

The meaning of Service and its business impact
for Siemens

→ Corporate Leverage Service @ Siemens Program



...and how the human factor influences customer
satisfaction

→ an approach for transparency and measurable optimization

Siemens AG – Facts and Figures

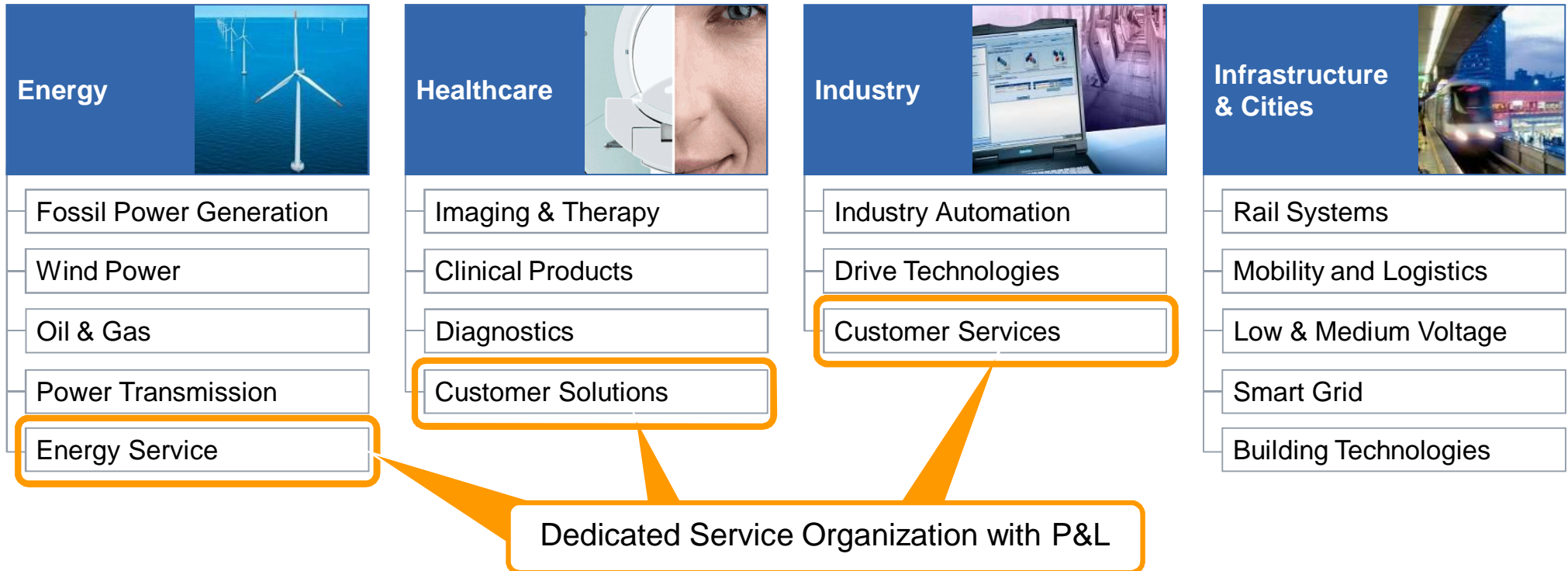


- Orders received: € 82.4 billion
- Revenue: € 75.9 billion
- Profit after tax: € 4.4 billion
- Research and Development investment: € 4.3 billion
- 362 000 employees globally in approx. 190 countries

Figures per 30.09.2013

Sector Organization of Siemens today

Dedicated service organizations in Sectors



Attractive markets driven by megatrends

Climate change

Demographic change

Globalization

Urbanization

Business Impact of Service for Siemens

Business Impact

- ▶ Service is our main **interface to our customers**
- ▶ Service as **key differentiator** for us and our customers
- ▶ Creates broad installed base with **high growth potential**
- ▶ Service is **high margin** business
- ▶ Innovation driven by **lifecycle data** from installed base

