

# Marketer - Up To Speed

Issue: October 2001

## ● Industry Happenings:

### *Supply Chain Today - Versus Supply Chain Tomorrow:*

#### *Do Executives Know the Costs?*

We all know it's important to efficiently manage the supply chain. But what happens when we don't? A recent study produced by two US Institutes - the Georgia Institute of Technology & the University of Western Ontario, indicates a supply chain malfunction, such as a production or shipping delay, can send stock prices tumbling nearly 9 percent, and decrease shareholder wealth by \$120M per company, over a six-month period.

The elements accused most often for supply chain mishaps are parts shortage; changes to orders by customers; rollout delays; production problems; development and quality problems. The payoffs from successful supply chain management can be great. However, so too are the losses, for those who choose to ignore it.

#### *Today's Supply Chain*

The first generation of e-business tools have enabled companies to begin managing their supply chains more effectively and for the most part managing one level into the supply chain to the immediate customers and suppliers. The main tools include a Web storefront, supply chain collaboration, customer relationship management (CRM) and online procurement. Most Enterprise Resource Planning (ERP) vendors have evolved into e-business applications.

#### *Tomorrow's Supply Chain*

The Association of Production & Inventory Control had some interesting ideas regarding tomorrow's supply chain. I have incorporated some of their thoughts into how I perceive the market.

Reaching the extended supply chain (your customers' customers and suppliers' suppliers); is now the main competitive differentiator. In the next 12-18 months, one of two things may occur – managing the extended supply chain will prove itself worthwhile or all the latest technology will become a sub-component of something better yet to come. The “hottest” supply chain technology developments are collaboration and trading exchanges.

Collaboration is certainly not new, calling to check order status or inventory availability are forms of collaboration. It's the e-business twist to collaboration that holds the potential to create greater speed and cost efficiencies. Allowing companies to monitor elements that are critical to the success of their supply chain above and beyond purchasing and sales orders is the next step. This will mean production bottlenecks, distribution delays, inventory levels, supply commitments, production capacities and material shortages, will all be incorporated into the supply chain picture. Systems have been designed to alert partners when inconsistencies arise and provide a means to make necessary adjustments.

Business-to-business (B2B) procurement could be considered one of the most advanced components of e-business. Major industries have dozens of dot.com trading exchanges, but this has also threatened the efficiencies that these tools were developed to create. Creating and submitting specs to three or four exchanges, generates as much work as bidding out the old-fashioned way. This has created an opening for some companies to develop technology that will enable users to input and send out specs to multiple exchanges from the one central point.

Companies are continuously reinventing their supply chains in order to succeed in tomorrow's marketplace. These improvements have become central to manufacturers meeting and exceeding their customer's expectations into the future, and therefore, where there is a need there will be a new technology.

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## Marketing Tactics:



*On your Radar Screen:*

Developing campaigns that are targeted to the "sweet spot" within your market and pursuing them proactively will increase your hit rate of securing leads. Money spent on marketing is always one of the first budgets to be cut when the company's "belt" needs to be tightened – therefore marketing cost justification is always a must.

Monica McGeary, Managing Director of IMM has worked with numerous blue chip companies developing tele-prospecting (call centre) campaigns that enabled them to effectively target their audience. Campaigns have included activity such as lead generation, sales development and attendance drives to events.

Entering new markets, building awareness and increasing marketshare are key, however, how you choose to build awareness and marketshare are equally important. Businesses can benefit from tele-prospecting. "How?" I hear you ask. They hit 100% of their targeted audience through voicemail (leaving a carefully tailored message) or talking directly with prospects. On average for every 10 calls made, you will have the opportunity to speak with 2-4 people. So think of it - for every 50 calls you will have spoken with 10-20 potential customers. If they turn into a lead - great, if they don't you will have built awareness of your company and uncovered information about current installations. More importantly you will have begun a relationship building process with a targeted prospect.

The purpose of our October issue of "Marketer – Up To Speed" is to put IMM in your sights. As a provider of technology enablers you develop and implement complex, high cost solutions. Therefore whether you are designing and executing a new program, expanding an existing one, or perhaps just seeking a little advice; you look for someone that can bring more to the table than their knowledge of direct marketing.

Working with someone that is considered manufacturing and technology intelligent allows you to start discussions about your campaign idea - without having to back track. And what I mean by "back tracking" is - explaining in detail the industries you are targeting, as well as the basics of what your solution will enable customers to accomplish. And let's be honest, what can you share with someone during a ramp-up session that would leave them as focused or in-tuned as working with a partner that is "manufacturing and technology intelligent"?

IMM can talk the talk, we are conversant in manufacturing concepts, terms and the top business issues faced by manufacturers, and we understand the different solutions available to manufacturers such as ERP, CRM, SCM, APS, WMS, e-bus, TMS, MES etc.

Take time to review our "Needs Analysis" Matrices located on our website to assess your companies current marketing capabilities – [www.imm-info.com](http://www.imm-info.com). Or you can call us directly on + 44 (0)28 8772 6006, and ask to speak with Monica McGeary, our Managing Director