CHANNEL MANAGEMENT FOR SEMICONDUCTOR COMPANIES

The Only End-to-End CRM Solution for Semiconductor and Component Manufacturers

SAP offers a packaged solution that helps midsize semiconductor and component manufacturers maximize their return on investment in sales channels by increasing revenue, motivating and rewarding sales representatives and partners, and minimizing sales channel costs. This solution is implemented within a predetermined cost and time frame, allowing you to identify a predictable total cost of ownership at the outset. The solution quickly gives you out-of-the-box functionality so you can better leverage your channel partners to market to, sell to, and service your customers.

The sluggish economy has forced midsize semiconductor and component manufacturers to take a hard look at costs. Now that they have trimmed the fat, the most effective way to improve profitability is to boost the efficiency of their sales activities. The key to increasing top-line numbers is to maximize return on investment in the sales channel – one of the most important revenue generators for high-tech companies. Enterprises must carefully manage business opportunities with customers, provide appropriate incentives and rewards to sales representatives, and collaborate efficiently with channel partners. But for most semiconductor and component manufacturers, getting a firm grip on these basic tasks has been extremely difficult.

What's the source of this problem? The industry has lacked the powerful, end-to-end customer relationship management (CRM) solutions that link back-office applications with customer-facing interactions. Without a comprehensive CRM solution, businesses lack the internal visibility and business intelligence needed to spot trends and handle issues within their sales channels. Any other approach is insufficient. For example, point solutions can't share critical point-of-sale (POS) or design registration information with other enterprise systems. Proprietary, nonstandardized approaches aren't the answer for businesses requiring a long-term, sustainable channel management solution. And homegrown CRM applications have the dual disadvantages of lacking cross-enterprise integration and creating ongoing maintenance burdens and data integrity challenges.

Get Maximum ROI from Your Sales Channel

What's the solution for your business? You need The SAP® High Tech Channel Management packaged solution, designed specifically for semiconductor and component manufacturers.

This channel management solution can help you better market, sell, and service your customers. If your company sells directly to customers, you can use the channel management solution not only to motivate your sales representatives, but also to manage business opportunities. And if your company sells through channel partners, you can use the design registration capabilities to identify and register specific partner opportunities for placing components into new OEM products.

The solution enables high-tech organizations to maximize return on investment in the sales channel by increasing revenue, supporting sales representatives and partners, and minimizing sales channel costs. Robust integration with SAP Enterprise Portal and SAP Business Intelligence – components of the SAP NetWeaver™ platform – facilitates cross-enterprise communication, collaboration, and easy information access. That's how the solution helps to enhance and strengthen the critical partner relationships that lead to higher sales revenue.

Only SAP has the technology, financial stability, and demonstrated long-term commitment to the high-tech market to deliver the channel management solution your business needs today. And with more than 30 years of service to high-tech enterprises around the world, SAP has the industry expertise to address your unique channel management needs.

A Complete Solution That's Fast, Proven, and Affordable

The solution enables you to leverage the proven channel management functionality of mySAP™ Customer Relationship Management (mySAP CRM) – in a tailored solution that can be implemented in weeks at a predictable cost and time to value. The package includes implementation of such functions as support for indirect sales channels, channel inventories and price protection, claims processes, opportunity tracking, and sales representative and partner motivation. You receive everything you need for a fast, proven, and affordable industry solution that enables business today and builds for tomorrow.

Using this solution as a foundation, you can take a modular approach to deploying additional CRM functions as your business requires. (Note that the solution requires prior installation of mySAP ERP, formerly known as SAP R/3® Enterprise.)

Accelerated Implementation Services for a Predictable Deployment

SAP-qualified partners deliver accelerated implementation services based on extensive experience and proven methodology gained from hundreds of successful customer installations at midsize high-tech companies worldwide. Implementations are affordable and predictable because they are delivered using a clear, step-by-step methodology, including a work plan, team structure, and training plan tailored specifically for deploying mySAP CRM within high-tech companies. The result is reduced time and cost of implementation – and quick and effective adoption by employees.

Two implementation options are available to address different business needs:

- **Implementation of channel sales management for businesses that do not need design registration functionality**
  SAP offers a lower-cost option that provides the following functions
  - Quoting and debit authorization
  - Resale tracking
  - Transmission management
  - Channel inventory management
  - Ship and debit claims management
  - Price protection
  - Partner self-service portal capabilities
  - Comprehensive business analytics

- **Implementation of the complete channel sales management suite**
  This comprehensive option includes all functionality described above, plus design registration capabilities.

Each implementation option can be completed in 20 weeks and requires minimal participation from your staff — so they can stay focused on your business.