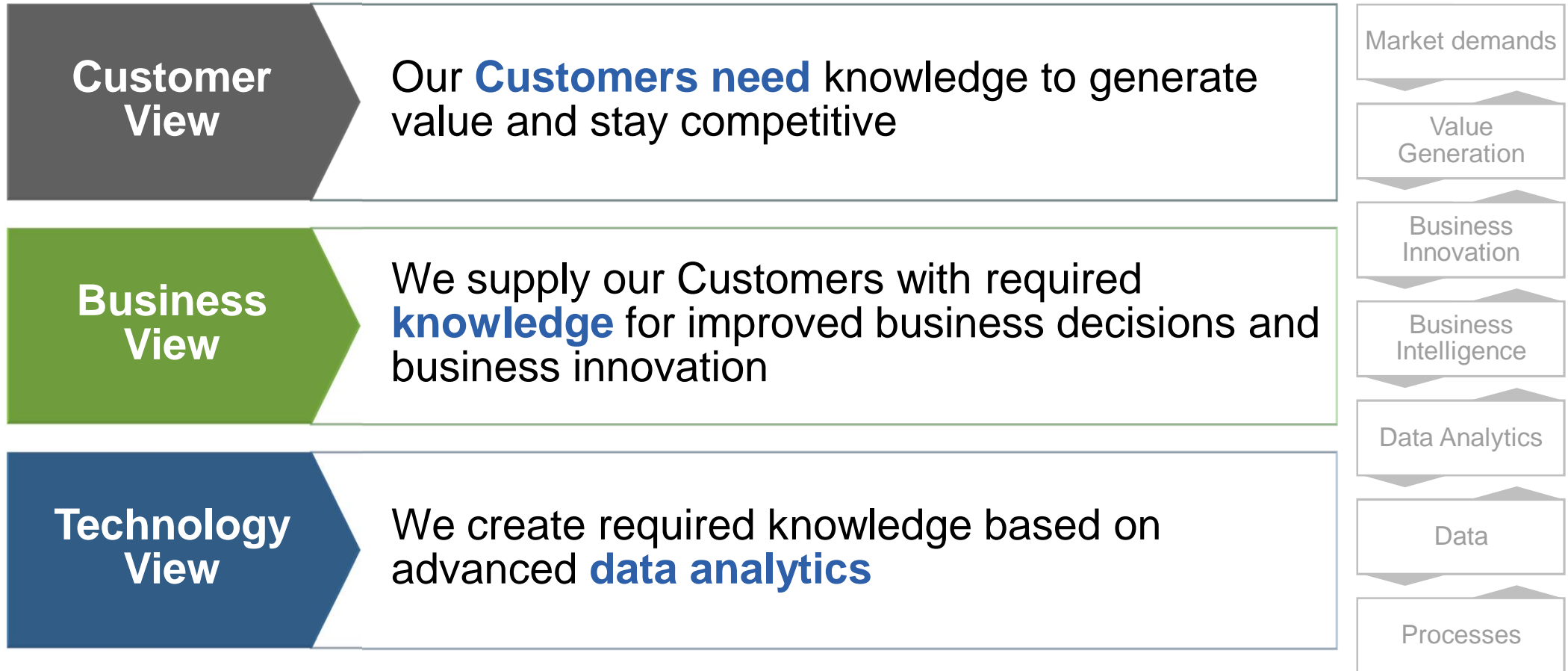
Motivation

Service Business... Go for it !

- 1 increase revenue
- 2 boost productivity
- 3 enhance customer satisfaction

a contradiction?

It is the Customer needs that drive Service Excellence and Innovation

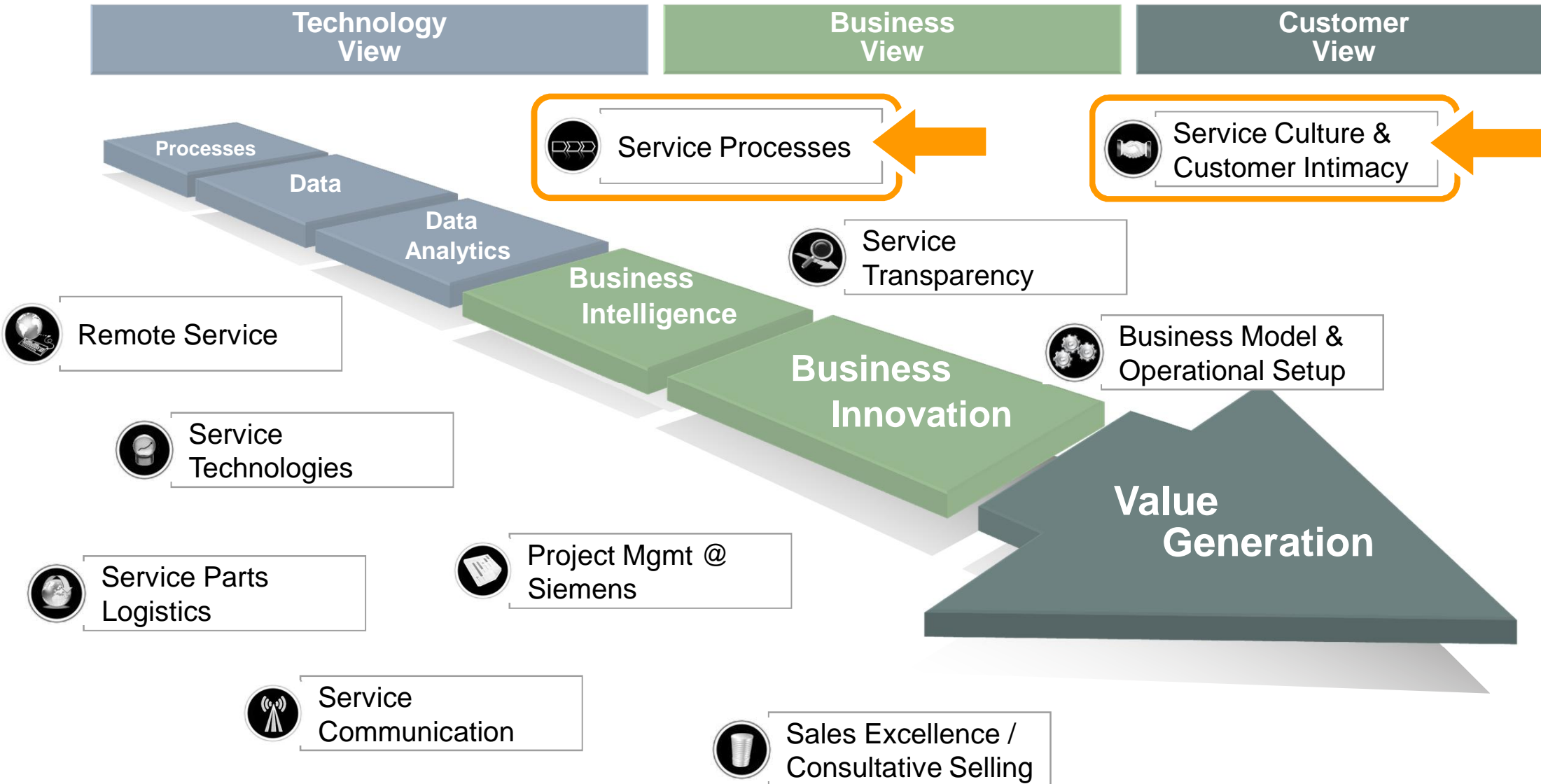


How to turn Knowledge into Customer Value ?

