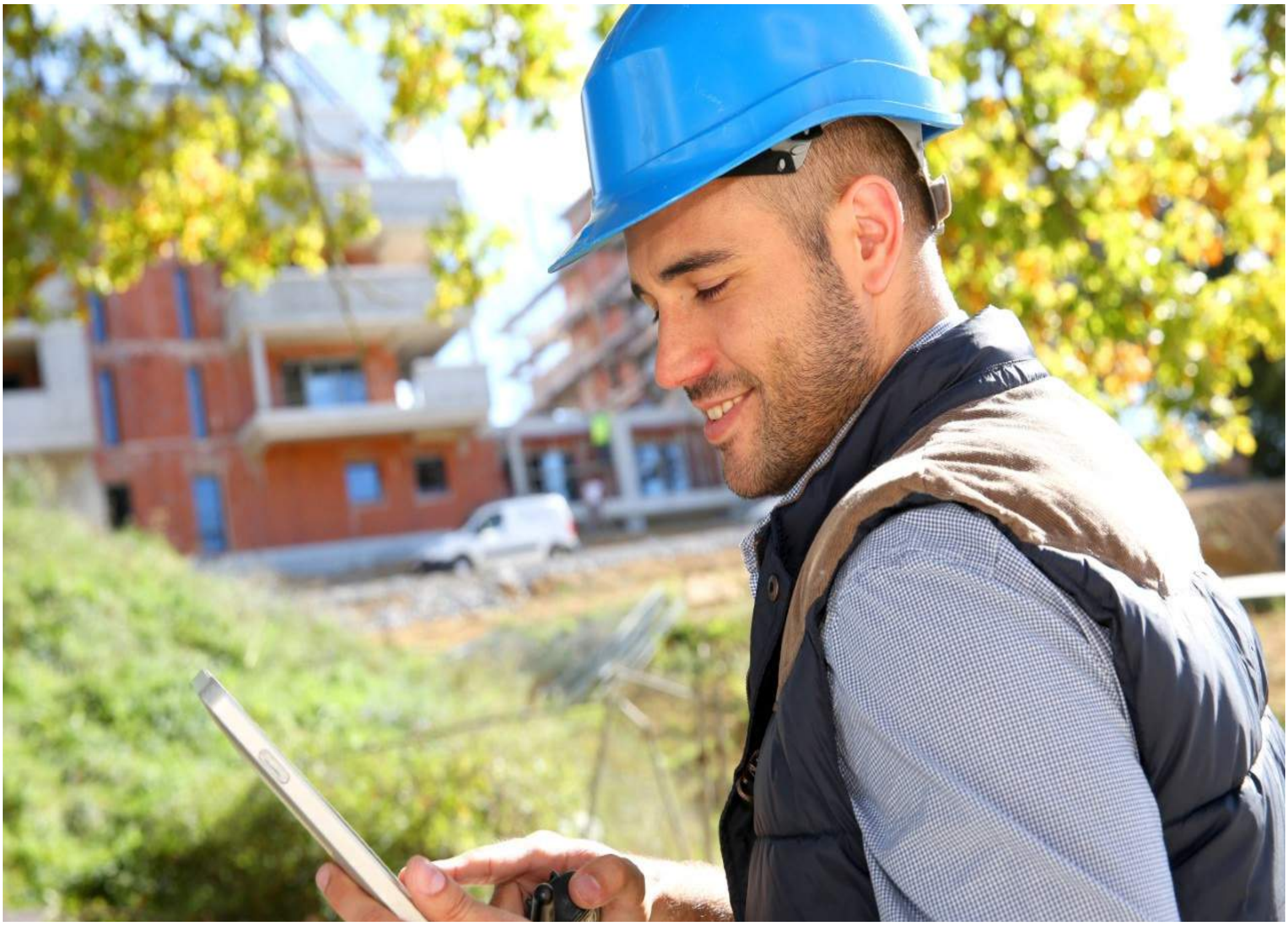


ClickSoftware

CLICKSOFTWARE FIELD SERVICE REPORT 2017

THE ‘UBERIZATION’ OF SERVICE
A CONSUMER AND SUPPLIER VIEW

www.clicksoftware.com

CONTENTS

Introduction

With the advent of real-time communications and new technologies such as social media, wearables, IoT, augmented reality, and artificial intelligence, there are countless opportunities for businesses to transform customer service.

The modern day consumer has a new perspective on customer service, and irrespective of sector or business, they expect and demand a level of real-time communication and visibility. Service levels provided from retailers, such as Amazon and Uber, are driving expectations across the board, forcing other industries to play catch up.

With this in mind, ClickSoftware, the leading provider of field service management software, commissioned global industry and consumer research across seven countries to further understand consumer expectations when it comes to services being delivered to the home. By comparing this with field service supplier plans to implement and enhance their offering and roll out new technologies, the survey set out to make comparisons between the two in a rapidly changing landscape, and uncover any discernable gaps or challenges in the provision of a great customer experience.

The research highlights the differences in expectations versus reality, critical in an age where organizations can no longer expect customers to accept the old way of operating. It also points out one key difference: suppliers are focused on the delivery of new technologies rather than recognizing that optimized, real-time communications and a transparency for service delivery are high on the customer agenda.

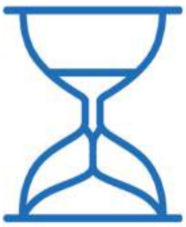
The survey results also highlight some key differences in expectations and communications methods by geographic region, underscoring the complexity of running an international field service business, where end users in each region expect different things from customer service.

Executive Summaries

Consumer Survey

Overall, the survey responses show customer expectations are increasing across the board, with the 'Uberization of service' driving this and generating a more demanding, hard-to-satisfy, customer base. Essentially, customers know that technology that allows for engineer location tracking and up-to-the-minute communication is available, and they have come to expect this.

Significantly, consumers across seven countries indicated that **the greatest benefits of receiving real-time communication from their field service supplier was 'not wasting time waiting for an engineer or technician to arrive.'** With more people working today than ever before, this demonstrates why time efficiency is a key service measurement method.

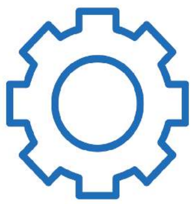


On the whole, responses from those polled in the consumer survey tallied across geographies, **with ease of appointment booking, appointment waiting times, and choice of preferred time slot all ranking highly amongst consumers' wants and expectations.**

Across all countries, more than 60% of consumers indicated **a long waiting time between a field service appointment being booked and carried out led to a bad customer service experience. This was particularly true in Australia, the UK, Italy, and Germany.**

What did vary in terms of geography was how consumers are updated on the status of their field service visit. **In the US, Spain, Italy, and Germany, the most likely method was telephone communication, though in France, consumers were more likely to receive an email.** In the UK and Australia, there was no single dominating communication method.

