

adidas-Salomon and Renault: Two examples for close cooperations with customers

Around six weeks ago we reported about BASF's business success: €4.9 billion earnings before interest and special items in 2004 – BASF is in top form. The company says its success is founded on four strategic guidelines: Earn a premium on the cost of capital. Form the best team in industry. Ensure sustainable development. And, last but not least, help customers to be more successful.

BASF recently presented two examples of particularly successful cooperation with customers to a group of international journalists – Ralph Kühnl was among them.

A group of joggers in the old town of Nuremberg. Not just a group of keep-fit fanatics, but journalists putting a new type of running shoe to the test – the adidas a3 (A Cube). The extraordinary look of the sole is eye-catching, its stability and durability set standards, says adidas. And, customers love the shoe. Since its launch at the beginning of the year the number of orders has risen enormously. Adidas is happy. Production is working overtime.

A very special formulation of BASF's plastic polyurethane gives the shoe its outstanding properties. For two years, designers at adidas and chemists at BASF collaborated in this project to develop a new sole structure that is more than a marketing gag.

“With foams, we have always had the problem that the foam structure becomes misshapen with time and that the product's life suffers as a result. These new structures improve the product's life,” said Klaus Knörr, adidas Innovation Team.

In other words, a huge success that gives profile to BASF's abstract guideline “Help our customers to be more successful.” For BASF, customer orientation is worth further investments, such as the strengthening the research and development units. Board member John Feldmann did not give any exact figures, however.

“We have established a Marketing & Sales Academy as part of our “Help our customers to be more successful initiative. This will be a virtual campus that will allow experience and ideas to be shared by employees worldwide. It will provide training courses and analyses of individual businesses, and it will enable us to discuss how we can make certain businesses more successful with all of our employees worldwide,” said Feldmann.

Renault's paint shop in Slovenia is another example where customer cooperation works very well, as well as being an example of a creative business model. This is where Clio cars are built for the whole European market. The coatings come from BASF. And not only that: More than 20 BASF employees are always on site, working seamlessly in production, for example in paint mixing or in quality control. But Renault does not pay by the hour or for a given amount of paint, but instead according to the number of car bodies that were perfectly coated first time round. The risk of rejects lies with BASF. The company is therefore deeply involved in its customer's processes and takes care of things that were not of interest when it was simply a producer and supplier of coatings.

The message is clear: Selling products is not everything. Only companies that can provide the right services will come up with a recipe for success.