

Out-sourcing Catalog Management

By Mary Cenedese, Marketing & Sales Manager

Out-sourcing your Catalog Management is a big step for any organization. It sounds great in theory, but the execution is not always clear. What exactly can you expect from the service provider? How does it really work? ... and most importantly: Is it the right thing to do?

Often the decision to out-source your Catalog Management function can turn out to be more advantageous than you had ever imagined. Not only is your data integrity maintained, but some additional unexpected side benefits may also be realized.

Catalog Management companies have dedicated staff who are constantly working with parts data and manufacturers' catalogs all the time. Many of them are former trades people with the expertise to also know part applications. In other words, they truly are knowledgeable experts in inventory parts. And when you out-source, they start to work for you. Not too many organizations can boast that they man their Catalog team with such expertise.

Complementing this are software tools that have been developed to allow the cataloguers to work quickly and efficiently. These tools ensure consistency in layout, structure, and nomenclature. Pre-defined part templates provide the cataloguers with attribute lists from which to choose the appropriate selection. Links to electronic versions of manufacturers' catalogs allow easy retrieval of additional information to enhance item descriptions.

Of course, the cataloguers should not work in isolation. For example, attribute order should be dictated by you, based on your maintenance workers' needs. In fact, at the onset of the transition, all your company requirements should be discussed and documented for use by the external Catalog team.

And because this team will work as an extension of your own organization, it is important that you are able to easily work with them, and that you develop a good rapport together. After all, this team is dedicated to you and your Catalog needs.

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Delivery or turnaround time is also a reliable, guaranteed feature from Catalog Management providers. An expectation of one to two days is quite reasonable. However, companies repeatedly find that although the guarantee falls within that threshold, the actual response times are much better. Quick turnaround times of less than 5 hours can be quite dependable. This is usually seen as significant improvement over internal turnaround times... especially for centralized catalog groups.

Another unexpected benefit of out-sourcing Catalog Management activities is fostering the use of product lines. That is, increasing volume purchases of the existing product lines. For example, when someone attempts to add an item that is the equivalent of an existing item, the Catalog Management provider will often point the client back to the existing item. In this way, they avoid entering duplicates into the database.

The most obvious benefit of out-sourcing is often cost savings. Catalog Management providers specialize in this service. They are experts and are more efficient at providing the service than you could ever be. It's what they do and they can price the service lower than what it costs a company to manage the function internally.

That being said, when you out-source, you should still expect to have pricing options available to you. Services can be offered at a monthly flat fee for a maximum threshold of activity to the catalog. Alternatively, you may be offered a per SKU (Stock Keeping Unit) price, which charges you for the services you have used.

Choosing to out-source inventory Catalog Management services can be the source of unexpected benefits. Savings show themselves in many numbers of ways, from avoiding duplicates, improving turnaround times, and reducing overall service costs to fostering internal usage of existing product lines. Added to that, the out-sourced provider works as an extension of your own organization and enhances your parts knowledge database beyond what your company could achieve on its own.

Sounds like a true win-win situation.

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