



FIELD SERVICE

THE 2013/2014 SERVICE, REVENUE
& TRAINING TRENDS REPORT

About This Report

The U.S. Bureau of Labor and Statistics reported that as of March 2013, employers added **221,000** more field service jobs than they had in 2012 rounding the total number of field service technicians employed in the United States to a staggering **4.9 million**. It's hardly news that field service is a critical component of any organization. In field service, the technician's responsibilities fall far outside the realm of product repairs. The global field service community recognizes its techs as valuable revenue drivers, as well as the most visible face of a company. Despite the proliferation of new technology and devices, industry findings suggest that service technicians are still the most important factor for reaching profit goals and ensuring the loyalty of customers.

The landscape of the field service industry has changed rapidly to meet the exceeding expectations of the "evolving customer." The evolving customer that has been observed throughout the industry is one that has been born out of the advent of new technology. Raised on a healthy diet of instant gratification, the new consumer is more demanding and holds higher expectations for service providers. Companies in the industry have moved toward increasing customer satisfaction by improving the service that their field forces provide. Optimal service, mobility, technician training and bridging the knowledge gap between the generations are just some of the many issues that thought leaders are grappling with in the industry.

The role of the service organization has transformed across multiple industries; service no longer ends with delivering support. As a result, today's senior service executives are focused on finding a true understanding of customer needs and the provision of solutions to ensure customer satisfaction, profitability and maximum value. **73** percent of business leaders surveyed by Forrester said, "acquiring and retaining customers," was number one on their to-do lists for 2013, and industry findings suggest that many companies are not afraid to put their money where their mouth is. According to a separate study from Forrester, which surveyed some 2,200 software decision-makers on their capital spending plans for 2013, field service ranked fourth (at 27 percent) closely behind sales, corporate services and customer service. Field service ranked even higher when it came to investing in mobility software – with 42 percent reporting they planned to invest, just behind those planning to invest in mobile sales software, which was 48 percent.

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Optimal service mobility, technician training and bridging the knowledge gap between the generations, are just some of the many issues that thought leaders are grappling with in the industry.



When you see this symbol; it signifies a **key finding** to pay attention to.

About This Report

Organizations across the board recognize the need to invest in the right technologies and tools to enable their employees to improve existing processes, meet the growing needs of customers, and make greater contributions to the bottom line. Forward-thinking companies in field service have already implemented strategies to improve existing service operations, manage resources, their partners and most importantly, their customers.

The team behind **Worldwide Business Research's Field Service** conference – with help from an advisory board of senior-level executives from international service organizations – created a benchmarking questionnaire for Field Service USA's 2013 audience of service and support executives. The survey was distributed onsite at the Palm Springs conference, where more than **85** executives from cross-industry, cross-vertical manufacturing companies answered questions about mobility, workforce management strategies and best-in-class strategies for training and development. Their roles ranged from **Senior Vice President**, to **Global Service Leader**, to **President** and **CEO of the Supply Chain** and more. They represented companies as diverse as **GE, DirecTV** and **Pitney Bowes**.

See how your firm compares to your peers and competitors by viewing the results throughout this report.

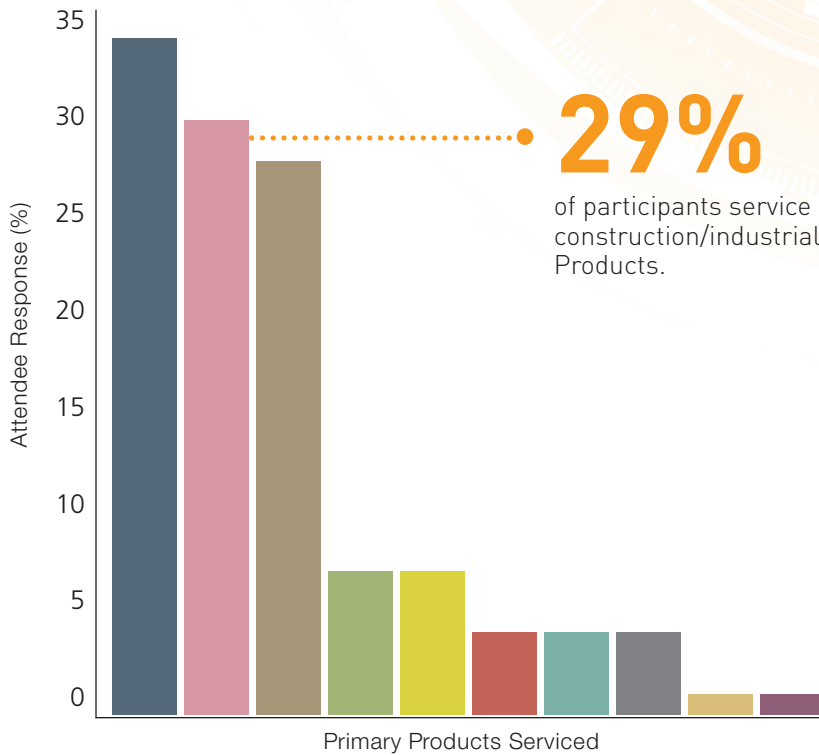
Companies in the industry have moved toward increasing customer satisfaction by improving the service their field forces provide. Optimal service mobility, technician training and bridging the knowledge gap between the generations, are some of the many issues that thought leaders are grappling with in the industry.



● See how your firm compares to your peers and competitors by viewing the results throughout this report.

Q1

What is the primary product that you service?



29%	Construction/Industrial Products
27%	Imaging, Medical, Scientific
7%	Utilities
7%	Transportation
4%	Commercial Computers
4%	Commercial Appliances and Electronics
4%	Domestic Appliances and Electronics
1%	Domestic Computers
1%	Enterprise Network Support Services (Electrical, Security, Telecom, Cable, Internet)
33%	Other (please list)

(Numbers not meant to equal 100% as some companies service multiple categories.)