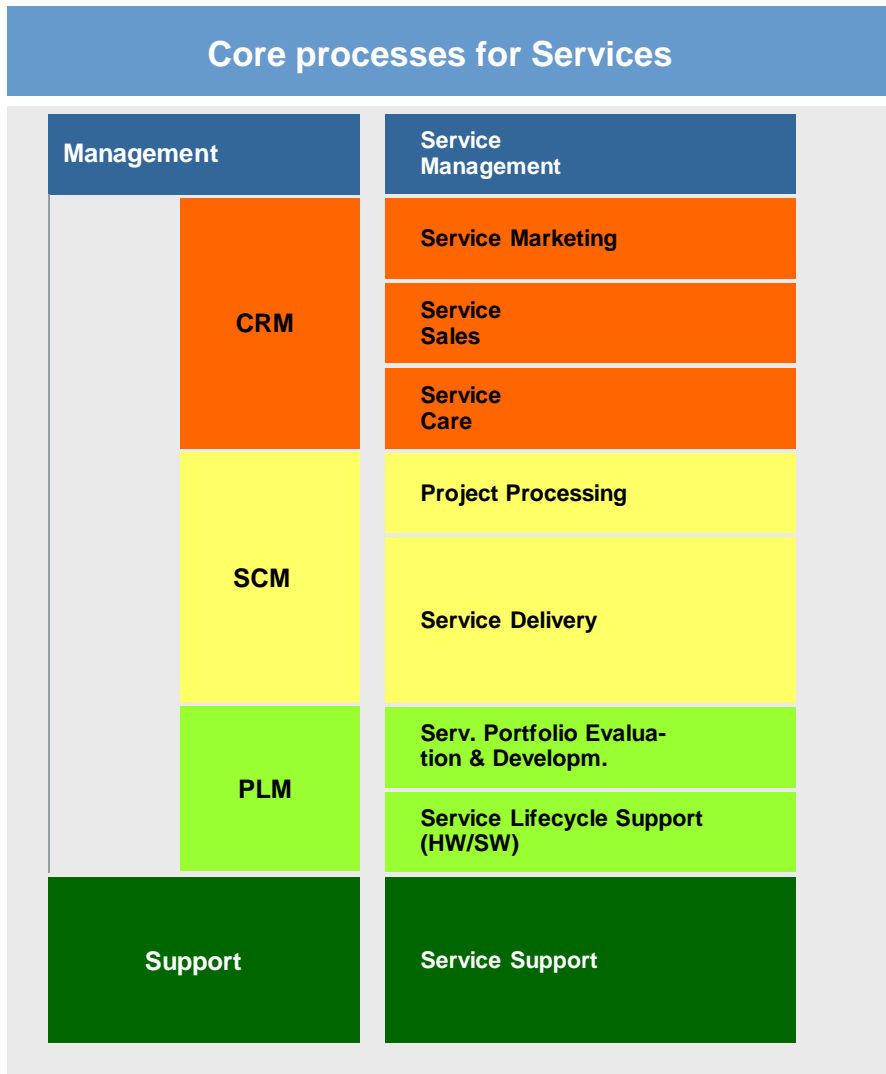
Scope of Leverage Service @ Siemens



10 Corporate focus areas to drive innovation & expand service business

