

12 May 2011

---

# CRM in Logistics


*Delivering Supply Chain Connectivity and Execution...*



## What is CRM- Customer Relationship Management

‘CRM is an information industry term for methodologies, software, and usually Internet capabilities that help an enterprise manage customer relationships in an organized way’.

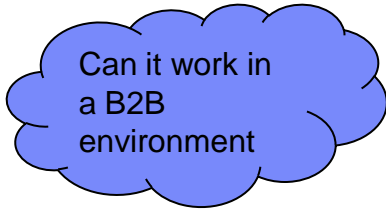
- For example by
  - Customer database- single view of the customer
  - Customer insight- match customer needs with product plans
  - Manage marketing campaigns- generate quality sales leads.
  - Improve and streamline processes- telesales, accounts, field sales
  - Improving customer satisfaction and maximise profits
  - Build relationships between the company, its customer base, and distribution partners.



Is there something more applicable to this industry



How is it used in Logistics companies?



Can it work in a B2B environment

There are a number of different software packages providing CRM capabilities from the ERP providers through to ‘open source’ products.

## What is the context for CRM in logistics

### Distribution & Logistics Customer Objectives

Capture Market Share & Reduce Selling Costs

Maximize Internal Productivity

Minimize Effects of Supply Chain Risk & Volatility

Extend Lean Principles Across Entire Supply Chain

### Logistics 'Go-To-Market Themes'

Maximize Customer Experience

Create Single Face to Customer

Enable Lean Sourcing & Fulfillment

Maximize Supplier & Partner Collaboration & Compliance

# There are four key capabilities that drive an optimal buying experience for the customer and business outcomes for you

## What the Customer Wants

## Capabilities You Need

## Business Outcomes

1. Consistent, enhanced brand experience

Multi-Channel Precision Marketing WSC

- ✓ Increased market share
- ✓ Increased brand loyalty

2. Buy anywhere, anytime with easy access to order status

Multi-Tiered Selling Platform WSC

- ✓ Increased customer retention
- ✓ Increased channel partner and direct sales revenue

3. The products and services ordered meet my needs

Complex Product and Services Guided Selling CPQ

- ✓ Greater share of wallet and average order size
- ✓ Consistent margin attainment
- ✓ Lower returns and fewer errors

4. Complexities in sourcing and fulfillment processes are hidden

Intelligent Order Hub & B2B Integration B2B OM

- ✓ Lower total inventories
- ✓ Reduced order processing costs
- ✓ Faster B2B customer on-boarding
- ✓ Reduced non-compliance costs

# You need three key supply chain capabilities to profitably adapt to volatile demand and heightened customer expectations

## How Supply Chain Must Adapt

1. Identify the best options for sourcing, production and inventory



## Capabilities You Need

Optimize Supply Chain and Inventory Planning ILOG

## Business Outcomes

- ✓ Higher inventory turns
- ✓ Higher utilization of plants and other supply chain assets
- ✓ Reduce total supply chain costs
- ✓ Better matching of supply to demand

2. Streamline the storage and movement of goods to reduce transportation and handling costs



Smarter Inbound / Outbound Logistics TMS, WMS

- ✓ Reduced transportation costs
- ✓ Reduced freight audit costs
- ✓ Increased on-time performance
- ✓ Higher inventory turns
- ✓ Lower warehouse mgt costs

