

**Topic:**  
CAD/CAM  
Resellers

## The Generation Game

**Find out what UK CAD/CAM resellers are doing to generate new business, and what extra support they'd like from vendors**

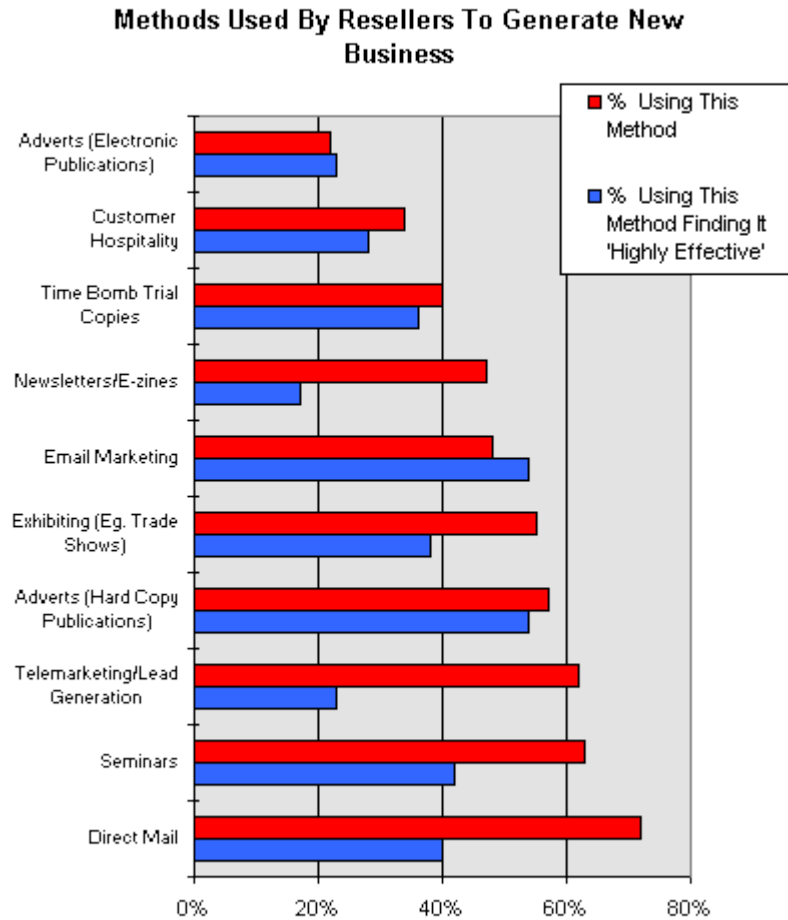
*iCAD is produced by Business Advantage, a B2B research, business development and marketing consulting practice operating in the global IT, Digital and Telecommunication sectors.*

In the February issue of CAD SPAGHETTI we revealed what UK CAD/CAM resellers see as the major business opportunities for this year (see '[CAD/CAM Reseller Outlook](#)'). Whatever markets they are tackling, the challenge of finding the best methods of generating new business will remain. So how are they doing it? Business Advantage recently interviewed around 200 resellers for the update of our UK CAD/CAM Reseller Directory; 174 of them told us **what methods they regularly use to generate new business, which are the most successful - and what support they need from vendors to take their business forward.**

**The 2002 UK CAD/CAM Reseller Directory is now available for purchase. It contains in-depth information on over 200 of the UK's most active and successful resellers addressing the CAD/CAM market. [See below](#) for more information.**

## What Works?

We gave resellers a list of commonly used methods for generating new business; the chart below shows the percentage of resellers regularly using each method, and the percentage of each group that describes each one as 'highly effective'.



- Three-quarters of resellers are using direct mail, compared to just under half who use e-mail marketing. However of those using e-mail marketing, 54% said it was highly effective, compared to the 40% of direct mail users who said the same. The July issue of CAD Spaghetti revealed evidence of the potential of e-mail marketing to new prospects (see '[Get the eMessage?](#)'). Nearly three quarters of managers of CAD/CAM functions open all or some e-mails from alternative suppliers, and a third have responded positively (ranging from asking for more information to making a purchase) from such communications.
- Only a quarter of those using telemarketing rate this as highly effective. This is surprisingly low bearing in mind the success that many CAT suppliers have had using up to date, precisely targeted lists for their telemarketing campaigns. We know from anecdotal evidence that some resellers try to cut telemarketing costs by using over-stretched or under-trained staff, or by buying lists that are inadequately screened for prospects in their target market.
- The satisfaction rating amongst those using advertising in hard copy publications is surprisingly high at 54%. Our readers survey showed that this is one of the few areas for which a significant proportion (52%) of them have reduced spending (see '[CAT Marketing Spend](#)'). However it's a less resource-intensive activity than the others, and advertising rates have been falling in recent times. The numbers of resellers (39) who are placing adverts in electronic publications or other websites is too small for reliable analysis - but interestingly only nine (23%) of these are finding this activity highly effective. Business Advantage is currently researching the publications (electronic and hard-copy) that CAD/CAM decision makers are reading.

Only 17% of resellers using newsletters rate them as a highly effective marketing tool. Few manage to get the right balance between a self-promoting publication and one that actually benefits readers in its own right.

