
The Need for Speed

By: Randi Rossman

"The customer-s always right" has never been more of a truism than now, as electronics manufacturers stand on the brink of transforming themselves into customer-centric organizations.

The first challenge in this transformation is the notion of cycle time. While speed is the name of the game in the Internet era, electronics has an even faster cycle time requirement to deliver highly customized products than most industries.

"We live in a highly customized environment and need to be particularly agile," says Bill White, senior vice president of information systems for Amkor Technologies, global semiconductor assembler based in West Chester, Pa. "There are few industries that have the cycle time demand that electronics does today."

Then there-s the notion of product differentiation. There is none. "When you are a well-known supplier, the products are all good," says Daniel Vic, corporate supply chain director for Framatome Connectors International, a manufacturer of electronic systems with U.S. headquarters in Livonia, Mich. "The only way we can distinguish ourselves is to be highly efficient on customer service."

What this means for the electronics industry is a need to tightly focus on creating value for the customer. Although the dynamics of time and cost pressures are not new, they continue to intensify as customers become more demanding.

So just what is it that customers want? Well, that-s exactly what electronics manufacturers need to understand in great depth. Whether the customers are end-consumers or part of the business supply chain, they are increasingly demanding a customized product, tailored to their needs, at a good price, when they want it. It-s a pretty tall order for manufacturers, and many are turning to customer relationship management (CRM) software and processes to help them fill it.

"If we-re going to drive a given solution through the pipe very rapidly, we need CRM to help us establish contact with the customer and understand the context of the customer requirements," says White. "We are seeing a lot more collaboration between ourselves, our supply chain, and our customers."