

2012 TSIA Member Technology Spending Report: Field Services

Adoption, Satisfaction and Planned Spending Across 24 Areas of
Technology and Services

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EXECUTIVE SUMMARY

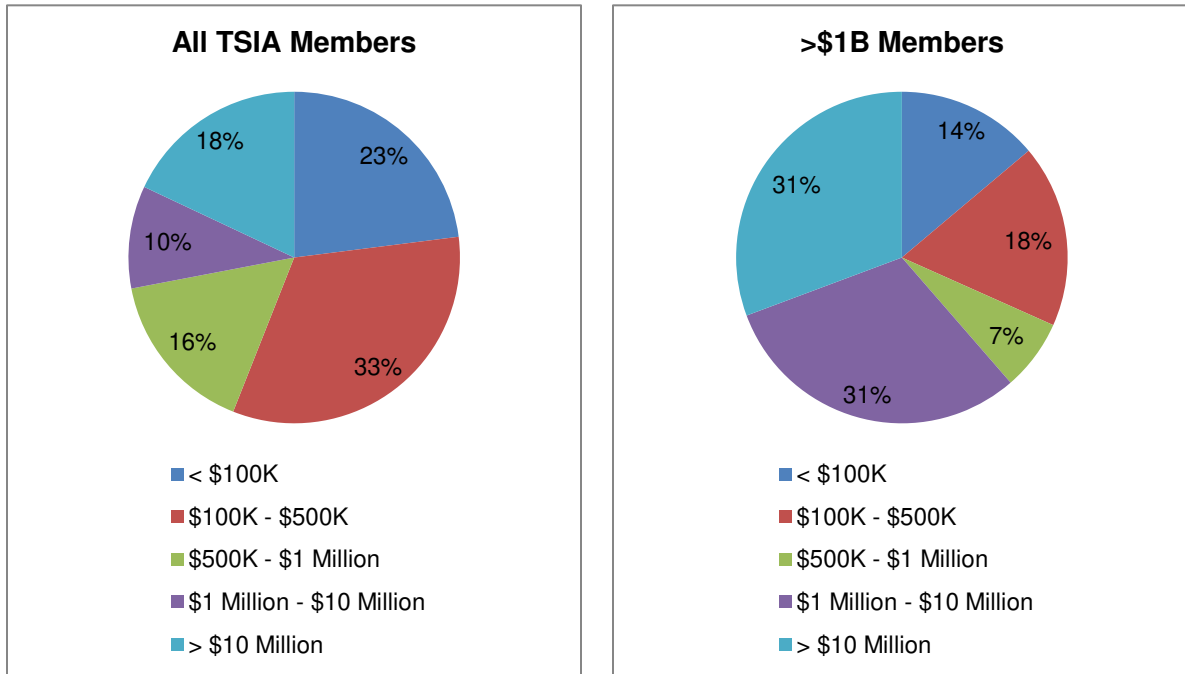
TSIA's sixth annual member technology survey is complete, documenting member adoption, satisfaction, and planned spending across 24 areas of services and technology used by education services, professional services, field services, support services, and service revenue generation. According to the survey, TSIA members have an average annual budget of \$2.99 million to purchase, implement, and maintain service technology. Several areas of technology saw increased adoption over the last year, particularly enterprise mobility and reporting/analytic platforms, which are now seeing adoption across all service divisions. Satisfaction scores for technology and services in place were unimpressive again this year: only one category averaged above a 4.0 on a five-point satisfaction scale (1 being very unsatisfied; 5 being very satisfied), and multiple categories saw averages below 3.5.

Planned spending is very high for 2012–2013, with double-digit percents of members planning additional purchases in every category covered by the survey. Top spending categories include online communities, knowledge and content management, and reporting platforms, with all TSIA disciplines planning investment. Field services organizations considering additional investments in technology and services should identify areas in which peers have already adopted solutions in order to avoid losing a competitive edge due to lack of technical sophistication.

