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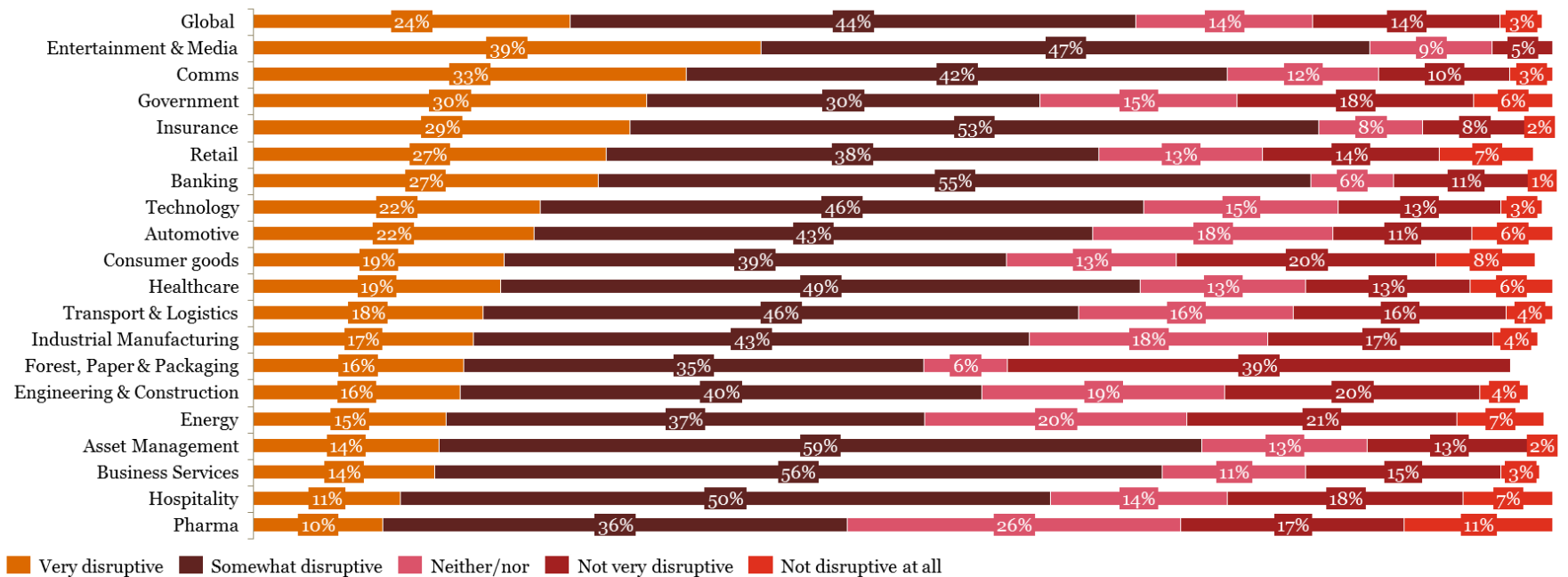
Customer Service

