

## Welcome to IF Consulting's weekly e-mail newsletter

August 9, 2002

Our regular email tackles the topical issues that surround all marketing channels and their underlying strategies.

This newsletter is also available as a PDF on our Website (<http://www.i-f.com/E-comLinks02.htm>) if you want to download a version for your hard copy file.

### Channels the key to successful Web services market

Last month, at a meeting with analysts and journalists, Microsoft Chairman and Chief Software Architect Bill Gates said the software giant will utilize both its channel strategy and the economic climate to take on main competitor IBM in the coming Web services market. Gates said the software company is intending to invest heavily in Independent Software Vendors (ISVs) and channel partners to sell Microsoft's latest Web services offering .Net.

One of the significant points Gates made was that Microsoft's partners will ultimately decide the success of .Net. He stated, "The key to the .Net platform is the partner support we get for it, the ISVs and consultants. There's always going to be a fight over hearts and minds of those people. It's in our genes to use that model."

Both Gates and Microsoft CEO Steve Ballmer felt that Microsoft's ISV and systems integration partners are well-positioned for the introduction of the new platform. "It breeds opportunities for partners," Ballmer said.

<http://www.channelweb.com/sections/Resources/News/Article.asp?ArticleID=36544>

### IF Comment

Here is another example of deployment of marketing channels as the primary weapon in the war for corporate supremacy. Microsoft's confidence in the ability of marketing channels to deliver a decisive competitive advantage in the market place clearly establishes the unique importance of an effective marketing channel strategy.

The cost, control and coverage of marketing channels continue to remain the preferred parameters in determining the structure, remuneration and rules of engagement for organizations' marketing channel strategy. However, the growing convergence and the increased level of competition between industries is compelling organizations to engage in continuous and ongoing productivity improvements while developing and marketing total solutions to customers.

Building core competencies via specialization, collaborating via channel partnering, and engaging in co-opetition with industry players collectively constitute the nucleus of effective marketing channel strategy. On this nucleus of core competence, collaboration and co-opetition rest the parameters of cost control and coverage.



Marketing Channel  
Strategy Consultants  
Maximizing shareholder value  
through creating the best routes  
to market

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## Snippets

A US university, Case Western Reserve in Ohio, will link 16,000 computers, over the coming year to a fiber-optic network that delivers data at up to one gigabit per second – that's about 1000 times faster than the typical home broadband connection. In fact, the system will be so fast that the university's computer experts still don't know exactly what they will do with so much capacity.

<http://fyi.cnn.com/2002/fyi/teachers.ednews/07/21/high.wired.campus.ap/index.html>

The ANZ bank in New Zealand announced in July that it is to introduce a franchise model to its branch infrastructure. The financial industry has utilized the concept of franchising for some time in the areas of investment and mortgage broking sectors and is now looking to expand the system to include full banking and branch services.

<http://xtramsn.co.nz/business/0,,5114-1612276,00.html>

A recent study by market research firm Jupiter Research has found that, contrary to some other reports, active multi-channel shoppers may not be more valuable as customers. In fact this report found that multi-channel shoppers may actually be a hindrance to retailers.

[http://ecommerce.internet.com/news/news/article/0,,10375\\_1442631,00.html](http://ecommerce.internet.com/news/news/article/0,,10375_1442631,00.html)