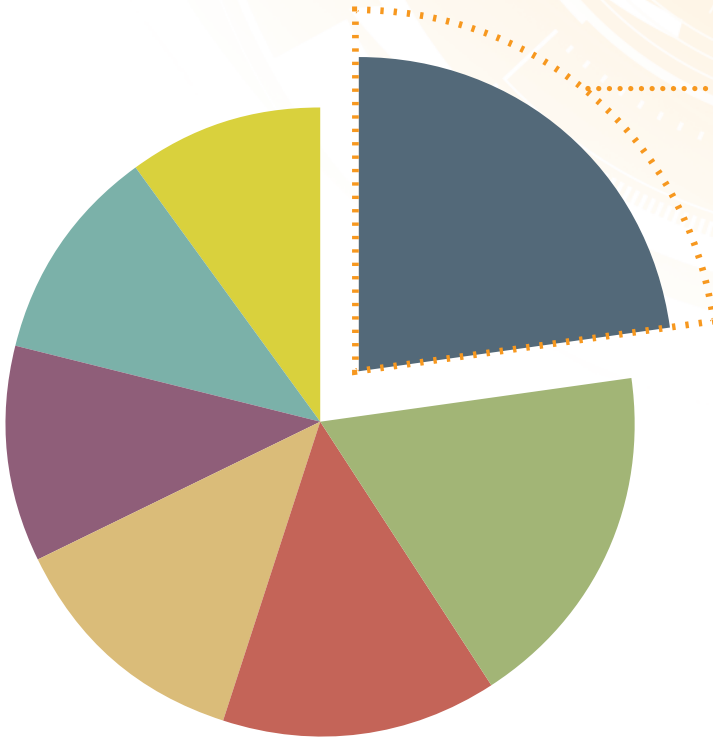
There was an **11 percent decline in service construction companies surveyed**, than the survey population of 2012.

Other responses included:

- Onfield service/instrumentation
- Defense MRT
- Consulting, HVAC (2)
- Industrial Manufacturing (3)
- Lasers for Research and Industry
- Air traffic control systems
- Satellite communications systems/equipment
- Printers-multifunctional
- Diesel Engines
- Service Solutions
- Manufacturing
- Wind Turbines
- Heavy Industry (Heavy Equipment, Shipbuilding, Steel Service Center)
- Lake Format LED Displays
- Fire Protection
- Packaging

Q2

What percent of company revenues comes from services?



23%

of respondents said that 35 percent or more of company revenues come from services.



This is a 16-point increase from the 2012 Field Service Benchmarking Study, where 39 percent of the surveyed companies said that 25 percent or more of company revenues come from service. This suggests that field service companies' efforts to increase revenue are continuing to pay off.

- **23%** 35% or higher of company revenues come from services
- **11%** 25-30% of company revenues come from services
- **11%** 20-25% of company revenues come from services
- **13%** 15-20% of company revenues come from services
- **14%** 10-15% of company revenues come from services
- **10%** 5-10% of company revenues come from services
- **18%** 0-5% of company revenues come from services

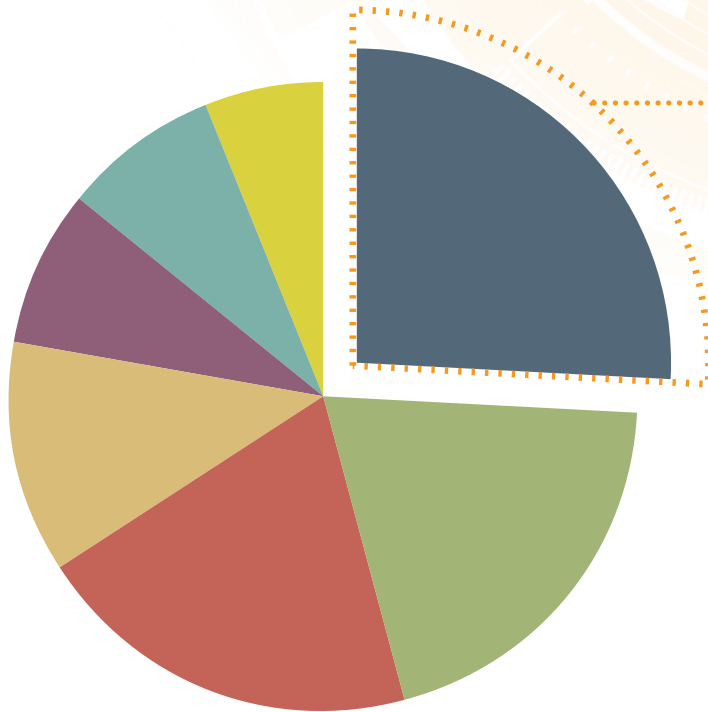


From a business development perspective, I like to differentiate between service contract calls and charged service calls/contract calls. These are handled with the perspective of managing cost, getting a customer quickly into production, and activate backup operation modes before the actual repair can be carried out. We have a remote fix rate for these calls. Helpdesk activity on charged service calls should be handled to secure the business."

Michael Reschaur, Director of Business Development, Heidelberg

Q3

What percent of company profits comes from services?



26%

of respondents said that their companies earn 35 percent or higher in profits from services.



Over a quarter of companies surveyed reported earning 35 percent or higher in profits by providing value-added services.