With the exception of France, **the majority of respondents across all geographies stated that their field service engineer arriving late, or not at all, was most likely to make their experience a bad one.**



Amongst French respondents, **having to wait at home for a long time to receive a field service engineer was found to be the greatest customer service frustration.** Similar to previous findings, **UK consumers tend to experience the longest wait times, with respondents in Spain and Italy citing the shortest.**

Key findings: When asked to rate new field service trends that are likely to become more widespread over the next five years, most consumers – irrespective of geography – indicated that 'direct and live communication with the field service engineer' would become more commonplace, especially in Italy and Spain. In the US, UK, and France, however, live tracking of an engineer's location was identified as the trend most likely to transform field service over the next five years – in effect, an 'Uberization' of field service.

Supplier Survey

When field service suppliers were asked which measure of field service management their organization values most, an average of 61% of all respondents cited 'customer satisfaction' as the top field service measure, with as many as two-thirds of those polled in Australia selecting this answer.

As might therefore be expected, 'meeting rising customer expectations' was cited by all respondents as the primary driver for communicating with customers about the status of their field service bookings. In fact, in Australia, Europe, and the UK, this driver ranked significantly higher than all other reasons, and it was only in the US that another driver – 'reducing complaints' – rated similarly.

In the same way that consumer communication methods varied across geographies (in the US, Spain, Italy and Germany, the most likely method was telephone communication, though French consumers were more likely to receive an email), this was also true for suppliers communicating with their customers. In Australia and the US, suppliers were most likely to liaise with customers via telephone, whereas in the UK and Europe, email communication was used most often.

Interestingly, success indicators used to measure field service performance differed between English speaking, and non-English speaking geographies. Respondents in the US, UK and Australia all chose 'time to complete a job' as the top measure, however across France, Italy, Germany and Spain, 'number of days on a job' was found to be an equally likely measure. A similar trend showed that 'customer satisfaction/feedback' was also rated as a frequently used measurement for success in the US, UK and Australia, though less so by suppliers based in continental European countries.

The top issues suppliers face when scheduling field service professionals were varied but included both balancing and optimizing schedules. In the US, UK, and Australia, 'balancing field service team schedule to best meet business & customer demands' was highlighted as the key issue, yet across continental Europe, 'optimizing the scheduling of the field service team' was cited as the biggest challenge.

When it came to communication issues, responses from those polled in the UK differed to the answers given by respondents from other countries. 'Communicating with customers in real time' was identified as the biggest issue by UK respondents, though 'enabling customers to quickly and easily find out the status of their job' was ranked as the greatest issue across Europe (excluding the UK), Australia and the US.

Reasons for customer complaints after a service visit also varied by region. In the UK, USA and Australia, most respondents selected 'technician/engineer being late for an appointment or does not arrive at all' as the primary reason for customer complaint, which echoed consumers' feelings about what makes a home visit a bad experience.

When asked about new technologies, 'Automatic communication between machine/appliance and supplier using Internet of Things (IoT)' was rated as the most likely future field service trend by Australian, UK and USA suppliers. Amongst European suppliers, however, 'use of wearables' and 'business intelligence technologies to aid planning/forecasting' were considered more – but equally – likely.

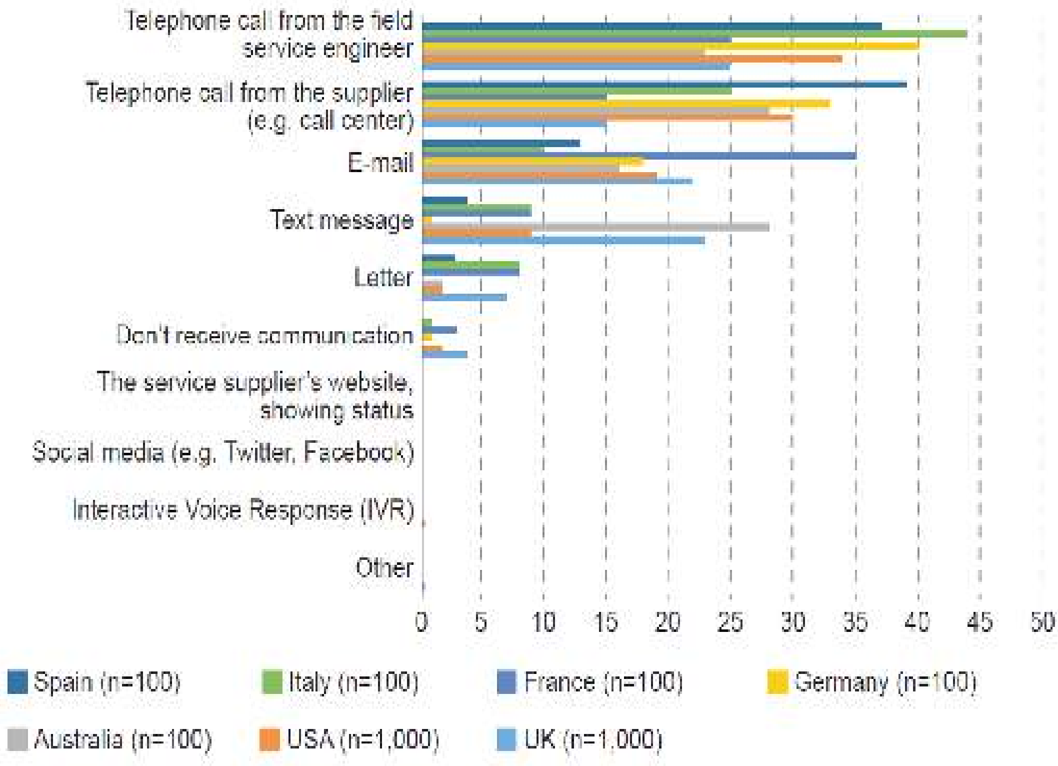
Comparative Survey Analysis –

Consumer vs. Supplier Findings

Communication in Field Service

Q1 How did suppliers' top communication drivers marry with the primary methods used to communicate with field service consumers around the world?

Fig 1: Consumer survey findings



In contrast with the rising demand amongst consumers for Uberized service, less than 5% of consumer respondents indicated that they have received communications from a field service supplier via Uberized channels such as social media, real-time mobile tracking, Interactive Voice Recognition (IVR) or a suppliers' website.

Instead, telephone communication from a field service engineer was the most frequently deployed communication method for consumers, with between 25% and 40% of all respondents indicating this is how they usually receive field service communications. Consumers in Italy (44%) and Germany (40%) were most likely to receive communications directly from their field service engineer by telephone.

While telephone calls from the field service supplier (via a call center) were found to be the second most common form of field service communication, this was closely followed by email. Amongst respondents in France, email was cited as the most frequent form of communication, highlighting geographic differences in field service operations. Perhaps surprisingly, text message was only really used in the UK and Australia, a factor that likely relates to consumer-specific preferences in those countries.

