

ELEVATE
CUSTOMER EXPERIENCE
ACCELERATE GROWTH



AFTER MARKET SERVICE THE **NEW REVENUE STREAM**

Manufacturers have been under increasing competitive pressure due to stagnation in revenue growth and shrinking profitability from new product sales. This has forced them to look beyond traditional revenue streams to drive growth and improve profit margins.

Services are therefore emerging as a growing source of revenue and resilience for many manufacturers.

Service is the new battle ground

8% of US GDP (USD 1.2 Tn) is Services

Services give **24%** Revenue = **45%** of company profits

\$ from Service Sale = **4*\$** from product sale

Stock prices directly proportional to quality of customer service

	Decrease in revenue from product sales
	Declining profitability from product sales
	Higher profitability from after-sales service
	Demand for better product service

Leading companies are viewing service operations as a strategic opportunity and are focusing on improving their processes to serve their customers better.

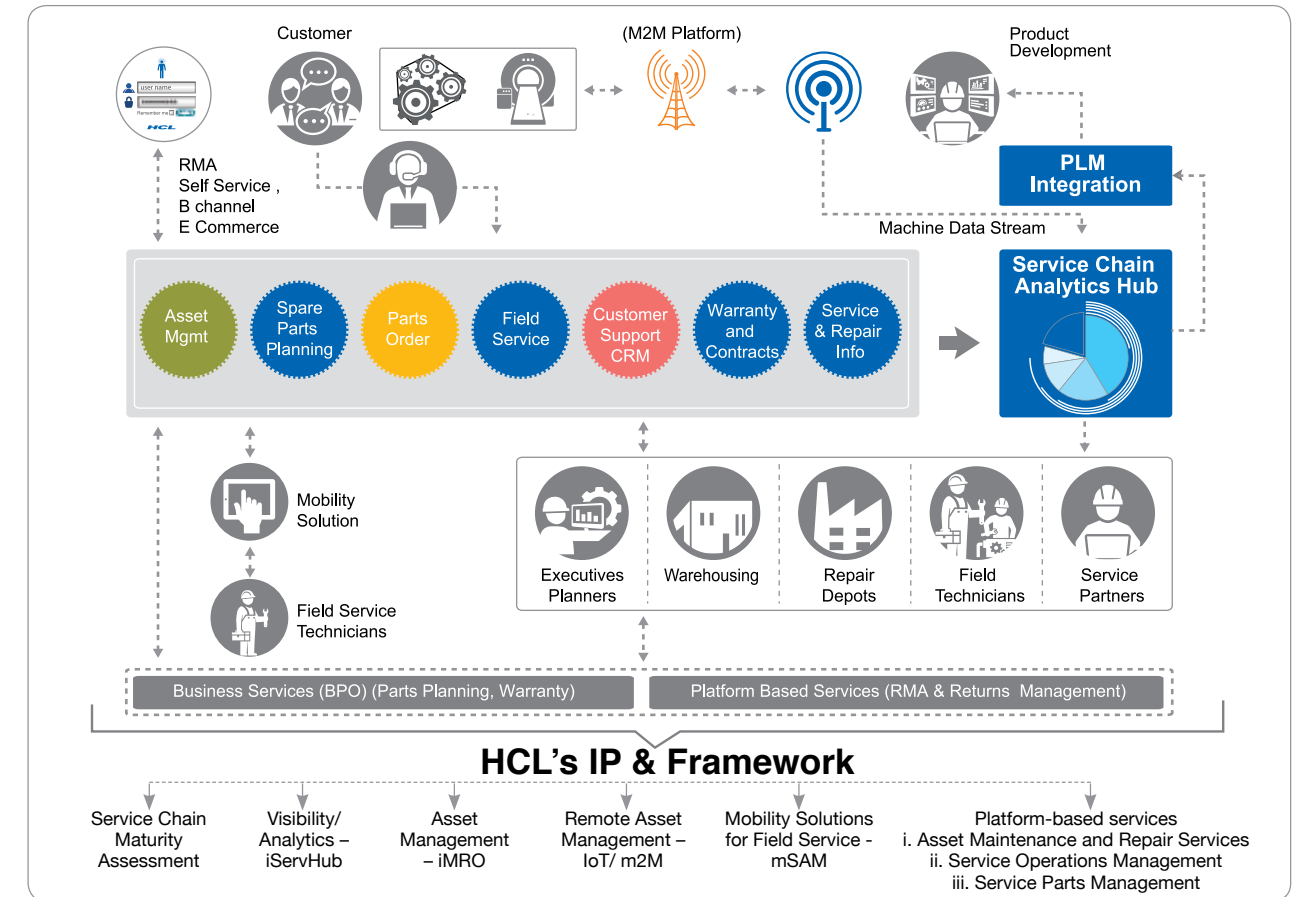
Business drivers for shift in focus towards 'Aftermarket'

1. Grow business through opening up new revenue streams with existing customers or attracting new customers
2. Create new business models to attract new types of customers
3. Improve customer experience and help them realize greater value from the product
4. Leverage emerging technologies such as M2M and Mobility to improve effectiveness of service operations

Manufacturers have begun to understand that in the current market scenario, a robust service management program not only creates a profitable business, but also acts as a differentiator.

