Digital technology is changing the way manufacturers engage in customer and field service. Leaders are transforming their business and operating models toward connected and digitally enabled services. They want to provide a growth engine for their business, deliver higher margins than stand-alone sales, and contribute to greater customer lifetime value.

New business models are leading the way. Think pay-as-you-go, as-a-service, subscription, and tiered service.

Advanced automation technologies are also in the mix—artificial intelligence, machine learning, robotic process automation, and the internet of things—along with immersive solutions based on virtual, augmented, and mixed reality.

Leading capabilities increase opportunities to upsell and cross-sell while reducing revenue leakage, product downtime, and churn rates. Contactless service and self-service also offer the potential to offset business and customer health and safety concerns. And at a time when the technical workforce is aging, digitally enabled field services help recruit younger technicians to continue to go into the field.

High stakes, big rewards

These developments mean the stakes for field service are higher than ever. A full 80 percent of service decision makers say field service drives significant revenue (a 5 percent increase over 2018). In addition, 50 percent of field service deployment is expected to include mobile augmented reality collaboration and knowledge sharing by 2025.

A digitally enabled services business can:

- Enhance customer experience and loyalty by orchestrating each interaction across the customer journey for effective communications, responsive service, timely execution, etc.
- Maximize customer lifetime value by using customer, install base, and operational insights to optimize offers and maximize service attachments for annuity-based services. Use insights about customer entitlements to minimize service revenue leakage.
- Offer new services that open revenue opportunities and enhance customer experience, generate value for customers, and maximize customer lifetime value for the organization.

• Maximize service effectiveness by reducing response and resolution time and maximizing equipment performance. Use connected product data to predict service needs and resolve through automation, remote centers, or technicians enabled with digital tools.

• Reduce cost to serve by addressing service calls via remote centers, automation, or self-service. Optimize technician productivity using advanced scheduling and dispatch and providing the right tools (AR/VR/MR), insights (AI/ML), and parts.

Digital services also deliver the following outcomes:

- **Service revenue growth**
  Field business leaders achieve higher services to produce revenue ratio

- **Margin improvement**
  Typical services margin (39%) is higher than equipment sales (27%)

- **Greater customer retention**
  Field business leaders achieve higher renewal rates (90% versus 79%)

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Mastering the digital services lifecycle

To achieve these benefits, manufacturers must simultaneously:

- Establish advanced capabilities in field service and customer service to deliver an outstanding customer experience.

- Align their business model and end-to-end operations to effectively price, sell, and deliver service—and bill and collect—while improving efficiency, workforce effectiveness, and safety.

The challenge for manufacturers, then, is to design outside-in, from a customer’s perspective. Organizations that invest in the eight connected capabilities featured below are twice as likely to see success from their investments in digital transformations.

- Insight-driven strategies and actions
- Innovative products and services
- Experience centricity by design
- Integrated interactions and commerce
- Responsive operations and supply chain
- Aligned and empowered workforce
- Digitally enabled technology architecture
- Trusted partner and alliance ecosystem

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2 2021 KPMG proprietary data.
Achieving success with KPMG and Salesforce

KPMG has a long history of developing and implementing connected enterprise models that link manufacturing, installation, and service into a seamless whole. We bring a combination of deep experience in manufacturing, field and customer service, business models, and business operations transformation.

We also have extensive knowledge of Salesforce, an alliance partner offering a leading suite of products, including Salesforce Field Service. This solution builds trusted, on-time support in the field, schedules smoothly, reduces idle time, and improves worker productivity. In combination with Salesforce Service Cloud, Salesforce Field Service delivers end-to-end support, from case management to work order, to technician debrief.

Salesforce Field Service and related products enable manufacturers to:

- Increase uptime by using Salesforce Einstein AI to build predictive insights that can enhance preventative maintenance schedules.
- Improve technician efficiency by knowing when more appointments can be scheduled per day.
- Reduce revenue leakage by aligning contract terms with field service activity.
- Support field technicians to be the face of sales with information in hand about pricing, contracts, warranties, service order status, and equipment updates.

With the power of digital transformation from KPMG and solutions from Salesforce, manufacturers can capitalize on field service to accelerate their business value.

Contact us to learn how to build services revenue, complement stand-alone equipment sales, and increase customer lifetime value.

Contact us

Bill Donlan
Principal and Salesforce Go-To-Market Leader
KPMG LLP
T: 786-452-4987
E: wdonlan@kpmg.com

Stephen Mealy
Salesforce Alliance Sales Leader
KPMG LLP
T: 727-744-0631
E: smealy@kpmg.com

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