Technology Budgets

The 2012 TSIA Member Technology Survey covers technology and services shared by support services, professional services, education services, field services, and service revenue generation, as well as technology specific to each service discipline.¹ This report includes findings for TSIA field services members. The estimated average annual technology budget for TSIA members is \$2.99 million; the average budget for field services members is \$3.88 million. As seen in *Figure 1*, over half of members have technology budgets less than \$500,000.

Figure 1: 2012 Technology Budgets for TSIA Members



Source: 2012 Member Technology Survey.

Larger firms, those with more than \$1 billion in revenue, obviously have much larger technology budgets, with 31% responding that their technology budget for 2012 is more than \$10 million. The average estimated budget for these larger firms is \$6.32 million.

Technology Adoption

The categories tracked by the 2012 TSIA Member Technology Survey and used by field services are listed in *Table 1* in alphabetic order.

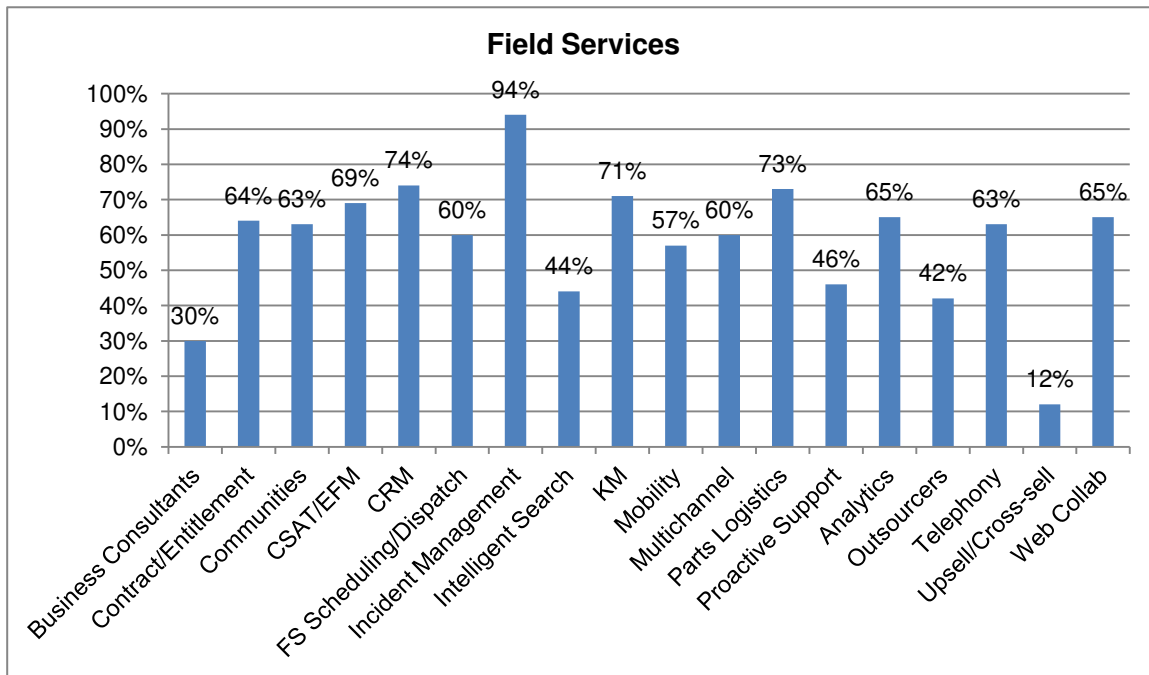
Table 1: 2012 Technology Categories for Field Services