Tools to Optimize the Sales Channel

The channel management solution provides you with the processes, information, and support for best practices needed to optimize your sales channel. End-to-end process integration enables you to increase leads, opportunities, and design wins; improve gross margins by optimizing quoting and debit processes; and enhance order accuracy and closure rates. The solution includes the following functions:

Demand Creation and Design Registration

Demand creation and design registration functions allow channel partners and internal sales personnel to register for design win opportunities. In addition, sales personnel can receive and respond to design registration requests using Electronic Data Interchange (EDI), or Web-based communications. Flexible hierarchies allow sales personnel to perform program management by linking project, assembly, and design registration data for a more complete view of projects at customer sites. The solution, which is RosettaNet compliant, also tracks the complete design cycle from new requests to wins.

Quoting and Debit Authorization

The channel management solution supports all activities related to quotes and contracts, offering Web-based quoting for quick turnarounds, as well as the ability to automatically issue ship and debit authorizations. You can also use automatic approval capabilities (which are based on specified business rules) to streamline approval processes.

Resale Tracking

Resale tracking functions allow you to capture and receive POS data from channel partners using EDI. Incoming POS data can be validated based on configurable rules. The solution also enables planners to update channel inventory information while processing resale requests. End customers can be given aliases within the system, allowing you to track them accurately. The solution recognizes the various identifiers assigned by distributors and consolidates them into one end-customer ID within the system.

Transmission Management

The solution makes it easy to generate a list of transmissions that are due, as well as a summarized view of those received. You can also perform duplicate checks on transmissions using flexible configuration criteria, as well as mass process transmission feeds for greater efficiency.

Channel Inventory Management

The solution offers perpetual channel inventory tracking, providing visibility into inventories held by specific channel partners. The solution also tracks inventory that is sold into the channel, grouping it by the price that each channel partner paid. Resale POS data can be used to update the overall inventory information. Flexible calculation rules help personnel create a representation of inventory on specific dates. Partners can also send inventory reports, as well as reconcile calculated versus actual partner-reported inventories.

Ship and Debit Claims Management

You can use the solution to handle ship and debit claims. Channel partners submit claims data using EDI, XML, or Web-based communications. The solution uses configurable validation rules for claims processing and links POS data to the received claim. You can also accept or reject claims and send corresponding responses to partners.

Price Protection

The solution supports proactive price protection capabilities and configurable rules for price protection eligibility. You can perform "what-if" analyses to predict the impact of pricing changes. In addition, you can use the solution to execute price protection adjustments retroactively, determining inventory levels for past dates.

Partner Self-Service Portal

The solution provides your channel partners with a role-based, single point of access to all information. Partners can use the portal to register, qualify leads, request quotes, create POS data and claims, and check the status of claims.

Comprehensive Business Analytics

Analytics provide the business intelligence you need to understand channel trends and more effectively manage the sales channel. For example, you can use the solution to better understand your opportunity cycle time and identify opportunities for reducing cycle duration. In addition, the solution helps you track and analyze POS information, including such trends as inventory turns per partner and sales patterns by product and distributor.

New Value for Today's High-Tech Enterprises

Because it is designed expressly to meet the needs of midsize semiconductor and component manufacturers, the solution delivers exactly the benefits that you need today, including the following:

Increased Business Opportunities and Market Share

The solution provides real-time, accurate information to help you quickly capture and leverage new business opportunities. And by using the partner portal, you can enhance revenue share while building new successes and competitive advantage.

Enhanced Value to Your Customers

Because the solution enables partners to better market, sell, and service your products, your customers receive increased value, which in turn translates into greater customer satisfaction and increased sales.

Reduced Channel Support Costs

The channel management solution helps you reduce costs across all sales support activities. For example, you can cut administrative costs using proactive claims payment and auto-approving design registration functions, as well as quote request and claims functions that are based on flexible rules. In addition, by hosting self-service portals that enable sales representatives and partners to access information when they need it, you can decrease partner support costs. You can also reduce stock rotation and price protection claims by using the solution's perpetual channel inventory tracking capabilities.

Improved Channel Partner Relationships

The solution helps enhance your relationships with members of the sales channel by supporting more accurate claims processes. And by providing an intuitive, easy-to-use system that supports your entire sales channel, the solution makes it easier for partners to work with you, which encourages them to do more business with your company.

Increase Your Opportunities

Take the next step toward enhanced profitability by optimizing your sales channel. For more information, visit
www.sap.com/solutions/industry/hightech/sm/channel_mgmt.asp

Powered by SAP NetWeaver

mySAP CRM is powered by the SAP NetWeaver platform – the open integration and application platform that provides the best way to integrate all systems running SAP or non-SAP software. SAP NetWeaver unifies integration technologies into a single platform and is preintegrated with business applications, enabling change and reducing the need for custom integration.

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