FIELD SERVICE NEWS

AN EXPLORATION OF GARTNER'S FOUR SERVICE SCENARIOS AND HOW THEY ALIGN WITHIN A CUSTOMER-CENTRIC SERVICE MODEL

FOUR SERVICE SCENARIOS THAT CAN BE ALIGNED BY SERVICE-CENTRIC THINKING

In assessing the future of field service earlier this year, Gartner predicted four future operating scenarios in field service management that they believed would dominate service operations for the next five years.

As we can see from the figure below, which Gartner published, these were equipment-centric, outcome-centric, appointment-centric and knowledge-centric.

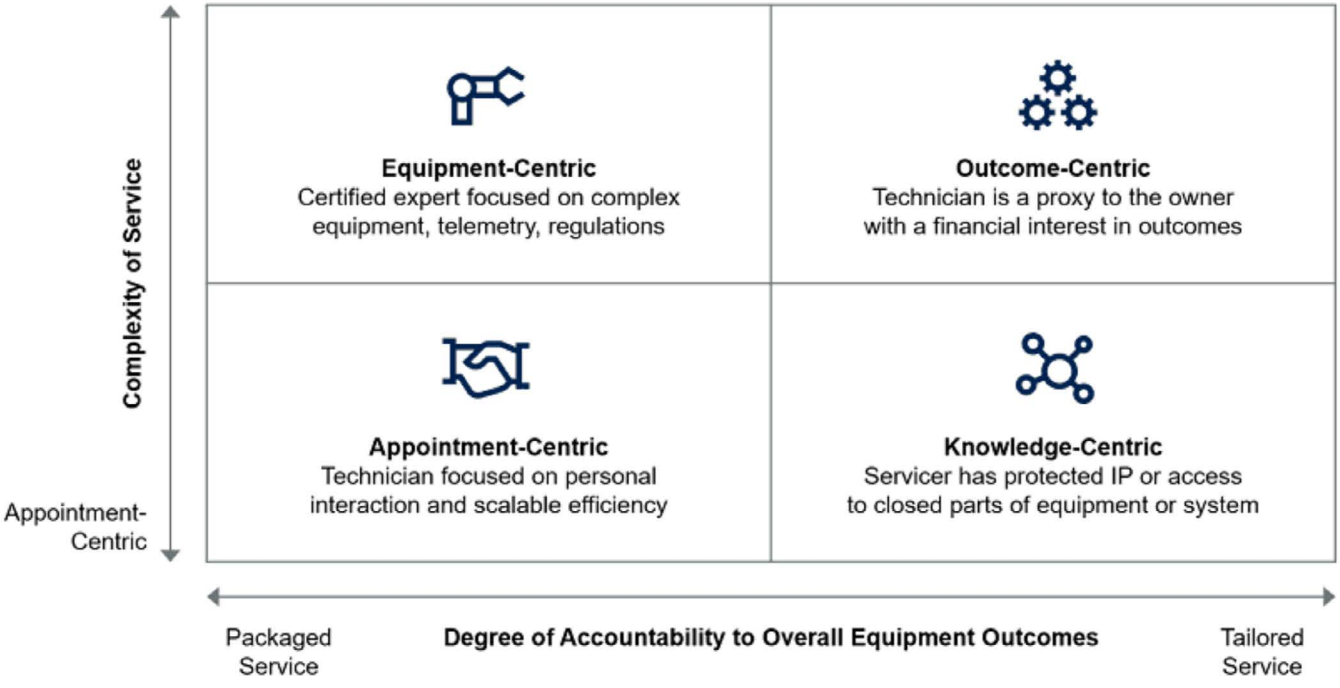
However, some critics have suggested that such rigid modelling doesn't consider how different customers will require different weighting on each of these areas of focus, and often a blend of all four scenarios will exist in any given service organisation.

In their defence, Gartner listed these as scenarios that service companies may face rather than models they should adopt. However, given Gartner's gravitas and global presence, there has been a lot of industry discussion around these four suggested scenarios and what service delivery models best meet each. Indeed, while, on the surface, it may seem simpler to have a service-centric model that can flex and adapt to differing customer needs, the reality is that such a model requires the ability to be built upon Gartner's suggested matrix of scenarios and expand it further by adopting Peter Drucker's famous Outside-In methodology.

In this white paper, we will take a deep dive into the benefits, restrictions and also requirements in terms of technology, people and processes for each of Gartner's potential operating scenarios.

We will then explore how a customer-centric service model, one that places the customer at the heart of service design strategies, can and should sit across all four scenarios and be able to draw elements from each- while both better meeting the needs of individual customer organisations and driving service efficiency.

