

|Personalization | Customer Portals | Aftermarket Growth | | Circular Manufacturing | e-commerce | Customer Journey |



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Personalisation in the Spare Parts Business

Relevant search results, lesser number of clicks, saved payments, no overload of information – these are just a few of the expectations of today's online buyer. As a seller, it is as important to provide relevant buyer-specific information as it is to help customers find the right product. And that is why, today, personalisation is a key element in designing an eCommerce solution. Typically, a well implemented strategy can increase customer experience, customer retention, loyalty to your business and revenue.

So, what exactly is personalization? It is a process to make the content of an online store more relevant to the customer's needs. It increases the user experience and makes the interactions faster and easier. Online retailers have been using dynamic content, product recommendations based on browsing behaviour, purchase history and demographics to make a visit to their web shop more personal.

Personalisation in B2B

While B2C personalisation is aimed at driving sales by making the customer add more items to the shopping basket, often by "impulse buys", B2B personalisation must be more sophisticated. It is unlikely a B2B customer will engage in a procurement process on impulse. Instead B2B personalisation must create value and efficiency for the user.

Typically, B2B personalisation will need to focus on delivering efficiency to the customers. A saved click can be transformed into revenue for the customer's business while easy to access product information can reduce costs. A reminder to buy a tool that you will need together with another item in the shopping basket can save time and money.



Fast bulk orders of items low in stock reduces errors and ensures the support to the customer's business or the end user. Personalisation in B2B focuses on customized catalogues, contract pricing, supporting segmented information based on roles, allowing quick bulk orders and handling roles in the order process. It requires the use of all knowledge about your products and customers that you have access to.

The Spare Parts Business

Why is personalisation important in the aftermarket and spare part sales? It has many similarities to the normal B2B case in presenting relevant information to the customer and supporting different roles. Butitalsoaddssomeadditional complexities.

When servicing a product, the exact structure will be crucial. A design change from one month to another may make one spare part fit and another not. The actual install base in terms of exact versions or individuals becomes essential. In addition, when purchasing a spare part for service or repair, the customer knows what she needs. Add-on sales based on recommendations from other users or similar purchases becomes irrelevant. The customer's main focus is to reduce stop times and maximise uptimes which makes anything to support uptime of greatest value. Looking at market trends, third party com

eCommerce vendors are moving into the B2B eCommerce space with strategies focussed on the high moving products and parts. These large eCommerce vendors offer easy to use user interfaces, low prices and fast deliveries for the high moving spare parts. For businesses open to third party spare parts, third party eCommerce sites may take a big share of the sales of high moving spare parts sales. With a typical high margin in aftermarket sales, this may put revenue at risk. Adopting personalisation, tailored for the sale spare parts, to the already available OEM web-shops is an effective way to meet and minimise this risk.

Strategies for Personalisation

The expectations that users bring with them from their B2C shopping experiences must be met. It must be equally easy and fast to find and get the right spare part for an existing product as to purchase a piece of clothing. But this will only level with the large eCommerce firms moving into B2B.

As an OEM, personalisation can be taken further to make it more efficient and easier to get the needed parts. Naturally the B2B personalisation strategies will apply also to the aftermarket and sale of spare parts, but they must be complemented with additional tools.



overview Here is of the tool an set available for an **OEM** personalise the business: spare part

- Keep track of install base. Knowing your customer's install base is the key to making it relevant and presenting the parts needed. It may save several clicks and thus valuable time.
- Ensure to store the connection between the ordered part and the product it is needed for. It will help in making future purchases smoother as well as important information to the R&D when improving product quality. If the install base cannot be tracked, it is also a method of helping the customer finding the right products.
- Focus the spare part search on finding the exact right product version or individual to ensure the right parts and service information is presented.
- of the specific product. When a customer

orders a spare part for a product, an accessory that fits that product may be relevant. Suggesting additional spare parts that may be wearing down could give great value to the user. E.g. lubrication or a service tool needed to change the part.