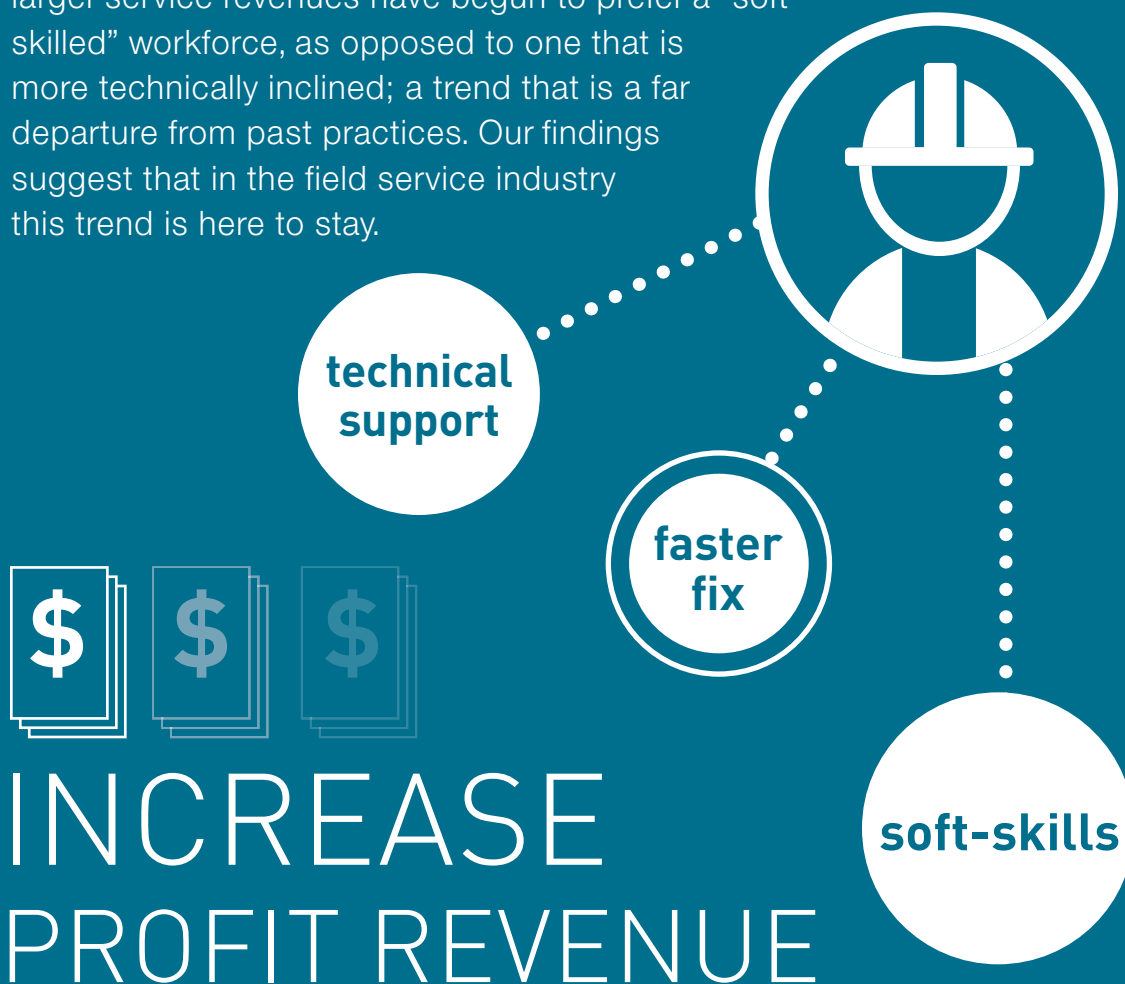
- **26%** 35% or higher of company profits comes from Services
- **20%** 25-30% of company profits comes from Services
- **8%** 20-25% of company profits comes from Services
- **8%** 15-20% of company profits comes from Services
- **6%** 10-15% of company profits comes from Services
- **12%** 5-10% of company profits comes from Services
- **20%** 0-5% of company profits comes from Services



The findings suggest that field service industry leaders today are serious about adding value to their products through customer experience and lead management, and finding the right person manage that lead tunnel is a top concern.



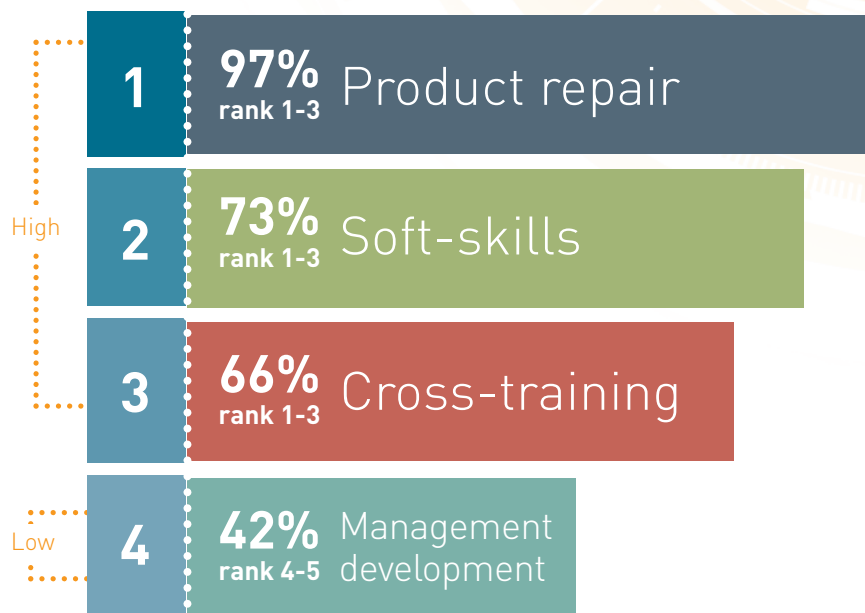
Our findings suggest that through their field representatives, (more closely examined in Question 5 and Question 6), **companies in the field service industry are able to increase profit margins by addressing the customers' needs.** Bolstering customer experience has become the leading challenge that more and more field service organizations are grappling with. Creating competitive differentiation in the industry is not measured on how effective workers are at completing the task, rather, it is measured by the overall satisfaction that customer has with the end result. In the field service industry, companies looking to cash in on larger service revenues have begun to prefer a “soft-skilled” workforce, as opposed to one that is more technically inclined; a trend that is a far departure from past practices. Our findings suggest that in the field service industry this trend is here to stay.



Q4

What area of training are you currently prioritizing?

Rank 1 thru 5; 1 being highest priority, 5 being lowest.



Other responses included:

- Sales, Sales Group, Training of new employees, Processes beyond SPEC but using law
- Complex Customer Solutions, Technical Capabilities, Specialization-Applications
- Systems & Network, Opportunity identification of customer and communication to field sales team, Up-selling, Selling/Lead Generation Skills
- Computer Skills, Process Improvement, IT

74% of attendees ranked product repair and troubleshooting as the **number one** area in where they will focus their training efforts in the year ahead.

(Numbers not meant to equal 100% as some companies service multiple categories.)



Very few people surveyed ranked one of the four options provided as the lowest priority. Therefore, one could conclude that, for respondents, soft-skills, product repair/trouble-shooting, and cross-training/management are all priorities for leaders in the field.



It's not surprising to me that training in soft skills follows next in ranking to training in product repair. I believe that every customer has a basic expectation that the technician who responds to a trouble call will have the requisite training and competencies to make repairs as quickly and efficiently as possible. But today's customers are in more savvy many ways and field staff are now required to engage the client on a variety of customer care topics including; company initiatives, product updates, product training and complaint resolution. To be successful, it is necessary that the field staff understand how to deal effectively with customers so that their experience is a positive one."

