



ptc

# LIVEWORX

A NEW ERA IN PRODUCT LIFECYCLE INNOVATION

SESSION ID: SE1063B

## POWERFUL DIGITAL THREADS DELIVER PEAK SERVICE OUTCOMES

**SPEAKER(s):** **Leslie Paulson**

General Manager, PTC Servigistics

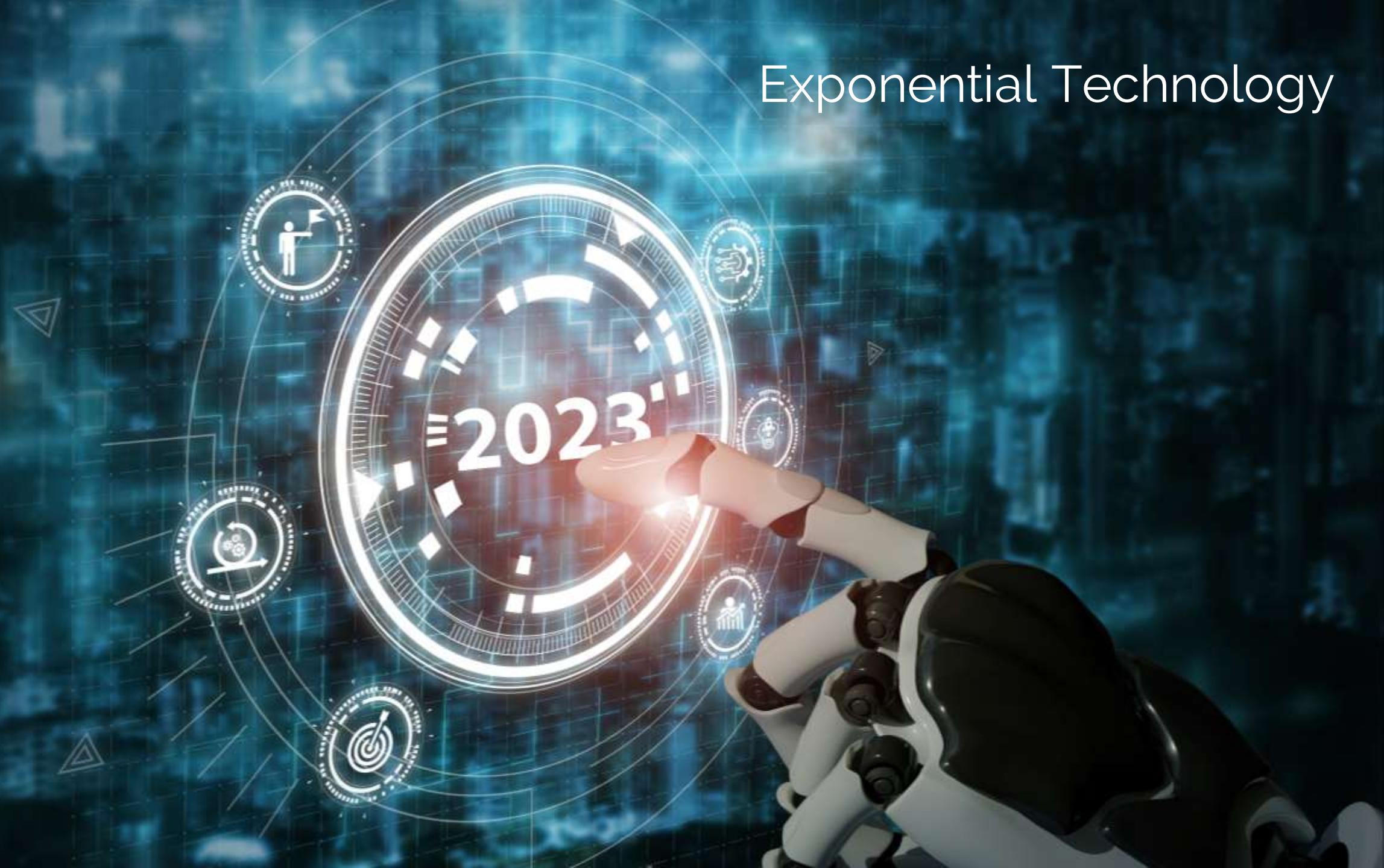
**Aly Pinder**

Program Director, IDC Aftermarket Services Strategy

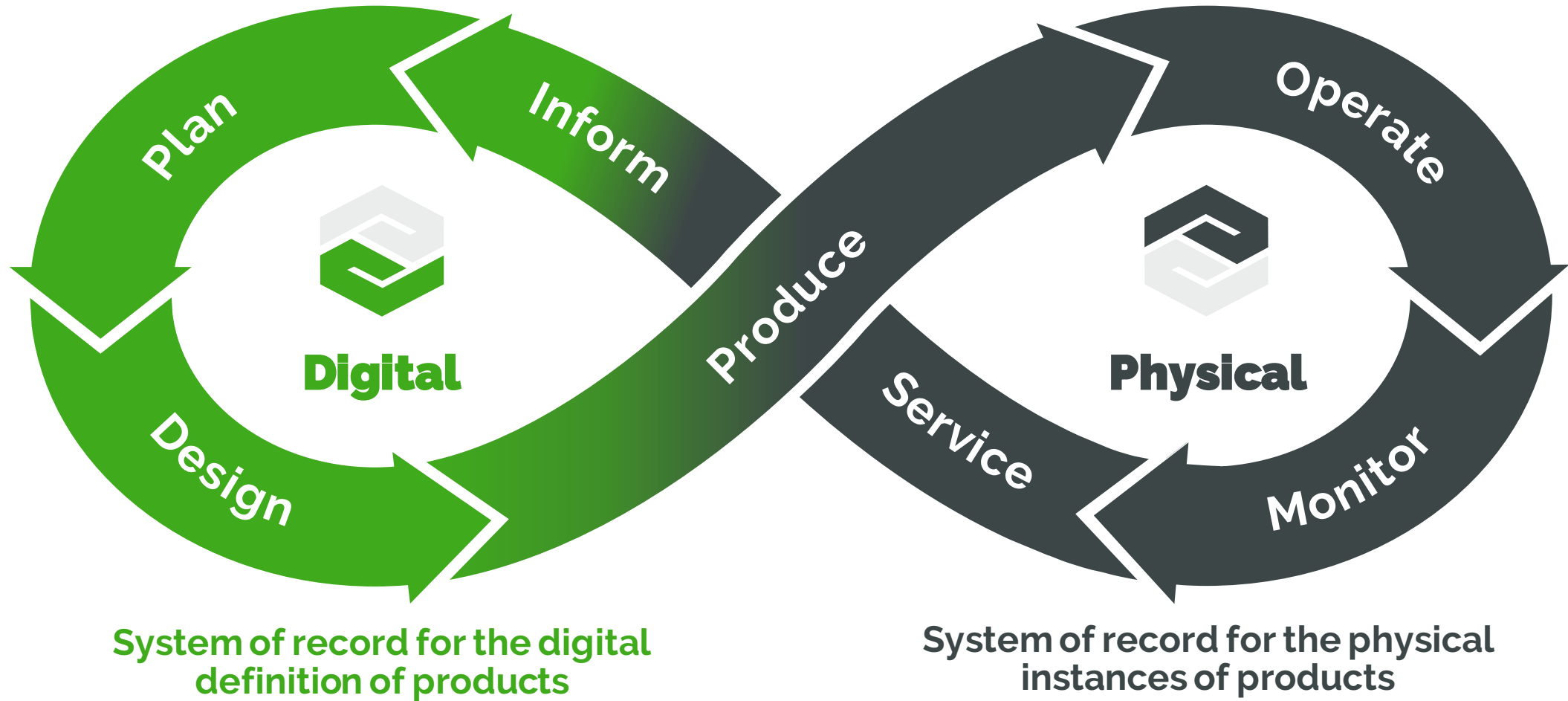
May 16, 2023

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# Exponential Technology



# ASSET CENTRIC CLOSED-LOOP PRODUCT LIFECYCLE



# DIGITAL TRANSFORMS PHYSICAL

## Design



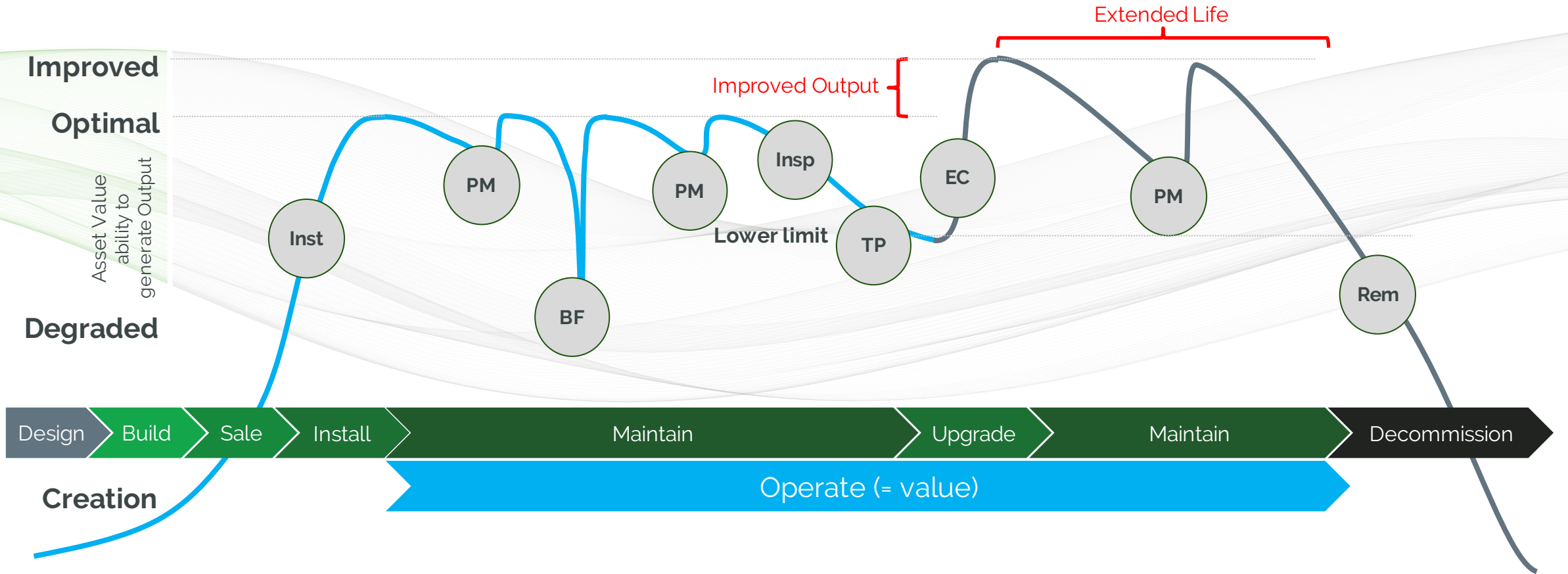
## Manufacture



## Service



# Service Plays a Large Part of the Asset's Lifecycle



Inst = Installation  