- Deliver consistent experience to customers across regions, brands and devices
- Enable faster buying process for the customer
- Find and sell aftersales products, accessories and related documentation in a few clicks
- Increase sales of spare parts and products





For expensive parts in older products, presenting a new and better product may drive product sales.

- Ensure to handle legacy parts and their replacements. Old parts may have been replaced in several steps and this needs to be communicated and handled on the eCommerce site.
- Highlight relevant technical bulletins that require or recommend the customer to replace spare parts in their product. Allow customers to acknowledge the information when the replacement has been done in order to hide unnecessary information.

Add content for easy maintenance and support. If customer can find the needed information to change part, as videos or textual descriptions of the support, along with the parts valuable time will be saved. Getting the correct part is equally important as an efficient service operation. Service technicians are equally important as the persons placing the order.

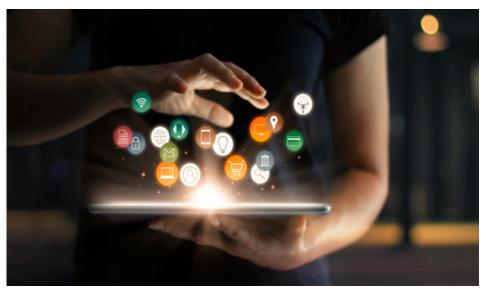
In conclusion, implementing smart personalisation strategies in the spare part business, is bound to increase your customer's experience and at the same time efficiently compete with third party vendors. Keeping track of the install base will help the end user finding the exact right part, and

with additional content, the process of reducing time will be more efficient. At the end it will strengthen the brand loyalty and increase the aftermarket revenue.

The Signifikant Platform: Although B2B ecommerce differs a lot from B2C ecommerce, it is worth noting that B2B customers expect to receive the same user experience through both channels. Our functionalities of personalization, integrations, and attribute based filtering, amongst others, ensures that B2B users have a familiar online experience coupled with simplified one-click buying.

Learn more: https://www.signifikant.se/e-commerce/





|Author| **Mauro Boffardi** Customer Success Manager, Intershop

B2B Commerce Leaders: Think Customer First!

In the last few years manufacturers, wholesalers and service companies successfully digitized the interactions with their business customers. But did they put them first? The advantages of customer-centric digitization efforts are well known: reduction of the cost of each interaction, fewer errors, freeing of resources that can be moved from repetitive tasks to added business value, all leading to the overall goal: improving customer satisfaction, margins, and broadening the sales channels.

In the last weeks, for many people (both on the sales and supply sides) digital interaction has become the only available choice. All companies that delayed or underestimated digitalization are now facing additional challenges and are quickly losing the competitive edge.

How do B2B Commerce Leaders tackle this challenge?

Many tech-savvy companies have already implemented a long list of digital self-services:

- They allow customers to exchange electronic documentation and sign contracts digitally.
- They provide online configurators that can give an idea of price and options for complicated machines in just a few minutes and speed up the offer cycle.
- They provide smart personalized spare parts catalogs so that customers can identify the exact part that they need to replace.
- In most complex scenarios, customers can remotely monitor their machines spread on several factories or working sites, quickly identifying failures or need to reorder consumables.



All these are great initiatives, but need to be managed carefully to avoid dissatisfaction and even frustration: all those services provide different touchpoints, have their own authorization mechanism, and oftentimes provide inconsistent interfaces. They usually are part of an "inside-out" approach, where internal processes are published to the customers "as is". It is up to the customers to know those processes and adapt to them.