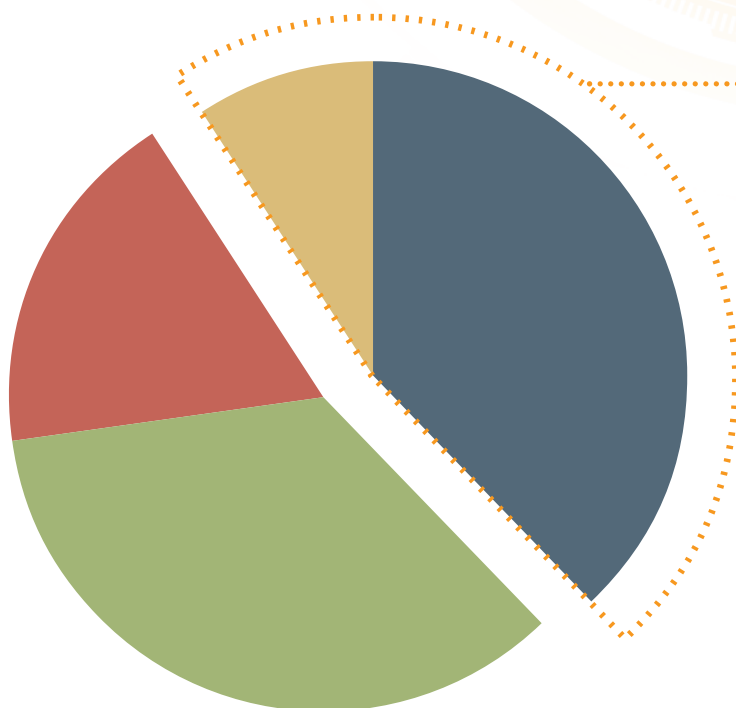
Ken Walsh, Chief Engineer & Vice President Operations, London Hydro Inc.

To hear more from Ken on how London Hydro is empowering their front line, [CLICK HERE](#)

Q5

Do you have a strategy in place to motivate or incentivize parts/ product sales reps to sell and offer services?

[Choose only one]



- 38% Both
- 35% Neither, but we are working on this
- 18% To provide qualified leads, but not to directly sell services
- 9% To directly sell services, but not provide qualified leads

Nearly half

of surveyed companies (47%), incentivize reps to directly sell services.



Similarly, nearly half of surveyed companies, 47 percent, incentivize reps to provide qualified leads, but not to directly sell services.



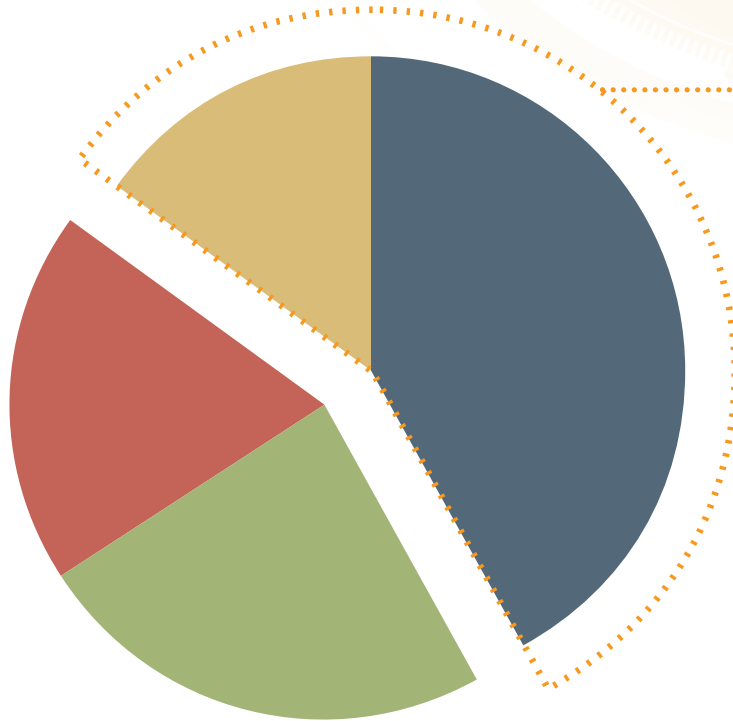
A cross-trained field service engineer with a high first time fix rate and soft skill capabilities is gold. Smart service companies are investing their training money in these areas."

Jim Saccone, GE Oil and Gas, Global Leader

To hear more from Jim on GE's training initiative's, [CLICK HERE](#)

Q6

Do you have a strategy in place to motivate your field service reps to: directly sell services, provide qualified leads only, neither, or both? (Choose only one)



57%

of companies said they have or are in the process of implementing a strategy to motivate their parts reps to sell services.

- 42% Yes, strategy(s) being implemented
- 24% No
- 19% No, but we are working on this
- 15% Yes, strategy in place



When asked whether there was a strategy in place to directly sell services/provide qualified leads, the answer was nearly split down the middle, with 56 percent reporting that there was a strategy in place to provide qualified leads, and 47 percent reporting that they incentivized reps to directly sell services. This was a significant increase from the findings of the 2012 benchmark, where only two companies reported to have a formal strategy in the planning stages.



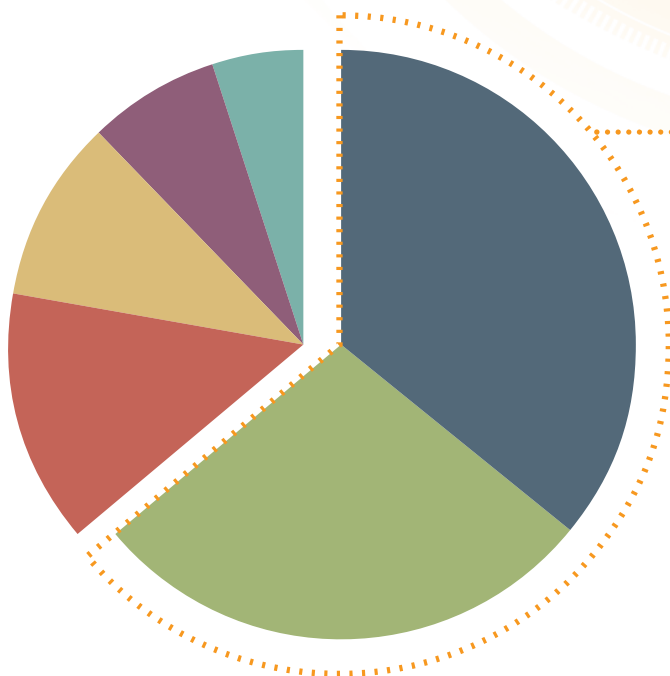
"I think its interesting that such a large number of companies are looking to leverage their field techs for revenue generating opportunities while also focusing on enhancing their technical skill set. I think this shows that field service technicians need to be viewed as trusted advisors rather than true sales agents. What's important to the customer is solving their problem in the most effective and efficient manner."

