

Trends in Service Operations

Changes brought about by the pandemic have created new and different challenges to achieving efficiency, customer service, and other business goals. What are service operations teams doing to drive efficiency, cut costs, and achieve all their most important objectives?

To find out, Gatepoint Research surveyed two separate groups of more than **100 service, operations, product, and IT executives**. The first group was surveyed between July and November 2021, with the second being surveyed between March and May 2022.*

Comparing the data from each survey shows how drastically service operations has changed in a relatively short time period.

Shift in key business objectives driving responding organizations

Raising service to a profit center

Respondents show an almost 3X shift in focus regarding aftermarket business, aligning with the research of other analysts.

July - Nov 2021	March - May 2022
17%	48%

Improving customer retention

Maintaining relationships and reducing churn is critical as the business environment enters the new normal.

July - Nov 2021	March - May 2022
34%	47%

Improving customer experience

Customer experience remains the top priority year over year. It takes on new importance with Service focused on revenue growth.

July - Nov 2021	March - May 2022
67%	76%

Top Three Service Metrics:

- 1 Service Revenue
- 2 Response Time
- 3 Net Promoter Score

Source: "2021 Service Leader's Agenda Summary Findings," The Service Council

"...manufacturers and service organizations must ensure that they can **highlight the value of service** even if it takes place in the background and without the customer seeing any disruption to their operations."¹

Shift in priorities for key initiatives

Data Analytics/ Artificial Intelligence

While there has been a slight increase in the number of responding organizations focusing on analytics/AI, it has consistently remained as the top initiative, indicating greater maturity in the use of data, generating value, and improving profit lines.

July - Nov 2021	March - May 2022
48%	54%

Increase customer self-service

While fewer respondents overall indicated this as an area of focus, it has continued to be the second most widely cited key initiative.

July - Nov 2021	March - May 2022
42%	33%

Predictive Maintenance/Service

Implementing predictive maintenance enables organizations to decrease unplanned downtime (up to 30%), realize faster service resolutions (up to 83%) and spend less time on sites (up to 75%).

Read our Success Guide for Predictive Maintenance to learn more.

July - Nov 2021	March - May 2022
N/A	26%

Predictive Maintenance replaced smart, connected product development as the third most cited initiative, which has now shifted from 41% to 13%, indicating that the industry is maturing.

Shift in the barriers responding organizations are facing

Workforce skills gap

The biggest barrier for organizations to achieving their operational objectives is consistently gaps in workforce skills.

According to The Service Council, 60% of all field service technicians plan to leave or don't know if they will stay in the profession.²

July - Nov 2021	March - May 2022
55%	55%

Shortage of technicians

While issues that were experienced as a result of the pandemic are no longer major concerns, staff shortages and gaps in skills need to be addressed. AR and IoT aid in up-skilling, re-skilling, and cross-training, providing performance support, and reducing time spent researching information.

July - Nov 2021	March - May 2022
N/A	50%

Being understaffed replaced more pandemic related issues, like **travel limitations** (which was only previously indicated by 29%), as the second largest barrier to meeting objectives.

Fewer are unable to quantify an ROI for implementing new technology

Previously, 1 in 4 couldn't quantify the financial impact of new technology.

That has now shifted to 1 in 5, a 25% change, indicating both maturity of the technology and associated use cases, but also that value-first, not technology-first approaches are becoming more common.

July - Nov 2021	March - May 2022
23%	18%

Implementation of new technology to improve service operations

Service operations is maturing, and views are changing – adoption of IIoT and AR technology has increased. Those who have seen the value are moving over. Decisions around these technologies were previously led by the C-Suite. Now, it's part of the functional IT and digital transformation / innovation teams, indicating more organizations are seeing this as a normal course of doing business.

Industrial Internet of Things (IIoT)

"...remote service strategies, and technology investments which support this, have become the top investment amongst service leaders, both in terms of new and expanded investment strategies."

— John Carroll, CEO

The Service Council; Research Insight: Remote Service Becoming the Standard, 2022

July - Nov 2021	March - May 2022
46%	58%

Currently in production or planning to use

16%	15%
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Not sure, but wants to learn more

Augmented Reality (AR)

8 in 10 service leaders are planning a new or expanded Augmented Reality (AR) deployment,³ recognizing that this technology will help address the workforce skills gap issue, especially as the trend to remote service is increasing, and will help to support top cited initiatives as well.

July - Nov 2021	March - May 2022
28%	37%

Currently in production or planning to use

28%	16%
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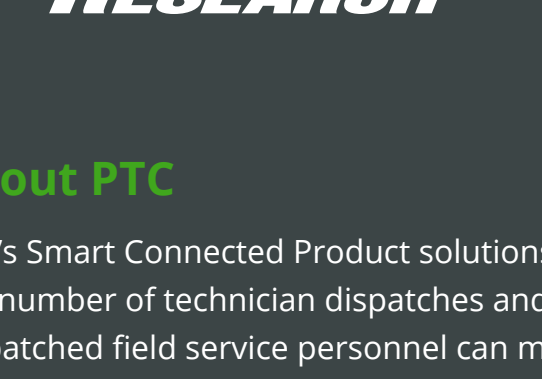
Not sure, but wants to learn more

¹ "Remove Service Without Losing Customer Engagement and the Human Experience," IDC Perspective, Aly Pinder;

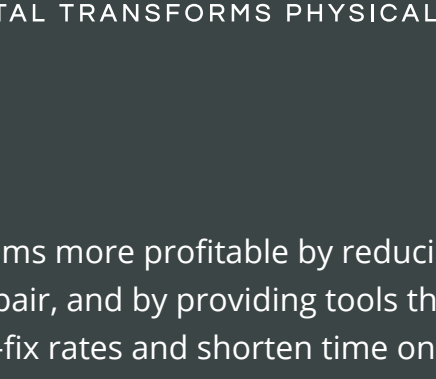
² "Research Insight: Leveraging AR to Solve the Skill Set Shortage & Knowledge Gap," The Service Council, 2022.

³ "Service Leaders Agenda," The Service Council, 2022.

Research conducted by



Research sponsored by



About PTC

PTC's Smart Connected Product solutions make service teams more profitable by reducing both the number of technician dispatches and mean-time-to-repair, and by providing tools that ensure dispatched field service personnel can maximize first-time-fix rates and shorten time on-site.

LEARN MORE ABOUT PTC'S SERVICE OPTIMIZATION STRATEGY WITH PREDICTIVE MAINTENANCE!

*Management levels represented:

July - Nov 2021	March - May 2022
13% CxO or VP	27% CxO or VP
46% Director	58% Director
30% Product Manager	8% Operations/Plant Manager
11% Product Engineer	7% Product Owner