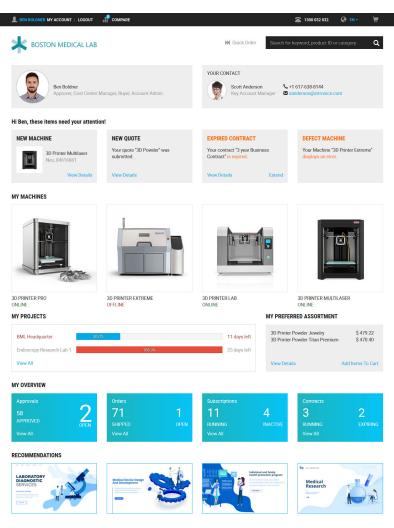
Inefficient separate digitization initiatives So there are many great examples of digital self-services offered already. However, when organized as separate services, many well-known conflicts arise:

- An offer is created on a CPQ (Configure Price Quote), but then, once approved, the order has to be typed in manually into the customer ERP
- The updates on the production status are available on-site, but then information about shipping status is available only via phone
- Payments are coordinated on another channel with the accounting department
- Installation and order of spare parts may have a process completely different than the one needed for consumables
- Booking of on-site services for repair or maintenance has to be negotiated by phone, and the outcome of the intervention is delivered via mail or in paper form

While each one of these stand-alone interactions can be very efficient, the overall experience will be very unpleasant. There's even more if the sales organization has boundaries and limits that don't have meaning for the customer! Think about unique touchpoints for different countries, product segments or business units!

The Perfect Outside-in Solution: A digital Customer Portal

There is, fortunately, a good solution for this, and it is a Customer Portal. It is one of the biggest opportunities, and therefore one of the biggest trends in B2B commerce.





In a single digital service, with a consistent interface over several touchpoints (web, apps, call center, even embedded screens on machines), ALL customer interactions can be put together and streamlined. There is no need for customers to know the seller's internal organization.

A seamless B2B customer journey

Avisit to the Digital Customer Portal to learn about a machine can be the starting point of a configuration session, which then seamlessly becomes an RFQ whose status can be followed on the same website after login. There, it can be transformed into an order that is transferred automatically into the customer ERP via a standard protocol called Punch-Out.

Shipping information and invoices follow in the communication area of the site, and once installed, the product is part of the installed base, where the customer can order consumables, monitor the machine status, and order specific spare parts, services and so on. Of course, all documentation and history are connected to the online profile of the machine.

By this, a Digital Customer Portal is not a "collage" of applications, but rather a "hub" of different processes. Some of those are implemented directly in the Digital Customer Portal, some are connected to other parts of the ecosystem via a modern microservice/API architecture.

This unique interface doesn't hold advantages only for the customers. A unified ecosystem can collect information through the whole chain of interactions, from presales to aftersales, and deliver insights on the customers for up- and cross-sell opportunities that wouldn't have been possible to be gathered from different isolated repositories.

Do you want to know more about Customer Portals? Read here: https://www.intershop.com/en/digital-customer-portal

Intershop®

Intershop is an independent provider of omnichannel commerce solutions. Intershop orchestrates the entire omnichannel commerce process chain – from the design of online channels to the implementation of software to fulfillment.





|Author|
Adrian Botham
MD and Founder,
Servispart Consulting

The Big Mistake How NOT To Grow Your Aftermarket

You can't grow an aftermarket business just by focusing on customer service. If you've ever started a business of any kind, you will know that you can't establish and grow a business just by focusing on sales and marketing either.

Unfortunately, that's what a lot of business leaders try to do and it's a BIG mistake!

While it's true that you can't grow a business properly without sales and marketing, it is also true that sales and marketing are insufficient on their own. Growing a business of any kind requires a more holistic approach.

A Total Approach to Aftermarket Growth

- Growing a business involves identifying and improving the underlying root causes of sluggish growth.
- Failure to do this will prevent, or at the very least, slow down your rate of business growth.
- And for manufacturers, growing an aftermarket parts and service business is not the same as growing your manufacturing business.
- That's because manufacturing is predominantly about designing, making and selling products.
- Whereas aftermarket is about maintaining equipment, repairing things and supplying spare parts, which are all examples of services, rather than product offerings.



- Product operations are not the same as service operations either.
- If you've ever tried selling or marketing services the same way as you do products, then you'll know what I mean.
- According to our research and experience, there are ten capability levers that a manufacturing business must focus on to maximise its aftermarket growth and profitability.
- Sales and marketing only cover two of them (20%).
- The other eight (80%) have nothing to do with sales or marketing.