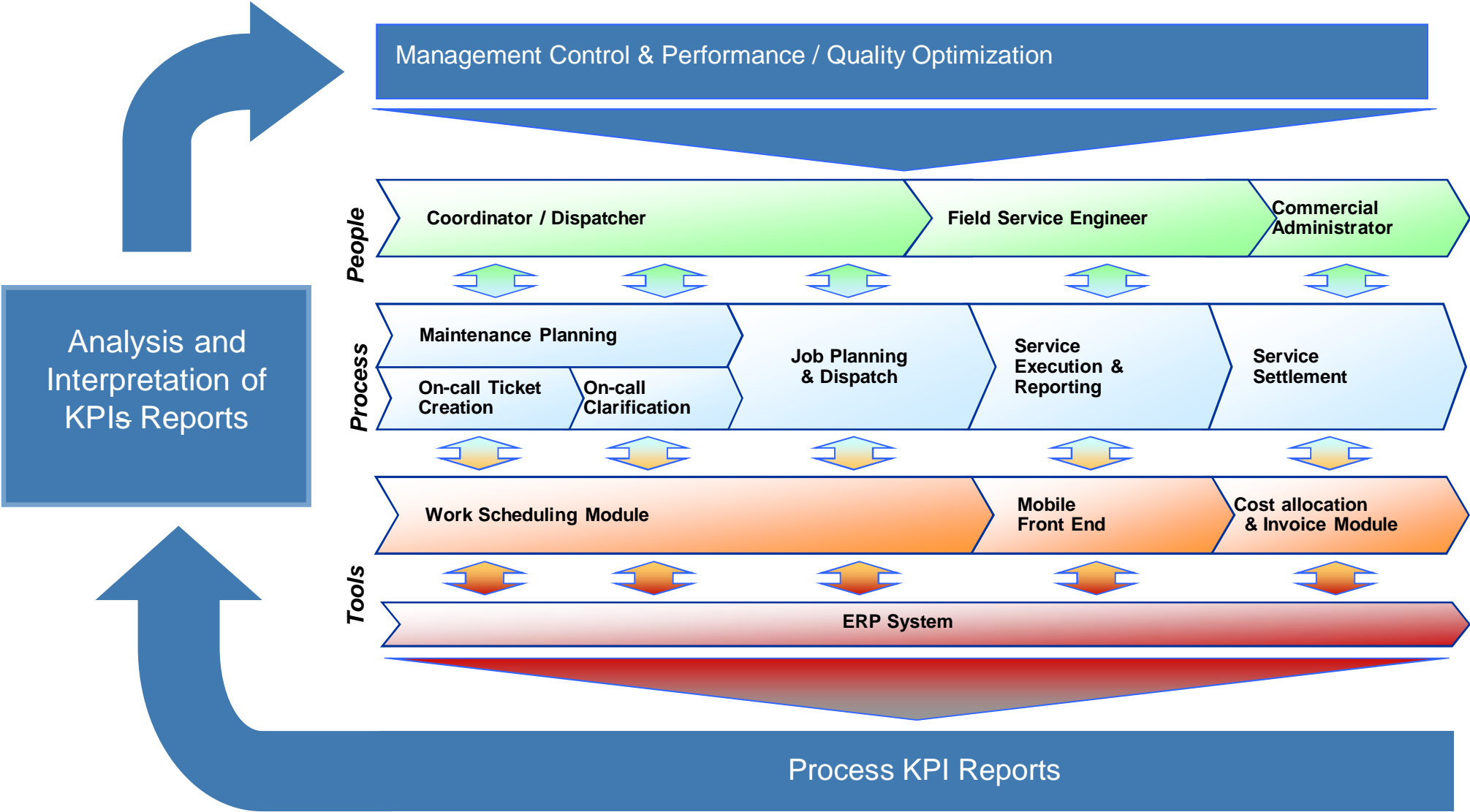


Is there a common Process Framework for Service in place?

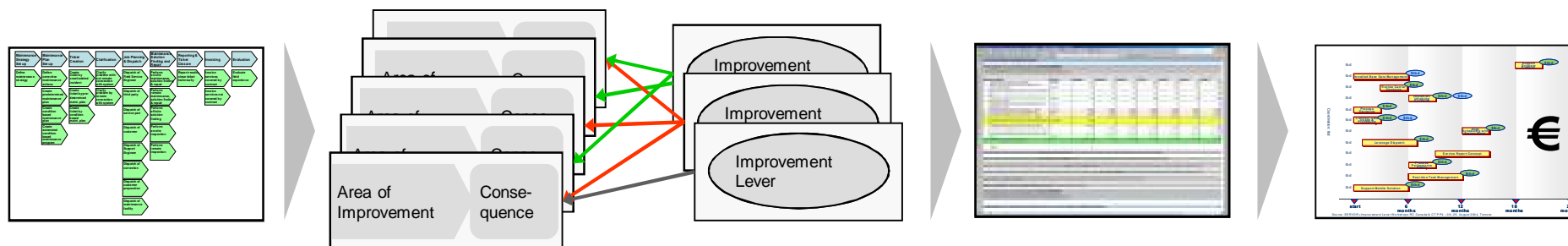
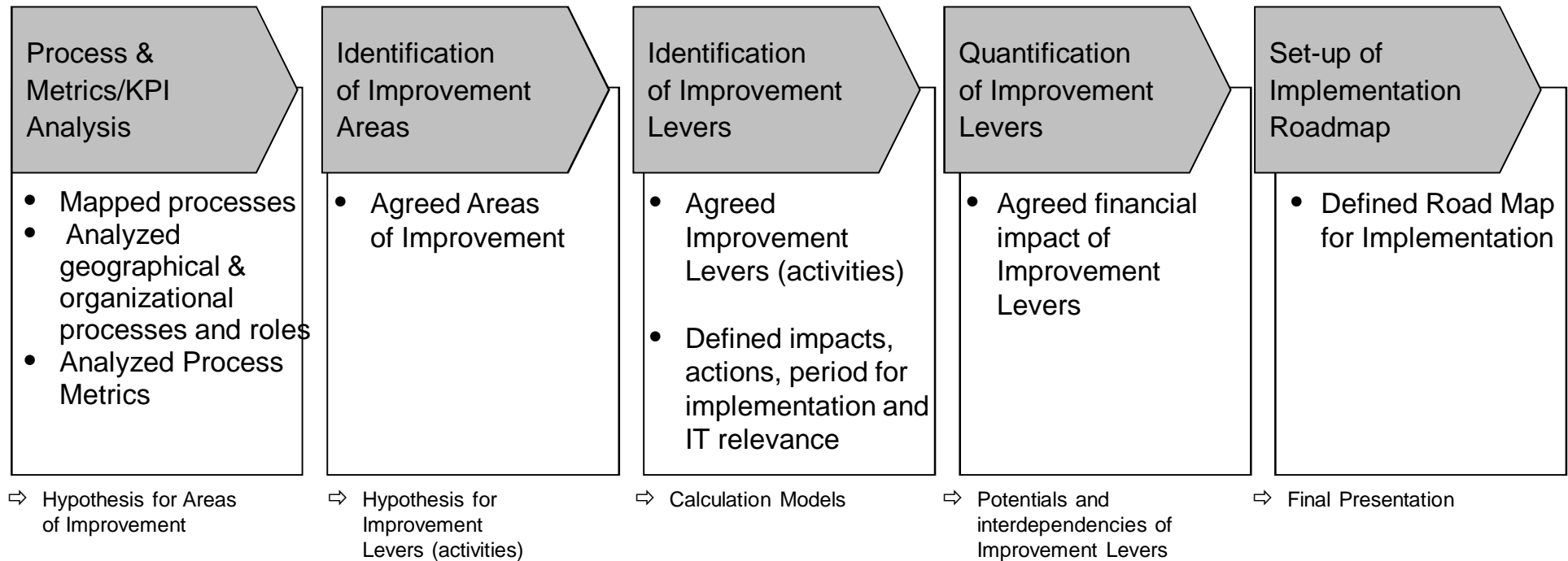


