

MASTER

Internal marketing via the digital highway : development of an Intranet site for the marketing department of DAF Trucks N.V.

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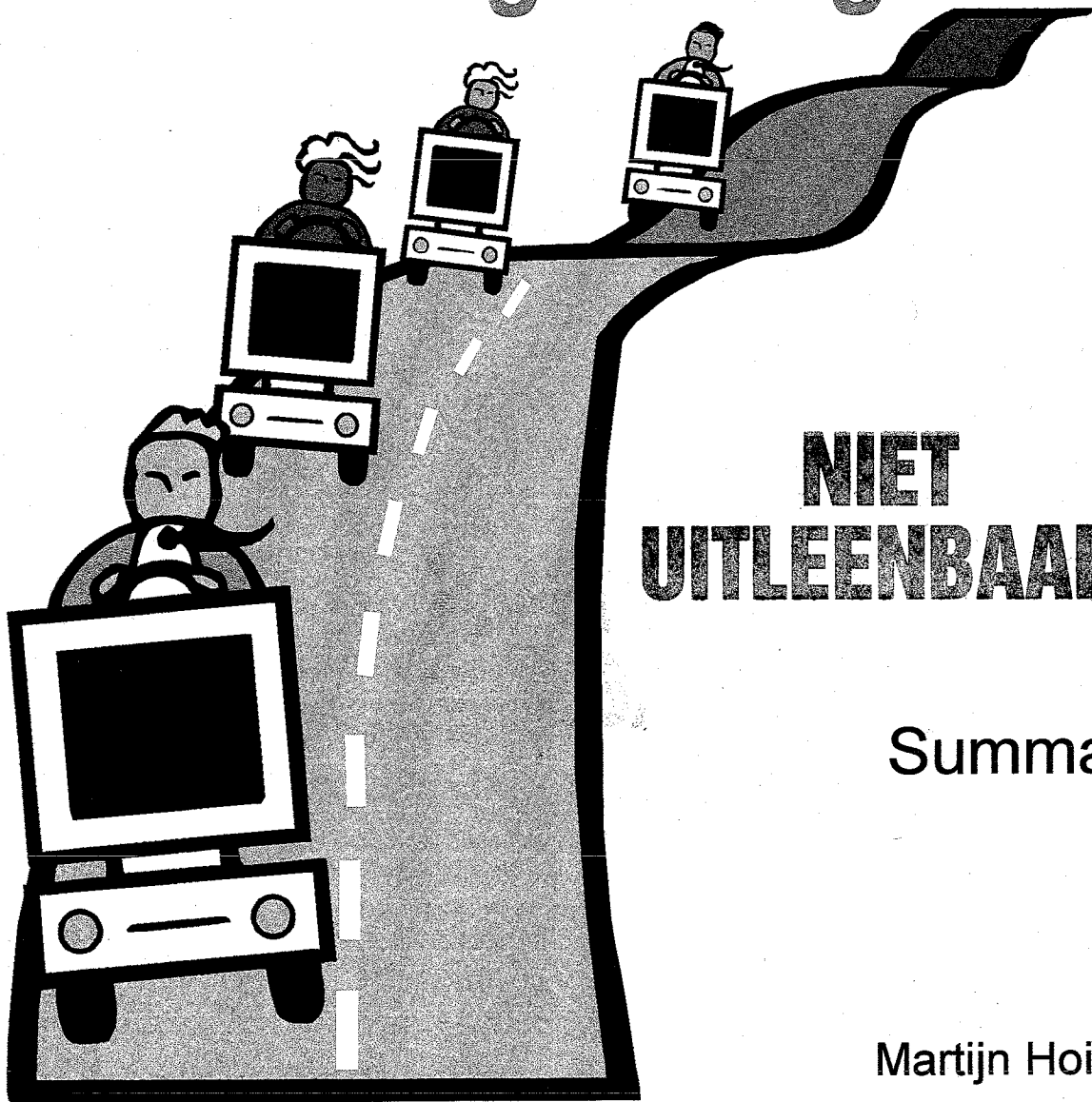
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Internal marketing via the digital highway



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Summary

Martijn Hoiting

Internal marketing via the digital highway

Development of an Intranet site for the Marketing department of DAF Trucks N.V.

Graduation report of Martijn Hoiting

May 2001

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Abstract

This report covers the graduation project of M. Hoiting executed at the Marketing department of DAF Trucks N.V. The assignment was to set-up and organise internal communications of Marketing with DAF's subsidiaries and importers via Intranet. During the project the Marketing site was set-up and proposals for set-up of the organisation were done.

Management summary

Introduction

In the beginning of the nineties the World Wide Web was introduced and started expanding rapidly. Big companies started with setting up their own internal web sites and called it Intranet. The Marketing department of DAF Trucks N.V. had done research into possibilities of e-business for DAF. A pilot with an Intranet was started and the feeling arose there is more to gain with an Intranet than is done. Central Marketing formulated an assignment to set-up a professional Intranet.