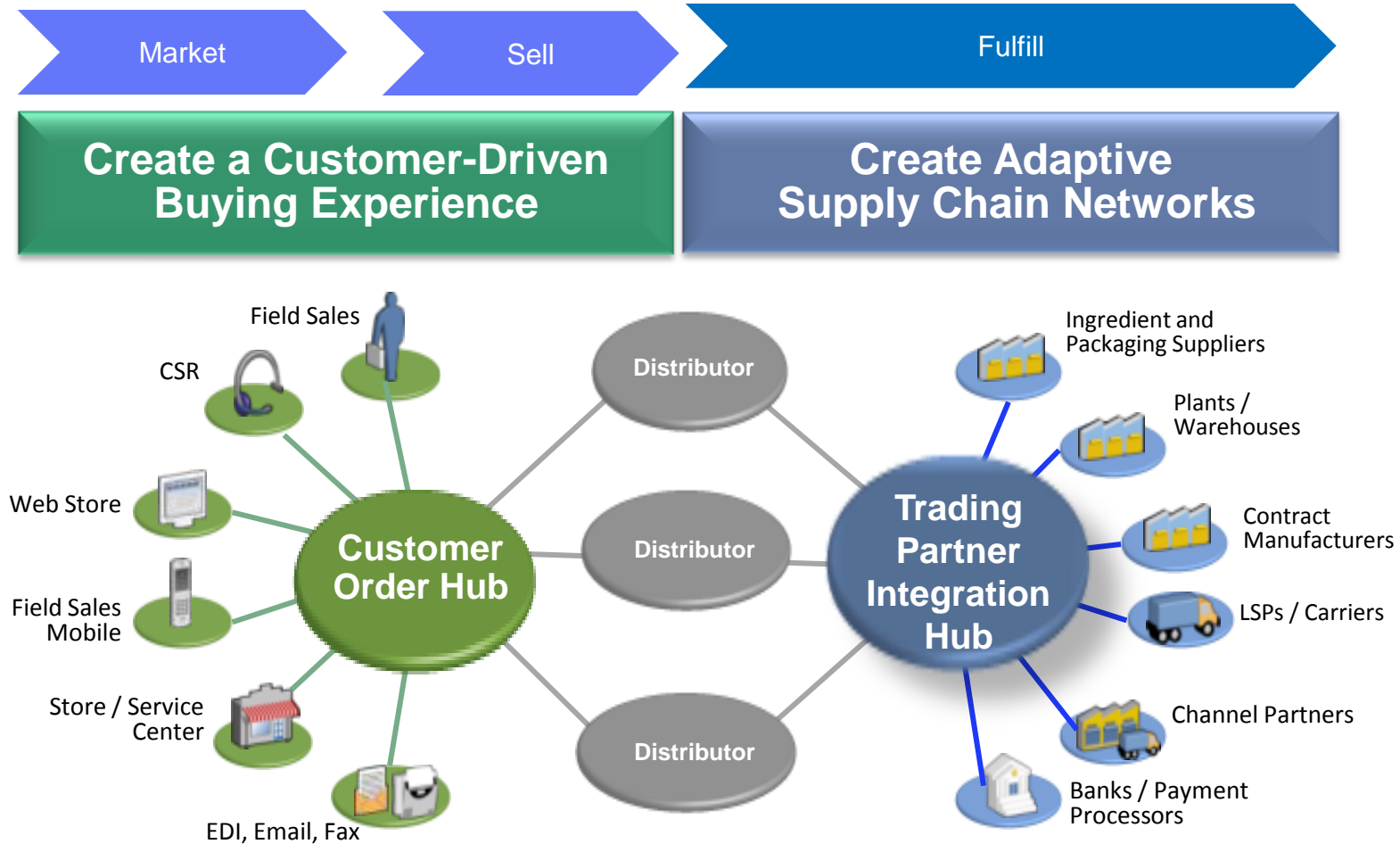
3. Ensure reliable, scalable, visible B2B commerce with all trading partners



Multi-Tiered Trading Partner Integration B2B SCV

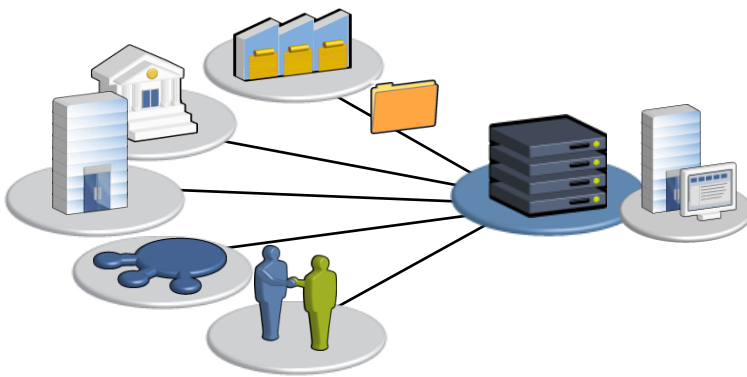
- ✓ Reduced trading partner on-boarding costs
- ✓ Reduced supplier SLA non-compliance
- ✓ Reduced order admin costs
- ✓ Improved on-time performance