Questions for a successful Service business
<p>Management:</p> <ul style="list-style-type: none"> How do we plan services? How do we want our service reporting to look like? What does our service market look like?
<p>CRM</p> <ul style="list-style-type: none"> How do we sell services? How do we manage long-term customer relations?
<p>SCM</p> <ul style="list-style-type: none"> How to supply cost-effective services that meets quality needs? How can we supply or support our services on a global level?
<p>PLM</p> <ul style="list-style-type: none"> How can we introduce innovations into our services? Which services do we want / plan to offer? What kind of product design do we have for our services?
<p>Support</p> <ul style="list-style-type: none"> How do we monitor and manage our installed base? How do we establish a successful competence management system for services?

Improved performance by process optimization over a “closed loop” process

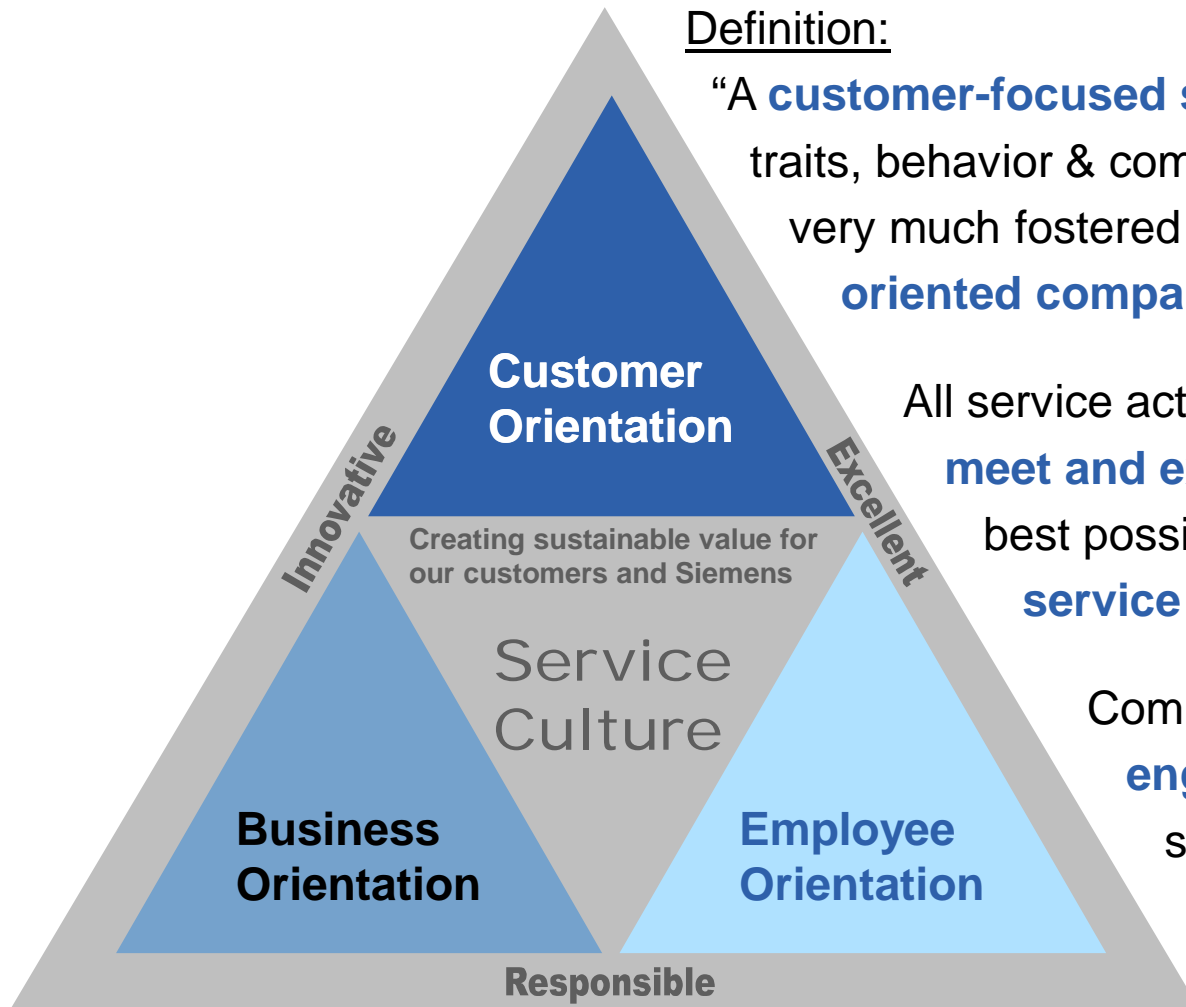


Methodical analysis to ensure reliable results



The Siemens Service Culture Frame

Our answer to establish a solid foundation for profitable service businesses



Definition:

“A **customer-focused service culture** is the sum of values, traits, behavior & communication of the organization and is very much fostered by a widely established **employee-oriented company culture**.”