Central Marketing is the DAF Trucks marketing department. DAF Trucks N.V, a subsidiary of PACCAR, is one of the leading European truck manufacturers. Its core business is the development, manufacturing, marketing and sales of medium to heavyweight commercial vehicles as well as the marketing and sales of lightweight trucks. The Marketing department of DAF Trucks has the following tasks:

- Develop DAF's long-term marketing strategy and co-ordinate its implementation;
- Support the country sales organisations with short and medium term tools and deliverables.

The Marketing department is sub-divided into several fields of marketing expertise. These fields are:

1. Ambition and Commercial Training;
2. Market Intelligence and Forecasting;
3. Marketing Communications;
4. Pricing;
5. Product Management;
6. Product Marketing;
7. Brand Enhancement / e-Business.

Sharing information is becoming more and more important within the actual business atmosphere. Starting an Intranet can lead to:

1. Providing operational efficiencies that save time and money;
2. Allowing access to up-to-date information;
3. Improving communications;
4. Enabling better co-ordination;
5. Allowing sharing of expertise;
6. Enabling the use of creativity and innovation power within the organisation.

There are also possible pitfalls in setting up an Intranet:

1. Potential for chaos;
2. Security risks;
3. Management fears;
4. Information overload;
5. Waste of productivity;
6. Not an integrated solution;
7. Hidden or unknown complexity and costs.

Problem analysis and project set-up

The goal of Marketing is to support the sales organisation by developing and implementing marketing "tools". To support sales processes information is published. Marketing wanted a more efficient and cost effective way of communications with DAF's sales organisation. Key issues, to develop the ideal situation, for internal marketing communications are information reuse, single sourcing and information on-demand. Web technology should provide access to the 'reservoir' of Marketing information. At the start there was an ad hoc Intranet. The published information is a digitally display of information on paper and in the same format and layout like the traditional medium. Further development was limited.

The assignment was to improve the communication processes by building a new internal marketing communication channel to subsidiaries and importers. The channel will be an Intranet site. This project should pave the way for future developments, gain experience and Marketing is also out for the advantages it will yield. If experiences are positive and politics can be put aside Marketing can open up its information to dealers later on. This site is to become user friendly with regard to information retrieval. The assignment to solve the problem was stated as following:

Design intranet applications according to the wishes of users, the processes to support providing of information via this medium and promote use of these intranet applications.

Answers to research questions and deliverables should solve the problem.

1. What are demands of users?
2. How is information to be published?
3. How are processes to be designed to structure information flows for publishing on the Intranet?
4. How are to be designed promotion and support?

The actual execution is done in seven steps:

1. Determine objectives of the Marketing department;
2. Investigate demands of users;
3. Build an organisation structure;
4. Build Intranet applications;
5. Publish / implement;
6. Promote use;
7. Record experiences, hazards and learning points.

Project execution

Objectives of the Marketing department

An earlier done survey [Meijers 2000] uncovered sales executives have to work often with outdated information. Further is expected the right information at the right place at the right time will become more important in the near future, because of changes in the marketing channel, for example lifting of the "Block Exemption". Marketing sees Web technology as opportunity to evolve and enhance processes. Involvement and support of the concerned executives is found important.

The people involved

Research showed aspects related to both groups of persons involved; information users and information providers. In interviews with managers all information Marketing creates, its target audience and purpose were listed.

Two models to structure information were also found. The other important group of involved people are the executives of Marketing who create the publications. Two types were distinguished: authors and information providers. An author's core activity is publishing; therefore they are highly involved with their publications and like to have full control. Information providers have other core activities, but they need to convey information also. Their publication processes are more erratic and more guidance in their publication processes is advised. To become Web-based the Marketing Communication Manual and Info Binder were put forward.

Design and development

For design of the interface four demands were derived:

- Users must be able to see where they came from, backtrack their decisions and see where they can go next;
- The navigational elements must be presented and act consistent;
- The navigational elements may only occupy as less space as possible;
- The page must have a DAF (brand) identity.

To the interface were added a division of tools and topics and a "crumb trail". The crumb trail makes it also possible to jump back to any taken decision. The technical set-up makes it possible to keep the content files very basic (no mark-up and navigation information) to support reuse and simplify maintenance.

To disclose the technical information of the MCM a navigation page with a matrix was designed. To structure information the "technical information structure" is used. A tool was purchased to convert the Word files into the specified HTML format. For commercial sections of the MCM, information meant for another computer-based publication was reused as much as possible.

Development of the Info binder was contracted out. Criteria were formulated and suppliers were asked to make offers. ITD was involved to provide support, but when actual agreements had to be realised, ITD did not want to confirm them. Now Marketing is researching the possibility to contract out all.

