



## **A2.1: Group Assignment**

**Communication and Collaboration III: Influence and Persuasion**

**By Team 7**

### **TACKLING CHALLENGES FACING THE MANUFACTURING INDUSTRY USING PERSUASSION & INFLUENCE PRINCIPLES**

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**Instructor: Matthew Fisher**

**Authors: Albino, M., Bathula, S., Chukwuelue, E., Magnani, B., Villarreal, L**

## **Executive Summary**

### **Industry Overview**

The global manufacturing industry is highly competitive, with a few major players dominating the market space. The industry is a multi-trillion-dollar industry that continues to innovate and grow. It plays a significant role in driving economic growth driven by innovation and job creation. The industry is projected to grow at a Compound Average Growth Rate of 1.6% to USD7.6 trillion over the next five years (IBISWorld). The industry has continued to evolve over the years, driven by technological advancements, globalization, changing consumer needs, skilled labor, and a resilient supply chain.

### **Challenges**

Amongst the long list of challenges in the industry, we foresee this trend continuing in the next year; firms will continue to battle with automation and digitization, as improvement in technology is critical to reducing cost, enhancing efficiency, and streamlining processes to require less human input. Supply chain challenges also top this list. The COVID -19 pandemic exposed supply chain weaknesses and will prompt a shift from just-in-time sourcing to creating redundancy in supply chain (KPMG 2023). Firms will continue to face challenges in attracting and retaining skilled labor, as many workers will be drawn to other sectors due to low wages or retirement.

### **Key Findings**

An interview conducted with sample players in the industry revealed the use of numerous persuasion and influence tactics. To address the challenges, it will be crucial for firms to invest in training programs, improve salary and wages, instituting a special benefit plan for workers and foster a culture of collaboration and support.

Industry players were adopting Cialdini's principle in persuading and influencing stakeholders. The social proof principle was actively being utilized to show examples of competitors that have adopted advanced technologies and the positive impact on revenue. This strategy was important in getting leadership buy-in in improving existing technology. This principle was also applied in Cheetos advert campaign with Mila Kunis, it communicated to consumers that Cheetos was a trusting brand consumed by celebrities. The sympathy and unity principle were adopted as a very effective tool in attracting and retaining skilled talent. Leadership focused on creating a positive environment, investing in training programs and offering very competitive salary and wages as a way of fostering a culture of collaboration and support.

For senior leaders within the manufacturing industry, the findings from this analysis are highly relevant and valuable. They provide a unique perspective on the current state of the industry, highlighting both its potential and its challenges. Recommendations for adopting advanced technologies, investing in training programs, and fostering a culture of collaboration and support can help companies attract and retain skilled labor while also promoting innovation and growth.

### **Recommendation**

In conclusion, the manufacturing industry is highly competitive and rapidly evolving, driven by technological advances, globalization, and changing consumer needs. Leaders in this industry must continually think out of the box to drive value for all stakeholders. The industry challenges remain dynamic, and employing persuasion and influence remains very vital in improving relationships across the entire value chain to improve the bottom line.

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Interviews from:

- 1) Max Oviedo, Public Relationship Manager, Super Envases.
- 2) Tabitha Chinta, Sales Manager, Gulf Craft Company.
- 3) Brian Clyde, Marketing Manager, Gulf Craft Company.
- 4) Rosa Rivas, Customer Service Manager, Transformaciones Metalurgicas S.A.
- 5) Angela Pachon, Branding Department, General Motors – Colmotores.
- 6) Philip Anderson, Advertising Department, Rida Plastics Limited.