

# UNLOCKING THE POTENTIAL: FIELD SERVICE IN MANUFACTURING

salesforce

## MANUFACTURERS FACE 3 KEY CHALLENGES

As they move from Products to Services based solutions

### 1. REVENUE GROWTH, MARGIN GROWTH

Manufacturers need to look beyond products for top line growth and margin expansion.

Manufacturers' install base provides untapped revenue growth potential. The number of installed units far outpaces the number of new units sold creating new opportunities for monetisation and measuring performance.<sup>1</sup>

Product commoditisation increases price competition. And improving services to meet customer demand is considered one of the top pressures facing manufacturers in regards to excellence.<sup>2</sup>

### 2. DIGITAL TRANSFORMATION

Connected products and value chains give rise to unprecedented amounts of valuable information.

Falling behind on digitising the value chain directly impacts customer experience and market positioning, leaving manufacturers in the dark on crucial customer, product and market data.

Despite a desire to adopt modern technology, 61% of executives still use spreadsheets or offline processes to track customer information.<sup>3</sup>

Providing a single view of the customer across all the platforms and data sources creates an opportunity to drive greater investment from customer services and field service assets.

### 3. STAY COMPETITIVE

Customer expectations are rising faster than product innovations

Manufacturers need to move from a product centric to a customer centric approach in order to build the closer customer relationships and differentiate themselves in the market.

Customer related issues are now on the Board agenda with customer satisfaction one of the top three.<sup>4</sup>

90% of CEOs believe that customers have the greatest impact on their strategy.<sup>4</sup>

## WHAT MANUFACTURERS SAY

*“Customer service issues are not turned into sales opportunities...”*

*“There is a lack of consistency and good customer experience across sales and service...”*

*“Much time is spent by dispatchers repeating work orders, clarifying instructions with technicians & getting status updates”*

*“Over 10% of work orders are completed late”*

*“Customers are only offered half day or whole day appointment windows”*

Source: PWC

<sup>1</sup> University of Cambridge Service Alliance (2016), The Servitization of Manufacturing: A Longitudinal Study of Global Trends.

<sup>2</sup> Aberdeen Group (2016), Field Service Data Analytics: Connecting the customer, the asset, and the answer.

<sup>3</sup> Salesforce Research (2016), Connected Manufacturing Service Report.

<sup>4</sup> PWC (2016), 19th Annual Global CEO Survey: Redefining business success in a changing world.

# FIELD SERVICES CAN HELP MANUFACTURERS THRIVE



## ACCESS NEW GROWTH OPPORTUNITIES

74% of Industry execs expect data-driven services to be the primary driver of growth in the next 10 years.<sup>5</sup>

Margins from service are significantly higher (39% vs 27% on new equipment).<sup>6</sup>

Field service teams drive revenue growth. First-time fix rate >70% leads to 4% rise in annual service revenue and is key to setting up the next sale.<sup>7</sup>



## CONNECTING SALES & SERVICE IMPROVES CUSTOMER EXPERIENCE

Real time, transparent and easily accessible 360 degree view of customer data across the value chain improves the field service and customer experience.

Top performing organisations equip their field teams with the required tools, investing in mobile to enable faster answers and real-time insights.<sup>7</sup>



## DIFFERENTIATE WITH FIELD SERVICE

Empower Field Service teams to differentiate against the competition and measure their performance on the success of the customer.

68% of service teams say Field Service agents are an integral part of their CX strategy.<sup>8</sup>



**KONE**

## KONE EXPECTS A LIFT FROM FIELD SERVICES APPLICATIONS

“With Salesforce, we're excited about the potential to improve our quality, safety and operational performance. We see Salesforce as being our 'next generation' field service platform that will allow us to stay ahead of the competition and continue innovating for the future.”

Hugues Delval, SVP and head of KONE Maintenance Services.

<sup>5</sup> Salesforce Research (2016), Connected Manufacturing Service Report.

<sup>6</sup> Bain Brief (2015), Winning in Industrial Service: The Hallmarks of a Service Champion.

<sup>7</sup> Aberdeen Group (2016), First-time fix: a metric that drives success.

<sup>8</sup> Salesforce Research (2016), 2nd annual State of Service.