Organisation

At the start of the project there was no "Intranet organisation". Marketing had an e-business co-ordinator and an application programmer. The availability of the last person steered the choice to local development. During development was discovered ITD (DAF's IT department) was not ready to provide the right services, nevertheless a publication process via a site mirrored on Intranet and Extranet was worked out. Functional requirements of Marketing were translated into a Service Level Requirements document, but it was not confirmed by ITD. Responsibilities for content are clear because each executive is responsible for his own part of the content. The technical set-up of the site follows these divisions.

At several other places within Marketing and DAF are also taken initiatives. A "project champion" should be found to make clear priorities across the organisation, co-ordinate and support developments. Responsibilities within Marketing are to be arranged by making a Marketing executive explicitly responsible for internal Marketing communications via the web. This person must have authority to evaluate contributions of Marketing's departments and

guard information quality. Knowledge exchange should be realised by letting all persons working on the site form a self-steering workgroup. Some workgroup members are to get the assignment to look into aspects related to publishing for the Web and monitor progress. Marketing should motivate other (commercial) departments with the same audience to add their information to the Marketing 'reservoir'. Aspects that require specialist (technical) knowledge should be centralised in the organisation. Responsibilities for content should be left at its source.

Introduction

Only the target audience of the MCM (need-to-haves) was to be targeted. To start evaluation of the Marketing site, interests of users were to be raised. The benefits to users should be communicated clearly. They were informed via a letter on developments and when the introduction was to be done they got a letter with instructions and a trial CD-ROM.

User survey

The goal of the survey was to get feedback on the Marketing site. More particular: if users are able to use the site and how they perceive its contents. The questionnaire was sent via email and 30% of the population of 102 executives returned a reaction. Almost all respondents are technically able to use the Marketing site. Of the site users 50% pays more than one visit a week. With regard to reading the information 68% finds information harder to read from the screen than from the binders. Information on the site is valued as high or very high quality, by at least 64%. In the 1999 inquiry the content quality was rated with an average mark of about 8 out of 10. From this can be concluded the quality perception of the information has not become less after the medium switch. Technical persons seem to be more satisfied with the information on the site than the people who indicate to have a commercial oriented job. 15% Responded to find information on the site more accurate, then information from the binders.

Conclusion

Payback periods for the Marketing site and Online Catalogue were estimated to be 15 months and 8 months. Actual results depend on the time the applications are deployed. Other benefits are improvement of authoring processes (about 20% more efficiency), no extra investments when the target audience expands and the possibility to reuse the Marketing site concept for other publications (for example information on CD-ROM).

With the gained experience the research questions can be answered:

- *What are demands of users?*
This question was answered by defining subsidiary and importer members as initial target group. All Marketing information sources were listed. The sources are associated with their intended audience, way of use and use frequency estimations. Also two models to represent information were found.
- *How is information to be published?*
To structure information for optimal use, it should follow structures obvious to users and information for a target audience should be gathered at one "place". For a web site a wide and shallow structure is preferable, further are several paths to a piece of information possible. The update cycles can be sharply reduced because less effort and almost no costs are involved

in updating. For layout of a web site it is important to guide users in their navigation by providing indications and consistency of elements. A division in tools and topics and a "crumb trail" assist users in navigation. A smaller text column and use of figures and photo's enhances conveying the message via a Web page.

- *How are processes to be designed to structure information flow for publishing on the Intranet?*

Sources of information were also noted in the listing of Marketing information. How the source must deliver information depends on two factors: demands on output and if the information is provided by an author or not. There are given several possibilities. At the moment (very basic) HTML without mark-up and Word files are used as source. A switch to XML in the future is advised. For publishing authors must be provided with tools that allow full control and tools for information providers should provide better guidance. Information owners should be responsible for their content and a central manager should be responsible for relations between publications and the entire site. To reach the intended target audience a rather complex structure with one source and three outlets (Intranet, Extranet and CD-ROMs) was designed.

- *How are to be designed promotion and support?*

Motivation and trial use are important in the promotion of a new web site. This should have been realised by sending the intended target audience personal letters with updates and final instructions and a demonstration CD-ROM. In communications about the site the benefits of use should be pointed out. A quick-start manual assisted users who had problems. The Marketing site points out the ITD helpdesk for technical problems and several Marketing executives for site and content related problems. A workgroup should be formed to improve quality of the site. This workgroup should exchange knowledge. The knowledge is gained while solving problems. The members should indicate areas of interest, research these areas and then update the knowledge of its members.

Recommendations

- Assign a (Marketing) site manager;
- Start an e-business workgroup to secure and exchange knowledge;
- Keep gathering information about users (e.g. site statistics);
- Research possibilities to offer language versions;
- Open up information also for people it is not directly intended for, to enhance cross-fertilisation by information;
- Find a project champion in higher management;
- Re-start discussion with ITD to define the relation between Marketing and ITD. Discuss what is to be expected when. Make the agreements formal in a document;
- Look into the possibilities to get source documents in the XML document format. (Investigate advantages and drawbacks) XML will provide better possibilities to reuse and search information;
- Do further investigation after a system that enables reuse of information and possibly offers user specific solutions;
- Team-up with other departments to offer one solution for the sales organisation.