Case Study Analysis on Dell Communication Strategy

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Introduction

In a business context, the flow of information l from one organization entity to another plays a major role in the organization’s wellbeing. Communication can be viewed as the backbone of any organization's operations and activities, with that regard company heads are able to harness their resources and strive to achieve set goals and objectives in line with the adopted communication strategy. However, the success or failure of a company seems to depend on how innovative is the adopted communication strategy highly. This case study analysis gives an overview of the Dell computer company's innovative communication strategy. Through a critical analysis of the communication strategy adopted at Dell, this paper will be able to offer communication strategy integration techniques that can enable a company like Hewlett Packard to deploy a similar innovative communication strategy.

**Summary of Dell’s communication strategy**

Dell computer company adopts a communication strategy that has been hailed as revolutionary when compared to the approaches used by other manufacturers in the computer industry. A number of case studies have been carried out on the tech giant, in one of the studies, Edirisinghe discusses how the innovative communication strategy at has played a vital role in enhancing the organization’s effectiveness as a whole. The case study carries out a comparison that outlines the uniqueness in Dell's communication model and how it has resulted in effective organization performance. The traditional communication model adopted by personal computer manufacturers involves the flow of information through a number of participants. They include the manufacturer, suppliers, the manufacturer, distributor, and even value-added resellers, before reaching the customer. Edirisinghe sites that the key to effectiveness in the approach is that unlike the old communication strategy, Dell’s strategy eliminates a number of the information flow components that they deem do not add value to the value chain (2015). Their strategy entails direct communication between manufacturer and supplier and customer.

The strategy allows the customer to make direct orders to the manufacturer over the internet. The manufacturer is able to instantly receive the customer’s order information, including any preferred customizations to the computer and assembling work kicked. Since the strategy allows direct communication between dell ad its suppliers, computer components get shipped immediately, and the manufacturer is able to begin assembly work on the spot. In addition, the company ships directly to the customer, which also builds a good customer relationship (Edirisinghe 2015). The strategy has enabled the company to cut down on the long periods experienced between product order and delivery time among other traditional models which shows a sigh of an ineffective communication model.

**Analysis of the communication strategy**

The Dell communication strategy involves the direct flow of information between the manufacturer, supplier, and consumer. As a result, the adopted strategy has positively impacted the organization at both the manufacturer level and in terms of customer relationship. The strategy has been able to impact Dell at the manufacturing level by effectively reducing the production cycle time which takes an average of seven hours, resulting in an order turnaround of as little as one week (Edirisinghe 2015). The company is able to achieve these crazy statistics through substituting inventory with information across the supply chain where customers are able to share information on a real-time basis through online mediums. At the customer level, the communication strategy is able to impact the customer experience and satisfaction by enabling them to make direct orders in convenient ways over the internet, a feature that enhances customer experience where they are allowed to make recommendations on their preferred customization. Customers are also able to directly receive their order from Dell through direct shipping with the help of UPS or FedEx (Edirisinghe 2015), an approach which enables Dell to maintain a great customer relationship.

Despite the exemplary efficiency displayed by the direct communication strategy adopted by Dell, there are potential problems considering that the approach is highly dependent on just in time manufacturing procedures. That has resulted in the company adopting a direct communication model with both its consumers and suppliers. In the case where there is an interruption with the suppliers’ side, Dell could possibly be forced to halt operations on very short notice which would be a massive drawdown considering they lack physical stock as a possible alternative (Edirisinghe 2015). In addition, another potential risk factor relates to their communication model being highly reliant on ICT. Dell has little control over the global infrastructure in terms of ICT. Thus any hitch with the ICT sector predisposes the company to internet failure problems.

Nonetheless, the issues can be addressed in various ways. The potential risk related to suppliers can be addressed through the adoption of an integrated approach with the suppliers (Edirisinghe 2015). In return, that would mitigate all the supplier-related possible risks that seem to be the backbone of Dell’s operation and the adopted communication strategy.

**Integration techniques**

Looking at a company like Hewlett Packard, which adopts the traditional strategy of communication majorly, it requires a proper integration strategy to adopt a revolutionary communication strategy like the one adopted by Dell Company as stated in the case study analysis above. Based on communication research, communication which is based on information flow is highly regarded as the cornerstone of any organization’s operations without the flow of information, no operation transpires (Vangelisti 2016). With this regard, the best integration technique that would guarantee the integration of the direct model communication strategy would require HP management first to embrace the approach. An analysis of the direct model success at Dell reveals that the company's founder pioneered the direct model approach at the company and it is an approach that has been passed down to junior mangers at the company (Edirisinghe 2015). Therefore, the technique is highly dependent on managerial skills that are willing to make it a culture at HP in order for it to be integrated successfully.

Dell Company has been able to cultivate the approach through a culture of dedicated hardworking individuals at the grass root levels. This will require HP to abolish some members of its supply chain that do not add value to the information system and substituting with part of the chain that adds value. Also, a just in time manufacturing procedure will require HP to adopt a direct communication approach with both its consumers and suppliers. This calls for digitalization of part of its value chain, which will allow real-time access to information shared regarding orders and production processes.

Conclusion

An analysis of the direct communication strategy adopted by Dell computers reveals that the approach can really cut down most of the ineffectiveness depicted by the old communication models adopted by most PC manufacturers. Therefore, as a way of offering customer-oriented products and services, the pros of the direct communication approach is a clear proof that the strategy is a game-changer and can greatly help other PC manufacturers cut down demerits like longer production cycle and customer dissatisfaction that comes as a result of not directly engaging the customer in the information chain.

References

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