Bob Feiner, Global Deployment and Field Services, Dell Services

To hear more from Bob on post-sale service and support, [CLICK HERE](#).

Q7

What percent of your incoming service requests are resolved through Remote Assistance?



64%

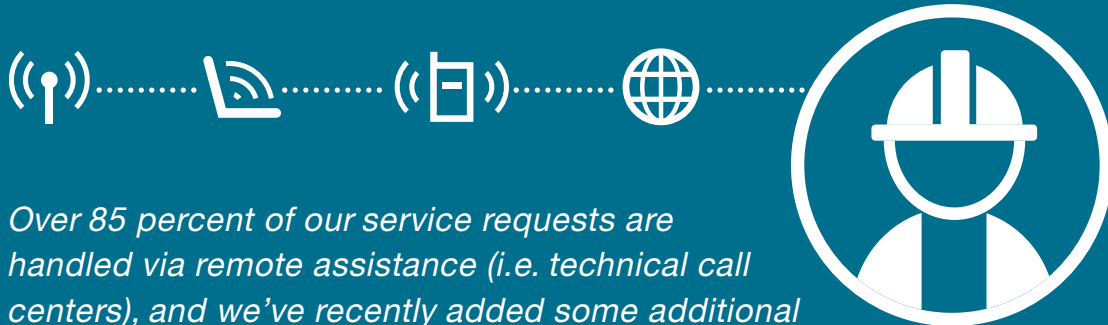
of respondents said that less than 20 percent of their companies' service requests are resolved through remote assistance.



This is a seven-point decrease from the 2012 Field Service Benchmark Report, where 71 percent surveyed said that less than 20 percent of service requests were NOT resolved through remote assistance. This suggests a significant improvement in remote assistance effectiveness, as fewer executives responded that requests were NOT being resolved in this way.

- **36%** 0-5% of incoming service requests are resolved through Remote Assistance
- **28%** 5-20% of incoming service requests are resolved through Remote Assistance
- **10%** 20-30% of incoming service requests are resolved through Remote Assistance
- **5%** 30-40% of incoming service requests are resolved through Remote Assistance
- **7%** 40-50% of incoming service requests are resolved through Remote Assistance
- **14%** 50% or more of incoming service requests are resolved through Remote Assistance

“



Over 85 percent of our service requests are handled via remote assistance (i.e. technical call centers), and we've recently added some additional configuration reporting on every truck roll to increase that percentage in the future (recording the location of key components so customers can easily be instructed how to identify them and report their status—plugged in, light on, etc.). So we're either leading edge, or hopelessly out of step with the industry (I prefer to believe the former)."

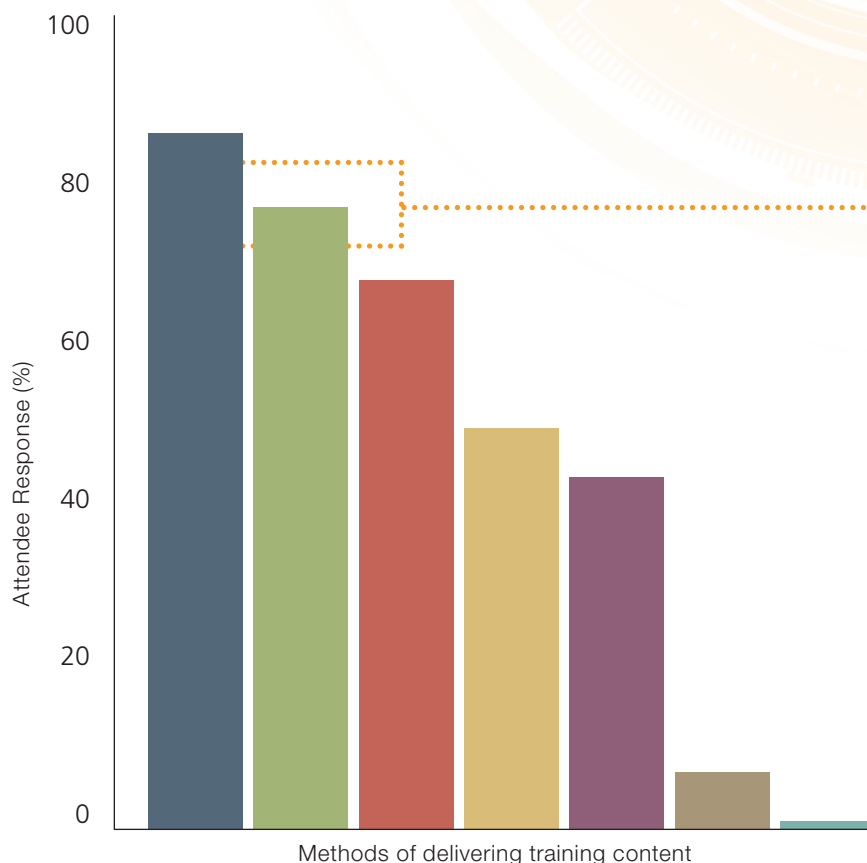
Dave Baker, Senior Vice President Field Service, DirecTv

Discover how DirecTv adopted a remote management solution that not only enabled the company to run at peak performance but significantly improved the bottom line.

To hear the full interview, [CLICK HERE](#)

Q8

Through which of these methods are you delivering content?



The most popular delivery method for training content is still classroom/ lecture (85% of respondents are using this method). Online courses are being implemented by 67% of respondents, and 43% of respondents are using live streaming (webinars) to deliver training content.



This is identical to the 2012 Field Service Benchmark Report, where 85 percent of respondents chose Classroom/Lecture as the number one method for training.

85%	Classroom/lecture
76%	Traditional Media (e.g. text, pictures, diagrams)
67%	Online Courses
49%	Web-Based Clips (e.g. YouTube)
43%	Live Streaming Content (webinars)
7%	Other (please list)
1%	No Training

(Numbers not meant to equal 100% as some companies service multiple categories.)



