

Welcome to IF Consulting's weekly e-mail newsletter

February 6, 2004

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.

Targeting marketing channel partners with pull

Hewlett-Packard has restructured its marketing channel partner program by combining its business products referral and enterprise products influencer plans into a single program. In addition, HP has introduced agent rebates for winning new industry accounts. These changes are part of HP's preparation for a major revamp of its marketing channel strategy, which involves merging its commercial channel organization and its enterprise channel group into a single unit by May 1.

According to Susan Reynolds, vice president of partner marketing at HP, the new influencer program which commenced this week will simplify and streamline HP's agent programs. Under the new channel partner program, solution providers act as sales agents and influence the sale of HP products. HP then ships product directly to the customer, handles the accounts receivable and pays the channel partner a fee.

<http://www.crn.com/sections/BreakingNews/breakingnews.asp?ArticleID=47651>

IF Comment

Influencers are often an undervalued critical marketing channel. Typically, there are two types of influencers: those who stock the product and whose main business is to sell the manufacturer's products or services, and those who don't actually stock the product but whose main business is complementary to the manufacturer's.

Manufacturers usually recognize the first type of influencer more easily and have programs to reward and motivate them. The second type of influencer is more difficult to recognize and to reward. Their relationship with the manufacturer is less structured and the points of contact are less frequent. Unless the manufacturer makes an effort at developing a strategy to target the influencers, there would be no natural frequent points of contact with them.

Influencers may not even realize that they are influencers until the manufacturer approaches them with a targeted reward or loyalty program. A difficult aspect of the relationship with influencers is measuring products and/or services sales, especially if the actual sale occurs through a different channel. However, once the relationship with the influencers is recognized, systems and processes to monitor and measure their sales need to be developed.



IF | Consulting

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

IF Asia Pacific Pty Ltd
An International IF Company
ABN 38 970 704 536

390 St Kilda Road Melbourne
Victoria 3004 Australia
Telephone +61 3 9867 8822
Facsimile +61 3 9866 3969

email channels@if.com
www.i-f.com

USA

Europe

Australia

Latin America

Snippets

Adopting increasingly sophisticated means, spammers are now targeting mobile phone subscribers throughout Asia, sending text messages through the popular short message service (SMS) system. Major technology companies are becoming increasingly concerned by the practice which will result in increased IT costs for businesses and the development of more complex antispam technology.

<http://www.ecommercetimes.com/perl/story/32770.html>

The second largest quick lube chain in the US, Valvoline, is planning to set up a similar infrastructure across India. The company plans to set up franchisee outlets which will provide vehicle owners quick services such as oil changes and chassis lubrication. However, initially Valvoline might introduce a different model than what it has in the US. It may, for example, only concentrate on servicing two-wheel vehicles initially.

<http://www.business-standard.com/today/story.asp?Menu=2&story=33791>

US companies are seeking local joint ventures partnerships in East Africa to help stimulate economic growth in the region.

Cynthia Griffin, a senior commercial officer at the US embassy, said the decision by the US to create joint business ventures with local investors indicates the demise of the long time monopoly enjoyed by South African companies in East Africa. She pointed out that partnership in franchise businesses as one area US firms are keen to co-operate. She said franchising promotes growth and development of the Small and Medium Sized Enterprise sector.

<http://www.eastandard.net/business/bsnews05020422.htm>

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>