Trends and Best Practice in Customer Service

March 4th, 2018

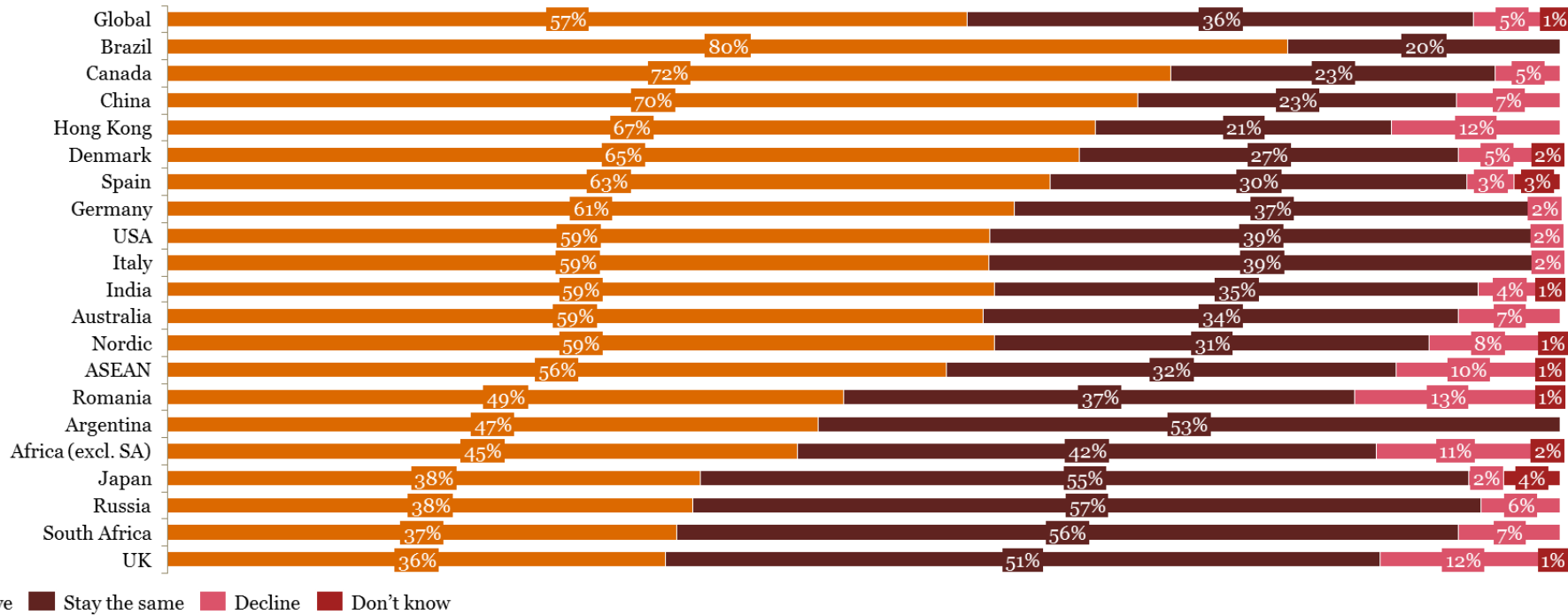
A call to arms....the vast majority of respondents to PwC's CEO survey 2018 believe customer behaviour changes will be disruptive

How disruptive do you think ... changes in customer behaviors ... will be for your business over the next five years?