Four Future Operating Scenarios in FSM



Source: Gartner
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THE EQUIPMENT-CENTRIC SCENARIO:

Defined by Gartner as a scenario where there is a 'certified expert focus on complex equipment, telemetry and regulations,' the equipment-centric scenario for field service delivery sits comfortably within the modern approach of field service management and is growing in popularity.

Such growth is, of course, aligned with the increase of asset data that is now available to be transmitted remotely via IoT. Essentially, we can now know far more about our assets and their performance in real-time than we have ever been able to do in the past.

Equally, with the vast swathes of asset data available for analysis, and the technology readily available to help drive meaningful insight out of that data, potentially across an entire install base, we can continuously refine best practices for genuine optimisation of the asset's performance.

However, having asset data and the tools for broad-reaching analysis of that data is not necessarily enough on its own. There is a need for context when looking for insight within data, and that context is likely to be found in those with deep-level subject matter expertise in both the assets themselves and how they are being utilised.

Indeed, many of the most successful organisations to have leaned into such an approach have found a balance between data science and operational expertise, with examples of collaboration between data teams and an engineering team, while still being relatively uncommon, starting to be discussed more frequently.

Such approaches to better understanding how to optimise equipment performance through data-driven, proactive service and maintenance are appealing for those customers whose asset is not just complex but also plays a significant role in revenue generation.

In the oil and gas sector, for example, the uplift in revenue from, say, a turbine operating at an optimum can be significant. In high-stakes sectors, even a slight boost in productivity can have an incredible effect on top-line revenue and bottom-line profits.

The flip side of this is that any unplanned downtime on such an asset can significantly affect customer revenue. Therefore, within an equipment-centric scenario, the expectation from the customer is likely to be set around a proactive, preventative maintenance policy.

In such an environment, no matter how tight an SLA, if the service is delivered on a break-fix approach, then by the time the issue is resolved, revenue will already be lost – and when revenue is on the line, then serious questions get raised by the customer about the suitability of the service provider to support their business moving forward.

Of course, one of the widely touted benefits of being able to extrapolate intelligence from connected assets is the ability to much more accurately predict mean-time-to-failure based on the data received from the asset.

For organisations with this capability, the preventative maintenance model is much more viable. In the past, preventive maintenance models often resulted in many unnecessary service calls, where a highly skilled and valuable service engineer would travel onsite to perform a health check on the asset – which could be an expensive and largely unnecessary exercise if there was nothing wrong.

> "THERE IS A NEED FOR CONTEXT WHEN LOOKING FOR INSIGHT WITHIN DATA, AND THAT CONTEXT IS LIKELY TO BE FOUND IN THOSE WITH DEEP-LEVEL SUBJECT MATTER EXPERTISE..."

In a data-driven era, such service calls are no longer required. Instead, the asset can be monitored remotely, and an engineer dispatched only when needed.

However, when building our service contracts around being equipment-centric, it is highly likely that the customer expects the engineers who attend to their assets are certified subject matter experts.

Therefore, while it is feasible for such expertise to be delivered remotely, whether that is to an internal field-based colleague, a certified third-party contractor or the customer's in-house technicians, the reality is that an equipment-centric scenario would still potentially rely on the OEM or service provider delivering onsite service, maintenance, and optimisation via an engineer with deep-levels of subject matter expertise.

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Therefore, the emerging remote-first approach to service wouldn't likely be a fit within an equipment-centric approach to field service management – something that would need to be considered in adopting an approach as remote-first is being championed by many as not only resolving issues faster but also doing so at a reduced cost to the service provider and as such has gained much traction, particularly since the pandemic.

One final aspect for consideration is parts management.

Suppose a service organisation is basing their service contracts around highly specialised engineer knowledge that allows for a proactive approach to maintenance and optimisation. In that case, the ability to ensure any required replacement parts are always available to the engineer ahead of the visit becomes critical. In a proactive service model, an engineer having to return at a later point because of a lack of parts availability negates much of the benefit.

Of course, one solution that has been utilised in the past is to ensure there is adequate 'van-stock' so the field service engineer generally has the parts on hand. This, of course, comes with challenges that are certain to be magnified in the current economic period as this ties up significant cash on the P&L and unless a dedicated Field Service Management system that is capable of tracking van-stock effectively is in place, such an approach can result in missing inventory which can ultimately create a black hole cash on the P&L.

Again, this is where effective use of data can significantly improve our processes. In this regard, we can leverage data two-fold. Firstly, in parts data itself. Knowing what is where is essential, and yet while relatively simple to achieve, spare parts information remains a woefully underdeveloped aspect of field service operations for many field service organisations.

However, we can also improve our spare-parts usage when we look at the data-driven pro-active approach to service that we see in the equipment-centric approach.

