

ACS-1803

Introduction to Information Systems

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Functional Area Systems
Marketing Information Systems
Lecture Outline 5 – Part 3

Examples: Functional Area Info Systems

Functional Area	Information System	Examples of Typical Systems
Accounting and Finance	Systems used for managing, controlling, and auditing the financial resources of the organization	<ul style="list-style-type: none">■ Inventory management■ Accounts payable■ Expense accounts■ Cash management■ Payroll processing
Human Resources	Systems used for managing, controlling, and auditing the human resources of the organization	<ul style="list-style-type: none">■ Recruiting and hiring■ Education and training■ Benefits management■ Employee termination■ Workforce planning
Marketing	Systems used for managing new product development, distribution, pricing, promotional effectiveness, and sales forecasting of the products and services offered by the organization	<ul style="list-style-type: none">■ Market research and analysis■ New product development■ Promotion and advertising■ Pricing and sales analysis■ Product location analysis
Production and Operations	Systems used for managing, controlling, and auditing the production and operations resources of the organization	<ul style="list-style-type: none">■ Inventory management■ Cost and quality tracking■ Materials and resource planning■ Customer service tracking■ Customer problem tracking■ Job costing■ Resource utilization

Functional Area Information Systems

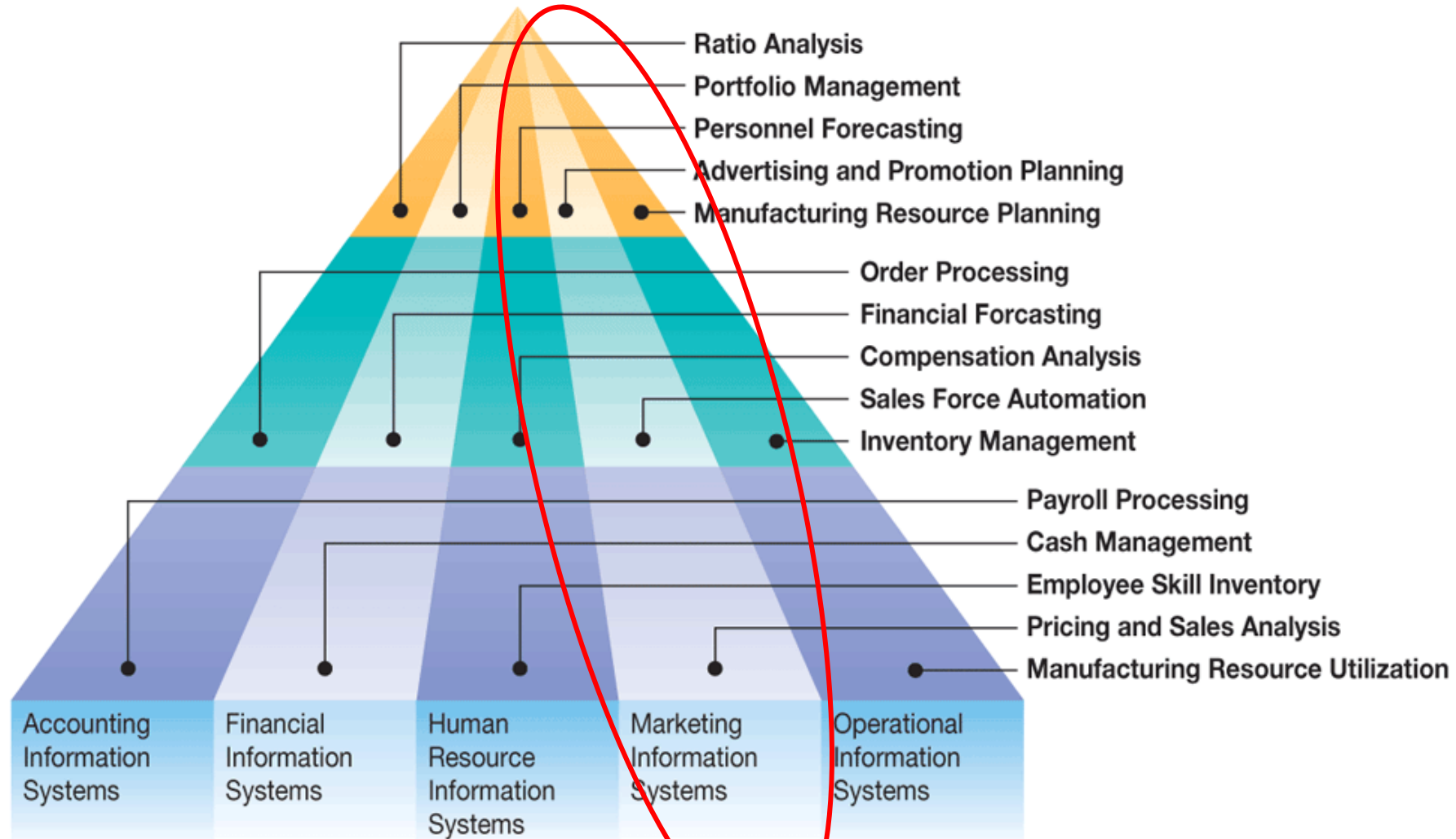


Figure 6.34 Functional area information systems.

The Marketing Function

Marketing can be defined as:

“the process of planning and executing the **conception, pricing, promotion, sales and distribution** of ideas, goods and / or services to create exchanges that satisfy individual (customer) and organizational (business) goals.”

- An Marketing Information System may be defined as a set of procedures and methods for the regular, planned collection, analysis, and presentation of information for use in making marketing decisions (Cox and Good, 1937)

System Co-ordination Needed

To be successful, marketing systems must be coordinated with other organizational systems, e.g.,

- Order Entry
- Manufacturing
- Inventory
- Credit management