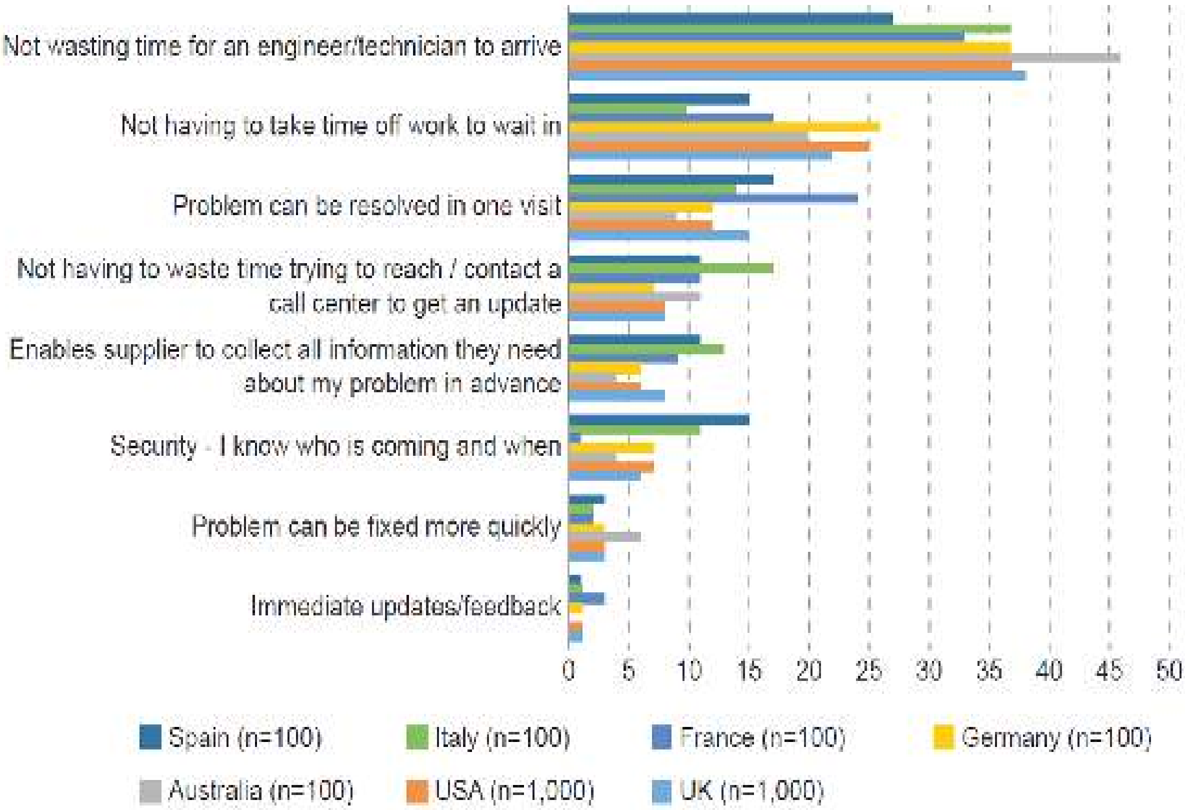
Fig 2: Supplier survey findings

With telephone communication coming out on top, but closely followed by email – and some instances, text messages – ClickSoftware looked to compare what consumers are experiencing communications-wise, with suppliers' key communication drivers. The pan-geographic majority ranked 'meeting rising consumer expectations' as their biggest driver, and while this is a broad term, field service organizations around the world need first to know and understand what their consumers' preferences are when it comes to communication. If businesses get this wrong, they risk both under-communication – the consumer survey found that in France, as many as 3% of consumers receive no communications at all after having booked a field service appointment – and over-communication, both of which present equal business risk in customer satisfaction terms.

Most notably, these findings show that a truly Uberized field service is not yet being delivered by suppliers in any of the seven countries polled. Instead, field service organizations across the board are still relying on traditional communications tools.

Q2 What did consumers cite as the top benefits of having up-to-date, real-time communication with their supplier? How did this correlate with the key issues faced by suppliers when communicating with consumers about their field service visits?

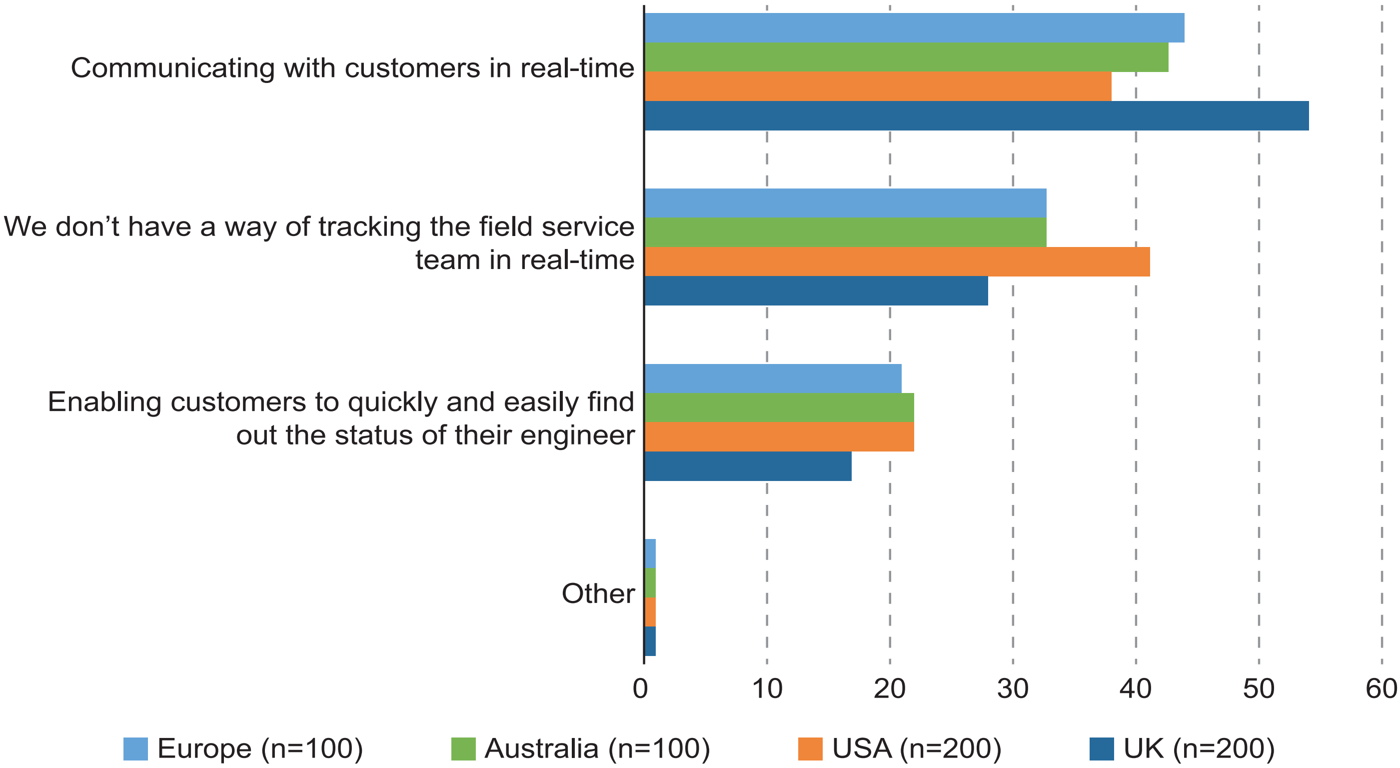
Fig 3: Consumer survey findings



The majority of consumers across all seven countries stated that the top benefit from having up-to-date, real-time communication, was 'not wasting time waiting for an engineer/technician to arrive'. Respondents in Australia were most likely to choose this option (46%), followed by the UK (38%), and then Germany, Italy, and the US, all of which received 37% of option one answers by their respective respondent bases. Least likely to select the 'not wasting time' answer were Spanish respondents, though more than a quarter (27%) of those polled in Spain still chose this as their top ranking benefit.