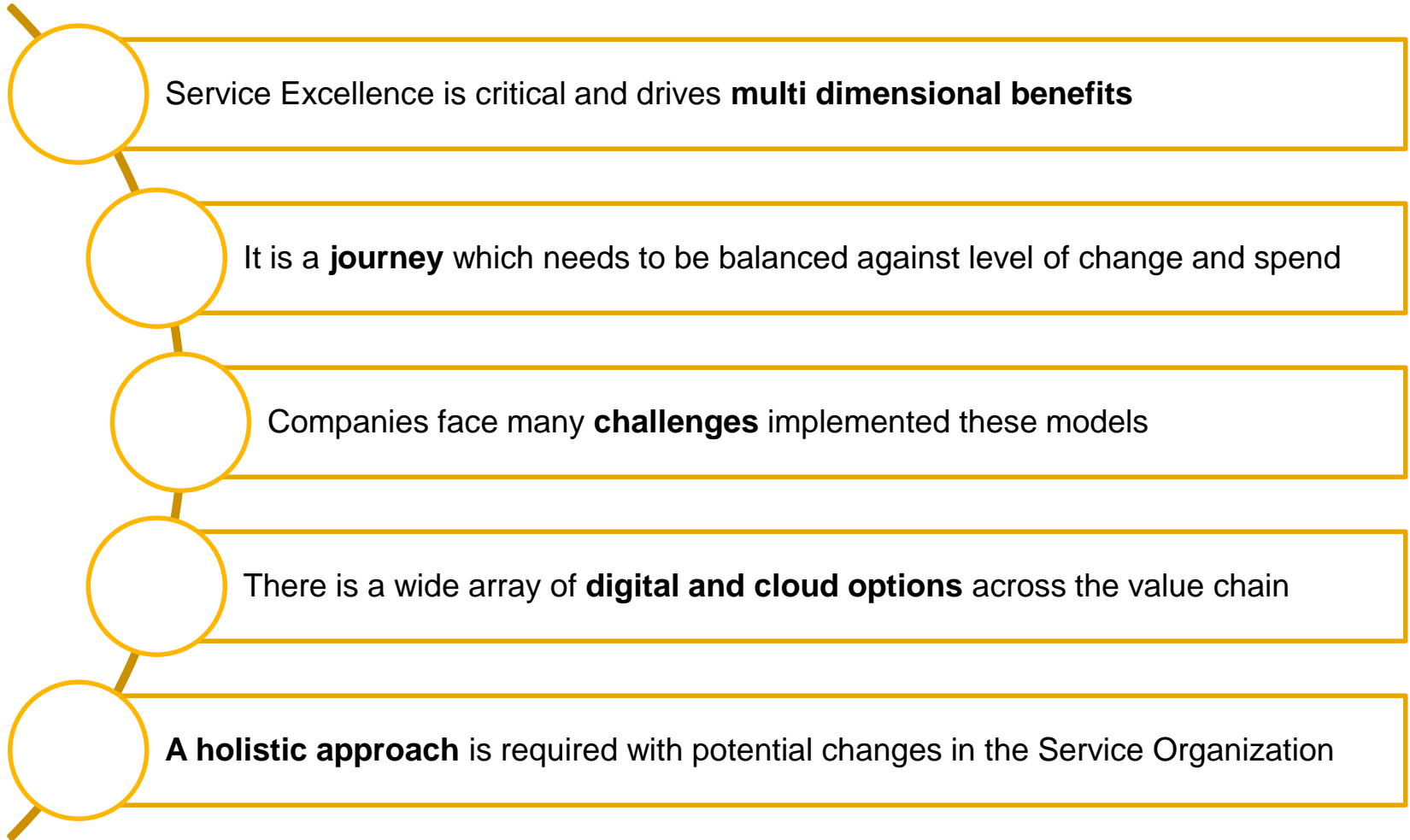


We are in a good time...confidence is strong

Do you believe global economic growth will improve, stay the same, or decline over the next 12 months?



Key messages



Service excellence is mandatory to survive in today's ever more challenging manufacturing industry

Drivers and contribution of service excellence in manufacturing industry

Speed & Agility

- Changing consumer demands and faster product cycles require a highly **agile customer service**, able to adapt quickly to new products, new requests and new geographies
- Service Excellence can contribute significantly to customer loyalty, hence to **cross- and upselling**