 PM = Preventive Maintenance  
 BF = Break-fix

Insp = Inspection/calibration  
 TP = Touchpoint

EC = Engineering Change  
 Rem = Removal

# PUTTING THE SPOTLIGHT ON SERVICE

**Service:** Service the product for its entire useful life.



**Manufacturing:** Manufacture the product **once**.

**Engineering:** Design the product **once**.



For every \$1 in equipment sales, we see up to \$12 in the sale of service.

**Kevin Bollom, Trane**



# CRITICAL METRICS FOR SERVICE



Key Performance Indicator (KPI)	Low Performers (Bottom 20%)	Average Performers (Middle 50%)	High Performers (Top 20%)
<b>First-Time Fix Rate</b> (FTFR – Scale of 0-100%)	52%	82%	92%
<b>Mean-Time-To-Repair</b> (MTTR – Break/Fix – Qty of Hours)	20 Hours	8.25 hours	2.75 hours
<b>Workforce Utilization</b> (Jobs/Day/Tech)	1.6 jobs/day/tech	3.1 jobs/day/tech	6.3 jobs/day/tech
<b>Service Profit Margin</b> (as a % of Company Revenue)	9%	31%	43%
<b>Contract Attach Rate</b> (Scale of 0-100%)	11%	39%	76%
<b>Service Part Fill Rate</b> (Scale of 0-100%)	27%	76%	93%
<b>Service Level Agreement</b> (Scale of 0-100%)	67%	82%	96%
<b>Customer Satisfaction</b> (CSAT – Scale of 0-100%)	64%	84%	96%
<b>Customer Effort Score</b> (CES – Scale of 1-7)	4	5	6
<b>Employee Net-Promoter Score</b> (eNPS – Scale of 1-10)	5	8	9
<b>Employee Retention</b> (Scale of 0-100%)	69%	85%	92%