Second and third most valued communication benefits included 'not having to take time off from work to wait in for a field service engineer', which was selected as the greatest benefit by 26% of German respondents, and 25% of US respondents. Conversely, however, only 15% of those surveyed in Spain, and 10% of those polled in Italy, chose this as their top communication benefit.

Fig 4: Supplier survey findings



Looking at the supplier view, and knowing that consumers most want communication with their field service supplier to limit wasted time, we then asked suppliers what issues they encounter most often when trying to communicate with the end-consumer.

The top two issues cited by suppliers were, in order, 'communicating with customers in real-time', and 'enabling customers to quickly and easily find out the status of their job'. It is worth noting that both of these communications issues stem from suppliers often being unable to track the location of the field service engineer in real-time and as such, being unable to relay this information to consumers.

Significantly, answers to this question from UK respondents did differ when compared with those from all other geographies. In the UK, 55% of those polled selected 'communicating with customers in real-time' as their biggest issue – this was much less so the case in the US (38%) and Australia (35%), however.

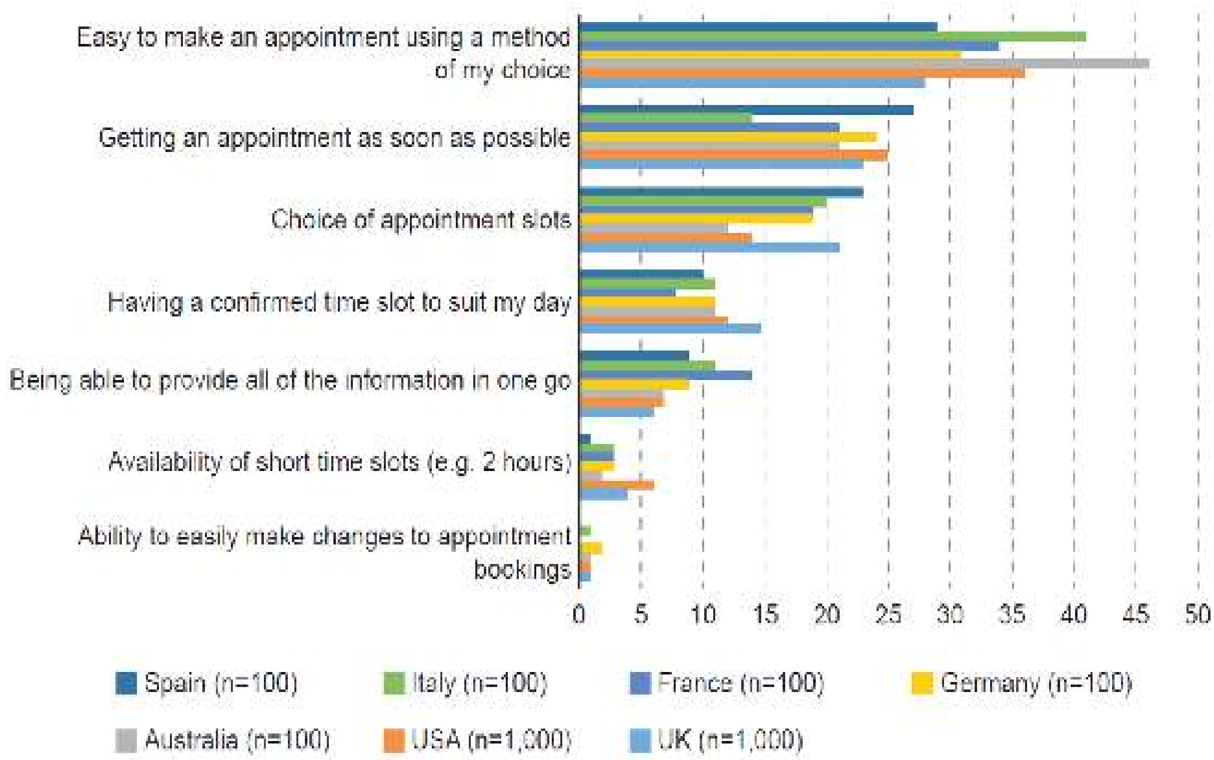
Suppliers in the US (41%), were more likely to choose 'enabling customers to quickly and easily find out the status of their job' as their top issue when communicating with customers, which was rated to be of similar importance amongst respondents in continental Europe (35%) and Australia (35%).

A lower 28% of UK respondents selected this option however, highlighting the geographic differences that exist when it comes to perceptions of the greatest supplier-consumer communication issues in field service, and therefore the challenges presented to managers of international field service businesses.

Customer Experience in Field Service

Q3 What do consumers value most from a field service engineer visit? Did these responses marry up with suppliers' top success measures?