# In response, distributors are adopting a two-pronged 'Smarter Commerce' strategy for success



# .....in simple terms

## Supply Chain Connectivity



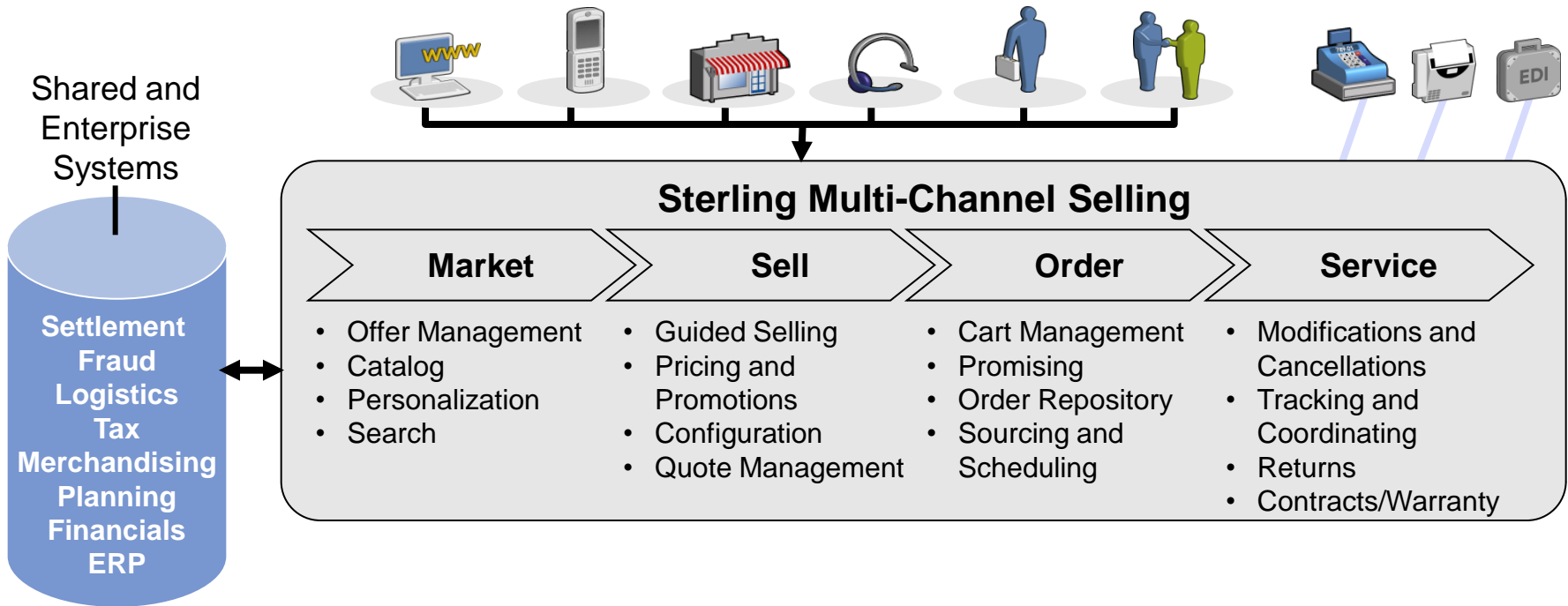
Connect people, processes, and technology to enable seamless and secure integration of key business processes

## Supply Chain Applications



Streamline the commerce lifecycle from selling to fulfillment to payments to enhance the way agencies do business

# Intelligent Order Hub- Sterling Multi-Channel Selling Solution



## Value for our customers:

- Seamless, cross-channel customer experience
- Order from anywhere, fulfill from anywhere
- Multi-channel, multi-vendor catalog
- Configure, manage, and fulfill any offer
- Global inventory visibility and promising
- Full “lifecycle” visibility and exception handling

---

# CUSTOMER CASE STUDIES

# Intereuropa d.d.

## ▪ Situation

- To implement an enterprise-wide integration solution that unifies supplier and customer networks, helping to reduce costs and improve visibility

## ▪ Solution

- IBM® Sterling B2B Integrator

### Value/Benefits

- Onboard customers efficiently and cost-effectively
- Streamlined data exchange enables rapid acquisition of new customers, large and small
- Increased efficiency through automation of internal processes
- Improved customer service through visibility into data exchange
- Improved customer satisfaction

*“The IBM® Sterling solution meets all of our customers’ data exchange needs, even from the largest and most demanding companies. Not only are we on-boarding customers more efficiently and cost-effectively, IBM® Sterling B2B Integrator has opened up new revenue opportunities for Intereuropa as we are now able to acquire new customers with whom we were previously unable to exchange data.”*

### Company Facts

Intereuropa Group is the leading supplier of logistics services in Slovenia and South Eastern Europe. Intereuropa offers complete logistics solutions in the field of land transport, sea freight and air freight, as well as a range of terminal, customs and forwarding services reliant on speed, safety and fair pricing.



**Intereuropa**®

Global Logistics Service

Jaris Briski, Vice President  
GENCO Supply Chain Solutions

# Over 1017 Logistics Companies Run Sterling Commerce SW

- APL Ltd
- BAX Global Inc
- China Ocean Shipping Company
- China Shipping
- Continental Airlines
- Crowley Maritime Corporation
- Delta Air Lines Inc
- Hanjin Shipping Co
- Hapag-Lloyd America Inc
- K Line America Inc
- Northwest Airlines Inc
- NYK Line North America
- Wallenius Wilhelmsen Lines
- Yang Ming Line
- Yellow-Roadway
- Siemens Vdo Automotive
- United Parcel Service



**MAERSK**



**TOSHIBA**

- Air Express International
- Air Tiger Express
- Caterpillar Logistics
- DHL Danzas Air & Ocean
- Expeditors International
- Genco
- Kuehne & Nagel
- NYK Logistics
- Panalpina
- Ryder Integrated Logistics
- Schenker Inc
- Seko Worldwide
- Sumitrans Corporation
- TNT Logistics