If any one or more of these ten capability levers are missing or under-developed, then it can seriously constrain your aftermarket business growth.



Aftermarket Growth and Capability

- Aftermarket businesses are particularly challenging for manufacturers because they are more service, and people oriented than product oriented:
- Availability of spare parts, service engineers, or service facilities?
- Range of spare parts and service skills?
- Identifying the right part number to order?
- Delivery time for spare parts?
- Turnaround time of service repairs and non-stocked parts?
- First Time Fix Rates for service calls?

Intangible customer service aspects such as these are driven by aftermarket capabilities such as parts planning, parts logistics, parts cataloguing, field service management, supply chain management, asset management and so on.



Failure to recognise and tackle aftermarket capability gaps like these will strangle your attempts at aftermarket growth.

A Capability Approach to Aftermarket Growth

Cooperation and integration between processes, systems, people and partners are crucial. In other words, closing a knowledge or skills gap with recruitment or training of a new salesperson will work, IF AND ONLY IF the lack of sales expertise is the only piece of your capability jigsaw that is missing and holding back your progress.

But if you have capability gaps in multiple areas then things can only improve slightly, at best. So, if the real reason why you're not selling more parts is because your customers want to buy them outside of normal working hours when your store is closed, then the answer to your growth problem is to implement an ecommerce system, not to recruit a new salesperson.

And of course, if you don't know what your capability gaps or their root causes are, and you don't have a method of identifying them quickly and easily, then any progress will be via trial and error, which is not just painfully slow, but extremely costly as well.

Over the decades that we've been helping our clients to understand and improve their aftermarket businesses, we've seen some great businesses losing millions in sales and profits because they (mistakenly) thought that more sales people was the answer to their lack of growth, when it was only part of the answer at best.

Don't let that happen to you or your business!



Servispart Consulting is a management consultancy company specialising in servitisation strategy, aftermarket improvement and systems solutions specifically for OEMs, parts manufacturers and their aftermarket parts businesses. https://www.servispart.co.uk/af-

termarket-growth/



|Customer Interview| **Toon Snoeren** Head - Parts & Services EMEA Dometic Group



We are in an era where majority of B2C sales transactions are being done online. Manufacturers are just waking up to the reality that their customers also expect an easy to access-24/7 system that provides the needed information and is also vital to increasing customer loyalty as well as supporting constant top line growth.

Implementing an end-to-end ecommerce solution for the aftermarket is sometimes an advanced process. It requires up-to-date product and service information consolidation into one access point. The data has to be validated and integrated with the existing infrastructure and backend systems to provide the right information for the right user at the right time.

We spoke with Toon Snoeren, head of parts and services EMEA at Dometic Group, on the group's decision to implement an e-commerce website for their dealers to be able to order, sell and track aftermarket products.

Signifikant: We have all seen how globalization and the internet has enabled or, in some cases, forced businesses to change the way they approach their markets. What has been a factor that has influenced your industry and Dometic?

Toon Snoeren: The mobility industry is undergoing a fast transformation impacted by globalization, multiple sales channels and changing customer behaviour. This has pushed for a change in business models towards customer experience rather than a product-focused approach. This means that spare



"The new Dometic Platform given us much more flexibility in terms of a more professional Dometic Parts & Services business, thereby reducing complexity and mitigating operational risks at the same time."



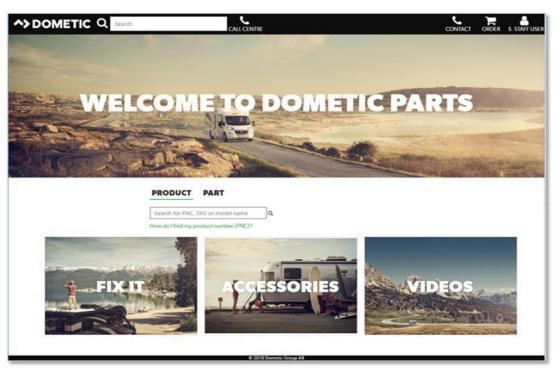
parts businesses need to adapt accordingly in order to safeguard the overall customer satisfaction. At Dometic, this raised several questions: Were we making sufficient adjustments in this area of building an even better relationship with our customers? How should our future parts business be like in the future? What type of tool and strategy do we need to maintain our Industry leadership?

