

Optimize collaboration and integration with dealers to drive customer satisfaction and revenues.



Highlights

- Facilitate effective collaboration across the value chain — including dealers and suppliers — to build strong business relationships and drive customer satisfaction
- Standardize supplier and customer process interactions to speed execution and facilitate information sharing
- Predict, respond to and rapidly resolve performance problems to optimize warranty costs, product quality and safety
- Integrate multiple data sources about product information management into a single view that can be used by dealers, customers and contact centers

Today's automotive industry faces complexity and rapid change

As the ratio of existing automobiles to new sales continues to grow, independent suppliers, content providers, original equipment manufacturers (OEMs) and specialized service providers are increasingly aware of the substantial revenue opportunities associated with downstream market revenue. But for many companies, these expanding opportunities can feel like a new burden.

Maximizing revenue, brand image and customer satisfaction requires OEMs to successfully expand the role they play

in service and repair. They must build strong relationships with a wide variety of dealers, distributors, independent motor traders and fleets. Together, OEMs and dealers must overcome inefficient, costly and manual processes such as:

- Faxing to dealerships.
- Searching for vehicle information across incompatible systems.
- Overstocking vehicle and automotive parts inventory.

Deploying an IT infrastructure that can support efficient, optimized collaboration between OEMs, dealers, channel



partners, fleets and customers is a key to successfully tapping into aftermarket sales and responding to changing customer and trading partner needs.

By integrating information and processes across the supply chain, OEMs can use the offerings to provide replacement parts to trading partners and end customers quickly, and dealers can search efficiently for parts and provide fast service to end customers.

Leverage IBM's automotive industry expertise to transform your marketing, sales and service

IBM solutions for the automotive industry bring together the extensive IBM portfolio of hardware, software and high-value services — and its wide network of Business Partners — to address the most prevalent challenges for clients in the industry. IBM solutions and automotive industry experience help each client accelerate its progress in becoming an On Demand Business — so it can respond with flexibility and speed to virtually any customer demand, market opportunity or external threat.

Creating business processes with a *service orientation* has emerged as the best way to achieve that flexibility and speed, as well as agility and resilience. Service orientation takes everyday business applications and breaks them into individual business tasks, called services. These services can then be shared with other departments within your organization, integrated with your trading partners and exposed directly to customers to create new or modified business processes. As a result, you have the flexibility to easily respond to changing market requirements. And because these services can tie together existing enterprise resource planning (ERP), human resources (HR), customer relationship management (CRM) and supply chain systems such as SAP, Oracle, Siebel and JD Edwards, there is no “rip and replace” required. Furthermore, these services can be used across multiple processes — rapidly, easily and consistently — to help drive improved time to value and reduced costs.

“More than half of the automotive companies [surveyed] store their master product information in miscellaneous systems outside of ERP systems, contained in an average of six systems. What’s more, 40% of our survey respondents have a limited level of information sharing via batch data exchanges between product and customer systems while another 20% have no integration capabilities at all.”

— AMR Research*

IBM software, a key building block of the IBM solutions for the automotive industry, is vital to employing a service orientation strategy. It helps our clients achieve business flexibility by enabling them to model, assemble, deploy and

manage business processes for today’s on demand business environment.

Today, you can leverage IBM software for automotive marketing, sales and service to support your business goals of growing aftermarket revenue streams, more quickly responding to market demands, minimizing nonvalue-add costs and maximizing the quality of products and services.

To achieve these business goals, you can use capabilities of IBM software for automotive marketing, sales and service to:

- Facilitate collaboration across the value chain.
- Proactively monitor and respond to performance data.
- Centralize management of product information.

The following sections describe these capabilities in greater detail.

Facilitate collaboration across the value chain

For many OEMs and dealers, the lack of a collaborative work environment that draws on information throughout the

value chain poses a serious challenge to building strong partnerships and delivering superior customer service. When sales and service processes are manual and inefficient, costs escalate and quality suffers.

To overcome these challenges and take important steps toward becoming an on demand business, you can use IBM software for automotive marketing, sales and service to facilitate effective collaboration across the value chain. Companies spend less time tracking down information and parts, and more time leveraging that information to deliver products and services to partners and end customers in a personalized fashion that can drive satisfaction and loyalty. As a result, you help:

- Reduce costs to support auto dealers.
- Personalize relationships and interactions with dealers, channel partners, fleets and customers.

With software such as IBM WebSphere® Portal Extend for Multiplatforms and IBM WebSphere Commerce, you can deploy a common infrastructure for multiple collaborative applications.

You can use a wide variety of value chain solutions — from a consumer-centric online sales channel to a completely integrated, multitier demand chain.

As a result, you help your IT staff to support and streamline standardized process interactions between suppliers and customers — and thereby facilitate rapid execution and information sharing. By maximizing operational efficiencies, you can optimize customer service and profitability. For example, dealers can use a single portal to:

- Handle vehicle warranty-claim processing.
- View parts and maintenance catalogs.
- Place orders that will be shipped to multiple dealerships nationwide.