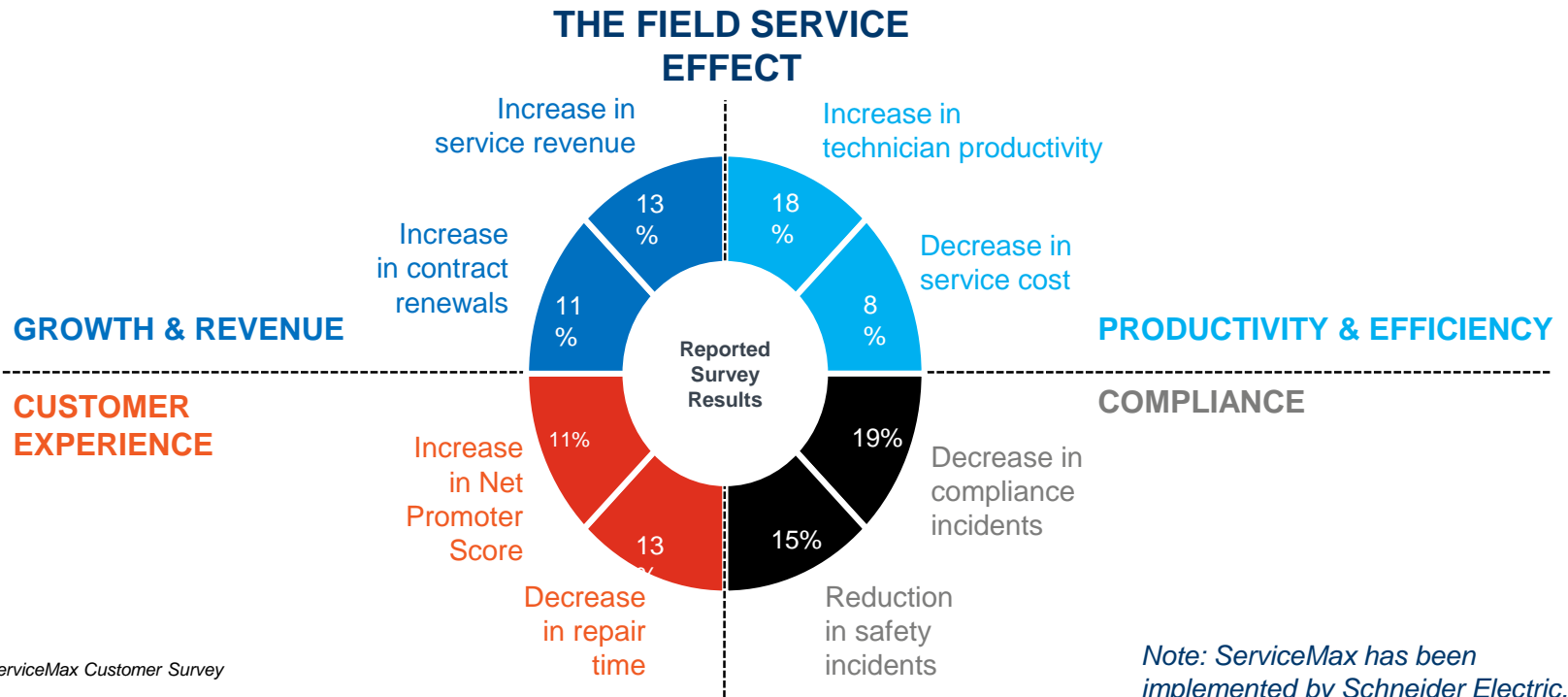
Top quality

- Increasing competition and product commoditization put a strong focus on **service excellence as a differentiator**, increasing also customer **retention**
- Decreasing product revenues require companies to look after new, often more **service-oriented business models**

Cost efficiency

- **Cost pressure in engineering** does not halt before customer service – customers want the **best service at the lowest price**
- Increasing warranty **costs** and litigation culture can be **mitigated by cost efficient service**

Transformation in service can increase revenues and decrease costs by double digit numbers



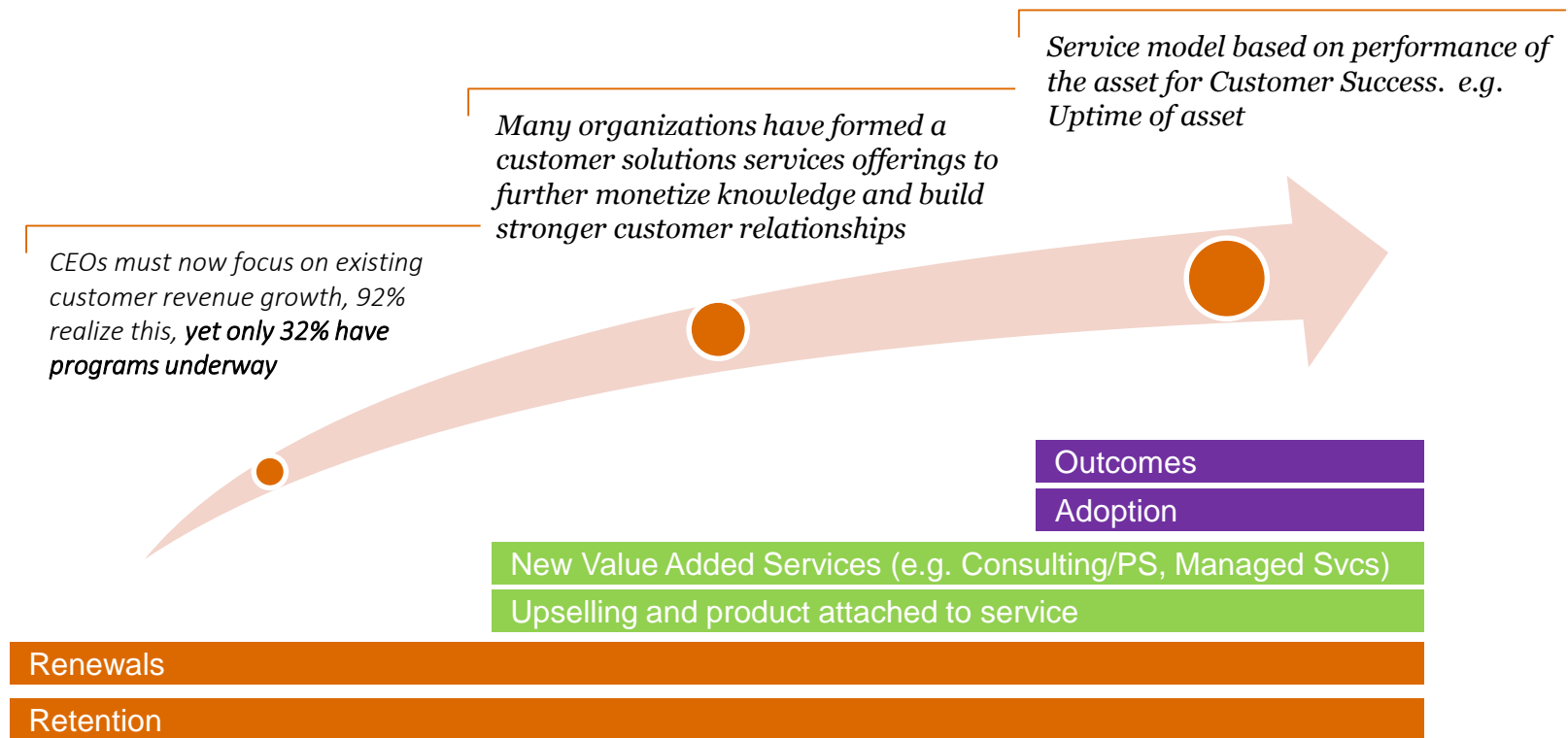
Note: ServiceMax has been implemented by Schneider Electric, Elekta, Medivators etc.

