

Finding A different kind of distributor

Some smaller distributors offer more personalized service focusing on specialist markets.

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Recent U.S. industrial activity slowed beginning in the second quarter of 2012, and predictions are the slump may last until the second half of 2014, according to the quarterly Manufacturers Alliance for Productivity and Innovation (MAPI) U.S. Industrial Outlook, a report that checks 27 major industries. After growing at a healthy 10 percent annual rate in the first quarter of 2012, manufacturing decelerated to around 1 percent in the second quarter. All this is tough news for everyone, distributors included. Europe has it



This tester can quickly and easily measure the unique electrical signature of ICs for non-destructive verification.

even worse – with some electronics distributors seeing a catastrophic 25 percent drop in sales year-on-year.

With this somewhat despondent outlook, what is a distributor to do? The keywords are differentiation and value-add. With the days of thick, surface-mailed catalogs, chock-full of electronic components, going the way of the dodo, much more information is available – and searchable – using online web sites. So it is imperative that a distributor's web site is easy to use, and full of useful, accessible information. Many sites now let you search by part number or even parameter, but others have so much data that the good stuff is buried under multiple click-throughs.

Mainline distributors compete fiercely for a piece of the electronic pie by offering products from multiple sources, even offering technical design assistance and kit assembly for product manufacturers and PCB production houses. But some smaller distributors have taken a

different approach. Instead of competing head-to-head with huge multinational distributors, they are differentiating themselves by offering a more personalized service or focusing on specialist markets such as test and measurement or wireless products. Saelig, for instance, focuses on finding, sourcing, and supporting unique products not generally available in the U.S., and bringing them to the attention of engineers. Recently, Saelig has introduced to American engineers Plessey Semiconductors' patented EPIC sensors which can detect EKG/ECG signals without messy gel electrodes, ABI Electronics' Sentry Counterfeit IC Detector, which can quickly verify ICs non-destructively (essential in these days of supply chain vulnerability), and AnaPico's compact RF signal generators, which offer top quality specifications in a small battery-powered case for field or mobile use.

Design engineers are face ever-increasing work pressure and rely more heavily on high quality technical support from manufacturers' field engineers and knowledgeable distributors, some of whom are better than others at absorbing the technical datasheets from multiple manufacturers. But it is getting harder to find a distributor who will spend the time to talk to customers, responding promptly to each request, complaint, or compliment, offering free tech support via phone and email, and – when appropriate – product samples. Manufacturers and distributors alike are making increased use of non-contact advice methods, like in-house produced videos to help with product selection and operation. For instance, Google and YouTube are often the go-to sites when making equipment choices. Though impersonal, this approach allows engineers to make individual purchasing decisions at their own pace.

In a fiercely cost-competitive market, finding the right distributor can be a critical component (excuse the pun) of manufacturing success. A key distribution partner can provide risk protection, buying power, and market guidance. This support is critical in allowing manufacturers, equipment installers and resellers – regardless of size – to be more responsive to their own customers, and ultimately more profitable. Choosing the right distributor can be essential in solving problems, ranging from not getting all the parts – or even the right parts – in one shipment to delivery delays to unexpected product failures, all of which cost

time and money. Good relations with a distributor may help in negotiating the best price with a manufacturer too. Purchasers quick to criticize and complain about distributors when things go wrong, but they don't remember to offer praise when things go well. Here's an idea: take the time to write an e-mail of thanks or praise when things get fixed. A distributor goes the extra mile; make word-of-mouth recommendations on your company blog; invite favored suppliers to company conferences or celebrations. If they are part of an extended team, treat them as such.

Critical factors in a distributor's success seem to be: the selection of relevant, well-priced, quality products; prompt response to all inquiries; friendliness and product knowledge in phone response with helpful technical before- and after-sales support; up-to-date and easy to use website, featuring current products and prices, as well as efficient shopping-cart and "how-to" articles. Successful distributors should strive to be part of a manufacturer's extended design team, providing an effective interface between manufacturer and customer if there are quality delivery issues, making sure parts are available in stock for future production needs, as well as providing customers with advance notice

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of upcoming products or obsolescence. Fulfilling or exceeding customer commitments (on-time deliveries, technical response, after-sales support, etc.) is essential, and surprising and delighting customers (underpromise/overdeliver) really promotes word-of-mouth recommendations. Saelig is committed to continue to find products for American engineers that aim to meet those goals, so our customers can be happy, prosperous, and blessed.