IBM software for automotive marketing, sales and service also offers a complete range of personalization, information, content and catalog management capabilities that you can use to provide customized delivery

of up-to-date operational, marketing and product information.

To enable real-time collaboration and information sharing to minimize defects and cycle time, IBM software for automotive marketing, sales and service includes IBM Lotus® Instant Messaging and Web Conferencing (Sametime®). By providing dealership technicians with immediate access to experts who can help troubleshoot and research similar problems, you can streamline processes for handling even highly complex issues, such as diagnosing engine problems.

Proactively monitor and respond to performance data

The costs of not resolving critical product and part failures quickly represent an obvious threat to revenue. But automotive companies also recognize that establishing the infrastructure to detect and rapidly address problems can also enable a company to take advantage of a substantial financial

opportunity in parts and accessories. In addition to avoiding revenue loss due to slow problem resolution, companies that have enhanced insight into product and service quality can:

- Build brand equity by being associated with safety.
- Drive customer satisfaction and loyalty.
- Help minimize exposure to regulatory and legal penalties.
- Capture extended warranty revenue that might otherwise be lost due to vehicle and part quality.

IBM software for automotive marketing, sales and service includes leading tools for monitoring, analyzing and reporting on product performance. With IBM WebSphere Portal and IBM DB2 Universal Database™ Data Warehouse Editions, you can draw on information across the value chain — information that may have previously been invisible to management — to establish a single, integrated view of warranty, production and safety information.

By leveraging this information with the analysis and event management tools in IBM software for automotive marketing, sales and service, you can:

- Correlate critical symptom, cause, failure and cost information from multiple data sources — including leading and lagging indicators for specific parts and vehicle failures from field reports, warranties and consumer discussion boards.
- Proactively detect and manage problems to minimize their costs — not only financial, but also staff time and brand reputation.
- Predict future incidents and costs — identify anomalies and inconsistencies between reported symptoms and causes as reported in warranty claims.
- Collaborate to make informed decisions about how best to address performance and safety issues — when possible, act proactively rather than reactively.

Centralize management of product information

With product data scattered across the value chain, automotive companies find it difficult to maintain up-to-date data

that can be accessed rapidly and in an error-free fashion. But without a clean, consistent, current and complete view of product information, you cannot optimize the service you provide to trading partners and end customers.

Across the industry, companies face a number of pressures to establish a centralized foundation for creating, maintaining and publishing product information to multiple channels:

- Global aftermarket standards for product data, such as Product Information Exchange Standard (PIES) for transactive information and ACES Vehicle Configuration Database and ACES Parts Classification Database for application information
- Collaboration with distributors, retailers, OEMs and suppliers
- Radio frequency identification (RFID)
- Online commerce
- Product lifecycle management (PLM)
- Regulations such as Transportation Recall Enhancement, Accountability and Documentation (TREAD) Act, as well as initiatives to develop early-warning systems

By deploying IBM software for automotive marketing, sales and service, you establish a product information foundation that you can leverage for any number of these initiatives — both now and as you address others in the future. IBM WebSphere Product Center provides three key capabilities for the automotive industry:

- Data model — flexibly meet your needs while supporting industry standards. The software enables you to have complete and drill-down views of attributes ranging from location and trading partner to make, model and year; and from cross-selling products and supercessions to 3D images and diagnostic guides.
- Process management — establish and streamline role-based, organizationally-modeled workflow processes for controlling access and versioning, while facilitating audit trails.
- Integration platform — synchronize information both internally (for example, across PLM and CRM systems) and externally (with distributors, online commerce sites, printed and electronic catalogs, and more).

Business Partners help further leverage IBM software capabilities

IBM software for automotive marketing, sales and service is complemented by applications and services provided by our IBM Business Partners — including the hundreds of Business Partners specializing in service orientation — helping to make this solution a world-class foundation for effective automotive marketing, sales and service processes. Working together with our clients, IBM and IBM Business Partners can help meet the needs of today's automotive industry organizations.

For more information

IBM is unique in its combination of unmatched automotive industry experience, deep service orientation skills, unparalleled Business Partner network, and software and technology product

excellence — and as a result is a clear leader in service orientation. We can help you get started with service orientation, whether for the enterprise, a departmental initiative or a single project. IBM is the ideal resource for automotive companies seeking to meet the challenges of maximizing flexibility of the manufacturing environment, launching new products into the market quickly and efficiently, minimizing the cost of both production and nonproduction operations, and enabling repeatable processes for global rollout.

To learn more about IBM software for automotive marketing, sales and service and other automotive industry-specific offerings, contact your IBM representative or IBM Business Partner, or visit ibm.com/software/industries/auto



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*Kevin Mixer, Heather Keltz and David Weisman. AMR Research. *TREAD: A Multibillion-Dollar Black Hole*. September 26, 2003.