

Case Design Sheet



1. CASE DESCRIPTION

TITLE: The final customer satisfaction of information transmission

PARTNER:

Compagny B case study

LOCATION:

FRANCE

TIME/DURATION:

2017-2018

2. DIGITAL TRANSFORMATION CHALLENGE

2.1. BUSINESS TRANSFORMATION

A manufacturer of agricultural machinery has to deal with different demands from:

- The dealer who wants to be able to provide real-time information for its customers;
- The manufacturer who wants to be able to give targeted information to these end customers;
- The end customer who wants to be able to have access to the technical information on his machines in real-time: to order spare parts, to know where to get a spare part as quickly as possible, to understand where failure is coming from, etc.

From a political point of view, companies in this sector are obliged to follow regulatory developments that reflect public policies. In recent years, on one hand, political elements such as the Ecophyto II plan (suggesting a regional roadmap) as well as public funding such as the MAEC program (Agri-environmental and Climate Measures) have directed agricultural policies towards more organic farming. It is interesting to note the increase in the number of agro-ecological farms and organic agriculture. On the other hand, the requirements of local residents have an impact on the regulations imposed by municipalities and the spraying practices of farmers. It is increasingly necessary to keep an eye out on local, national and European political orientations.

The internationalization of the market and the need for improving the productivity has evolved the agro-equipment sector. "French manufacturers are confronted with shorter cycles and much more marked seasonality within the same year"(AXEMA 2015, p. 8). France is at the top of the EU ranking in terms of turnover volume, number of companies and number of employees. The difficulty in recruiting young people who are trained in the agro-equipment sector remains a problem. 50% of distribution companies have recruited or intend to recruit new employees in 2016. This figure is 77% in the agro-equipment industry (AXEMA 2016). Like all sectors, technological change had an impact on the agricultural equipment sector, particularly with the development of decision-making tools and the rise of digital agriculture. Young farmers do not hesitate to equip themselves. They are increasingly demanding inter-connected equipment.

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The phenomenon of the decrease in the number of farms has not ceased. Since 1960, there has been a decrease of nearly 80% in the number of farms (SIMA 2017).



Figure 1: average farm size (SIMA 2017 - Agreste GraphAgri 2016 – données 2013)

The number of farms is decreasing in favour of an increase in their size. Small farms, which represent 7%, cover an average of 23 hectares. Medium-sized farms, which account for 24% of the total, cover an average of 51 hectares; while large farms, which account for 69% of farms, cover an average of 111 hectares in terms of Agricultural Area Used.

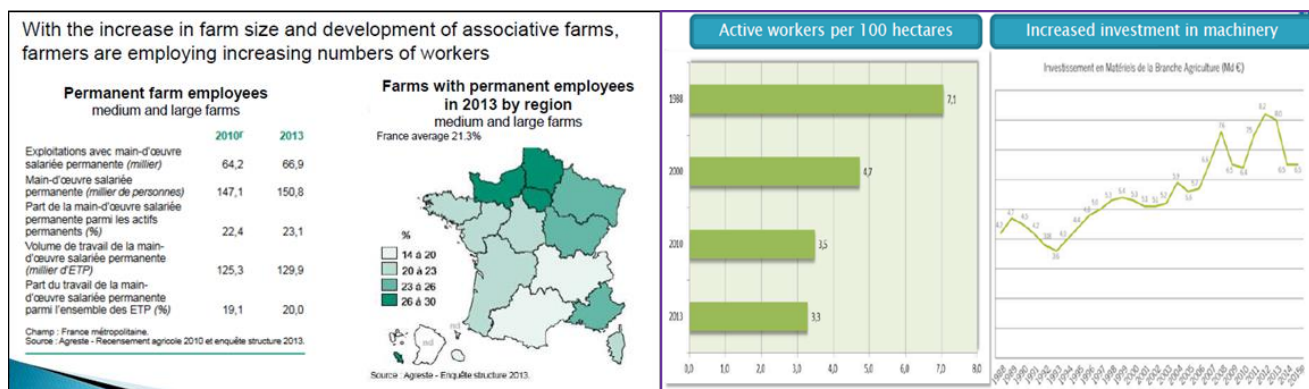


Figure 2: Evolution of the number of agricultural employees and investments in agricultural machinery (SIMA 2017)

In France, the decrease in the number of operations with the increase in their sizes leads to an increase in the number of employees with different skills including mechanics. At the same time, the agricultural sector has seen an increase in investment in agricultural machinery.

2.2. CONCEPTUAL TRANSFORMATION

One of the issues is how to personalize customer relationships. The intermediary customer, the dealer, wants to be able to inform the end customer. The end customer wants to be able to access information on his machine(s). The information is requested in real-time because, most often, it is necessary in case

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of failure. The machines are used for short and targeted periods according to the evolution of crops and weather conditions. The activity is very seasonal and there are more requests at the same time of the year.

2.3. TECHNICAL TRANSFORMATION

One of the problems is to have their website which:

- Create a personalized customer space,
- Create a link between someone who connects to his customer file with CRM.

3. SOLUTION

The observation came from feedbacks from the sales network and requests for dealers' interviews. The proposed solutions are:

- Make information accessible by:
 - Creating a hotline accessible 24 hours a day, 7 days a week, 3365 days a year
 - Having a secure platform or extranet
- Allow access to:
 - Prices and availability of spare parts in real-time
 - An online catalogue with parts details and part diagrams
 - The location of spare parts available near each customer
 - Available information in different languages
- To be able to:
 - Order Online
 - Send a list of necessary parts to a dealer knowing their availability
- The delivery:
 - 24/24, 7/7
 - With the possibility of urgent shipment on Saturdays, Sundays and public holidays
- Access to spare parts:
 - For old machines or alternatives,
 - Reconditioned parts.
 - "Premium" parts, for use in extreme conditions

4. KEY SKILLS AND COMPETENCES

The required key skills and competences are:

- Information System skills to improve the existing system and develop what is necessary
- Digital customer relationship skills
- Skills to use CRM

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5. RESULTS

These improvements will allow the company to:

- Have a close relationship with different customers
- Sell spare parts that are necessary for end customers
- Be able to have a stock of spare parts available to meet customer demand in real-time.

6. CONCLUSIONS AND RECOMMENDATIONS

SMEs in this sector of activity face different challenges in customer relations such as:

- Proximity in customer relations is becoming a priority with remote access to information about the products sold.
- Differentiated real-time service becomes a customer requirement.
- Access to customer data from the viewpoint of the customer, the dealer, or manufacturer becomes a necessity.

7. REFERENCES

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