

Social Technology In Manufacturing & Supply Chain

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In today's world, the term social is used to describe the simplest task or component and often is more a marketing term than anything else. For all the social interactions written about social and sharing, they have mostly referred to a B2C business model. The social aspect works well for this scenario. What has been forgotten and overlooked is the lack of communication and social aspect as it pertains to the B2B model. If your business sells to other businesses a B2B model, you should also be able to reap the benefits of social as well.

As can be seen, it is not that easy for B2B entities to engage, interest, nurture and close the sales cycle using social technology. A few main reasons for this are the length of the sales cycle (quite often longer than the B2C model), the complexity and usually the dollar amount. The term social has become very broad in meaning and now incorporates many other aspects that were often not associated to social. Within a B2B scenario, social has expanded to incorporate collaboration, business monitoring and listening, email automation, content and document management, the use of social networking sites as a knowledge base and other various tools such as social CRM (SCRM).

By engaging many social vendors through our analyst briefings, there are very few tools that address the social needs for B2B organizations. How can B2B organizations take advantage of the social hype and capitalize on it by closing more business? Within a B2B context, social is rapidly evolving and incorporating many complementary tasks, systems and operations. Recently there have been many new vendors pop up that are starting to understand the deficiencies left by B2C social and are applying it to B2B customers. For service-based businesses, many vendors are starting to combine social CRM to project management and billing. In this case, smaller service businesses can run their entire operations on this one application. The project management functionalities are wide and deep including Gantt charts, task dependencies and customer portals for customers and contractors to login.

Applying social to the manufacturing and supply chain areas is rapidly evolving by use of newer technologies to do the same old thing as B2B organizations have previously interacted. Social supply chain and manufacturing (as it is now called) is just a marketing term within this space. B2B organizations called it collaboration and had set up trading partners, networks, and systems to effectively collaborate. Passing information for orders was done through fax, then evolved to EDI, and then to FTP transfers and other various semi-automated tasks. Depending on the industry, manufacturing had found somewhat capable methods of transferring and exchanging data through various means.

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In areas of manufacturing where collaboration is of the utmost importance, such as aerospace and defense, collaboration of parts and specifications could mean the difference between life and death for tolerances, inadequate materials, or workmanship that has to be co-ordinated to the minutest detail. Outside of the manufacturing process lies the supply chain where raw materials exist and inventory resides. Communication between suppliers for procurement is vital, as in the case of JIT inventory within the manufacturing process. Inventory within the supply chain (where raw materials are shipped to other organizations for further processing), here procurement is the key aspect of collaboration. In the case of distribution where a supplier places an order or several hundred orders involving possibly thousands of SKUS, the collaboration has to be correct or it can break the supply chain. Demand planning will be affected, thereby throwing off replenishment planning and resulting in stock shortages at store level. So you can see that organizations have been doing the social thing for many years previously and getting it right. Everything throughout the supply chain is dependent on data exchange. Established trading partner networks have been established that further facilitate collaboration and trading.

To its credit, social technology has increased the amount of collaboration between suppliers and partners. It has even enhanced the process. Social, as it refers to supply chain and manufacturing, means collaboration. Sharing of information and systems that facilitate a do-it-yourself model have significantly increased bidirectional data flow and has streamlined many processes and workflows.

New customer portals are being used to update specifications, design and delivery dates, and the like. Knowledge bases are being created in many industries. Since social has played an important part in streamlining company operations, it is up to software vendors now to capitalize on this trend and find a way to use social technology for B2B success. As social permeates through the industrial sector software, vendors will incorporate more complementary functionality and adoption should increase.

As adoption spreads with social technology in manufacturing and supply chain, I am sure innovative ways will be created to capture the advantages of crowdsourcing that may be applied to the B2B model. Mostly every successful social media story has related to a B2C company, we should try to find ways to adapt the B2C model of social media to the B2B aspect and capitalize on the benefits. If there are success stories about B2B social technology uses we would be glad to discuss them with you.

For more information, please visit www.eval-source.com [1].

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