Through the use of asset data, we should be sending our engineers to the customer site with a clear picture of how the asset is performing, including which parts are nearing their life-cycle expiration, which consumables may be required, and of course, any potential faults that the data shows signs of emerging that can be resolved ahead of failure.

In summary, if an organisation were to take an equipment-centric approach to field service, they should consider the following:

- Are they able to receive data from their assets in the field?
- Do they have the capability to monitor this data in real-time and draw meaningful, actionable insight from them?
- Does the organisation have the personnel, structure and resources to move beyond simply providing maintenance ahead of failure and to begin optimising asset performance? How big a value proposition would this be for their customers?
- Do their field engineering teams have industry-leading subject matter knowledge? Is this a widely known fact in their industry?
- Are their FSM systems suitable for proactive service models – in terms of scheduling engineers and parts?

THE OUTCOME-CENTRIC SCENARIO:

Defined by Gartner as a scenario where a 'Technician is a proxy to the owner with a financial interest in outcomes', the outcome-centric scenario for field service delivery is potentially aligned to the equipment-centric scenario. However, a greater emphasis on risk is placed on the service provider in return for potentially more significant profits.

Before the pandemic, the shift towards outcome-based services was overwhelmingly the most common discussion within our sector. However, while we all hope that the pandemic and the global lockdowns that followed were a once-in-a-generation event, it did lay bare the exposure to risk that service organisations who had fully embraced an outcome-based scenario faced. For example, in the aviation sector, where Rolls Royce's power-by-the-hour offering had been widely adopted in various guises when air travel came to a standstill, outcome-based revenues fell off a cliff.

However, the benefits of an outcome-based approach to service remain alluring for both the service provider and their customers alike.

For the service provider, the acceptance of greater risk sees what can be significantly improved profit margins as well as longer-term service contracts and a greater stickiness with the customer as they no longer become a service provider that can be easily replaced but instead a business partner providing an intrinsic value to the customer's operation.

The customer, of course, benefits from having a service provider taking ownership and responsibility for a layer of production. The service contract is now centred on guarantees of uptime as opposed to SLA's, allowing them to focus on their core business without unexpected downtime and loss of production.

From a delivery perspective, much is shared within the equipment-centric scenario. Indeed outcome-based service approaches are, in many ways, an extension of the equipment-centric scenario.

Certainly, as with an equipment-centric approach, the shift away from traditional break-fix, SLA-based service delivery is replaced by guarantees of uptime. However, in an outcome-based approach, this is no longer merely the preferable model; it becomes the central pillar.

As such, once again, the ability to receive asset data in real-time and to be able to draw meaningful and actionable insight from that data is essential. The service provider has to be able to identify well in advance any potential failure and react effectively within a timeframe that allows for the required service to be delivered well ahead of that failure. In an outcome-based service scenario, should the service provider not be able to ensure the uptime of the asset in line with the agreement, they will face a loss of revenue.

One aspect of the service delivery, where outcome-based and equipment-based scenarios can potentially vary, is the use of remote service delivery. Ultimately, when the customer is entered into an agreement that outlines a guarantee of uptime, as long as that promise is met, they have fewer requirements for how the uptime is maintained.

The reality is that a service organisation could position a field service engineer on-site 24-7 to achieve the uptime requirements or take a 100% remote service approach. While both are highly unlikely, the fact is that as long as they deliver the agreed uptime, then the customer remains satisfied.

While the approach to delivering an outcome-based scenario will vary on the circumstances of each organisation, it is one where the adoption of remote service could very much be seen as a mechanism for reducing the cost-lines of ensuring service delivery while still achieving the uptime guarantees of the contract.

In particular, for those organisations with an international or global footprint, the adoption of remote service support allows for local, third-party service providers to provide on-site service delivery. Given the proactive nature of the service calls, and if the third-party workers are provided with similar levels of insight into the requirements of the work to be undertaken as we would provide to internal engineers, then the likelihood is that much of the work could be conducted without too much intervention from the OEM.

However, for those jobs that do require deeper subject matter expertise, then the ability to have an employee of the OEM or service organisation that can provide that support to their third-party technicians could have a dramatic impact on cost-reduction without sacrificing any levels of service delivery in the eyes of the customer.

One area where remote service almost certainly cannot be utilised in an outcome-based approach to service delivery is for the remote expert to be guiding the customer's own technicians. If the customer has agreed to a service contract based on outcomes, as we discussed earlier, how those outcomes are achieved may be of little concern. Equally, they are not likely to be expected to be part of the process in achieving those outcomes.

Another aspect of the outcome-based scenario is that while it is possible and has been put into practice in industries with complex equipment (again, aviation being a prime example), it is perhaps even more suited to sectors

with less complex equipment (such as the print/copy/document management sector). Indeed, in such sectors, where many resolutions can be resolved remotely through firmware updates etc., the model becomes far more easily deliverable when aligned to asset connectivity and remote service capabilities.