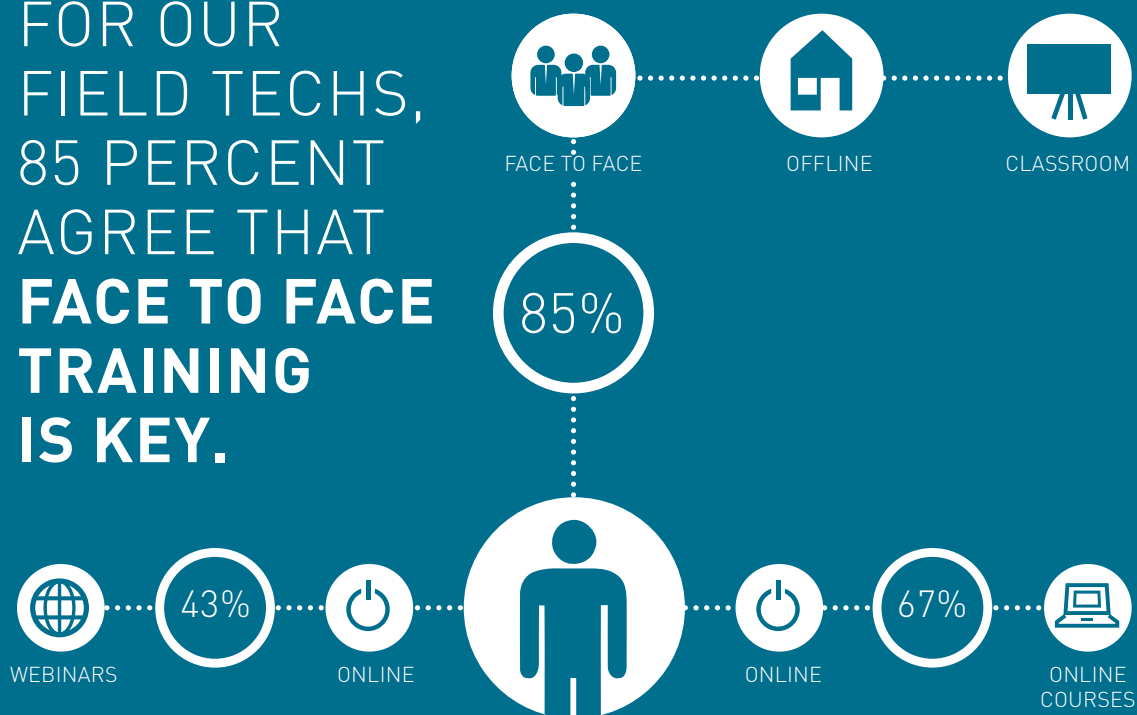
We use face to face, Powerpoint, Skype, Video, and Online interactive training."

Kyle Hurlbut, Director of Engineering Services, Litepoint



Despite advances in technology, **the most popular delivery method for training content to field technicians is still classroom/lecture**, which was ranked as the number one method for training by 85 percent of respondents (the same findings as the 2012 Field Service Benchmark). This points to the high value that thought-leaders in the industry place on face to face training methods. Behind this, online courses are being implemented by 67 percent of respondents, and 43 percent of respondents are using live streaming (webinars) to deliver training content. Perhaps this suggests a philosophy within many corporations that in-person training is still the best.

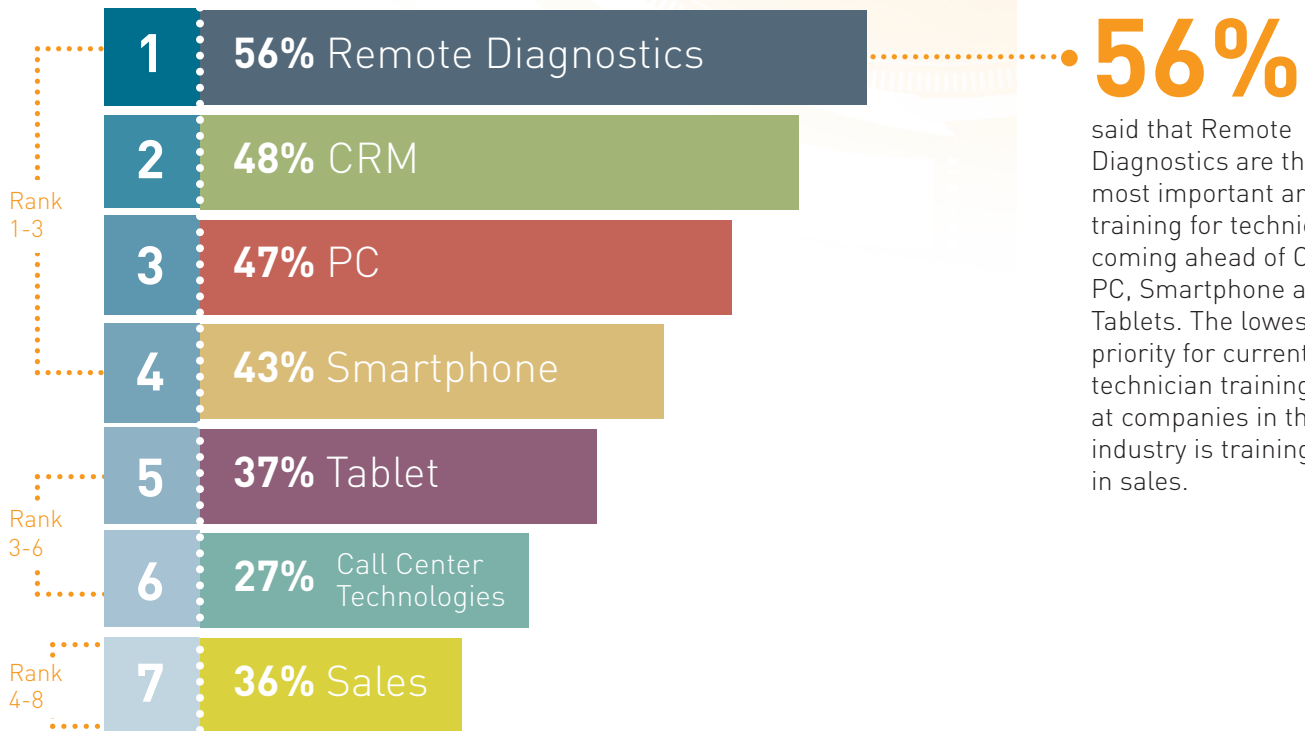
FOR OUR
FIELD TECHS,
85 PERCENT
AGREE THAT
**FACE TO FACE
TRAINING
IS KEY.**



Q9

Which of the following are you training your technicians/ service reps on?