Category	Description
Business Consultants	TSIA's network of expert alliance partners (EAP) offer consulting services for various topics such as knowledge management, service delivery optimization, services sales and marketing, employee education, etc.
Contract/Entitlement Management	Contract/entitlement management is a suite of tools that tracks which customers have current warranties, service contracts, or maintenance agreements with your company. This includes the ability to easily check if a customer has a current contract in place, i.e., that they are entitled to service as well as features to automate contract renewals.
Customer and Employee Communities	Online customer and employee communities designed to enable peer-to-peer support and share information internally and externally; includes discussion forums, expertise tracking, reputation models, moderation, etc.
Customer Satisfaction/Enterprise Feedback Management	Survey and reporting tools used to track transactional, periodic, and project customer satisfaction. Enterprise customer satisfaction programs are now often referred to as EFM, or enterprise feedback management.
Enterprise CRM	Enterprise CRM is an enterprise deployment of CRM (customer relationship management) across sales, marketing, and service. This platform tracks leads, opportunities, campaigns, accounts, and contact history.
Field Service Scheduling/Dispatch	Field service scheduling and dispatch technology is used to automate the scheduling of field service technicians and provide automated routing information.
Incident/Case Management	Incident management is used to track an occurrence of a customer question or problem through to resolution, also known as case management, service requests (SRs), or trouble tickets.
Intelligent/Enterprise Search	Linguistic-based search platform, including analytics for sophisticated reporting; allows content in any format or location to be indexed and searched.
Knowledge/Content Management	Knowledge management or content management technology is used to capture, maintain, and reuse knowledge. The knowledge management category is applicable to all service disciplines.

Category	Description
Mobility/Video	Mobility and video in service are tools for improving productivity and accuracy by leveraging mobile and video technology; includes tools to mobilize field service technicians, professional services consultants, and other service employees, giving them access to corporate content, collaboration, and workflow from anywhere, including video knowledge or training content.
Multichannel Service/ Self-Service	Multichannel service and self-service; includes non-phone customer interaction channels (email, web chat) as well as self-service technology.
Parts Logistics/ Depot Repair	Parts logistics and depot repair technology is used by field service operations to manage spare parts inventory and to automate the in-house repair process, from the creation of the return material authorization (RMA) to billing and shipment of the repaired product back to the customer.
Proactive Support/ Intelligent Diagnostics	Proactive support and intelligent diagnostics is an emerging category of tools used to remotely monitor customer equipment for error conditions; may include auto-resolution or notification features.
Reporting/Analytic Platforms	Reporting/analytic platforms are analytic-based reporting platforms used to do sophisticated trend reports and create reporting portals such as a services dashboard.
Service Providers/ Outsourcers	Service providers and outsourcers are third-party firms used to deliver customer services; includes onshore and offshore outsourcing.
Voice/Telephony Platform	Voice/telephony platform is the infrastructure used to route inbound customer voice interactions via phone; typically includes skills-based routing, right channeling, voice menus (IVR), real-time volume management, etc.
Upsell/Cross-Sell	Upsell and cross-sell technology is a set of tools that prompt support techs and call center agents with personalized offers to present to customers during an assisted support session; tracks offer extensions and accepts. Upsell/cross-sell enables seamless selling during support interactions.
Web Collaboration/ Desktop Sharing	Web collaboration/desktop sharing is a collection of web-based tools used to enable collaboration between employees and customers; includes web chat, proactive chat, screen sharing, online meetings and training, and webcasts. Remote control/desktop sharing is also included in this category.

In Figure 2, the percent of field services members using each of these technology or services modules is shown.

Figure 2: Field Services Technology Adoption



Source: 2012 Member Technology Survey.

The three categories with the highest increase in adoption over the last year are:

- Enterprise mobility and video.** TSIA Research has done extensive work over the last two years on the impact of mobility and video on service. Last year, 26% of members said they had budget for additional mobility in 2012–2013 and, clearly, that spending is materializing. Adoption of mobile and video tools by field services doubled in the last year, growing from 28% in 2011 to 57% in 2012. Mobility and video are leveraged by field services to allow field techs to accept appointments and research problems while in the field.²
- Multichannel management.** 2011 was the year that web chat, a common customer channel in consumer support, became the new must-have channel for B2B, or enterprise, support. TSIA research reports and webcasts over the last year have illustrated that chat can be highly effective for technical support, with a cost significantly less than email incidents. Also, chat is a preferred channel for younger demographics, such as new system administrators entering the

workforce. With increased interest in introducing chat, and creating dashboards for multichannel traffic, adoption of multichannel platforms grew 19%, from 41% in 2011 to 60% in 2012.³