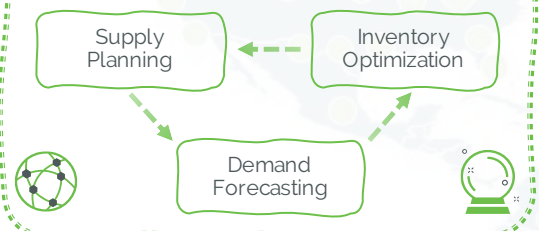
# INTEGRATED SERVICE LANDSCAPE

## Data Sources and Enterprise Systems of Record

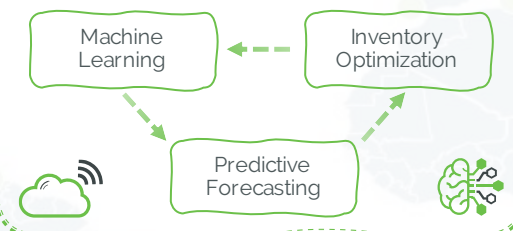


## ptc servigistics

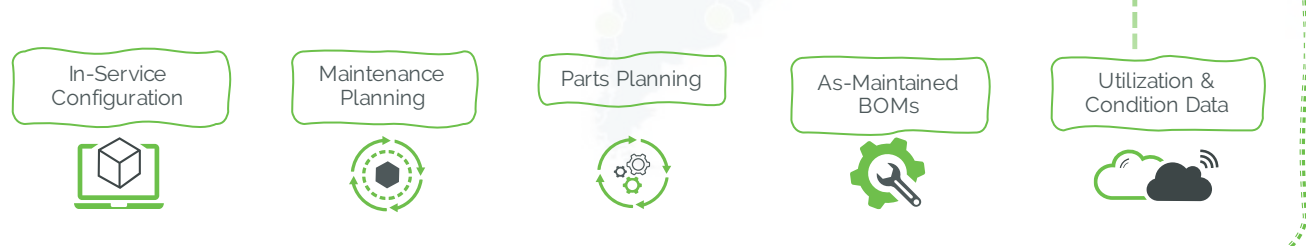
### Service Parts Management



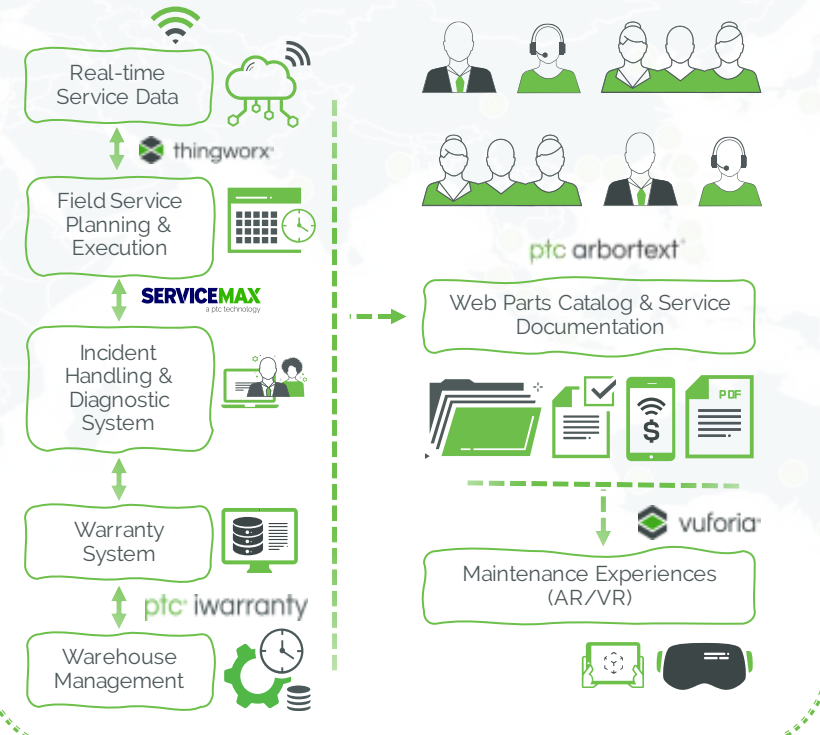
### Predictive Service Parts Management



## Communication Layer



## Service Operations



Spare Parts Orders & Feedback from the Field



# PTC – YOUR BIGGER BOAT!

- Seize the opportunities
- Leverage the right tools





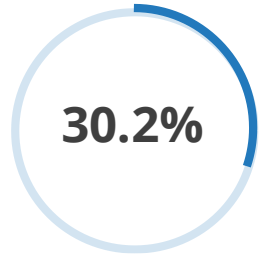
**ALY PINDER, VP  
AFTERMARKET RESEARCH &  
STRATEGY, IDC**

A photograph of an offshore wind turbine with a yellow tripod base and white nacelle with red-tipped blades. In the background, a red LNG carrier ship named 'ANTHONY VESPER' is docked at a pier. The scene is set in a clear blue sky over the ocean.