Signifikant: That is quite a lot to ponder on, both in terms of IT enhancements and strategic alignments. What was the conclusion of these discussions?

Toon Snoeren: We concluded that we needed to develop a new, more customer oriented and flexible e-commerce system, to deliver our aftermarket parts cost-effective around the globe, which also fits well with Dometic's strategy to develop platforms and solutions for the rapidly growing customer demand.

Signifikant: Could you please give us a brief background on Dometic? What was the business problem you were trying to solve?

Toon Snoeren: Up until 2016, Dometic Parts used the Electrolux ERP and web-portal systems. That restricted our flexibility for up/cross selling globally as there were only limited interfaces for certain EMEA countries. At the same time, we also consolidated our warehousing footprint for spare parts to enhance our availability throughout EMEA. At the end of 2016, Electrolux announced that they were going to launch a new ERP system, to replace their current systems. This was an opportunity to start our own journey toward a focused and more professional Dometic Parts & Services business transforming our After Sales to become more profitable.



The new Dometic Parts webshop, accessed by dealers worldwide. The backbone of this system is an Aftermarket Product Information Management tool that handles almost 500,000 parts and items



Signifikant: Could you describe the project that was undertaken along with Signifikant? What were some of the important and new functionalities developed? **Toon Snoeren:** An ambitious and intensive project was started which proved to be a difficult task, but which was made possible with the support of the strong and flexible partner Signifikant, who developed and implemented the system into our ERP. The project involved numerous challenges, such as configuring the backbone data system "TecDoc" in a way desired by Dometic, but it has already proved to be a major change and success. The new web shop provided us new features / possibilities such as;

- Enhanced search possibilities (description, SKU, PNC, etc.)
- Extended Service-Kits
- A Track & Trace functionality
- Enhanced order history, order and delivery information
- Documentation (incorporated service videos) and spare parts in the same place
- Multi language

Signifikant: You must have had quite a big change management project to get users accustomed to the new system. Can you describe the acceptance at Dometic.

Toon Snoeren: The migration to the new platform and acceptance of our sales companies, customers and users went smooth and seamless. We integrated tips and videos on the front page after



Image:dometic.com

the login which users could utilise to get acquainted with the system, although the system is self-explanatory and easy to use.

Signifikant: The Signifikant Platform is being used by users across the globe. How has this impacted your business?

Toon Snoeren: The new Dometic Platform has given all our global sales companies the ability to order their spare parts online. This has given us much more flexibility in terms of a more professional Dometic Parts & Services business, thereby reducing complexity and mitigating operational risks at the same time. "The platform has created "Signifikant" value and efficiency for Dometic and will surely continue to do so going

About the project: As the Dometic Group was breaking away from its historic parent group, Electrolux, there was a need to implement a new parts ordering system to better reflect the current business at Dometic. Signifikant's Aftermarket Business Platform was implemented in order to integrate and simplify ordering systems, publishing platforms and legacy systems. The platform enabled Dometic to launch a strong ecommerce portal for their dealers with customized functionalities such as enhanced search, track-&-trace, personalization, multiple language supports, digital asset and documentation display, amongst others.

For more details, write to: info@signifikant.se or visit: www.signifikant.se

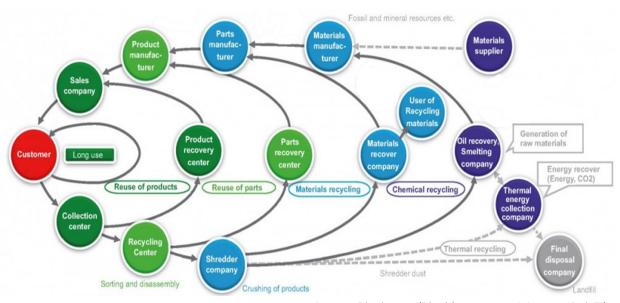


|Author| **Ruud de Bruijckere** VP, Products & Development Signifikant



Circular Economy: How will it impact your spare part business?