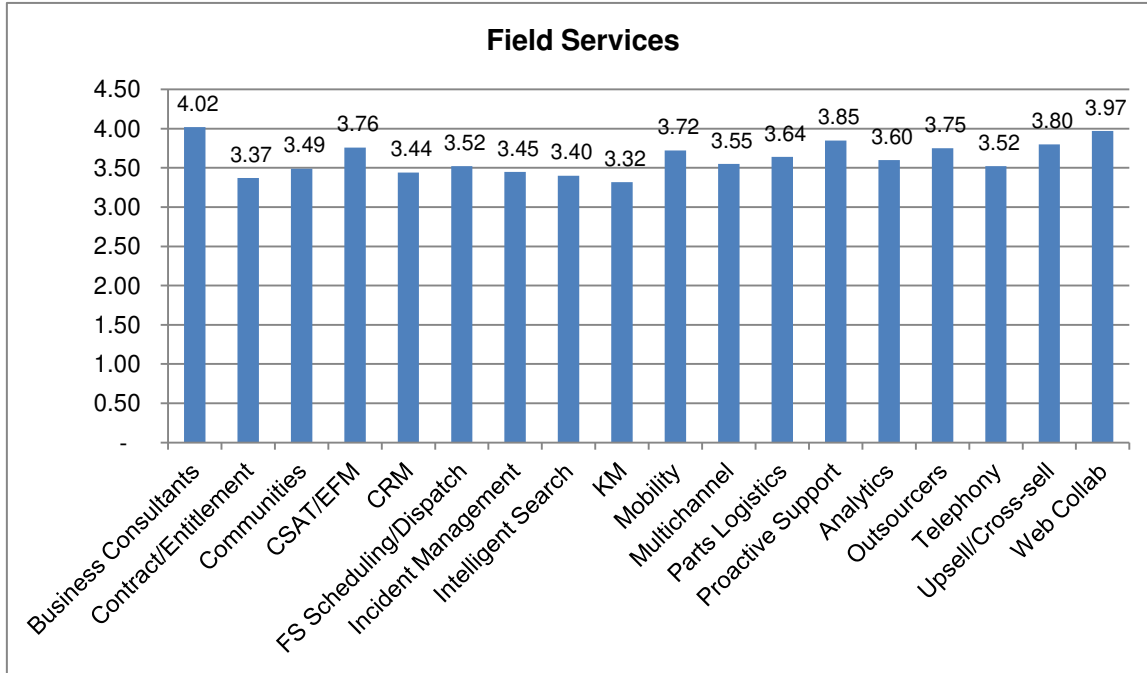
- **Analytic/reporting platforms.** Service divisions have always tracked many operational metrics, but reporting on the metrics and how they interrelate has been fairly basic until recently, when more sophisticated reporting, including data analytics, are finding their way into more service operations. The need for analytics is quickly increasing as there is more focus on the customer experience, and companies need to analyze behavior patterns of prospects and customers—including social media activities—to understand evolving customer attitudes about products, services, and the corporate brand. Adoption of analytic platforms by field services grew 21%, from 44% in 2011 to 65% in 2012.⁴

Satisfaction with Technology: Lower Than the Industry Average

According to the TSIA Benchmark, customer satisfaction with enterprise software averages 3.92 on a five-point scale (with 1 representing very unsatisfied and 5 representing very satisfied). It is troubling, then, that the satisfaction scores for the categories covered in the TSIA Member Technology Survey range from a low of 3.32 to a high of 4.02—all but two categories are under the industry average of 3.92. While there are many excuses (service managers are tough customers, IT sometimes forces technology on business users, aging CRM tools and infrastructure), the fact remains that service technology is not meeting or exceeding customer expectations for average satisfaction scores to be so low.

The categories with the highest satisfaction were business consultants (4.02), web collaboration (3.97), and proactive support (3.85). Categories with the lowest scores were knowledge management (3.32), contract management (3.37), and intelligent search (3.4). Satisfaction scores for all field services categories can be seen in *Figure 3*.