HCL's ServSmart™ enables manufacturers to optimally deliver services tightly coupled to their products to strengthen customer relationships, create new and resilient revenue streams, and set high barriers for competition. It helps manufacturers provide proactive aftermarket service and support, ensuring optimal uptime of products at the lowest possible cost throughout the product life cycle

HCL SERVSMART™ **FRAMEWORK**



ServSmart™ enables you to achieve

Service management and intelligence – improvement on key measures such as MTBF, MTRR, and First Time Fix Rate	Improved field technician productivity by making enterprise information available and delivering accurate/ timely service and repair information to field force through Mobility solutions	Usage-based parts and service planning – targeted towards reduced stock outs and overall inventory in the aftermarket value chain	A platform to on-board service partners and deliver utility - based pricing, rental solutions, and output - based services
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HCL SOLUTION / SERVICES



CASE STUDIES



CUSTOMER

POSITIVE CUSTOMER EXPERIENCE FOR A F500 DOCUMENT MANAGEMENT COMPANY, ENABLED THROUGH STANDARDIZED BUSINESS PROCESSES ACROSS 14 COUNTRIES AND 16 LANGUAGES.

BUSINESS CHALLENGE

- The 'A2B Program' is a multi-year transformation journey to enable common and simplified business processes on a common set of business applications across Europe
- Will deliver significantly greater automation of sales process, integration with contract set-up and management, client service call logging, and integrated financials

SOLUTION

- A core SAP solution with process and technical integration to 'best-of-breed' applications for sales, leading and deal Configuration
- The Initial transformation phase was deployed to 'indirect' partner business in a pan-European go-live in July 2009
- Subsequent phases have focused on 'direct' large accounts business in major European markets, with phased go-lives through 2011 (Customer service and logistics) and 2012 (Billing and finance)
- Smaller market deployment will follow in 2013/14 on a business case justification basis

BENEFITS

- Standardized business processes, supporting a user base of 350 call centre agents, 5000 service engineers, 1500 back office and sales support, and 7300 partners, in 14 countries and 16 languages
- Savings targeted at about USD 150Mn through:
 - Better debt viability and management
 - Customer service efficiencies, through field service utilization
 - Savings in hardware and obsolete technology
 - Back office productivity
 - Better support of distributor and re-seller through multiple channels
 - Reduced cost for running HR platform
- Integrated 14 country operations into single SAP system in just 24 months
- Award winning European customer services operation
- USD 200Mn / year of purchasing savings
- Inventory turns up by 20%
- Planned cycle time reduction by 50%
- Quote turnaround time reduced by 80%



CUSTOMER

SERVICE TRANSFORMATION FOR A LEADING MEDICAL DEVICE MANUFACTURER

BUSINESS CHALLENGE

- Transformation of the USD 1 Bndispensing business
- 172-day median call-to-cash cycle
- 8% of orders arrive correctly on customers dock
- USD 33Mn in inventory uninstalled assets (waiting for EC) at customer sites
- Disconnected process requiring multiple data entry
- 14 different systems used on legacy infrastructure, some without vendor support
- No single view of the customer

SOLUTION

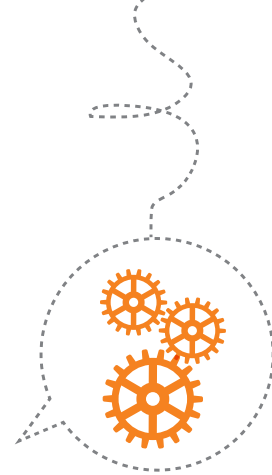
- HCL engaged in areas of:
 - Service Contract Management
 - Preventive Maintenance
 - Service Order Management
 - Recall & Remediation
 - Billing of Services

- Complaints and Returns Management
- Dispatch/ Escalation Management
- Knowledge Management
- Scheduling/ Dispatch/ Escalation Management
- Field Service
- Stock Management
- Service
- Warranty Data Management

BENEFITS

- Reduced call-to-call to cash cycle (Target – 33%)
- Reduce in transit inventory (Target – 40%) and DOS (Target – 25%)
- Improve order accuracy (Target – 98%)
- Sequence manufacturing with installation
- Reduce field service parts inventory (Target – 25%)
- Single IT platform, used for Infusion and Dispensing
- Single view of customer data





CUSTOMER

TRANSFORM SERVICE EFFECTIVENESS AND EFFICIENCY OF A USD 18 BN DIVERSIFIED, GLOBAL CONGLOMERATE

 **BUSINESS CHALLENGE**

- The existing solution had different tools across different geography with varying sets of functionality
- Customer required a single platform for tracking the assets deployed across different customer locations throughout the life cycle
- Lack of visibility of installed base causing delays in planning resources for upcoming maintenance activities
- Inability to define the workflow and logic for RBI (Risk Based Inspection) frequency
- Non-availability of service records and parts used
- Inability to perform look-ahead planning

- Track multiple work orders linked to a project change
- Filed service scheduling
- Track progress of repair orders in depots
- Manage calibration and certification needs
- Provide visibility of spares availability

 **BENEFITS**

- Single view of all services-related information pertaining to the installed assets throughout the equipment life cycle
- Improved accuracy of key service information related to assets, contracts, etc.
- Planned asset data including testing of all assets and an ongoing service schedule for them
- Inventory management and historical performance and planning system detailing the location, asset count, and spare parts
- Performance indicator report with comprehensive metrics and charts showing calibration records and tending information

 **SOLUTION**

- Build a global Asset Management System to enable end-to-end asset tracking and service management process. The key functions delivered were:
- Installed Base Management
- Ability to define SoW templates and associate them to work orders

Notes: _____





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