Operational Systems in Marketing

- **Customer contact management systems**
 - Provide information on past contacts with specific customers
 - Output: *call report*:
 - No. of sales calls made by a salesperson
 - No. and dollar amount of sales made by this person

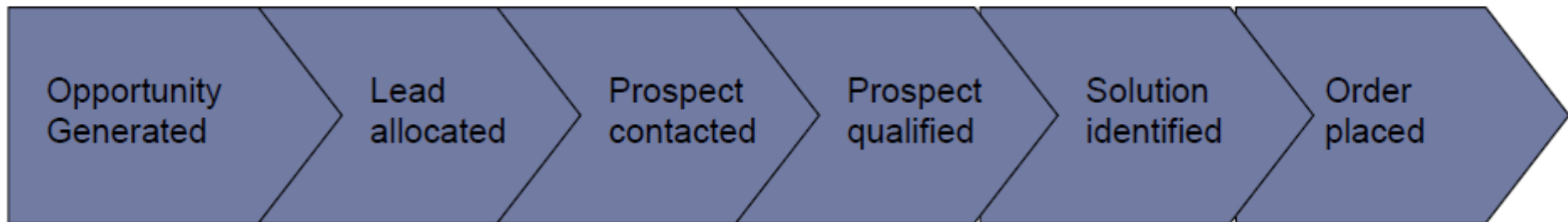
Operational Systems in Marketing

- **Sales Force Automation (SFA) Systems**

- Sales Process/Activity Management

- Include a sequence of sales activities
- Guide sales reps through each discrete step in the sales process
- Helps increase productivity by focusing sales efforts on most profitable customers

Sales
process



Sales
activity

Operational Systems in Marketing

- **Telemarketing systems**
 - Identify customers and automatically call them
 - Use electronic phone directories
 - Can make notes about calls
 - In a LAN-based system, 200 telemarketers can use the same system at the same time
- **Direct mail advertising systems**
 - Create mailing labels
- **Delivery tracking and routing systems**
 - Help plan optimal delivery routes

Tactical Systems in Marketing

- Objective of tactical marketing managers:
 - To reach the sales goals set by top marketing executives
 - They must make tactical decisions such as:
 - How sales territories should be shaped
 - How to allocate salespersons to territories
 - What products should be offered to what customers

Strategic Systems in Marketing

- May contain both strategic and tactical elements
- **Sales forecasting systems**
 - Forecast sales for entire industry
 - For entire organization
 - For each product
 - For market segments for a product
 - Employ sophisticated statistical models and may produce considerable graphic output

Strategic Systems in Marketing

- **Market research systems**
 - Process results of surveys and interviews
 - Provide analyses of statistical significance
 - Use considerable data from outside the company

A Related Area

- Customer Relationship Management
 - CRM systems examine customers from a multifaceted perspective
 - These systems use a set of integrated applications to address all aspects of the customer relationship, including customer service, sales, and marketing
 - Will be covered as part of Enterprise Resource Planning (ERP) Systems

Functional Area Systems – Marketing Information Systems

End of Lecture 5 – Part 3