engine**

- Base volume estimated from historical sell-out, orders, shipments, and invoices.
- Price-promotion uplift calculated from historical impact and estimated price elasticity.
- Display-promotion volume calculated from display scheme configuration, number of positions, and expected turnover.
- Modeled impact of ATL, BTL, and POSM campaigns.
- Distribution depth (cumulative ACV%) defined per customer.
- Post-event cannibalization and post-promotion dip effects.
- Azure OpenAI-assisted scenario simulation across alternative volume effects.

#### **6. P&L simulation across three calculation contexts**

- One authoritative Customer P&L applied to three scopes: Deal (a single promotion in isolation), Sales Plan (a customer-period scenario), and Live Plan (the executing baseline).
- Type 1 source-driven lines — Gross Sales, returns, on-invoice discounts, COGS — sourced from orders, invoices, and pricing.
- Type 2 derived lines — Net Sales, Net Net Sales, Gross Margin, Contribution Margin, MP, MP after DME — computed from the line model.
- Seven analytical phases per line: Forecast, Actual, Estimated Actuals, Recent Estimate, Target, Last Year, Last Last Year.



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- Buyer profitability view based on POS prices, taxes, and supplier cost — including discounts and rebates.
- Base price derived from trade agreement or cost-plus margin; on-invoice discounts and off-invoice rebates with automatic LTA allocation to promotions.
- More than twenty built-in KPIs, including return on investment, profit-pool share, per-unit margin, and per-promotion contribution. Custom KPIs are supported.
- Copilot-generated recommendations at the account-plan level.

## **7. Rebate calculation engine**

- Two rebate categories handled on a single model: Trade Promotion rebates configured on trade-deal tactics, and Trade Term rebates configured on trade-term funding methods.
- Two rebate types: Normal rebates (rate × eligible volume) and Lumpsum rebates (one-time or amortized over the agreement period).
- Forecast and Estimated Actuals computed by the TPM engine from deal terms, plan volumes, and live sell-in.
- Actual rebate values received from the Dynamics 365 Rebate Management settlement engine and claims, then reconciled against forecast at the deal and plan level.
- Rebate accruals materialised as rebate deals inside Dynamics 365 Rebate Management — no parallel rebate ledger.

## **8. Approvals workflow and commercial guardrails**

- Three approvable constructs flow through the same workflow framework: Trade Deal, Trade Term, and Sales Plan.
- Hybrid routing combines a role-based baseline approval chain with threshold-driven escalation on trade-investment size, discount depth, or variance versus target.
- Standard state machine — Draft, Submitted, In Review, Approved, Active or Signed-off — with explicit recall window, delegation, and amendment-with-re-approval.
- Customer and consumer price ranges defined and tracked over time, with stacked-discount simulation across overlapping promotions and explicit margin-erosion alerts.
- Configurable breach actions — approval request, correction, mandatory explanation — wired into standard Dynamics 365 workflow.

## **9. Execution, actuals, and reconciliation**

- Discount and rebate activation handed off to Commerce pricing and rebate engines.
- Inbound order pricing and invoice pricing applied automatically based on approved deals.
- Daily estimated-actuals P&L computed from live orders, shipments, and invoices.
- Claim import, qualification, and reconciliation with payment-approval workflow.
- Real-time tracking of target versus forecast versus actuals — corrective action is immediate.



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## Governance and non-negotiables

TPM Code is built on a set of golden rules that apply across every functional area. These rules make the system auditable, deterministic, and safe for use in financially material decisions.

- Promotions cannot execute without formal approval through the Customer Plan workflow and within the Chart of Authority.
- Targets are inputs to the system — they are defined upstream and never invented by the engine.
- Master data ownership is explicit and unique per domain. Each data domain has exactly one authoritative system of record.
- Planning happens at a consistent grain — account level and logistic-unit level, with weekly granularity by default.
- One authoritative P&L structure is used across Live Plan, Sales Plan Scenario, and Trade Deal scopes. Differences between scopes relate only to data scope and timing, never to calculation logic.
- Overlapping promotions are split into non-overlapping sub-periods so that incremental volumes can never be double-counted.
- Closed financial periods are protected. Recalculation of final actuals is blocked after period close, and any reopening is logged in a mandatory audit trail.
- Every change to commercially significant data — trade terms, prices, deals, plans, approvals — is auditable and fully reconstructible.



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## Functional architecture

TPM Code is organised into thirteen interlocking functional domains. Each domain is configurable and extensible without affecting the others.

