

Welcome to IF Consulting's weekly e-mail newsletter

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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.

Cisco's new marketing channel targets small-to-medium sized businesses

This week, computer networking giant Cisco Systems launched a new web site through Yahoo that targets small-to-medium sized businesses.

Bridget Bisnette, Cisco's senior manager of commercial alliance development, said that the web site is aimed at companies in ten major industries, including manufacturing, retail, wholesale, financial service providers and government.

New manufacturers selling cheaper equipment have recently entered the networking market, and analysts believed that Cisco would have to take action to counter the lower-priced competition. The new web site deal with Yahoo is just one of several strategies Cisco has taken to fend off competition

<http://business2-cnet.com.com/2100-1033-984009.html?tag=lh>

IF Comment

Market coverage is one of the key measures of channel effectiveness. The number of customer segments targeted, alignment of the channels and their reach within each of those segments represents the degree of coverage.

Downsizing and outsourcing are key factors in stimulating recent growth in the number of Small and Medium Enterprises (SMEs) and Small Office Home Office companies (SOHO). The Internet has the potential to be a cost efficient channel, and could provide coverage to the SMEs and SOHOs, but success depends on customers' willingness to complete the transaction either on the web or link with other traditional channels. Internet channels could be effective for Cisco Systems - in a multi-channel structure with a robust link to other traditional channels.

Marketing channel architecture needs to be built around: pragmatic market segmentation; comprehensive understanding of the buying behavior in each of the markets segments; appropriate selection of market segments; and alignment of channels with the selected market segments.



IF Consulting

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

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Snippets

Thought to be the largest legal action Esso has faced outside the US, the Commercial Court in London began hearing evidence this week from former franchise-holders in a major dispute over license agreements. A victory for the 104 managers could result in their receiving major damages from Esso, and set a precedent for other legal actions in the petrol retail industry.

<http://news.independent.co.uk/business/news/story.jsp?story=376611>

Sabre Holdings, the world's largest computer reservations system, is having a tough time as the airline industry heads closer to insolvency. Not only is travel down generally, but the rapid adoption of Internet travel booking is causing an exponential decline in the number of bookings through travel agencies, Sabre's main users. Financially, however, Sabre is still doing incredibly well.

<http://www.nytimes.com/2003/02/10/technology/10SABR.html> (free registration required)

Houston Asset Management, Inc. has good news for Valentines Day. The "Cost of Loving Index" ?, which annually tracks the cost of Valentine gifts, reports stable prices for Valentines Day 2003. "Inflation is under control, with Valentine prices virtually unchanged," reports David Lampe, president, Houston Asset Management, Inc.

http://biz.yahoo.com/bw/030213/130013_1.html

Share the Knowledge.

If you have colleagues who would be interested in receiving our weekly email please forward this e-mail to them.

IF Consulting publishes "Our View", a quarterly review of topical marketing channel issues. Samples are available on our website. To receive "Our View", please return this email with your address details.

To unsubscribe, please reply with "unsubscribe" AND a copy of the email address to be removed.

IF Consulting is a leading international marketing channel strategy consulting firm with over 30 years experience in a vast number of industry sectors. See our website for further information.

<http://www.i-f.com>