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Supporting The Design Engineer (Part 2): Life After Covid

by a member of the OT Club

As discussed in part 1, in the years before Covid, engineers at OEM companies became turned off to taking meetings with component suppliers because the meetings were all about the suppliers' interests. Rather than serving the customers, they were mainly about getting the tracking info out of them so that everyone in the supplier world could justify their existence to the corporate suits and find some way to get paid whether they did anything useful or not.

The meetings became all about us—the component companies and distributors—and not about the customers or adding value for them. So, the trend of "no I don't need to meet with you" from customers is something we in our industry created. This was well underway before Covid. But what Covid did was to accelerate and magnify the reasons customers don't want to see you if you don't add value.

Now what the engineers want for support is to have the parts you want them to use available from Mouser and Digi-Key—no excuses. And your website better make what the engineer wants available through self-service, or they are down the road. Also, tools and simulation models should be there. The customers want to order prototype parts and download all the data needed including CAD models to import into the EDA tools they use.

Also, they want to see other data like the endless requirements for material and environmental data—FMD, IPC1742X, plating and annealing data, SPICE models, 3D models, symbols, and recommended footprint in CAD tool format, along with reliability, quality and qualification reports.

And big shock, the engineers don't want to *talk* to us anymore. And I mean that literally as well as figuratively. Recently we (component companies, reps, and distributors) have discovered that when customers do take a meeting with us, they use the fact it's being held remotely to avoid conversation. When we log into Microsoft Teams, it looks like a meeting room with almost no one in it. Everyone is working from home, almost everyone is silent, and no one has their camera on. Recently one of our members went to a customers' facility and sat in an empty conference room and had a Teams call with all remote working engineers. So why come to the facility?

Several thoughts here. First and foremost is that component suppliers, distributors, and all OEMs, created these problems ourselves. But now, shortages and the massive movement to proprietary parts and moving everything to China—like the steel industry in the 80s—have left us wondering why we did all that over the years.

If you are a supplier, and you want to *earn* an in-person meeting, you must find a way to add value to the customer once again. They are looking for things from us that are not on the website, perhaps roadmaps and product information on parts and solutions that are not out yet and not yet public, for example. And they also would like support and have interactions about solving their problems, not ours. If the customer-engineer wants to talk to a supplier-engineer—that's what they want—they don't want to be qualified or sold to. Just technical support without the nonsense. Let the FAE do their jobs without internal nonsense.

And in general, customers don't want to have in-person meetings because the sales plans for the field people who want to visit are stuck in 1985 when the customers designed, bought, and built in the same zip code. Now customers have teams all over the world and are rotating the designs around the world. So, customers want to design anywhere and build anywhere on earth and be supported in this capacity. This means having all the data the customer needs on the component companies' websites (and possibly on the digital distributors' websites) and the ability to initiate interaction with FAEs as needed, preferably through the web also.

Customers have experienced fantastic B2C (business to consumer) experiences in their personal lives. Mainly, Amazon and Covid improved these experiences and accelerated the inevitable. Order your groceries on an app, drive to the grocery, tell the app you are there in parking spot 2 and someone brings out your groceries.

The younger engineers have grown up in a web-enabled and phone-enabled app world where they don't have to interact with people to get spectacular service. So, at work, they want the same B2B (business to business) experience they are accustomed to in their B2C lives. Component companies don't like this way because no data is available and they can't interrogate the customer-engineer, so why do that? Most component companies today are fighting yesterday's war. Some have learned, but most have not.



Customers will take a meeting if you have a boutique solution that's unique and not available any other way than to meet with someone. But remember that this is *not* the preferred way to test and evaluate product solutions and try out parts and products for their designs. Many customers are simply copying evaluation boards and reference designs. However, if you bring them something and add value, they will take a meeting and answer reasonable questions. But non-technical visitors that don't add value will have a hard time getting an audience today. And this trend will only accelerate. So, maybe FAEs will be cool and respected again but we are not holding our breath. In any case, engineers only want to talk to FAEs and get solutions to their technical questions without getting interrogated.