Fig 5: Consumer survey findings

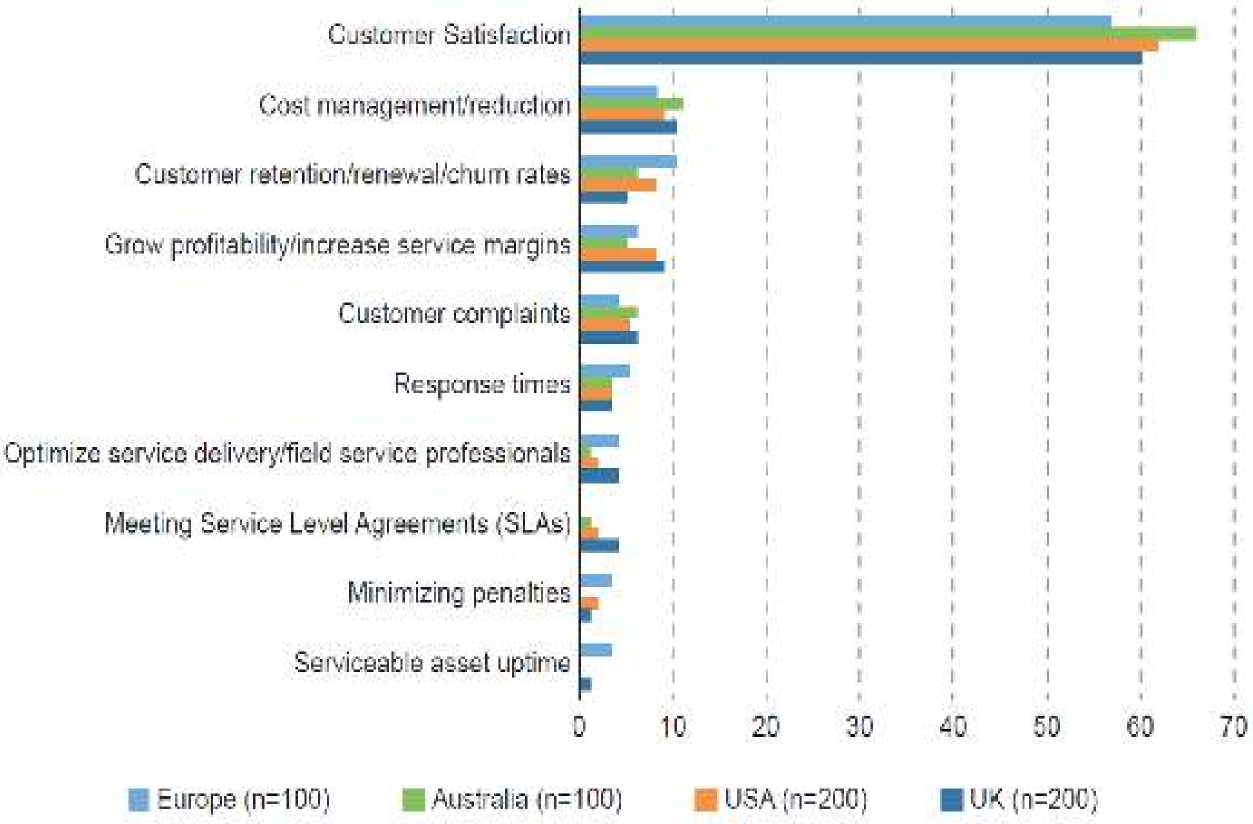


Top line findings from the consumer survey showed that 'ease of booking' was valued most by all respondents, with this being most evident in Australia (46%) and Italy (41%), but least likely in Spain (29%) and the UK (28%).

Quick time to appointment ranked as the overall second most valued option, especially in Spain (27%), the US (25%), and the UK (23%), though this was least likely to be of highest importance in Italy, with only 14% of respondents selecting this option.

Third most important across the board was 'choice of appointment slots', which was shown to be particularly valued by respondents in Spain (23%) and the UK (21%). Interestingly, this was much less the case in the US (14%) and Australia (12%).

Fig 6: Supplier survey findings

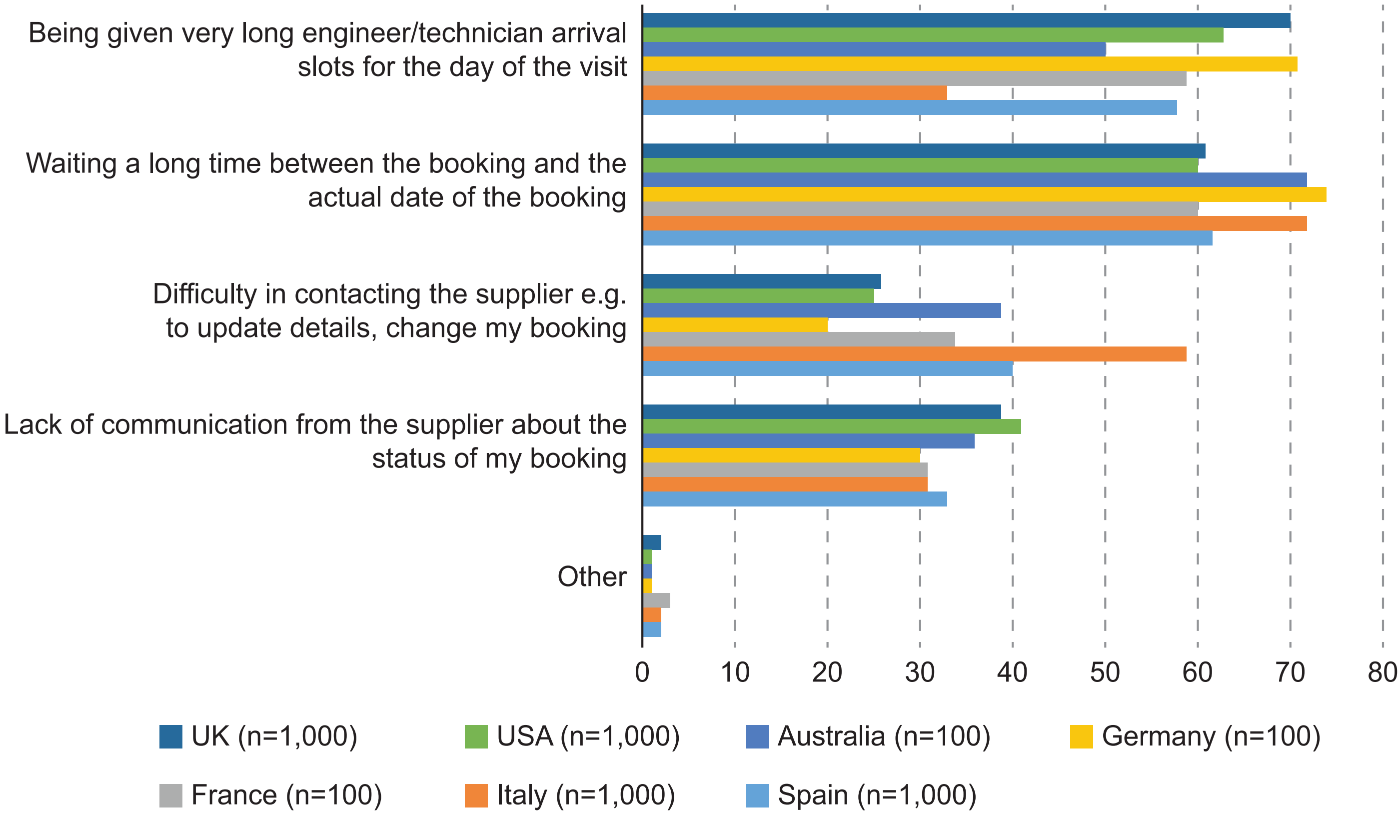


Our research then looked at how suppliers measure successful field service across their businesses in an effort to assess whether this marries with what consumers around the world most value from a field service experience.

The majority of suppliers answered that 'customer satisfaction' was their top success measure, with an average of 61% of all respondents selecting this option. Despite this, an average of just 3% of respondents indicated that either 'response times' or 'optimizing service delivery' were most important. This shows that while customer satisfaction is high on field service suppliers' agendas, businesses are falling short when it comes to understanding how specific service criteria that relates to what customers want and need is impacting customer satisfaction.

Q4 What do most consumers consider as the key elements of a bad field service experience? How does this relate to the key issues faced by suppliers when scheduling a field service appointment?