Figure 3: Member Satisfaction by Category



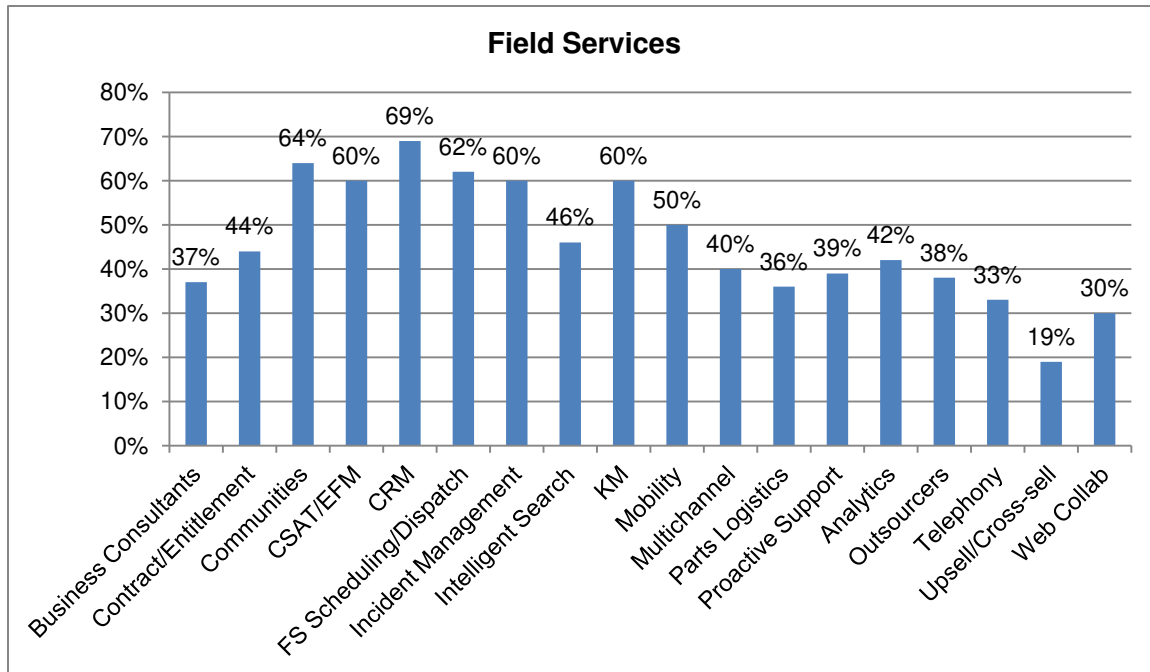
Source: 2012 Member Technology Survey.

TSIA Research does not publish satisfaction scores for individual vendors or products, but we do have the information available. If you are trying to narrow down your list of possible vendors, open an inquiry via your membership development director or the TSIA website, and we will provide the satisfaction scores for the products you are considering.

Record Planned Spending: Communities Major Investment Area

The area of the TSIA Member Technology Survey that garners the most interest from members, partners, and the media is planned spending: in what areas do members have budget allocated for additional technology or services in the next 12 to 24 months? After the economic doldrums of 2008 and 2009, planned spending in 2010 and 2011 was high, and that trend continues this year, with every category covered by the survey seeing planned spending by double-digit percents of members. *Figure 4* shows the percentage of field services members with approved budget for purchases in each area in 2012–2013.

Figure 4: Planned Spending 2012–2013 by Category



Source: 2012 Member Technology Survey.

The areas with the highest planned spending for field services are:

- **Enterprise CRM.** The 360-degree view of the customer, which has been CRM's core promise, has remained elusive for many companies whose legacy CRM systems did not allow integrations to newer systems, leaving many customer interactions—particularly social media activity—out of the picture. With 69% of field services members having budget for CRM tools this year, the penetration of SaaS CRM will continue to grow.
- **Online communities.** Spending on online communities remains high for another year, with a surprising 64% of field services members planning an investment in communities in 2012–2013. With the high adoption numbers for communities, this spending indicates companies are beefing up existing community efforts, hopefully allocating funds for expanding customer communities to employees and partners, and for creating stronger integrations between communities and CRM and knowledge management.
- **Field service scheduling/dispatch.** After years of low investment in field service automation, spending is now climbing, with 62% of field services members having budget for new or additional scheduling and dispatch automation. This spending is largely driven by two trends:

cloud computing has introduced multiple new field service vendors, with lower up-front costs and faster deployments, and mobility continues to drive spending, as new field service suites include mobile applications for smartphones and tablet devices.

