**W5 Discussion: Customer Integration**

Customers are an integral part of the supply chain and their needs and preferences directly influence supply chain management. The ever increasing demand for customization of products and the diversity associated with the same from costumers has made the prediction of change in the demand patterns critical to firms; since they have to adopt accordingly. Customer integration in the supply chain management allows the firms to understand the customers and their needs and respond to such needs in the best ways possible. Customer integration therefore directly impacts the supply chain performance.

Market orientation, supply chain performance, and supply chain strategy are all indirectly influenced by customer integration. The impact of customer integration on supply chain performance is driven by the underlying idea that dynamic capabilities allow organizations to more effectively match their response to the external environment, leading to higher performance. Therefore, customer integration might help the business better adapt its offering to the changing needs of customers. Customer integration will enable businesses to utilize the knowledge ingrained in inter-organizational operations, assisting them in effectively analyzing market prospects. As a result, companies respond to customer requests more promptly, which boosts customer satisfaction, reduces holding costs, and boosts overall profitability.

Supply chain-marketing alignment is crucial in the process of enhancing or changing capabilities, . Businesses must implement policies that can facilitate the alignment of the two functions with the customer as the point where the two roles converge. Aligning the two functions improves the firm's capacity for customer integration, resulting in greater performance levels. However, strategic misalignments can result in a failure of an organization. Supply chain integration with the customer enhances their satisfaction as it dictates the vital parts of such satisfaction; price and delivery. Efficiency in customer integration in the supply chain therefore increases the competitive advantage of firms and helps them stand out in highly competitive markets.

**Reference**

Poirier, C. C., Quinn, F. J., & Swink, M. (2009). *Diagnosing greatness: ten traits of the best supply chains*. J. Ross Publishing.