Rank 1-8, in order of priority; 1 being the highest priority for your company currently; 8 being the lowest.



(Numbers not meant to equal 100%)

56%

said that Remote Diagnostics are the most important area of training for technicians, coming ahead of CRM, PC, Smartphone and Tablets. The lowest priority for current technician training at companies in the industry is training in sales.



Only 24 percent of respondents rated tablets as one of their top three priorities for training their field service technicians. This is interesting, given that 58 percent of participants in last year's survey planned to invest in tablets. Perhaps this indicates that among field service companies, there is a desire to invest in tablets, but it is more of a "blue sky" concept than a necessity for their field forces.

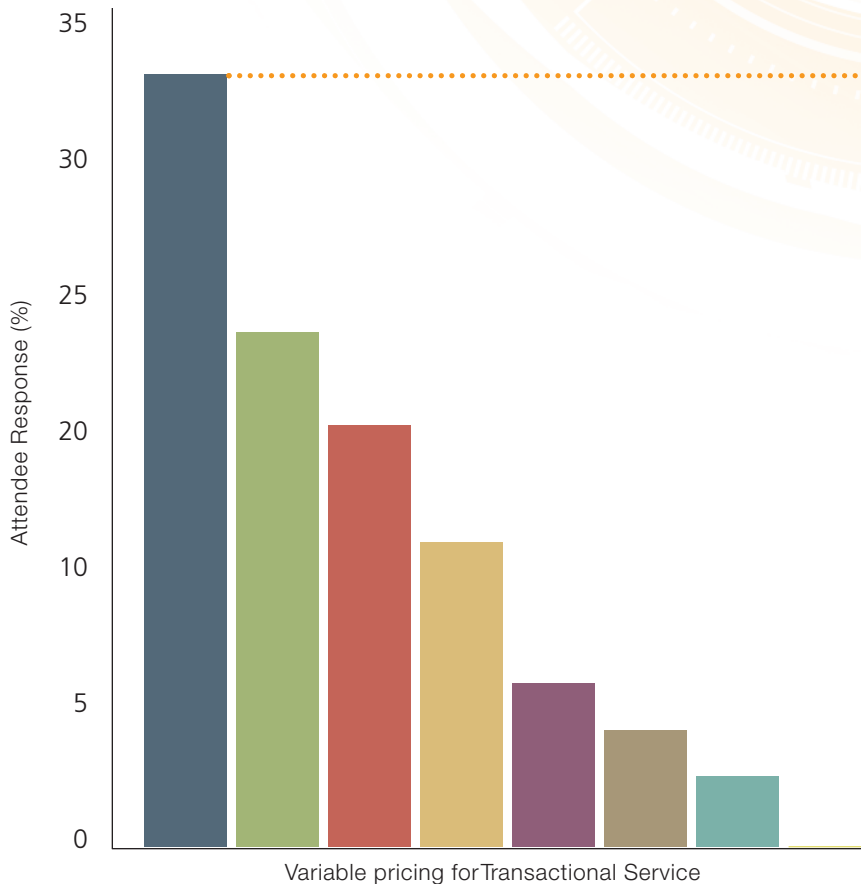


Other responses that participants volunteered that fell outside the parameters of the survey included: IndustryTide Changers, Field Automation, Enterprise and Product Training.

Q10

What variable pricing do you use for Transactional Service?

[Choose only one]



- **33%** Differentiated rates based on product lines
- **22%** Package for parts and services
- **18%** Other
- **12%** Differentiated rates based on response time
- **7%** Differentiated rates through alternative sales channel
- **5%** Differentiated rates based on first time fix
- **3%** Differentiated rates based on service job size

33%

of surveyed companies offer differentiated rates based on product lines.

“

A high fix rate is often an indication that independent service providers are getting the business. One can celebrate high fix rates but this only means that someone else did get the business or the remote help was not able convince a customer that the work needs to be done.”

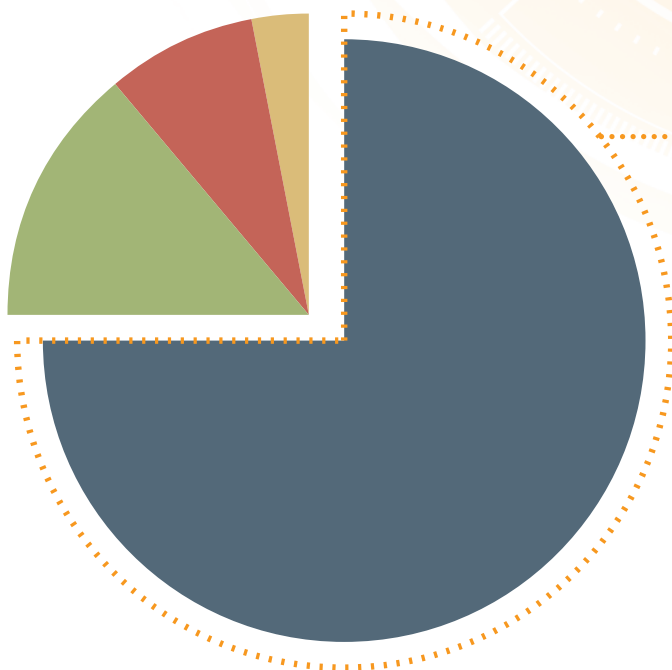
Michael Reschaur,
Director of Business Development,
Heidelberg

Other responses included:

- Firm fixed price on time and material
- Percentage

Q11

For your technicians, what is the balance of soft-skills training vs. technical training?



- 74% Soft skills < Technical
- 14% Soft skills = Technical
- 8% Technical (no soft skills)
- 3% Soft skills > Technical

74%

of participants say that technical training for their field techs supersedes soft skills.



Technical training still far outweighs soft skill training: 74 percent of respondents say that technical training is prioritized over soft skill training. While companies in field service are investing in training that will enhance customer service, this data suggests that companies place the highest value on their product over the service that they provide.



[This response] I find striking relative to what we're doing [at DirecTv], remembering of course that we are B2C rather than B2B like most attendees. While we continue to enhance our technicians' skills with technical training (as we expand our involvement in home networking, mobile delivery of video, etc.), our first major effort on soft skills training (started this year on a national basis) has had a bigger than expected impact on both customer response (as measured by NPS) and on technician morale (who feel that this is the training that they've been waiting for, because it makes it easier and faster to take great care of our customers). It's an act of faith, and a little harder to prove the ROI before the fact, but having done it, I now wonder why I didn't do it sooner."