- **Knowledge and content management.** 60% of field services members are planning additional budget for KM tools and programs in 2012–2013. With field service becoming increasingly mobile, some of the KM spending is earmarked for making existing content more consumable using mobile devices, and introducing video tutorials that field techs can watch on-site, becoming experts on any equipment or problem.
- **Incident management.** Though incident management is a common module of CRM suites, many support operations have adopted a new incident management tool allowing for more flexibility than what was available from a legacy CRM platform. But with high planned spending on both CRM and incident management—69% and 60%, respectively, will these two areas merge again, with CRM vendors gaining back ground for incident management?
- **Customer satisfaction.** YouTube videos of cable installers asleep on a customer's sofa, or a delivery person throwing a new computer over a customer's fence, have raised the visibility for how much field employees impact customer satisfaction and loyalty. Spending on customer satisfaction tracking is increasing, with 60% of field service organizations having budget for new or additional satisfaction survey and analysis tools in 2012–2013.

Spending on last year's top spending area, mobility, has slowed a bit this year, as companies evaluate devices and strategies for supporting employees using them. TSIA Research suspects some of the planned spending around knowledge management and communities is related to mobility, with support organizations having to overhaul self-service sites to be smartphone-friendly, or introducing separate support microsites for mobile devices.

TSIA RECOMMENDS

With the increased complexity of today's products and the ever-growing number of customer interactions, clearly, investments in service and support technology are a primary avenue to meet and exceed customer expectations for service levels. But knowing where to start is difficult, with many different products offering a similar ROI story. When deciding where to make incremental investments, TSIA Research recommends:

- **Benchmark your technology footprint against other members.** How does your company compare to the adoption numbers shown in *Figure 2*? If you are missing technology that more than half of companies are currently using, maybe it is time to revisit how that technology can assist you in meeting your quality, optimization, and revenue-generation goals. Also, be sure

to evaluate what best-of-breed technology offers today compared to homegrown systems, particularly for knowledgebase and self-service technology.

- **Beware the law of diminishing returns.** Depending on how strong your current operation is in any given area, bringing in new technology may not provide the expected returns. As an example, if you have an excellent knowledgebase, high first-call resolution, and acceptable agent productivity, your use of remote control may not offer as strong a return on investment as it would for a company with limited knowledgebase content and poor first-call resolution. Make sure you have gathered all the low-hanging fruit before venturing further up the tree, and a good place to start is through benchmarking: identify the key metrics you would like to improve, and then target technology with a successful track record of impacting those metrics.
- **When in doubt, ask.** TSIA Research is here to help. Members can submit an inquiry on any topic and we will do our best to answer within 48 hours. To submit an inquiry, send an email to your membership development director, or use our [online inquiry form](#).

ENDNOTES

¹ There were over 250 responses to the 2012 TSIA Member Technology Survey: 40% in support services, 21% in field services, 24% in professional services, and 15% in education services.

² For more information on mobility and video in service, see the October 2011 TSIA Executive Insight, *The Impacts of Video on Service's Future: Knowledge Management, Training and Customer Interactions Primary Impact Areas*, by John Ragsdale.

³ For more information on the growth of web chat, see the September 2011 TSIA Executive Insight, *Implementing Web Chat: How to Launch, Staff, and Monitor—Demographics, CSAT, and Low Cost Drive Adoption of New Assisted Support Channel*, by TSIA and Citrix Online.

⁴ For more information on the importance of customer analytics, see the October 2011 TSIA Executive Insight, *The Implications of Consumption Economics for Service Technology Buyers: Business Users Driving Cloud Technology Purchases*, by John Ragsdale.