# The State of Service

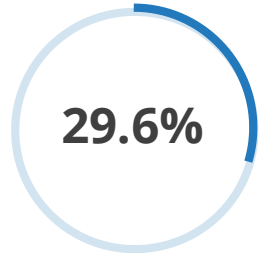
Service Success is Measured in the Outcome

# Top 3 Business Priorities



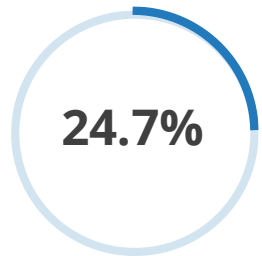
**30.2%**

**Operational efficiency**



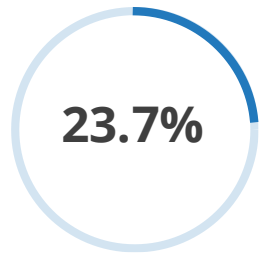
**29.6%**

**Customer satisfaction**



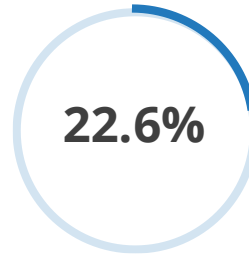
**24.7%**

**Employee productivity**



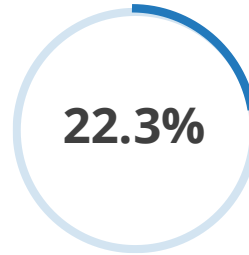
**23.7%**

**Sustainability**



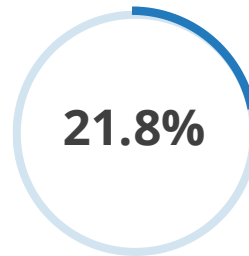
**22.6%**

**Innovation**



**22.3%**

**Cost savings**



**21.8%**

**Business agility**

Note: Base=All Respondents; n=840  
Source: IDC Future Resiliency & Spending Survey - Wave 11, IDC, December 2022



# What are the top 5 drivers for SLM?

59%

56%

56%

52%

51%

Source: Cornell University

# Urgency Drives Focus on Talent



**45%** ⚡ ⚡ ⚡ ⚡ ⚡ ⚡ ⚡ ⚡ ⚡ ⚡

COVID-19 has accelerated talent/labor issues

**26%** 📍 📍 📍 📍 📍 📍 📍 📍 📍 📍

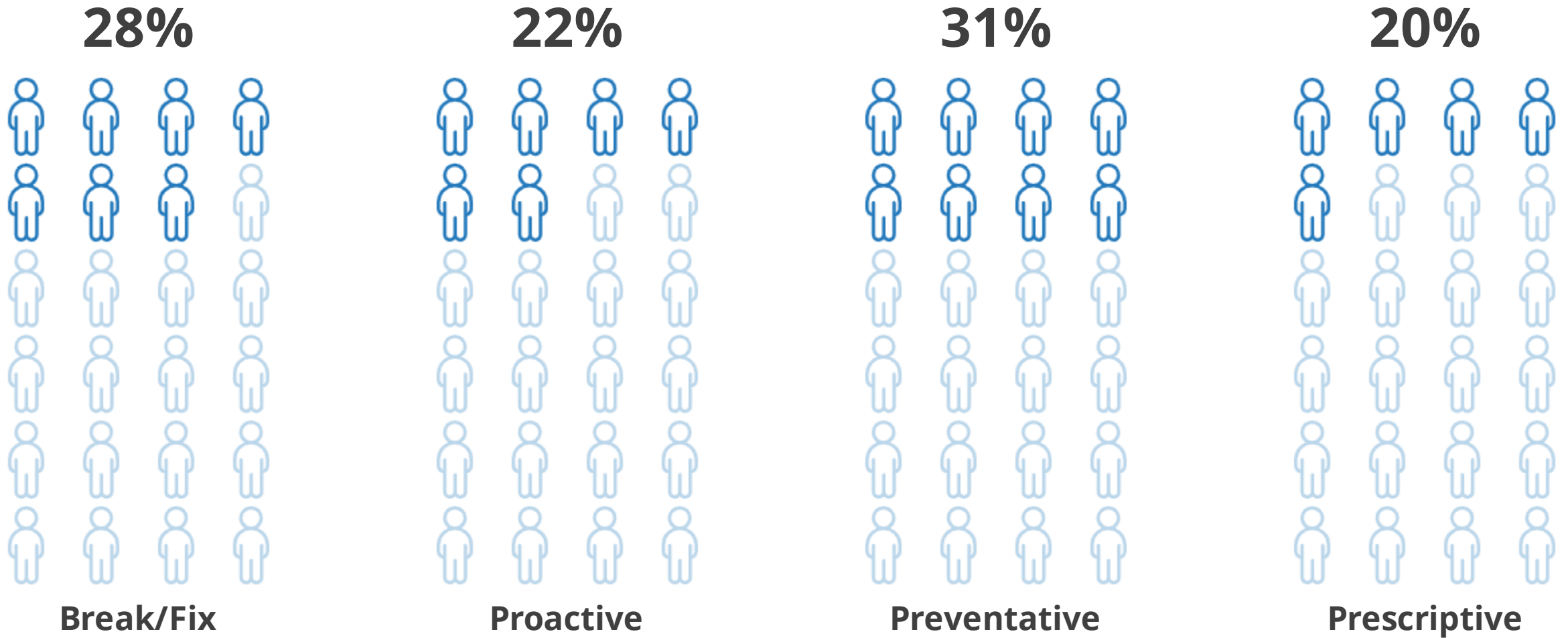
Need new sources of creativity / innovation within the organization