### Pass It On

Without any prompting, we asked the resellers what has been THE most successful way to bring in new business. Nearly half identified word of mouth recommendations and their reputation as the most important factor; 18% said it was telemarketing/telesales; 15% said exhibitions/seminars etc.; 13% said direct mail; and 11% mentioned other forms of personal contact and visits.

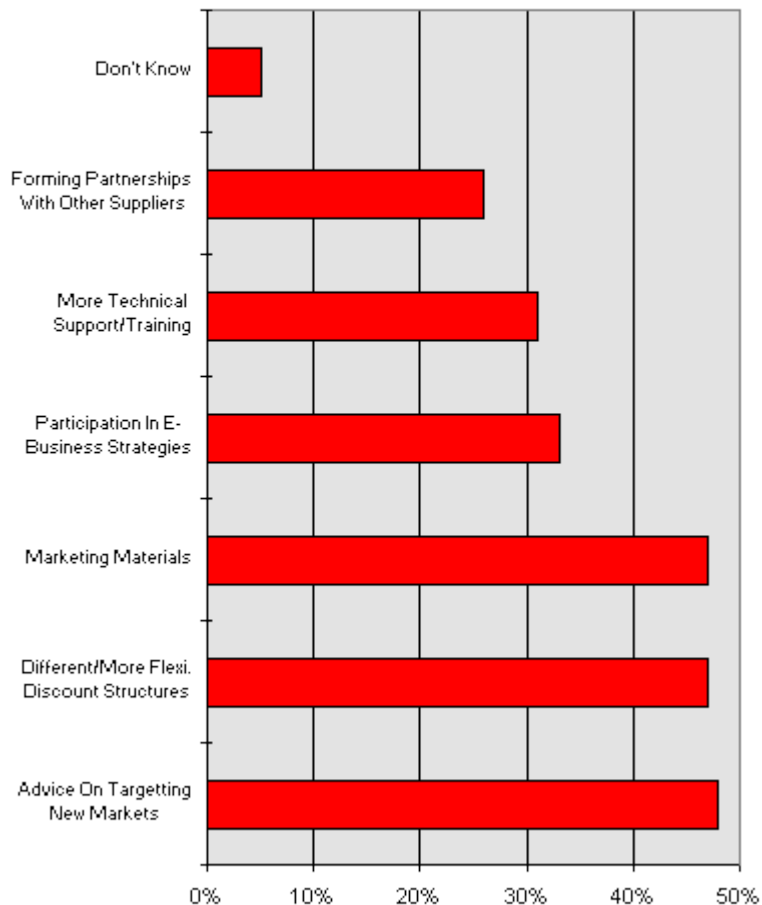
### Calling All Vendors

Again with no prompting, we asked resellers to identify what additional support from vendors is needed to take their business forward.

**If you are seeking a solution to a strategic business challenge, Business Advantage specialises in providing [marketing and management consultancy services](#) to companies in worldwide IT and telecommunications markets.**

**[Read](#) what a selection of companies have said about the impact of Business Advantage's sales and marketing services.**

### What Extra Support Do You Want From Your Vendor(s)?



Equal proportions of resellers want their vendors to provide support to target new markets, set up alternative discount structures and provide additional marketing materials.

## Conclusion

Assuming that all the sales and marketing activities discussed here have the potential to be highly effective if carried out properly, we get a feel here for the proportion of resellers who are falling below this ideal scenario. We get enough disappointing examples of direct mails, newsletters etc. landing on our desks to confirm that there are plenty of suppliers who could improve returns on marketing activity by paying heed to a few basic principles. For certain activities such as organising seminars or exhibiting at trade shows, experience counts for a lot; you can glean much about what works and what doesn't from attending a number of your own and others' events. Activities such as telemarketing are less transparent however - you never get to witness a rival's lead generation campaign for example. Drawing on the expertise and resources of external providers bears fruit for those willing to make the initial investment.

The more traditional forms of sales and marketing activity are still the most widely used - but this will have more to do with the reluctance of resellers' customers to do business on the Internet rather than the other way round.

**The CAD/CAM RESELLER DATABASE is the product of in-depth telephone interviews with over 200 of the most successful resellers. It enables resellers to be targeted from a wide range of criteria, and for products to be channelled through the most appropriate and active companies. The information on each reseller includes: Full contact details, including company name, address, telephone & fax numbers**

- **Web site address**
- **E-mail addresses**
- **Senior decision-makers and job titles**
- **Type of reseller**
- **CAD/CAM software sold**
- **CAD/CAM hardware sold**
- **CAD/CAM peripherals sold**
- **CAD/CAM application expertise**
- **Value added services offered**
- **Size of company by number of employees**
- **Size of company by turnover**
- **Size of company by number of CAD/CAM systems sold per year**
- **When company first started**
- **When company first started in CAD/CAM sector**

**The UK CAD/CAM Reseller Database costs £995 + VAT and includes a 50-page report on the CAD market and an analysis of the reseller survey. The report is available on its own for £250. For more information, or to order, please e-mail us at [info@business-advantage.com](mailto:info@business-advantage.com) or call +44 (0)1689 873636**

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