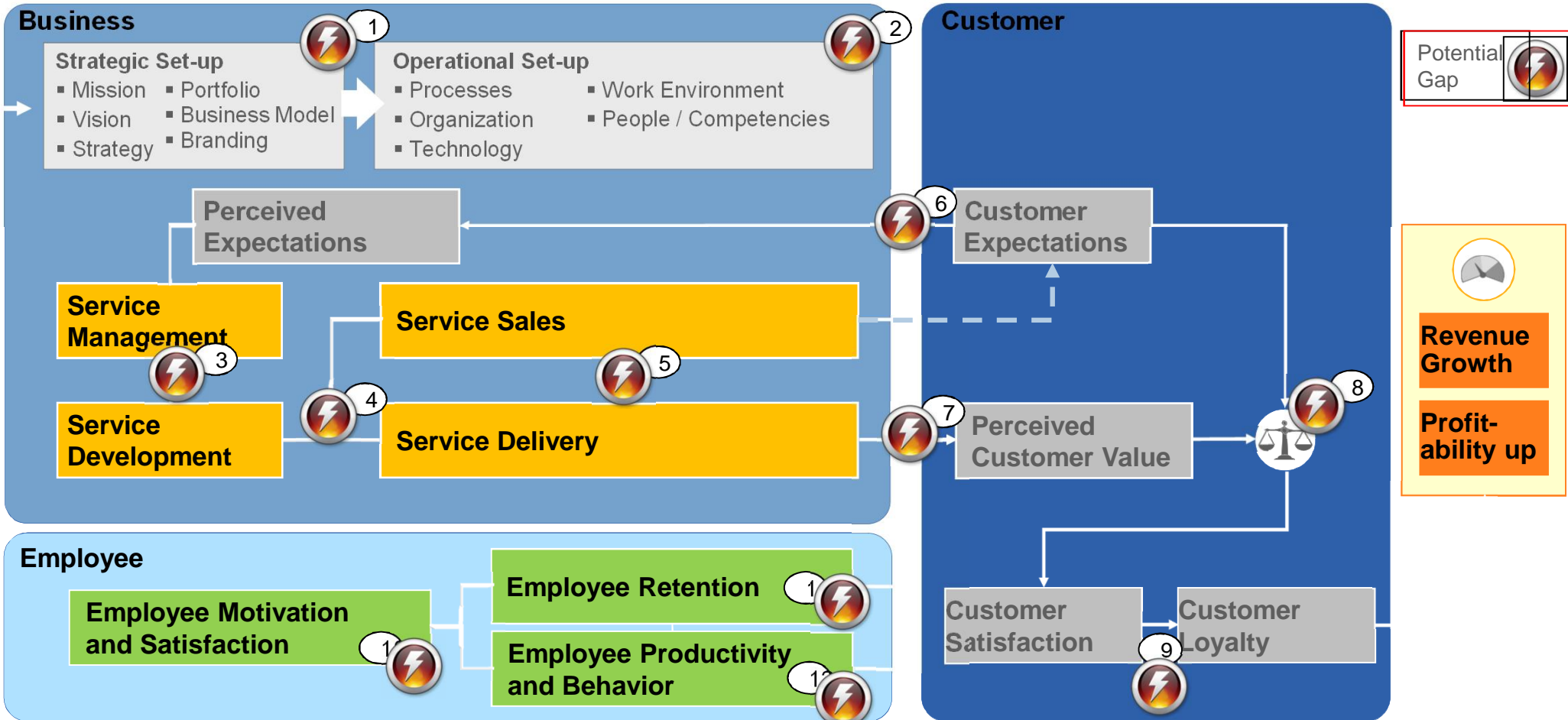
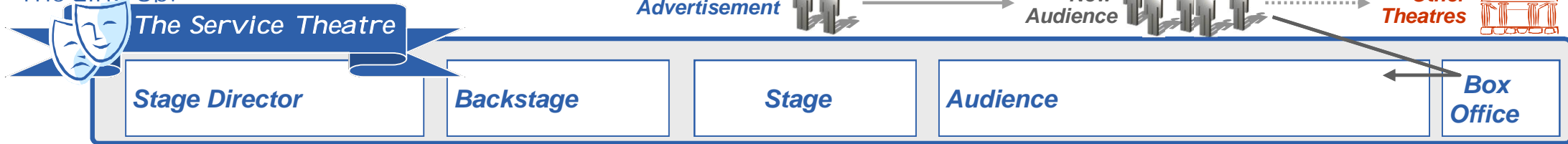
All service activities need to be carried out in order to **meet and exceed the customer’s expectations** in the best possible way and to leave an **outstanding service experience**.

Combined with a **trustful relationship** and high **engagement levels** this contributes to sustainable **customer loyalty** and a **highly profitable** business.”