The market is also changing because the customers now must send out endless surveys—FMDs (full material declarations), COOs (certificates or origin), ESG (Environmental Supply Chain and Governance) requirements, woke stuff, human trafficking, proof-of-zero carbon emissions, slave labor, restrictions on business with Russia, be kind to the Klingons, etc. These things are not going away, and they will only get worse because there are fines, or customs in many countries will stop your product if you don't meet all these manifold and constantly changing information requirements. I guess their executives can't live without data either! Both sides are attempting to outdo each other with data collection.

If you're a component company, customers really want *you* to fill out the endless surveys or log into a specific portal on their websites to self-certify to their standards. The only way to avoid this task is to put all this information on your website and send customers to that website to feed from the trough of information.

It's interesting that the buyers at companies only want to give you an order if they convince themselves that you lost money in selling to them. And then as your reward, they'll send you many emails a week asking you to fill out compliance forms. But wait buyers. This isn't free.

When asked for a quote from OEMs, we have half-jokingly recommended two prices. One price if you buy parts and leave us alone; another price if you'll be wanting us to fill out the endless surveys. Of course, reality is somewhere in between. Labor to fill in all the surveys isn't free and hopefully the industry can find a solution.

Overall, the best solution for serving the engineering customers' needs would be for companies to build a vending machine-style website and keep it full of all the customer-required information including even an "ask the engineer" button for FAE tech support. That type of service, rather than the Ferrari-style dealership the industry currently offers, would go a long way to making us useful and appreciated by customers. Ultimately, this will grow business for the component companies.

In my experience very few companies understand today's engineering processes and the design chain. Digi-Key, Mouser, TI, SnapEDA, Samtec connectors and a handful of others understand you must serve the engineers and provide them with what they want versus thinking that the engineers are there to serve them with data. When you go to their sites, with a few mouse clicks, you find your product information, SPICE models, 3D CAD models, and recommended PCB pad layout. And everything is global now.

I once had a boss in management that had the common sense and logic that seems to be disappearing today. He said, "Half of the Fortune 500 falls off the list every decade because they refuse to change." Covid has changed everything in ways that are most likely permanent. So, it stands to reason that component companies must adapt to these changes or fade into irrelevance.

I and other FAEs have recently observed an innovative action from the customers. They must know that the supplier executives are jonesing for more data—and there is never enough—so the smart buyers at these companies and some distributors are now charging their suppliers for access to their engineers. "You want to come to our supplier day and present to our engineers? That's \$3500 for a morning presentation and you will bring in snacks, drinks and lunch provided by our catering service for \$X." (Note that these are the same companies that have strict ethics policies which prohibit other types of vendor influence, so the hypocrisy is laughable.) We predict seeing more of this going forward.

I challenge readers to do as Elon Musk advised in a talk at the WSJ CEO Summit. As quoted by CNBC.com, Musk commented "there might be too many MBAs running companies" and "there should be more focus on the product or service itself, less time on board meetings, less time on financials."*

"Strategy without tactics is the slowest route to victory. Tactics without strategy is the noise before defeat."— Sun Tzu, Chinese general and philosopher, circa 500 B.C.

Also as reported by CNBC.com, "Musk said the biggest mistake he has made as a leader of both Tesla and SpaceX was spending too much time in meetings looking at PowerPoints and spreadsheets, instead of being out on the factory floor." Musk's comments on data echo the



experiences I have shared about component company executives. "Big corporate CEOs often get caught up in the numbers and lose sight of their mission, which is to create 'awesome' products or services, according to Musk," said the CNBC.com article.*

We are entering a phase of rapid change and if you cannot think because of all the tactical noise, you will not be as successful as you could be. When IBM was founded, Thomas Watson famously had a sign that he posted in his office—"THINK" was all it said. I fear that most executives today cannot think because they are too busy playing with the data, which has become a crutch. So, to survive, use common sense and for goodness's sake think to come up with both strategies and tactics that will serve your customers' needs while growing your business. Sun Tsu didn't have computers or software and he was very successful.

Reference

*"Elon Musk on the problem with corporate America: 'Too many MBAs'" by Jade Scipioni, make it, CNBC.com.

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