Fig 7: Consumer survey findings

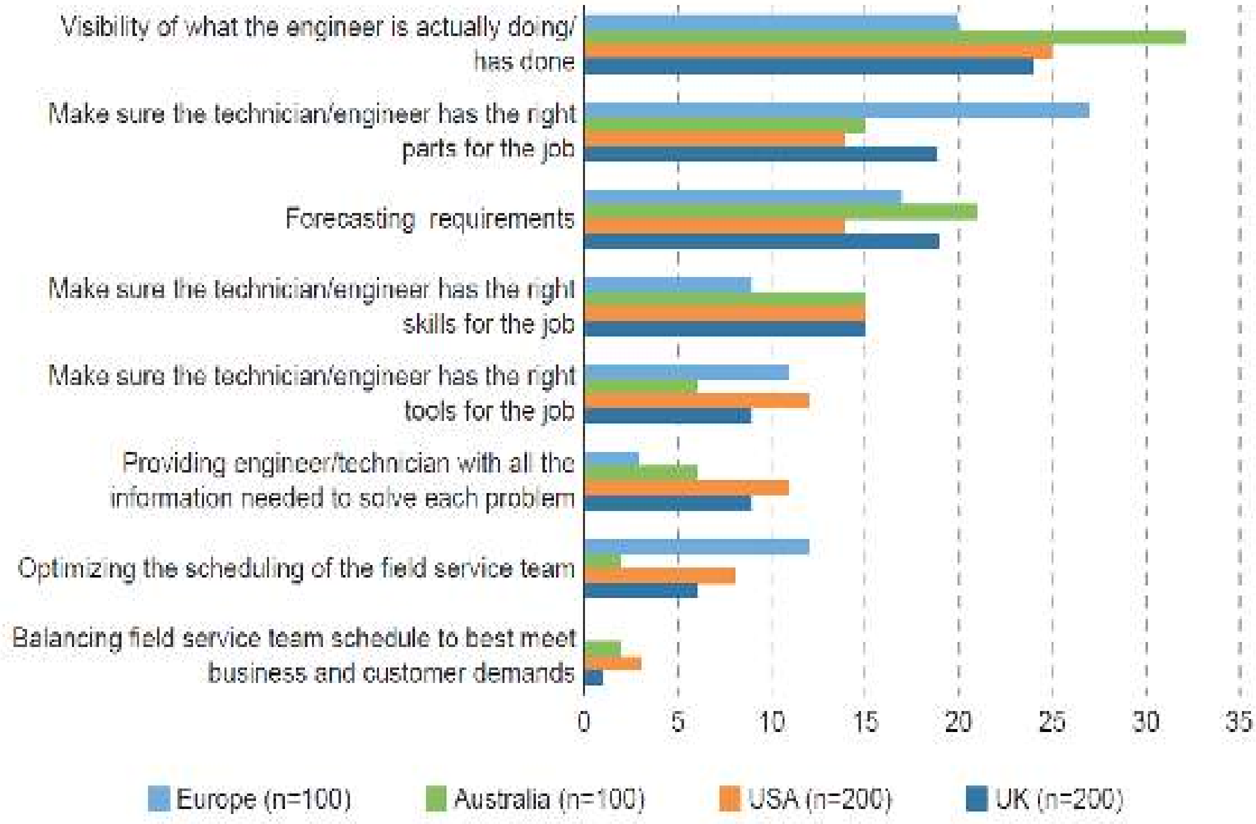


Looking at the overall customer experience, convenience is very much a priority for consumers. An average of 60% of field service consumers felt that waiting a long time for a field service visit after having booked an appointment made for a bad customer experience. Geographies most in agreement with this included Germany (76%), Italy (73%), Australia (72%), and the UK (63%).

In the UK, consumers were most dissatisfied with being allocated long arrival time windows by their field service supplier (70%), but conversely, this only led to a bad field service experience for a third of consumers in Italy (34%).

For service during the visit, again timing is key. In all countries, except for France (37%) and Spain (42%), more than half of consumers felt that a technician/engineer arriving late, or not arriving at all, was most likely to make a home visit a bad experience. Germany-based respondents (56%) were most likely to cite this as a reason for a bad experience, as well as citing a 'no show' as almost similarly detrimental (50%) along with Italy (54%), the UK (52%), and the US (51%) – indicating that tardiness or a 'no-show' was similarly detrimental to the consumer experience.

Fig 8: Supplier survey findings



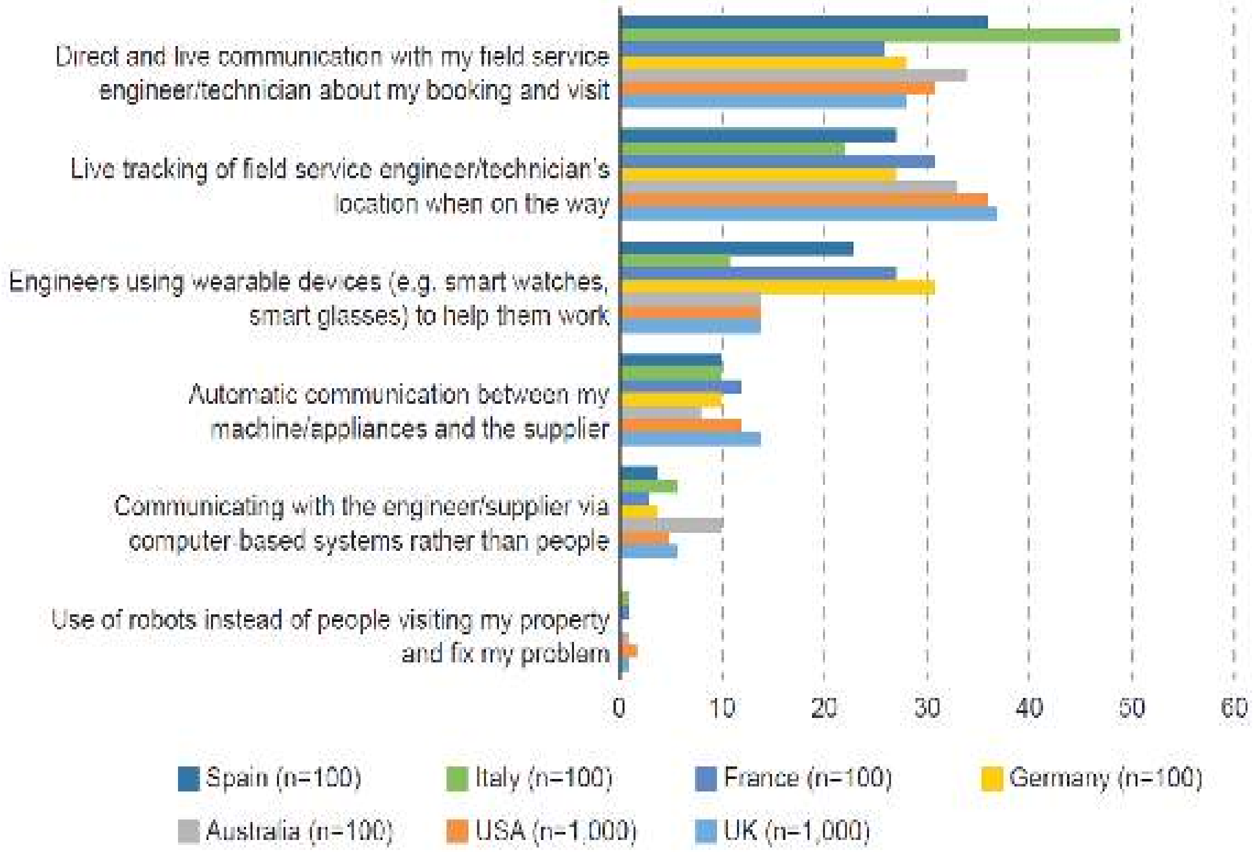
Amongst suppliers, there was considerable regional differentiation relating to their understanding of consumers' top reasons for complaint and how these shape customer experience. In the UK (23%), the US (26%), and Australia (26%), a technician or engineer either arriving late for an appointment, or not arriving at all, was the primary source of customer complaint. This tallies with the key consumer finding that a field service engineer's poor punctuality, or worse, a complete 'no-show', is most likely to cause a bad experience.