Circular Economy is an economic system where the amount of waste and the inflow of natural resources are reduced to a minimum. For a manufacturer of products, this goal can be reached through a combination of strategies. The highest economic and environmental gains are achieved by extending the use of the product (long use), followed by reusing the product (multiple lifecycles). Then, when the product has reached the end of its extended lifetime, the third strategy is to reuse components and parts of the product in new or refurbished products. Only when these "reuse" strategies have been exhausted, a product should be taken to a materials recycling plant.



Source: Ricoh.com (Ricoh's concept of Comet Circle™)



Circular Design

A Circular Economy drives products to be designed for maximum durability and a long lifetime. This does not only include physical durability.

- Designed for upgradeability: instead of buying a completely new product that has one new function, the original product could have been designed to be upgraded with new functionality
- Designed for emotional durability: By designing products that create an emotional bond with the owner, they will stay longer in the household.
- Designed for repairability: Products designed for easy repairs (no requirement of special tools, heavy lifting or breaking of product) empower the user to extend the lifecycle of their products. It should be easy to order parts as well as provide clear instructions, possibly supported by Augmented Reality, allows more service to be done by owners and users.

Circular Business Models

Designing products for longer use and multiple lifecycles does provide huge economical and sustainability benefits. But it has a negative impact on OEM's with linear business models that are dependent on new product sales. To profit from a Circular Economy, manufacturers need to adopt business models that are aligned with this economy, like leasing, sharing, pay per use, product as a service, function as a service,

performance contracts, etc. Many of these Circular Business Models imply a shift of ownership from the user to the manufacturer or a service/functionality provider. These service providers (manufacturers or independent) will need to have a much deeper knowledge about each single product: how it is used, how often, under which conditions, in what environment, with what load or configuration? This knowledge is important to be able to determine the quality of a product before it is reused in the next lifecycle, to determine the refurbishment needs of a component, to calculate the monthly bill in a pay per use or to measure the performance in an "as a service" contract. These Circular Business Models will also have a considerable impact on the logistics operations where reverse logistics flow may overtake the traditional logistics flow in size.

Circular ICT platforms

Today most manufacturers have little knowledge about the product once it leaves the warehouse. Limited information is kept on who owns the product, where it is used, how it is used, if it has been adapted or components that been replaced during maintenance and repair. When we consider refurbishment of products and components and scenarios where similar components are placed in a reuse pool that is shared by multiple manufacturers, the information need will even increase. Who was the orig-



-inal supplier of the part or component, which substances where used during manufacturing and are any of these on a grey- or blacklist? To support the information needs of Circular Business Models, products need to be turned into "smart, connected" products (Industry 4.0). Service providers will need to deploy "cloud platforms" to which the

Preserving the privacy of every user is a great challenge in all these use cases, but it is not the technology or stored data that threaten our privacy, but the processes and routines we build on top of it.

Spare part catalogues today represent the state in which the product left the factory



products can connect and from which the backend systems can retrieve their data.

Through this:

- Users will be able to see and control their products and pay only for their use.
- Service providers will be able to plan for preventive maintenance, preferably performed by the user.
- Remanufacturers will be able to refurbish products and components for their next lifecycle without endangering quality.

(mBOM). Based on this, they can provide the exact correct spare part for any version or variant of the product regardless when it was produced, provided that the product has not since been modified .. In a Circular Economy, manufacturers will have to collect maintenance data and keep information about the product as they are maintained (as maintained BOM). Only then can we be sure to always get the correct part and the correct instructions for any product.