**24%** ↻ ↻ ↻ ↻ ↻ ↻ ↻ ↻ ↻ ↻

Quality of services is suffering due to the lack of people / skills

Note: Base=All respondents, n=365  
Note: Q - What are the top three pressures driving your organization to focus on talent?  
Source: IDC Talent Management Survey, IDC, February 2021

# Beyond Break/Fix



Note: Base=All Service Leaders  
Note: Q: Which of the following best characterizes your service operational and maintenance approach with customers, equipment, and assets?  
Source: IDC Product and Service Innovation Survey, IDC, May, 2021

# The Future of Service Quality

**1** Remote monitoring

**2** Service analytics

**3** Revenue-based contracts

**4** Risk sharing contracts

Note: Base=All Service Leaders, n=365

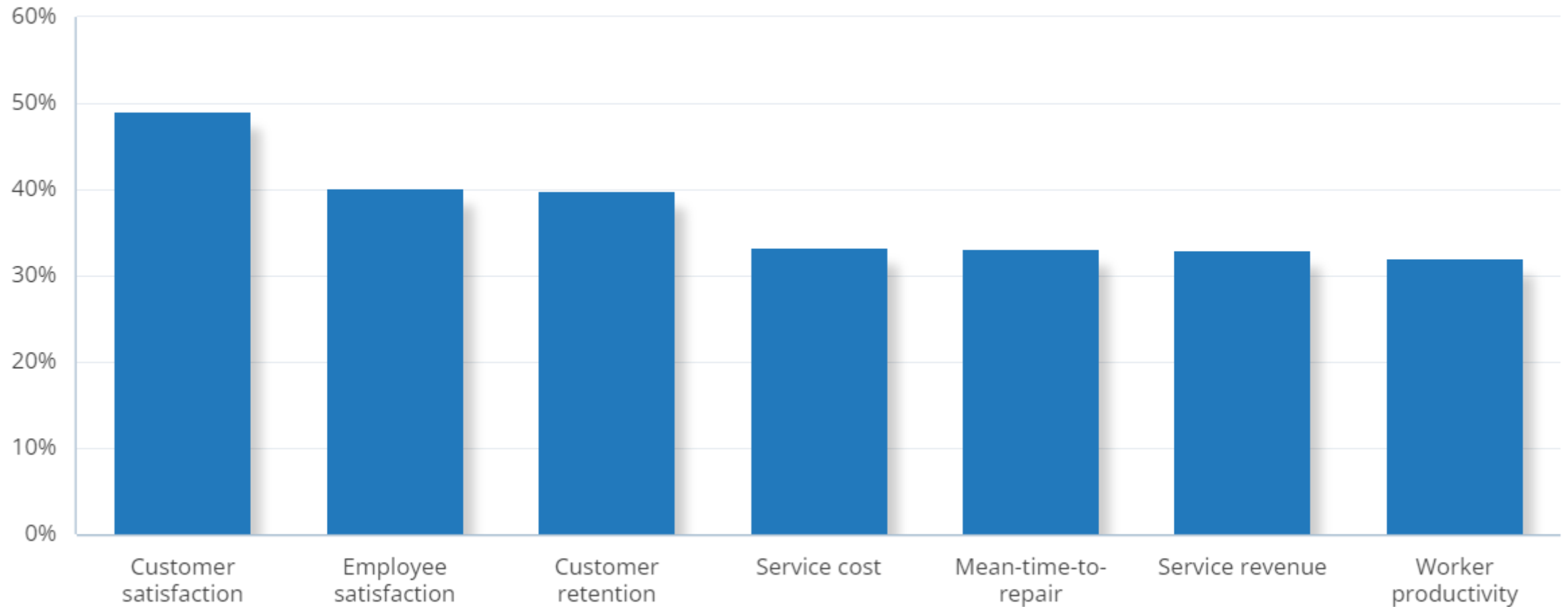
Note: Q - What types of service products and contracts does your organization plan to offer in the next 1224 months?