With the convenience of timing defining both the 'pre' and 'during' field service experience for consumers, suppliers are all too aware of the importance of meeting these expectations in a realistic way that balances and optimizes field service schedules. In Australia (32%), the US (25%) and the UK (24%), balancing field service team schedules to best meet both business and customer demands was cited as most likely. Across Europe (27%), suppliers struggle most with optimizing the scheduling of the field service team.

Future Trends and Technologies

Q5 What’s the five-year field service outlook? We asked both consumers and suppliers what trends and technologies they expect to see over the coming years, and then looked at how these differed.

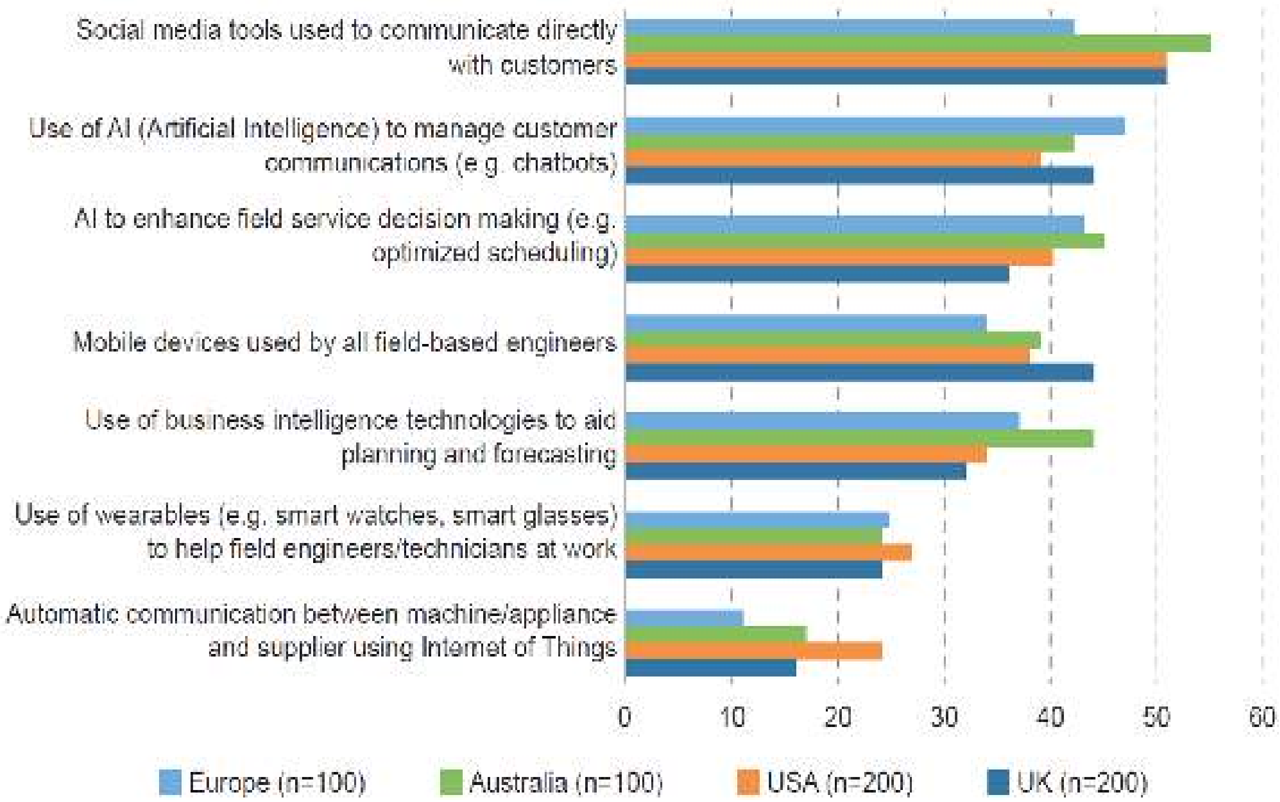
Fig 9: Consumer survey findings



Asked about the top three field service trends consumers expected to see over the next five years, ‘direct and live communication’ was rated first by more than a quarter of consumers across all countries, and overall, ranked as the number one expectation. In other geographies, US and UK respondents (35% and 37% respectively) were most expectant that ‘live tracking’ of engineers will provide the biggest industry disruption. Clearly, customers want better visibility of their service and support visits, particularly with the technology now existing to deliver this.

Of all new technologies available, wearables featured in the top three consumer expectations, highest in European countries such as Germany (31%) and Italy (27%). Those polled in the US and UK predicted this as the third most likely trend – an equal 14% in each of the two countries.

Fig 10: Supplier survey findings



By comparison, suppliers think that IoT will be key in the next wave of field service technology. ‘Automatic communication between machine/appliance and supplier using Internet of Things (IoT)’ was rated as the most likely new technology by suppliers in three of the four regions.

More than half of those surveyed in Australia (55%), and just marginally less in the UK (51%) and US (51%), expect IoT to be used within the field service industry within the next five years. Suppliers across continental Europe (42%) were less sure, however. For European suppliers, ‘use of wearables’ (47%) was equally likely, as was ‘use of business intelligence technologies to aid planning/forecasting’ (43%).

Interestingly, suppliers in Australia (44%) were more convinced that the ‘use of AI to enhance field service decision-making’ will be in place in five years’ time, than those in the UK (32%) or US (34%).

In the US, second highest ranked prediction for field service supplier adoption was found to be ‘business intelligence technologies’ (40%), followed closely by wearables (49%). In contrast, UK suppliers feel the second highest technology adoption will come from both mobile device usage (44%) and wearable/smart devices (44%).

Suppliers across the board do not anticipate social media becoming a key platform from which they will directly communicate with field service customers, and this was, in fact, the lowest ranked selection by all respondents.

Conclusions & Key Takeaways

The over-arching research themes were found to relate to ‘communication’ and ‘convenience’, as well as ‘future tech trends’ set to disrupt the industry over the coming years. As such, our conclusions are divided into these three key areas.

Conclusions

Communication in Field Service

Field service organizations around the world need to demonstrate understanding of their consumers’ preferences and tailor their communications to each consumer group. When it comes to communication, there is no one-size-fits-all solution. If businesses misjudge their communication strategy, they are at risk of either under or over communicating, which both present risks to customer satisfaction.

Greater customer expectations and competitive pressures are driving suppliers to communicate more frequently – and via a range of different channels. Suppliers are now routinely engaging with their customers before, during, and after a field service engineer visit, though they are not yet delivering an ‘Uberized’ service whereby consumers are able to track an engineer’s location and specific arrival time.