The impact on spare parts business

The impact from the Circular Economy on your spare part eCommerce business will be the following:

- Spare part sales will increase! With longer use, multiple lifecycles and a move from replace to repair, the spare part business will grow and for many manufacturers the aftermarket will become significantly larger in size than product sales.
- B2C and B2B2C portion of spare part sales will increase! With products that are easier to
 maintain and repair and aftermarket platforms that provide easy to follow instructions, spare
 parts will more often be bought and/or delivered directly to the owner or user. Spare parts will
 be just a part of the package: With more "uncertified" users maintaining and repairing their
 products, a spare part order not only needs to be quick and efficient (as desired by a certified
 service technician), but it shall also include all relevant documentation for dismantling, replacement and return of material.
- Reverse workflows will increase: In a Circular Economy every sale, if it is a product or a spare part, will result in a reverse workflow. Not only the product sale, but also the spare part sale will in many cases be circular and require the user to return the used spare part to the manufacturer.
- Asset management and digital twins are the next "must have" technologies: To provide excellent service over all lifecycles of a product, your spare part sales need to be based on the current configuration and status of the product. Connected products and the collection of service history in close connection to the spare part catalogues will become a necessity.

The Signifikant Aftermarket Business Platform is prepared for the Circular Economy. The platform is "Industry 4.0 ready" with integration to IoT platforms. It supports finding and buying of the correct spare part for any individual machine based on its as maintained machine card. While you order your spare part, you will at the same time collect all documentation, ware parts and tools needed. It supports maintenance and repair kits as well as processes for preventive maintenance. It is open for publication of information to multiple channels for different roles and use cases: a super efficient, "minimize number of clicks" environment for service professionals or an easy to use, "maximize supporting information" environment for end users. Or a third party, "Amazon-like", platform for high moving parts. Whatever your needs are, the Signifikant Platform will support it.



News and Events



Signifikant partners with Servispart Consulting to drive aftermarket growth

Earlier this year, Signifikant Svenska AB entered into a partnership with UK based Servispart Consulting. The partnership will see the companies collaborating to provide manufacturers with a holistic approach to overcoming their aftermarket challenges through a robust aftermarket technology solution supported by a solid strategy, business change and systems consulting service.



Signifikant to release version 5.0 of the platform with major updates

During the second quarter of the year, Signifikant is set to release a new version of the platform, Signifikant 5.0. The latest update will include an improved user interface, personalization functionalities for the ecommerce support and many new integrations and plugins to import and export systems.

Ongoing Webinar Series



Live Webinar: Circular Manufacturing Systems: From Idea to Implementation

08th April, 2020, 11am CET

Click here to register

In the second webinar of our circular economy series, we discuss how manufacturing organizations are finding ways to fast-forward transformation beyond old linear ways of doing businesses.

Speakers: Farazee Asif, PhD, Senior Research KTH and Ruud de Bruijckere, VP Products & Development at Signifikant



ABOUT SIGNIFIKANT

Signifikant (www.signifikant.se), is a Swedish independent software and consultancy company specialized in solutions for the Aftermarket and the support for the manufacturing industry with solutions for Product and Services information (PIM). Backed by industry expertise and process know-how.

Our mission is to provide a complete solution, for the aftermarket, that serves as one of the levers of an organization's digital transformation. With our flagship solution, the Signifikant Information platform, a state-of-the-art ecommerce platform, we enable companies to improve their profitability by supporting their aftermarket digital commerce strategy.

- The aftermarket company: 20+ years of experience in the aftermarket solutions industry with in-depth process know how through huge reference projects
- Usability and design: The most easy to use and well designed web viewer, with powerful and fast search functionality.
- Modern Technology: Flexible architecture consisting of a base platform with an extensive set of functions and custom modules to add or modify according to business needs
- With our strong process support, sell the right part for the right machine at the right price, everytime

Signifikant Aftersales PIM platform has successfully been implemented at Atlas Copcoo Tools, Komatsu Forrest, Dometic, Evacs, NVR, Trapaze Group, Voltas, Baoli and many others.