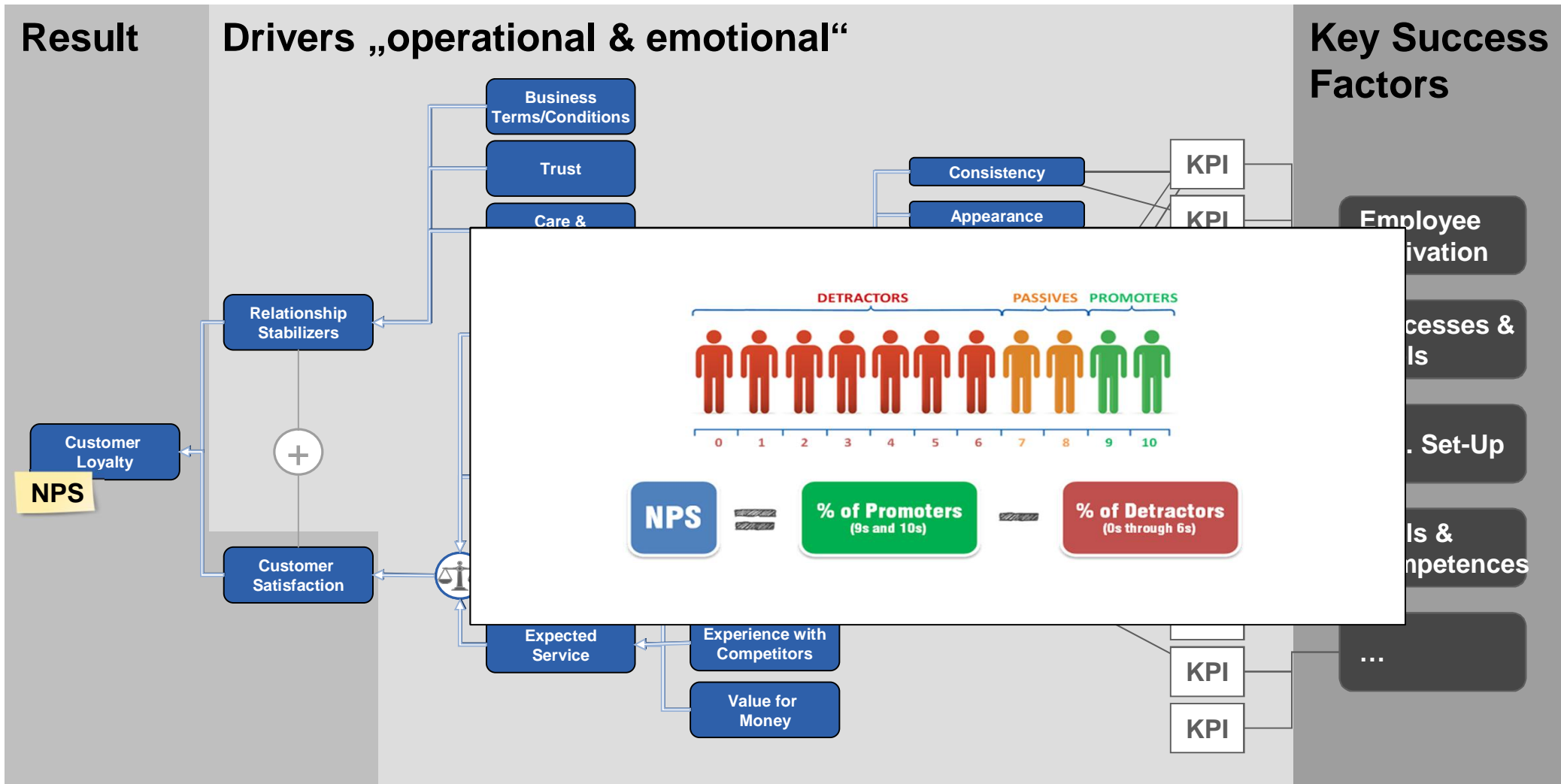
The Siemens Service Value Model

12 Gaps identified with potential for improvement

The Line-Up:



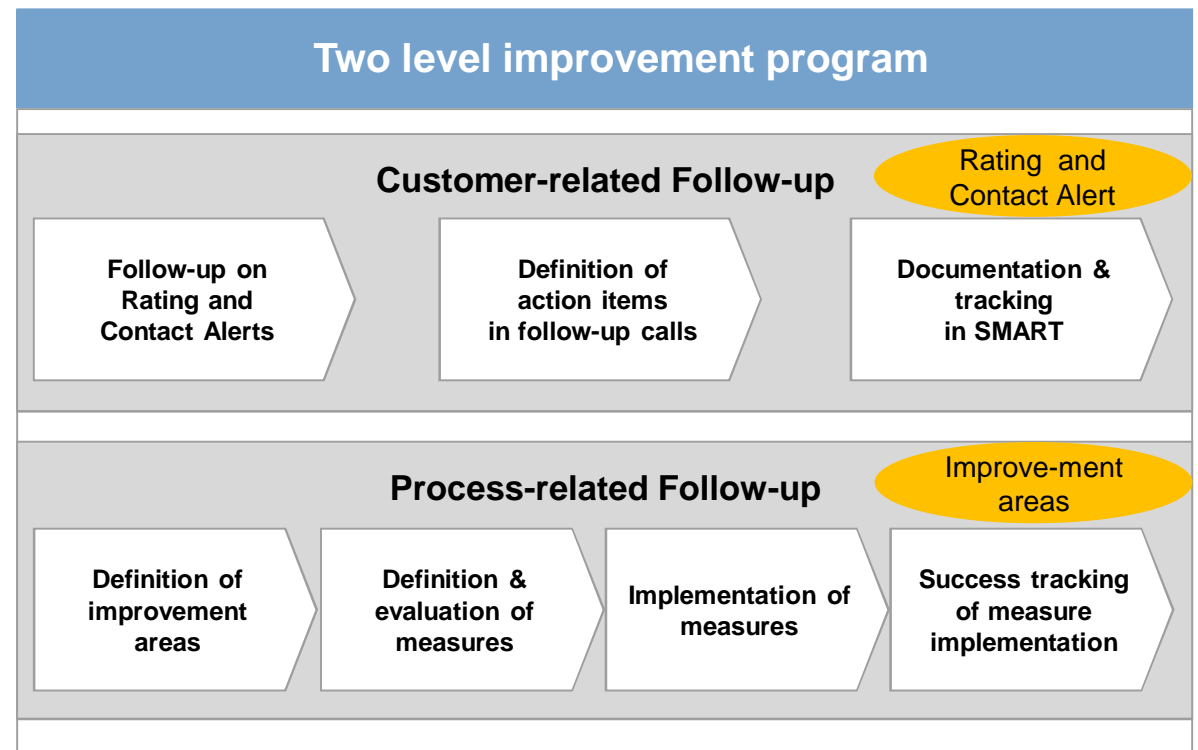
NPS Driver Tree – a strong “tool” to higher customer loyalty