Domain	Purpose
<b>Promotional mechanisms at point of sale</b>	Catalogue of mechanisms by type, tactic, and funding method — the entry point of every promotion.
<b>Funding methods</b>	How spend is paid and accounted for: on-invoice, off-invoice, free goods, lump sum, LTA.
<b>Trade terms</b>	Long-term customer agreements, annual conditions, and recurring rebate structures.
<b>Incremental volume drivers</b>	Configurable drivers — price, display, distribution, advertising — that generate uplift on top of baseline.
<b>Rules-based sell-out incremental volume forecast</b>	Deterministic, explainable uplift methodology with stacked-promotion handling.
<b>Sell-in volume forecast</b>	Derived from sell-out using customer delivery profiles and forward-buying factors.
<b>P&amp;L calculation contexts</b>	One authoritative P&L applied to Live Plan, Sales Plan Scenario, and Trade Deal scopes.
<b>Pricing and direct discounts</b>	Base pricing, direct-discount logic, and invoice-time price calculation.
<b>Customer P&amp;L line model</b>	Structured line model for cost, discount, rebate, and contribution components.
<b>Rebate calculation engine</b>	Off-invoice rebate accrual, LTA allocation, and settlement integration.
<b>Approvals and workflow</b>	Chart of Authority, Customer Plan approval, and policy-breach workflows. Three approvable constructs — Trade Deal, Trade Term, Sales Plan — on a hybrid role + threshold routing model.
<b>Sales Planning workspace</b>	KAM-owned per-customer per-period workspace with Trade Deal versioning, immutable P&L snapshots, two-gate approval, and Dynamic Period Construction.
<b>Targets</b>	Top-down targets sourced from corporate planning, allocated to channel and account.



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## Technical architecture

TPM Code composes with the following Microsoft Dynamics 365 and Azure components. Each component is engaged only when its capability is required.

Capability area	Microsoft technology
Trade promotion planning, deal management, and execution	Dynamics 365 Supply Chain Management and Dynamics 365 Commerce
Baseline sell-in and sell-out volume forecasting	Dynamics 365 Demand Planning
Top-down corporate targets and driver-based allocation	Dynamics 365 Business Performance Planning
Pricing, discounts, orders, invoices, claims	Dynamics 365 Commerce (Unified Pricing Management) and Dynamics 365 Supply Chain Management
Rebate accruals, settlement, and rebate-deal materialisation	Dynamics 365 Rebate Management
Master data — products, customers, organisations, attributes	Dynamics 365 unified data foundation
Customer engagement and field activities (optional)	Dynamics 365 Customer Engagement on Power Platform
Data interchange and integration	Common Data Model, Dataverse, Dual-Write, Azure Integration Services
AI scenarios and generative recommendations	Azure OpenAI Service and Microsoft Copilot
Reporting, planning visuals, and analytics	Power BI
Deployment, lifecycle, and environment management	Microsoft Dynamics Lifecycle Services on Azure



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## Why “inside Dynamics 365” matters

Most trade promotion solutions are external systems that must be integrated, point to point, with the ERP that actually prices the order and posts the invoice. That integration is expensive to build, fragile to maintain, and always behind real life. TPM Code takes the opposite approach.

- Pricing engines, order management, invoicing, claims, and rebate accruals are not third-party systems — they are the same Dynamics 365 surface that TPM Code reads from and writes to.
- Forecast-versus-actual reconciliation does not depend on an integration job. Actuals appear as transactions are committed.
- Approval state is enforced inside the system of record. A promotion that is not approved cannot be priced, ordered, invoiced, or claimed.
- A single security model, workflow engine, and audit trail covers the full planning-to-execution lifecycle.
- Standard Dynamics 365 extensibility — entities, form templates, role-based security, workflows, data integration — applies to TPM Code without exception.

## Deployment profile

Attribute	Description
<b>Channels</b>	Modern trade, traditional trade, direct, indirect — supported through configuration on a unified data model.
<b>Industries</b>	Food and beverage, household and personal care, consumer health, and other branded consumer goods sectors.
<b>Legal entities</b>	Single or multiple legal entities. Multi-entity deployments use the same core configuration without structural change.
<b>Currencies</b>	Single-currency or multi-currency, in line with Dynamics 365 Finance configuration.
<b>Languages</b>	Multi-language. The user interface and data entry framework support localisation across English and additional locales.
<b>Planning grain</b>	Configurable at account, sub-account, SKU, or logistic-unit level. Weekly and daily time grains are supported.
<b>Hosting</b>	Microsoft cloud — Azure-hosted Dynamics 365 environments. Lifecycle managed through Microsoft Dynamics Lifecycle Services.
<b>Compliance posture</b>	Inherits the security, privacy, and compliance posture of the underlying Dynamics 365 platform.



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## Who TPM Code is for

### Companies

Consumer-goods manufacturers and distributors that operate on Dynamics 365 — or plan to — and that spend materially on trade promotion. Typical organisations seek measurable return on trade investment, stronger governance over execution, and a single source of truth for plan, forecast, and actuals.

### Functional buyers

- Vice President of Sales and National Account Directors — for plan, deal, and territory governance.
- Vice President of Trade Marketing and Revenue Growth Management — for promotion strategy, ROI, and policy.
- Commercial Finance and FP&A leadership — for trade-spend visibility, accrual integrity, and P&L control.
- Category Management — for assortment, pricing, and customer-mix decisions grounded in promotional data.
- IT and Enterprise Architecture — for a TPM capability that does not require a parallel integration estate.

## About Commerce Code

Commerce Code is an independent software vendor delivering trade promotion management and revenue growth management capabilities natively on the Microsoft Dynamics 365 platform. The company builds, configures, and supports TPM Code for consumer-goods organisations worldwide.

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