Consumers do expect that engineer location tracking and real-time communication will be the next wave of technology in field service, but although suppliers ranked ‘meeting rising customer expectations’ as their biggest driver, they are struggling to deliver on this increasing demand.

With customer expectations for direct, up-to-the-minute communications with their field service engineers therefore on the rise, suppliers need to prioritize – and invest in – modern communications tools that will enable, and optimize, real-time communication with consumers throughout the entirety of the customer lifecycle. Suppliers can no longer expect consumers to bend to their terms and operational processes.

Customer Experience in Field Service

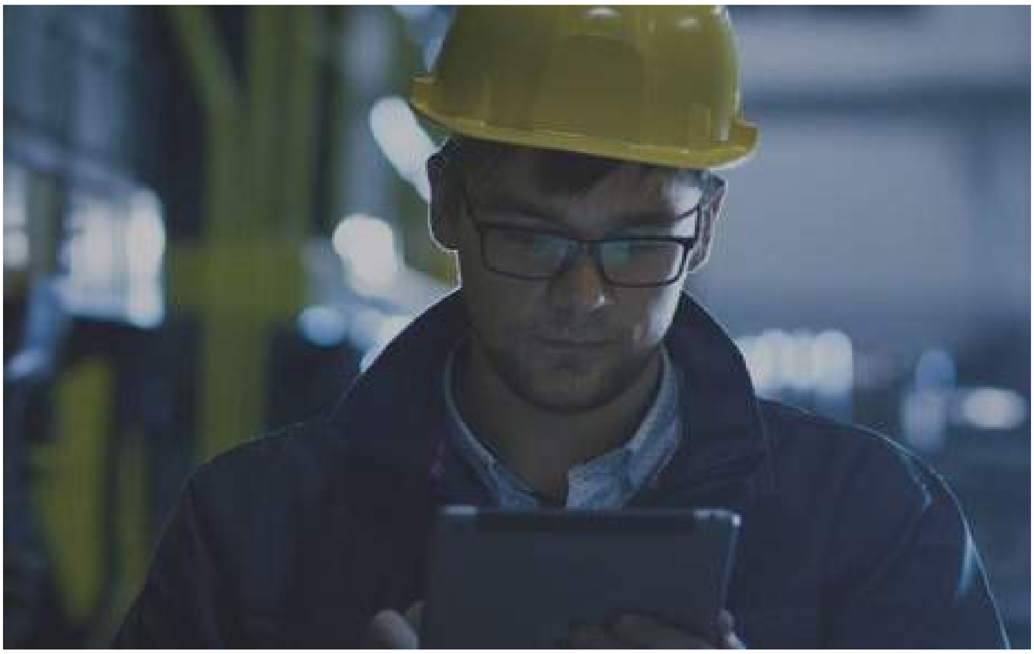
While the majority of suppliers measure success in terms of ‘customer satisfaction’, the broad nature of this term means that specific customer requirements falling within this – quick response times, for example – are not being given an appropriate level of attention by suppliers.

Across the board, consumers cited ‘ease of booking’ as most important to them in satisfaction terms, demonstrating that in today’s busy world, optimizing customer convenience is key to successful field service delivery.

Consumer frustrations primarily center on the inconvenience of a prolonged waiting period between booking the field service visit and the actual date of the visit, as well as lateness, ‘no shows’, and an inability to deliver a ‘first time’ fix.

With customer expectations for direct, up-to-the-minute communications with their field service engineers therefore on the rise, suppliers need to prioritize – and invest in – modern communications tools that will enable, and optimize, real-time communication with their consumers throughout the entirety of the customer lifecycle.

Suppliers are struggling to balance rising customer expectations – and the delivery of consistently good field service experiences – with engineer schedules. The pressure is on to close this gap, and field service organizations that achieve this first will reap significant competitive advantage. Good communication can help here, but ultimately suppliers need to minimize wait periods if they are going to transform and improve the overall customer journey.



Technology Trends in Field Service

Rising consumer expectations are calling for field service suppliers to become ever more responsive and agile. The adoption of better, more optimized systems that will enable organizations to instantly tell customers which engineer is coming to them and when, will be key to maintaining and growing long-term competitive advantage across the field service industry.

Direct, real-time communication emerged as the industry's greatest future looking trend, and consumers expect to see this become a reality over the next five years. Consumers demand transparency and good communication, and suppliers see new technologies such as IoT and the next wave of field service technology as being key to delivering these consistently.

The issue of 'live tracking' of field service engineers by both supplier and consumer is a hot topic of discussion in the industry at the moment, and one which will no doubt gain momentum in the near future. With many suppliers in favor of 'Uberizing' field service in this way, country-specific laws relating to the tracking of mobile workers by their employer are likely to dictate how quickly – if at all – this becomes commonplace in the global field service industry. At present, all of the suppliers polled for this research project have yet to deliver an 'Uberized' field service experience.

Either way, suppliers need to recognize the consumer expectation for good customer journey management and appropriate communication that includes real-time updates. IoT may play a key role in the future of field service delivery, but what the consumer cares about is communication, convenience, and outcome.

Key Takeaways

- The 'Uberization of service' is driving customer expectations but **field service organizations are struggling to keep pace with growing demand** and are not yet able to deliver on this.

- Field service organizations can no longer expect consumers to adapt to their outdated operating processes – the tables have turned.

- Key consumer frustrations relate to a **lack of convenience and ineffective communication,** especially in the areas of waiting a long time for a field service visit after booking an appointment and not knowing when the engineer is going to arrive.

- The pressure is on to **close the gap between rising consumer expectations and suppliers' inability to deliver** consistently good experiences.

- Technological development is expected to play the **biggest role in improving supplier agility** and responsiveness over the next five years.

- Despite consumer calls for real-time engineer location tracking, suppliers around the world seem to **struggle to get round entrenched workers council/trade union resistance and legislative restraint** in a new way that business such as Uber do not.

Further Information

For more information on this research, or to talk to a representative of ClickSoftware about field services issues, please click here.

Appendix 1: Survey Respondents – Methodology & Demographics

In late 2016, ClickSoftware commissioned research agency, 3GEM, to conduct two independent online surveys — one targeting customers of field engineer services, and the other polling suppliers of field engineer services.

Field Service relates to the delivery of services to customers on their own premises (e.g. at home, at their place of work, on a specified site). Companies that supply field service usually deliver it via trained service engineers and service technicians who manage the installation, service or repairs of systems or equipment. In some cases, this can also involve delivering skilled services to people, such as in the world of home healthcare services.

Both surveys were conducted via two independent online questionnaires. Respondents from seven countries – the UK, US, Australia, France, Germany, Italy and Spain – were polled for both surveys, with a total sample size of 2,100 respondents for the consumer survey, and 600 respondents for the supplier research.

The consumer sample included any person who had ever had a field service visit, and for the supplier research, all respondents were currently employed by a company that delivers field visit services. Sample sizes by geography were as follows:

Fig 11: Geographic breakdown of research sample sizes

Country	Consumers	Suppliers
UK	1,000	200
USA	1,000	200
Australia	100	100
France	100	75
Italy	100	25
Germany	100	25
Spain	100	25

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