Spare parts logistics in technical service

Secure the future – expand spare parts business

The global spare parts market is growing at an annual rate of 5%, and in combination with profits of up to 43% for specialised materials, spare parts logistics offers enormous earnings potential for both machine and plant manufacturers (OEMs) and technical service providers.

a) Machine and plant manufacturers (OEMs): While the primary product has long since been discontinued, some machines and plants continue to operate for decades beyond the production period. This provides an opportunity to generate regular, project-independent income and long-term customer retention with direct contact over the entire service life.

Efficient spare parts management in use

If deadlines for the submission of offers and the delivery of products are not met, this is often due to inefficient master data management, obscure warehousing and complex processes. There are four main starting points for optimally meeting the requirements and needs of your customers:

1. Process optimization: implementation of a KPI-based process design to sustainably accelerate the preparation of offers and order processing.
2. Stock optimization: increase of the service level and reduction of overstocking through a statistical consumption forecast.
3. Supplier management: demand-oriented evaluation, selection and development of suppliers with corresponding definition of purchasing conditions.

b) Technical service: The sale of spare parts makes it possible to tap additional sales potential beyond the actual core business with an easily scalable model.

We support you in:

- creating a detailed breakdown of the actual state,
- deriving a target image with integrated process improvements and a structured approach,
- the successful implementation of the measures outlined.

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4. Sales management: optimization of the spare parts portfolio through the establishment of spare parts service contracts, the definition of spare parts supply contracts and the development of a competitive pricing strategy.

Example procedure: Process optimization according to Lean Six Sigma

Lean Six Sigma’s mathematical approach enables the development of measures on the basis of well-founded, measurable evaluations. The DMAIC cycle (Define, Measure, Analyze, Improve, Control) defined in Lean Six Sigma is ideally suited to establish a sustainable change process in your company.

Phase 1: Define
In a target workshop we determine the goals and limits of the project together with you. Based on many years of experience and comprehensive know-how in the field of spare parts logistics, we guarantee the provision of a defined project scope with clear milestones.

Phase 2: Measure
To identify the right levers in your spare parts logistics, you need to know where you stand. Based on a data and KPI analysis, a process mapping and in-depth interviews with relevant stakeholders, we determine a precise picture of your current situation.

Phase 3: Analyze
Through the iterative analysis of the previously collected data and processes, we can identify concrete improvement potentials. We use proven reference processes and approaches from information logistics to design the project efficiently and generate well-founded approaches for the derivation of measures.

Phase 4: Improve
The derivation and the cost-benefit assessment of the measures leads to a well-founded roadmap of measures, which enables a structured implementation. The achievement of objectives is made measurable by the definition of suitable key figures.

Phase 5: Control
The follow-up and control of the measures is a core challenge in every optimization project. Balanced Score Cards, for example, offer a good method for the measurable tracking of project progress.

Added value for your company:
Adjust your spare parts logistics precisely to your customers and expand your value-added portfolio! In cooperation with you, we develop a concept for your spare parts business that is optimally tailored to your market. Our structured approach and the application of adequate methods and tools guarantee a smooth project progress within an economically and temporally optimal framework - from the definition of measures to their implementation. This is how you make your business fit for the future!

Increase your competitiveness!
• The best offer for your customers by using all available information
• Cost savings through efficient processes
• High customer orientation through a demand-oriented portfolio

Our core competencies
• Service & maintenance
• Production & logistics
• Information technologies & management
• Strategy & digitization