Source: IDC Product and Service Innovation Survey, IDC, May, 2021



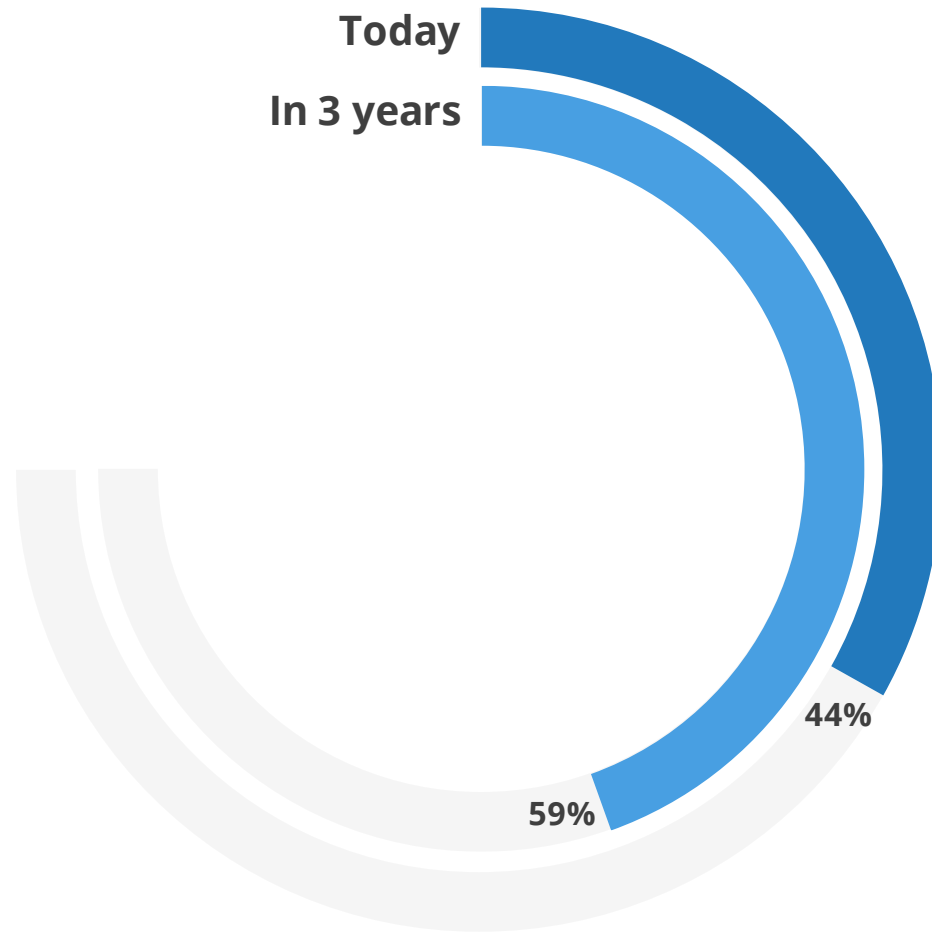


# Are You Measuring Satisfaction?



Note: Base=All service leaders, n=366  
Note: Q - What KPI or metrics does your organization prioritize to determine success in service?  
Source: IDC Product and Service Innovation Survey, IDC, May, 2021

# Accelerate the Leap into Smarter Service



NOTE: Base=All service leaders, n=366

Note: Q - What percentage of the products your organization currently manufacturers are considered 'connected'? And what will that be in three years?