2016 ServiceMax Customer Survey



The service model is evolving to drive revenue growth

Expanding revenue and driving customer success is a new game with new rules for the service organization



Companies have developed different strategies for Customer Service

Transforming service into a strategic profit center becomes critical in realizing customer value and driving revenue growth

Customer Focused Service

- Deep understanding of your customer and services inventory
- Service availability and delivery across multiple channels
- Defined customer success strategy and goals

Operational Effectiveness

- Service such a large part of the business that efficiency / effectiveness affects business more than ever
- Must be profitable

**Service
Growth
Levers**

Agility

- Instant availability, instant gratification
- Responsive, speedy
- Customer anywhere, employee anywhere

Drive Revenue Growth

- Upselling
- Product attached to service
- Renewals

There are a number of barriers most companies face in this journey

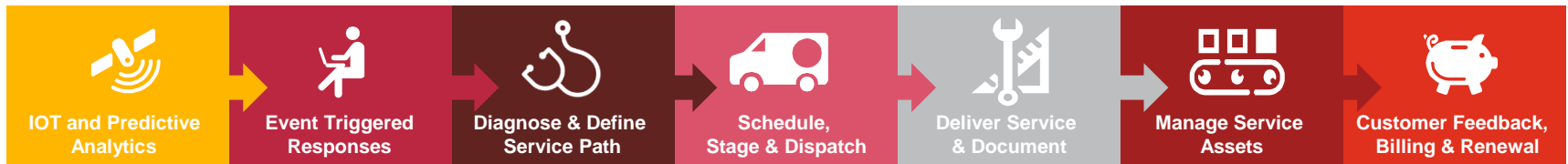
Examples of typical barriers



PwC has an inclusive view of service, where productivity, customer experience and intelligent operations interoperate as one

PwC Digital Field Service Value Chain

High-level value chain/lifecycle:



	Connected devices and performance history generating the data lake	Channel access and visibility into consumption, break/fix issues	Consumption Monitoring Analytics - ability to roll, repair and increase uptime	Field Force Visibility and Field Fact Base: skill, location, proficiency, etc.	Remote Resolution from self service, first contact or triaged support	On-Time Return Parts & Tools with minimal loss	Integrated Invoicing (e.g. parts, time) for speed and accuracy
Maturity capabilities	Analytics that move to 100% Planned Maintenance eliminating break/fix	Skill Based Event Routing based on type of issue, general or specialized knowledge	Triaging - supported by diagnostic tools, trouble shooting, and knowledge base	Parts/tools management based on incident and work order - (identify, order, track)	Continuous Customer Improvement , complete, and communicated with customer	Monitor Products to estimate lifecycle use, service and production needs	Service usage, type, and performance against SLAs captured and reportable
	Right parts in right locations though inventory and maintenance analytics	Customer/Field Tech Self Service query access to knowledge portal & content	80/20 Field Vision with visibility of issues and optimized resolution journey	Optimized scheduling and dispatch to balance service quality and cost	Work Order Completion services performed are logged and communicated	Parts Tracking (inventory) to ensure they are on hand	Customer feedback captured, reviewed, and actioned
	Accountable Sourcing capture and track parts quality and sources for product management and vendor management	Need and Root Cause to trouble shoot customer issues and resolve	Configure-Price-Quote (CPQ) accuracy and entitlement management	Change Notifications to scheduled appointments are updated with alerts	Lead Management customer needs, leads and insight are identified and submitted	Monitor Assets , use and service requirements to ensure repair, or uptime	Continuous Improvement Program - to improve uptime and overall satisfaction

Realizing Service Excellence requires a holistic view on your business – from strategy through execution

Components of After Sales Customer Service

Sales Process:
(Out of Scope)



Sales Process

- E.g. Contracting, Initial Set Up, Purchase-to-Pay

Focus: After Sales Customer Service as Value Add

Service Strategy

Customer segmentations, service offerings, channels, ...

Service Organization

Steering and financial model, performance mgmt., locations, ...

Service Processes

Customer contact, customer support, reporting, ...

Service Culture

Continuous service improvement, capabilities, ...

Out of Scope:

Maintenance of own equipment

- Maintenance of company's own working capital

Company-own functions

- E.g. Source-to-Pay, HR, etc.

Key messages