Operational Customer Satisfaction Survey

Closed loop process and follow-up approaches

- ▶ Improvement activities are the core part of the customer satisfaction closed loop process
- ▶ Internal processes and methodology for improvement programs based on customer feedback have to be in place



Identical structure, KPIs and questions across all services to achieve maximum comparability

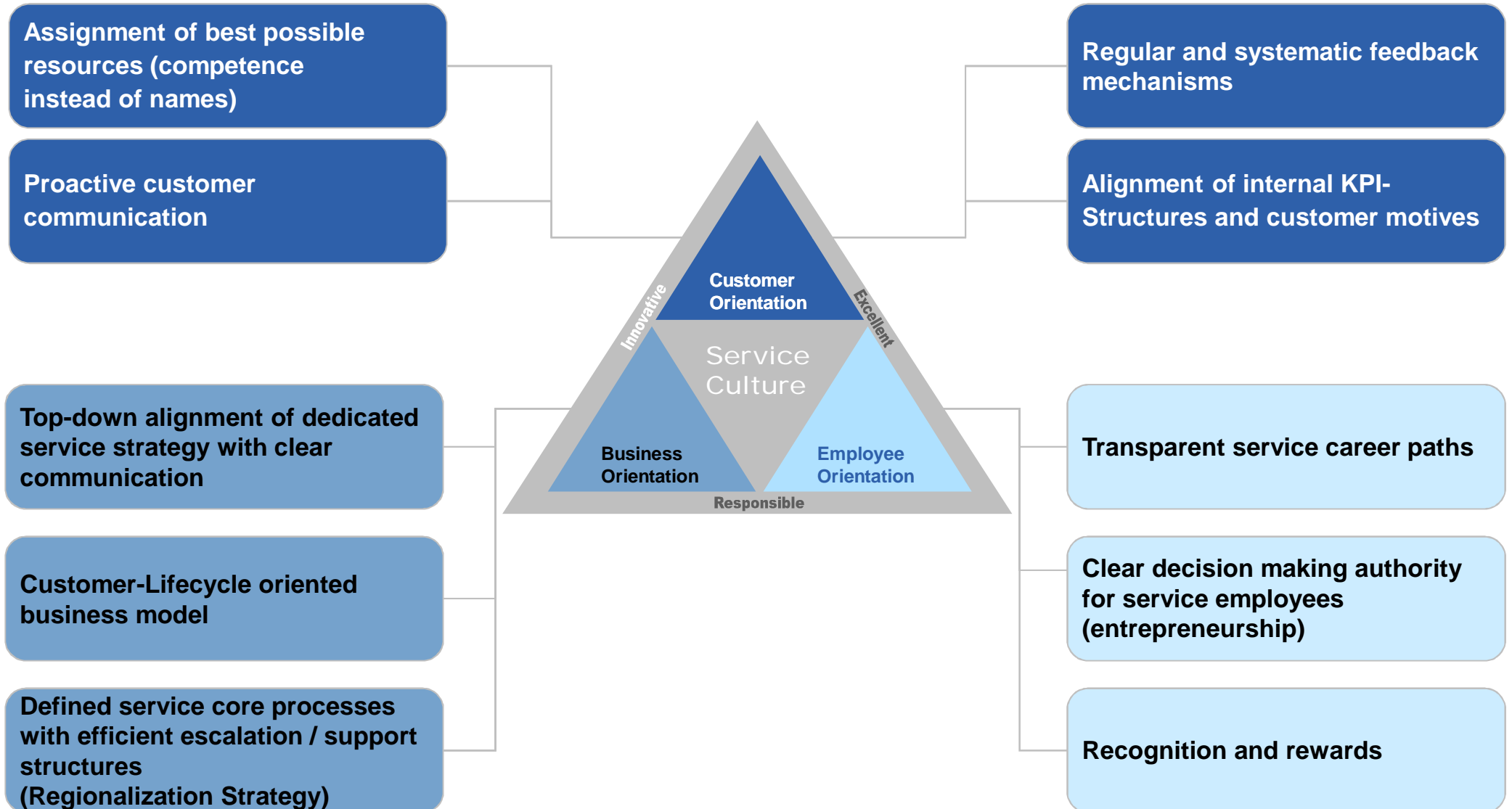


		Online Support	Technical Support	Field Services / Service Contracts	Spare Parts	Repair Service	
		Overall Satisfaction with the Service					
		Recommendation / NPS					
“Entry Channel” Ticket Creation Clarification Job Planning / Dispatching Maintenance / Solution Finding / Delivery/Repair Reporting & Ticket Closure	Service-specific Satisfaction Drivers		Accessibility (Dispatch) Social competence (Dispatch) Online Support Request	Accessibility to Field Service Coordination	Accessibility to Spare Parts Sales	Accessibility to Repair Center	
					Response Time		Response Time
		Page layout and clarity	Competence (Dispatch)	Com		Competence Quotation Lead Time Transparency of Quotation	
		Navigation Ser Su Quali Covera informati Depth of in pro Application			Delivery Time	Repair Time	
				Competence KPI Fulfillment			
				Transparency of Service Report			
		Social Competence and Accountability of Siemens Contacts					
		Improvement Potential					
		Contact Request					
		Data Privacy Statement					

Individual allocation to each portfolio element along the generic service process flow

Major Improvement Levers to improve Service Culture

10 Levers have been prioritized by the expert group



Summary

Now it is time to work for a living service excellence experience and ...

- ...declare service as top priority

- ...enable and motivate the teams by being a good example

- ...design the right processes and keep measuring

- ...design and infuse a common service culture

- ...live all of it !!

Thanks for your interest on Excellence in Service

Questions?

Ronny Weinig

Customer Services Industry