Source: IDC Product and Service Innovation Survey, IDC, May, 2021

# Operationalize Sustainability

Reduce waste during manufacturing

43%

Reduce energy used in service execution

41%

Reduce the amount of energy to manufacture a product

40%

Invest in remote capabilities

38%

Note: Base=All service leaders, n=366

Note: Q - What Sustainability Initiatives is your organization engaging in with regards to product and service lifecycle today?

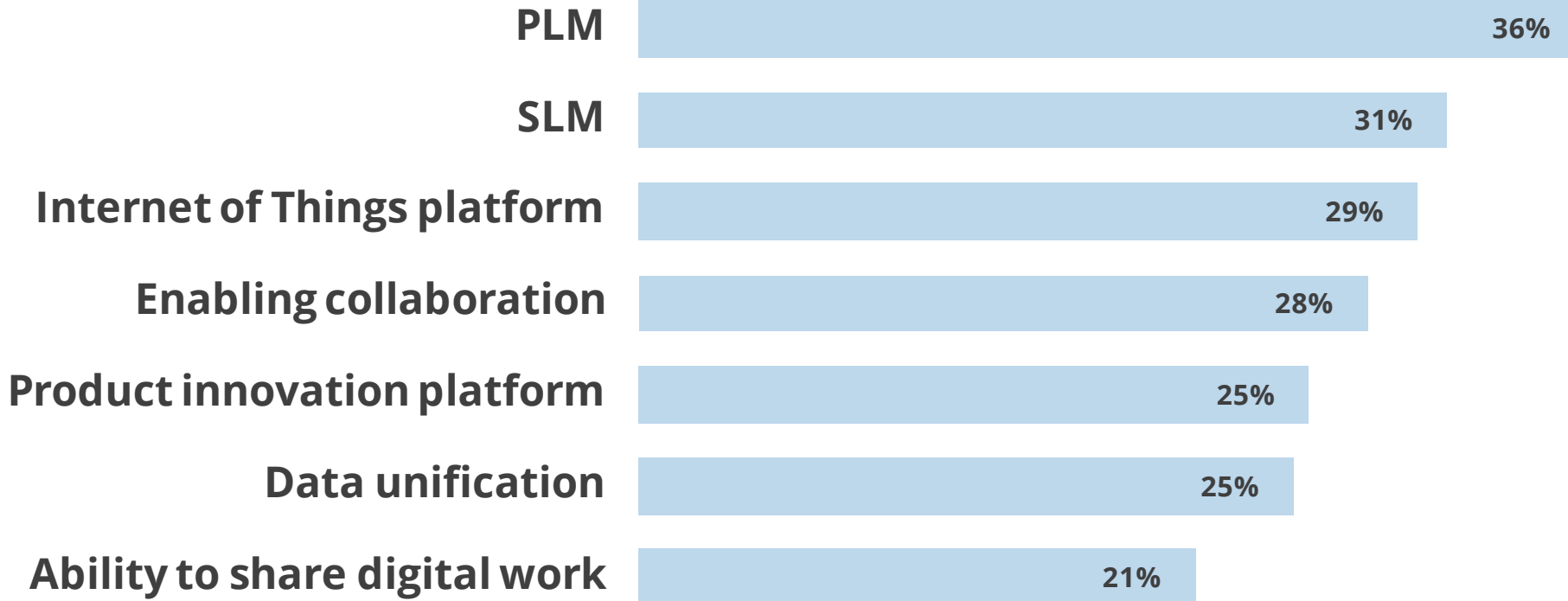
Source: IDC Product and Service Innovation Survey, IDC, May 2021



# Technologies of the Now

# Digital Thread of Innovation

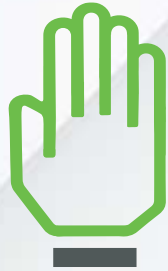
Overall Rank – When you consider establishing a closed loop digital thread between product development and service execution, what are the most important investments?



Note: Base=All service leaders, n=366  
Source: IDC Product and Service Innovation Survey, IDC, May 2021

# What Next?

- 1. Siloed insights delay innovation**
- 2. Service must become THE differentiator for your business**
- 3. Engagement is critical for the workforce and the customer**
- 4. Start Now!**



# QUESTIONS?

Thank you! You can find me at:



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<https://www.linkedin.com/in/lesliepaulson1/>

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# THANK YOU

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