

No Time to Cut Costs on Technology



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Last
word

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ECi President

In difficult economic times like these, there's a natural tendency for any business owner to try and cut costs wherever possible and do so as quickly as possible. But for dealers in the contract furniture industry, those cuts have to be made very carefully.

According to a recent dealer survey conducted by ECi, the Number One priority for most dealers in the coming year is customer retention. And that means they can't be too aggressive about cutting costs, particularly in the technology area.

If dealers are going to maintain their current service levels and continue to compete effectively without adding extra cost, they will need a strong technology base. It's that simple. And that makes it not so much a question of dealers cutting their technology budget, but rather, of spending their technology dollars wisely and making sure they're getting the most value and functionality possible from their investments.

How should they go about doing that? The most effective thing any dealer can do to maximize their technology ROI is to make sure they understand all the functionality that's already available to them through their current system.

Certainly, there's a cost involved in bringing in one of our own team or an approved consultant to conduct a business review and determine how well you're using your system. But it's money well spent and, in the vast majority of cases, it will pay off handsomely in new productivity and efficiency gains.

Technology is in every part of the dealer's business today and is only going to become more pervasive going forward. That makes it more important than ever for dealers to stay on top of what's happening in the technology arena and make sure that every aspect of their business is using technology to its fullest potential, not just internally but externally too, in areas such as vendor and customer communications.

For TeamDesign! users, powerful new reporting tools will be coming on stream soon, with the launch of Version 14 of the system, while the new, completely re-designed project

management module from DDMS promises significant benefits in a key area of any dealer's operations.

We're also continuing to improve the supply chain integration between dealers and the manufacturers. Electronic transactions offer real competitive and operational improvements — cost reductions, faster, more accurate fulfillment, improved customer service, etc. — that benefit dealers, manufacturers and even the end consumers; essentially the entire industry. Most recently, a new service connects dealers using DDMS to the HNI companies. The service uses OFDA's XML schema to provide electronic order processing through our Internet-based Private Supply Network.

Also, extending this integration to other types of suppliers (wholesalers, buying groups, etc.) is vitally important for dealers looking for ways to grow (or just make up revenue lost to the down economy) outside of furniture. One option is to become a multi-line dealership. Providing office supplies, IT consumables and other business products lets dealers capture more revenue from their existing accounts as well as compete for new business. However, to do this profitably, they'll need the same level of integration with the wholesalers and buying groups supplying those products as they have with their existing furniture vendors.

Ultimately, regardless of your business model or what system you use—TeamDesign!, DDMS or some other software package—you owe it to yourself, your company and your people to make sure you know what's available and have the resources in place—hardware, software and, most importantly, ongoing training—to make the most of it all.

At ECi, we're committed to our dealers and the industries we serve. Our goal is simple: To prove each and every day that we're at the forefront of technology, that we're the best technology provider for our dealers and that we recognize *our* success depends on *their* success. ■