Dave Baker, Senior Vice President Field Service, DirecTv

Q12

What major trend(s) do you see happening in the service markets over the next 15 years?

Some responses included:

Enabling technology in to leverage knowledge and tech capability.



Increased competition.



Evolution from a **cost center to profit center.**

Customer Productivity means lowers costs for client and vendor.

Controlled costs – Best response to customer – max uptime.

Customers will rely more on OEM's to supply services.

This is because of the aging workforce and those with knowledge will retire in 3-5 years.

Movement from technical services to **business optimization, professional services.**

Smarter products

The move from "Wrench Turner" engineers to **more sophisticated application savvy engineers.** The rise of self-service customer options in terms of ticket creation, knowledge base, etc.

Competitive environment – capital \$ are down so companies are ramping up the interest in service business.

Remote diagnostics, cloud based remote service, diagnostics, analytics and inspection.

“

Speed of service is gaining a lot of attention in the industry. Same day service is becoming a competitive advantage for service companies. The biggest problem we have to solve is capacity planning and tech scheduling. Service companies will have to move to a retail style staffing approach, which can drive asset utilization and overall profitability.”

**C-Level attendee,
Field Service USA**

About Field Service



Field Service is the leading service and support event that attracts senior-level service and support professionals from 15 different manufacturing industries including Aerospace, Medical Device Manufacturing, Hi-Tech Electronic, Semi-Conductor and Capital Equipment, Construction, Automotive, Telecommunications Equipment, Energy, Industrial and Agricultural Equipment and more!

Field Service tackles the latest strategies in core service functions including mobility, workforce management, technical support and knowledge management. Additionally be sure to gain as much insight to the new areas hounding service and support professionals all over the world including innovative developments in increasing service revenue, customer soft-skills, technician utilization, developing service leadership and effective mobile resources management.



[See more in the news](#)

FIELD SERVICE BLOG



Free exclusive content, social networking and the best kept secrets to service, from leaders in the field service industry.

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“

We have been a long-term partner with Field Service. We find that the speakers are very, very good, and it helps us try to understand what's happening in the industry, what are people really worried about, how they have solved different problems, and it allows us to map our product set to real world situations from other companies.”

Debora Schum, East Regional Sales Manager, TRIMBLE



About WBR/WBR Digital



WORLDWIDE BUSINESS RESEARCH

WBR is the world's biggest large-scale conference company and part of the PLS group, one of the world's leading providers of strategic business intelligence with 16 offices worldwide. Our conference divisions consistently out-perform their industry sector competitors on the quality of the events we produce and the relationships we nurture with both attendees and sponsors.

Every year over 10,000 senior executives from Fortune 1,000 companies attend over 100 of our annual conferences – a true “Who’s Who” of today’s corporate world. From Automotive events in Bucharest to Logistics conferences in Arizona to Luxury conferences in New York and Finance summits in Hong Kong, WBR is dedicated to exceeding the needs of its customers around the world.

WBR DIGITAL

In addition to our industry leading conferences, our professional services marketing division, WBR Digital, connects solution providers to their target audiences with year-round online branding and engagement lead generation campaigns. WBR's marketers act as an extension of your team relieving strain on your internal resources while promoting your brand and solutions to your prospects. Solution providers can target identified accounts or relevant industry/function segments of WBR's entire global database of over 500K senior-level decision makers.



There is not another place to come to see this many vendors, this many different exposures, and different types of service organizations and learn.”

Robert Ticknor, VP, Business Development, QUALTECH SYSTEMS, Inc.

About Astea International



SERVICE SMART.
ENTERPRISE PROVEN.

Astea International (NASDAQ: ATEA) is a global provider of software solutions that offer all the cornerstones of service lifecycle management, including customer management, service management, asset management, forward and reverse logistics management and mobile workforce management and optimization. Astea's solutions link processes, people, parts, and data to empower companies and provide the agility they need to achieve sustainable value in less time, and successfully compete in a global economy. Since 1979, Astea has been helping more than 600 companies drive even higher levels of customer satisfaction with faster response times and proactive communication, creating a seamless, consistent and highly personalized experience at every customer relationship touch point.

www.astea.com Service Smart. Enterprise Proven.



See more Astea in the news

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This is the only conference of its kind. As a sponsor, we get the opportunity to speak to a good cross-section of companies that come from many different industries, to understand what kind of concerns they have, to find out what their needs are. That helps us not only find leads, but also helps us drive the future direction of our product. Field Service's main advantage is that it allows us to have a window into top processes, people, tools and initiatives in the space. We have the opportunity to benchmark best practices and new ideas from a cross-industry perspective."

**Debbie Geiger, VP,
Global Marketing,
Astea International**

Make your mark in the Field Service Industry.

Be a part of next year's benchmarking report at one of our 2013/2014 Events;

* **FIELD SERVICE EAST**

16 - 18 September, 2013 | Westin, Charlotte, North Carolina

[CLICK HERE TO REGISTER NOW!](#)

* **FIELD SERVICE EUROPE**

14 - 16 October, 2013 | Movenpick Hotel Amsterdam City Center, Amsterdam, Netherlands

[CLICK HERE TO REGISTER NOW!](#)

* **UTILITIES OPERATIONS & SERVICE MANAGEMENT** | The Definitive Operations Strategy & Asset Management Event

October 28 - 30, 2013 | Rancho Bernardo Inn, San Diego, CA

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* **FIELD SERVICE**

22 - 25 April, 2014 | Rancho Las Palmas Resort & Spa, Rancho Mirage, CA

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- You'll gain access to the **largest and most senior-level speaker faculty consisting of cross-industry service and support executives** with key insights and strategies to help you improve your customer experience and service delivery
- You'll find a tailored program developed by service executives for service executives; **Field Service's agenda was created from the insight of 76 senior-level service executives**, highlighting the latest challenges and strategies that have swept the industry.
- **98% of 2012 attendees said they'd recommend Field Service to colleagues.** We think that means you'll like it too.
- **For the last 10 years the Field Service USA conference has been the venue of choice** for the world's leading manufacturing service executives to gain actionable takeaways and create real improvements within their organizations. You cannot afford to miss out on this unparalleled networking opportunity.

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