

Seradex White Paper

A Discussion of Issues in the Manufacturing OrderStream

Product Configuration Software

Product Configurator – in search of “The Perfect Order”

The use of sales catalogs is familiar to everyone. Customers can search through the catalog to select the product they want. For companies that make products with options and choices, the catalog approach has limits. It can quickly result in catalogs with thousands or millions of similar products. This is impossible for customers to use.

Product Configurators are used by manufacturing companies who make complex products that have choices, options, sizes and features. The products are routinely customized to meet the unique needs of the customers.

Even 5 variables with limited options for each variable can quickly result in thousands of unique product variations. More importantly, the interrelationships between the variables can be complex for a customer or sales person to understand. This complexity can lead to high process costs and costly mistakes.

The Quest for the Perfect Order

Without a Product Configurator, companies with unique product requests face many issues including accurate pricing, costing and bills of material. Other issues frequently encountered are incomplete orders and orders with incompatible options.

Many industries operate in this environment including door and window

manufacturers, printing companies and capital equipment suppliers.

If you walk through any Window manufacturer you will see dozens or hundreds of windows stacked in the warehouse offered at drastically reduced prices. This evidence proves how elusive the perfect order can be. Costly errors and rework is the operating norm in an environment where millions of distinct SKU's can be ordered.

As a result you will typically find that



The personnel issuing quotes or taking new orders is experienced, highly trained and has extensive product knowledge. In other words, valuable and costly resources are necessary for a time consuming process.

The Perfect Order

The perfect order contains all customer requirements, the exact bill of materials and routings required, accurate pricing and costing as well as a realistic ship date.

Customers demand products that meet their exact requirements and with lower prices, higher quality and shorter delivery times than their last order. Sound familiar? These limitations have become significant barriers for manufacturers to overcome.

To meet these challenges, Product Configurators can automatically generate the Perfect Order that is ready for manufacturing. By using configurator technology, you can quickly train personnel to rapidly produce quotes and orders.

Web Based Configuration

With the Internet becoming an accepted shopping medium you have to ensure that prospects and customers can quickly, simply and attractively select or configure their relevant product on your web site. It is very common that your Product Configuration efforts incorporate Web deployment at some phase.

Who hasn't experienced the frustration of not finding the exact product you are looking for on the Internet? You move on to a different site. How can you ensure this is not happening on your site?

Most configurators are heavily product centric. An important capability of Product Configurators is to facilitate customer centric processes. Virtual sales assistance, selection wizards and application guidance will increase the effectiveness of your online offerings. The application should guide your customers to the perfect product and lead to higher customer capture rates.

The more accessible your information, the more likely customers are to buy. Your customers need to have all the information they need at the right time – when the order is being placed.

Spare Parts

Product wizards can also be used successfully for spare parts. Typically it can be difficult for a customer to identify the correct part required. A part configurator can be created to lead the customer to the correct part. The customer knows the original product, when he bought it, and can identify the part on a schematic, but not much more. Here, a configurator can help lead the customer through a series of questions, drawings or pictures. Easily finding the correct part from a long list of part numbers and descriptions will lead to more orders.

Dealers

In many industries configured products are sold through a dealer channel. The Product Configurator software should be able to address the requirements of your dealers. By offering guided sales assistance, accurate pricing, real time access to inventory levels and electronic order transmissions, Product Configurator software will improve your relationships with your dealers.

Product Configuration software involves both front office and back office processes. The front office component captures the customer requirements and prepares a custom quotation. The user is able to confirm an accurate delivery date and check inventory. The back office component generates a complete Bill of Material with 3D and 2D models. This information is used for Work Order generation, purchasing and inventory control.

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