



TECHNOLOGY TRENDS

Capturing Quote and Order Data Across Channels is the Key to Building Demand-Driven Supply Networks

Since first being introduced in 2003 by AMR Research, Demand Driven Supply Network (DDSN) principles have become integral to the strategies of thousands of businesses in virtually every industry. However most hi-tech and industrial companies are still struggling to become truly demand-driven.

The concept of DDSN—defined by AMR as a system of technologies and business processes that sense and respond to real-time demand across a network of customers, suppliers and employees—is helping the early adopters improve their performance by changing how they view all aspects of their business. The raw numbers tell the story. AMR has found that leaders in applying DDSN principles generate 10% more revenue and 5 to 7% higher profits.

AMR has offered its views on the top five misconceptions of DDSN. One misconception stands out – that DDSN is a supply chain project. Rather, DDSN is an entirely new way of doing business that relies on processes that face outside an organization to feed data to internal processes and to suppliers. There is clearly no outward facing process more important to a company's success than the customer-facing sales process. Companies with visibility to these customer-facing processes, regardless of channel, will have a distinct advantage over those that don't.

Based on our experience in analyzing and optimizing sales processes for over 100 hi-tech and industrial leaders, most companies are still struggling to optimize these customer-facing sales processes and still lack the ability to capture real-time demand data. Quotes are typically done inefficiently using error-prone, disparate systems and manual processes. Hi-tech and industrial companies typically have limited global visibility into their opportunity pipelines and quote activities across their indirect and direct sales channels, so sales channel pipelines

are estimated and tracked manually. Thus demand forecasts are developed based on historical order and overall industry trends. Companies have no ability to forecast at the product and component level based on actual sales opportunities and open quotations.

This becomes even more critical to companies with multiple sales channels.

Orders for these companies may originate from direct sales reps, 3rd party distributors or Value-Added Resellers (VARs), independent manufacturer's reps, and direct online sales. Quote and order data from multiple channels adds another layer of data and system complexity into analyzing a true demand forecast, but a true Demand Driven Supply Network must consolidate this data across all channels to provide accurate visibility to upcoming demand.

Creating a sales process that is both lean and highly efficient in sensing demand and responding to customers is critical to transforming the entire supply chain. In almost all companies, the sales quoting process is the closest point at which potential demand information is



captured from a customer. If these quotes are accepted and closed, this quote BECOMES your demand transaction. Prior to closure, a sales quote is a POTENTIAL demand transaction—weighted in magnitude by probability of closure and in timing by potential close date. By aggregating these outgoing quotes across both dollars and products (or materials), then applying an appropriate weighting, expected demand can be communicated to downstream business processes like service delivery, manufacturing, purchasing and vendor communication, and distribution channel management.

Thus any business serious about implementing a Demand Driven Supply Network will be serious about streamlining its sales process and implementing a system to capture demand data. In order to achieve adoption of such a system, the sales channels must feel the solution adds value to their sales process by empowering them to sell products more easily and quickly.

BigMachines has successfully helped many companies such as Quincy Compressor, ShoreTel, and Conair optimize and streamline sales processes across their sales channels and to capture more accurate demand data. According to Gene Flockerzi, Vice President of The Conair Group, "With BigMachines

Reporting & Analysis's integrated database and user interface to automate our quoting, sales analysis and reporting by individual product and product line, we've been able to eliminate manual information input, and reduce reporting process steps from twenty or thirty to just one or two," he continues. "As a result, we've reduced costs while dramatically improving accuracy and consistency, and our internal and external sales channels are now able to make accurate product comparisons and generate reliable quotations on-the-fly, so to speak, and in real time." For more details on optimizing quoting across channels, please click on the Conair, Quincy, and ShoreTel case studies below.

Given the value to our customer of capturing better demand data across channels, we are investing to add significant demand capture and forecasting capabilities by extending BigMachines native reporting and forecasting capabilities in our 8.0 release, offering an upgraded business intelligence solution with our partner Microstrategy (see details below), and by offering an integration to Salesforce.com's PRM solution. Please contact us to learn more about how BigMachines can help you realize a Demand Driven Supply Network.

New Customers



Caliper Life Sciences Selects BigMachines for Salesforce.com to Streamline Quote and Configuration Processes



Navisite Selects BigMachines Lean Front-End to Streamline Sales Quoting Processes



NMS Communications Selects BigMachines Lean Front-End® to Streamline Quote and Configuration Processes

Awards



Quincy Compressor named to Managing Automation's "Progressive Manufacturing 50" award in "Customer Mastery" category for their Lean Front-End solution.

Upcoming Events

LFE Administration Training

July 16 - 19, 2007

BigMachines Training Center
Deerfield, IL

BigIdeas 2007

October 7 - 9, 2007

Hard Rock Hotel - Chicago, IL

Keynote Speaker - Don Tapscott,
Best-selling author of *Wikinomics*

Contact your Engagement Manager or Account Executive for more details.

New Product Release: LFE 7.2

Released in March 2007, LFE7.2 introduces a host of new features to continue our commitment to be Easy to Implement, Easy to Maintain. These features include, but are not limited to:

Upgraded Salesforce.com Integration

- Manage a dedicated Quote object in Salesforce.com, which enhances the ability to manage and view multiple quotes per Opportunity
- Leverage the latest Salesforce enhancements to further tighten integration and provide a more seamless user experience
- Setup dashboards to view Quotes hit rates across Opportunities and Product Line Items

Enhanced Password Management and Improved Security

- New password re-set options so administrators can directly assign passwords and turn-off sending new passwords via e-mail
- Mask the secret answer from the UI for enhanced security

Extended Part Description Enhancement

- Upload/download extended descriptions in rich text format to improve maintenance of proposals

Web Services Upgrades

- WSDL documentation provided for SOAP APIs to make implementation faster and easier
- Full LDAP support and documentation- to better support your Single Sign-On capabilities

Cool User Interface and Navigation Enhancements

- New UI stylesheets and new menu icons
- New tab scroll feature to better navigate expanded home pages

Renewed MicroStrategy Partnership and Native LFE Reporting

BigMachines has always been driven to deliver the latest web technology to our customers. To this end, we have renewed our partnership with MicroStrategy to deliver their latest release—MicroStrategy 8! This will ensure BigMachines customers who need advanced reporting capabilities can continue to receive the most advanced features from a proven industry leader. The latest MicroStrategy release includes enhanced dashboards and report UIs, enhanced architecture to improve performance, additional report management features for “power users” and “viewers”, and more.



And MicroStrategy will also join us at BigIdeas07—as a featured sponsor, the MicroStrategy team will be available onsite to help you leverage the latest features of their new release. Save \$100 by registering today!

In addition, for customers who need only basic reporting capabilities within their Lean Front-End-- development is well underway to deliver the first native reporting module in an upcoming BigMachines LFE release. More information will be coming soon!