



Apple Computer Talks to its Resellers

Paul Dawes, Director, Catalyst Associates Limited worked with Terry Lumley, Service & Support Business Manager, Apple Computer UK to understand the problems Apple resellers experience in obtaining technical support. Terry talks to Malcolm Teesdale about the project.

Malcolm: Terry, what was the position at Apple when you first met with Paul Dawes of Catalyst?

Terry Lumley: I was tasked to look at what we should offer Apple resellers, across Europe, in terms of technical support. Traditionally, this has meant having people available on the end of the phone when resellers have a problem. We wanted to provide them with proactive information. But we weren't sure where the holes were that we needed to fill.

At this point, Paul Dawes contacted Paul Vernon who runs our Call Centre. Paul showed me the presentation and I found it a novel approach, so we decided to move forward - firstly just on a UK basis.

What did you know then about the resellers' issues? I presume there was a complaints log...

Yes, and with dealer forums and briefings, we had a good idea of what we *thought* they needed - and also a very good idea of what we could offer. But I wanted to make sure we didn't spend money where we didn't have to; and that any money that we could spend would be in the right place.

For example, coming from a technical background and being in a department that is very technical, I was suspicious that we were over-delivering on technical information, while missing something more fundamental. In which case, we were using a sledgehammer to crack a nut. We needed to take two steps backwards. Also, the style of delivery. Should it be reams of technical jargon; or just an overview colour presentation; what other materials did they most need?

I guess the other issue is the relative importance of concerns dealers might have expressed.

Absolutely. Yes. It is very easy to listen to one anecdote at a briefing and go all out to fix that problem... **but its only one guy's problem**, not everybody's."

What did Catalyst offer that appealed to you?

An independent point of view, not tainted with history, and a novel way of asking questions - one that resellers had not seen before and might take the time to consider - as opposed to just a questionnaire or telephone survey.

Tell me about the group of people you were interested to understand; the resellers.

Apple traditionally has a very good relationship with its top 40 resellers - which we call "direct resellers", the ones who deal directly with Apple. Outside the group there are various level of "indirect reseller", who deal through distributors. Some still have direct lines of communication - others don't, being smaller. There are 800 indirect resellers in the UK, of which 100 are of a reasonable size. There is another split, between Apple-only and multi-vendor resellers. So there is a fair matrix of different types of organisation we needed to get to.

*What did you know about **who** in those organisations it was important to understand?*

Typically, we talk to all sorts of people within resellers: General Manager, Apple Account Manager, Technical Manager, Sales Manager. We needed a fair mix of all of those.

What were their feelings about taking part?

They were impressed that Apple actually wanted to listen to them, and they were pleased to have taken part.

Looking at the problems, how did you feel about them? Were you surprised?

It's always hard to see your problems in black and white. When somebody reads out 150 to you, it kind of turns your stomach. There was nothing there that made our eyes pop out; it was just the concentration!

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Did you find it helpful, though, to have those problems expressed in discrete, low-level ways?

That detail certainly helped us to realise *why* we'd been missing the point, rather than just the *fact* that we had missed the point.

In the next phase, prioritisation, what was your sample?

We did 150 interviews with 93 returned, at last count. We were disappointed, but we'd have been surprised to get more. It was done at a time when Apple was really pushing its resellers to achieve sales figures, so they were very busy and probably less than enamoured with Apple at the time.

Have you been able to speak with any of the participants? Do you have any feedback from them?

Yes, I have spoken to four or five dealers. I don't think they would go so far as to say it was fun, but they enjoyed the experience. They thought it was different, novel and worthwhile. Obviously they are still cynical enough to say, "Well, let's see if anything comes out of it!"

So what happened? What did you learn?

Well, it was the focusing that impressed us. We were able to come away knowing that there were two or three things that we had to focus on. Also, there were a couple of things that we thought we were going to do, but which now we won't

and there is obviously a saving there. It also told us that we needed to go to the next phase and survey France and Germany as well. Until those results are in, we can't be sure as to what we have to deliver across Europe.

Black Hat time: what went wrong?

In the early stages, I would say there was a lack of feedback. We weren't always sure where we were in the process. I seem to remember that we had to chase a couple of the dealers who had not responded. There was a lack of clarity, probably as much our fault as anybody else's, not giving correct telephone numbers or whatever. If you want me to say something negative, that was probably it... no clear brief saying you will do this, we will do that. But as I say, nothing fell through the cracks and maybe that says you shouldn't pay too much attention to preconceived ideas.

Usually when you employ consultants you have to brief them to the *n*th degree, but they quickly understood how we work, the shape of the channel and the issues we wanted to investigate.

The results were crystal clear to us. There were a few things where we said, "Split it this way and look at the data cut that way, to see the difference between Apple-only and multi-vendor, direct or indirect," but...

You believed it.....

Yes and I am very interested to see the European results. I think there will be changes, but not great - we'll have to wait and see.

Tell me about some things that you thought went particularly well.

Obviously the approach is unique and novel. Wherever we have presented it to other colleagues, it has gone down very well. Some European forums have seen it and they think it is an excellent idea and are trying to think of ways that they can use the same thing. The materials that Paul lent us to do that were very useful.

What do you think it is? I mean, we think we know what it is, but to you, what makes people say, "Ah ha!"?

I suppose the simple ideas are the best, aren't they, that's what it is. Here you have 150 problems, that are very easy to quantify, quickly.

Did you have any concerns about the possible "negativity" of the problem-based approach?

Not on my side of the business, where we are dealing with complaints all the time. I think that marketing might have a problem there. They are only looking for the positives!

Let's talk about value for money...

Yes, we're pleased with what we have got for the investment.

It's a not-inconsiderable amount of money, but it has definitely been good value for the way it has focused our thinking and made clear what we need to do. The project really has gone well and we are looking forward to seeing the French and German information so we can see how it all fits together and work out the best way forward.

