



CREATING THE COMPLETE CHANNEL SOLUTION

COMPANY

Cyrix was the world's third-largest independent producer of microprocessors until its sale to National Semiconductor in 1997.

CHALLENGE

Cyrix recruited Origin Communications to launch a full-scale channel marketing support system for its Value-Added Resellers and Dealers (VARs/VADs), distributors and retailers. Cyrix's objective was to dominate competitors by supporting the channel with first-class service and sales incentives. Cyrix presented Origin with the challenge of creating the framework for a complete channel operation within 30 days.

STRATEGIES

Origin created Cyrix Direct Connect, a complete channel solution for Cyrix. Origin created the telephone and internet systems to handle communication with thousands of Cyrix's North American dealers as well as a sophisticated custom database for tracking. Origin also established a fast-response warehouse to ship collateral, point-of-purchase material, welcome kits and samples to the field as well as set up complete merchant account services.

Origin created and managed a performance-based co-op advertising program that rewarded top performers with advertising allowances. Origin tracked channel performance, created semi-custom co-op ad "shells," coordinated shipping and photography of dealers' systems for placement in ads, produced custom artwork for each co-op partner and negotiated advertising in local and national newspapers, magazines and radio. The advertising program resulted in turn-key, personalized advertising campaigns and placements in hundreds of media outlets. Campaigns were geared towards retailers and end-users as well as distributors, resulting in a "push-pull" strategy that was effective in creating top-to-bottom demand for Cyrix products.

RESULTS

Cyrix Direct Connect grew from an initial 1,500 channel participants to over 18,000 in a two-year period. Sales increased dramatically and Cyrix built a loyal channel following. Many dealers become "Cyrix-only" houses, virtually abandoning competitors. The number of qualifying co-op partners for the advertising program increased from a few to several hundred in less than six months. Overall, ROI for the program was several hundred percent.