However, a shift to outcome-based service models also requires a greater shift in thinking beyond the remit of service operations and delivery. As most service management professionals will attest, selling service is a very different proposition to selling products. Similarly, selling outcome-based services is a very different approach to selling a standard SLA-based service contract.

To successfully sell outcome-based contracts, it is essential that the conversation is held at a suitable level with the customer, and held in the correct manner, i.e. it is the establishment of a genuine business partnership rather than the transactional sale of a service offering.

As such, a challenger mentality is required from the service provider within the discussions, as opposed to what often passes for consultative sales, which all too often is just a reframing tool for an off-the-shelf service offering.

To be successful with an outcome-based model, the service provider must understand the customer's business, the value they can bring to that customer, and the systems, processes and people in place to ensure that they deliver that value.

Additionally, the service provider has to be prepared to sacrifice the often-lucrative spare-parts revenue as this will become cannibalised within an outcome-based service contract.

In summary, if an organisation were to take an outcome-centric approach to field service, they should consider the following:

- Are they able to receive data from their assets in the field?
- Do they have the capability to monitor this data in real-time and draw meaningful, actionable insight from them?
- Does the organisation have the personnel, structure and resources to meet the guarantees of uptime required for such a model?
- Is there an appetite for customers within their sector for such a model?
- Given the potential exposure to risk that outcome models can bring, would they be looking to operate this model alongside other service solutions?

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THE APPOINTMENT-CENTRIC SCENARIO:

Defined by Gartner as a scenario where there is a 'Technician focused on personal interaction and scalable efficiency', the appointment-centric scenario leans significantly into the benefits of having the field service engineer as a trusted adviser in direct communication with the customer.

Unlike the first two of Gartner's scenarios discussed in this paper, the appointment-centric scenario doesn't require a shift away from the traditional break-fix, SLA-centred approach to service contracts.

That is not to say that it is not suited to more proactive service approaches.

Indeed, there could be an excellent opportunity for aligning a proactive service visit with an opportunity to review current assets and service contracts with a subject matter expert that provides value to the customer and potential cross/up-sell opportunities to the service provider.

However, within the appointment-centric scenario, response times to break-fix service requests remain a priority, and a service organisation's ability to meet these work orders within the timeframes outlined within the SLAs of the service contract is essential.

With this in mind, such a model hugely depends on having the proper technological infrastructure to ensure the job cycle is optimised and as efficient as possible from initial contact for support right through to work-order completion.

A solid Field Service Management System in place, such as that offered by our partner on this paper, Gomocha, that incorporates order intake, dispatch and scheduling, mobile applications for work orders and more, is essential in such a model.

At its simplest, an appointment-based scenario can offer easy to understand, relatively transactional based service offering. While many organisations have tried to move away from such models towards more partnership-based, servitization flavoured models of service offerings; ultimately, the reality is that many service customers still only require this more traditional approach to service and maintenance contracts.

However, while it is, of course, always prudent to have a service offering that sits in line with the needs of the customer, that doesn't mean that the only application of appointment-based service scenarios needs to be based around these more transactionally focused modes of service delivery.

As we touched on above, the trusted advisor role of the engineer offers a significant opportunity to get closer to the customer. Indeed, as we continue to increasingly move towards a world where the majority of our interactions with

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customers are digital, many have highlighted how this further emphasises the importance of the face-to-face service call.

Out of all of the scenarios outlined by Gartner, the appointment-based model can harness the potential of having a member of your team who not only has the attention of the customer in a face-to-face environment but is also seen as a trusted advisor at the same time.

One potential approach put forward previously by Field Service News that would sit well within the appointment scenario would be to offer the customer a bi-annual proactive service evaluation.

This could entail the service provider sending one of their most experienced field service engineers to ensure all assets are optimised for maximum efficiency, reviewing potential ageing assets (potentially including competitor assets) and making recommendations for how the customer could further improve efficiency.

"SUCH AN APPROACH, WHICH ALSO BRINGS IN ELEMENTS OF AN EQUIPMENT-CENTRIC MODEL, WOULD PROVIDE AN OPPORTUNITY TO DEMONSTRATE ADDED VALUE TO THE CUSTOMER, WHILE FOR THE SERVICE PROVIDER, ALIGNING CUSTOMER SUCCESS, SALES AND SERVICE OPERATIONS..."

These additional service appointments would be supplementary to any additional break-fix SLAs within the existing service contract.

Such an approach, which also brings in elements of an equipment-centric model, would provide an opportunity to demonstrate added value to the customer, while for the service provider, aligning customer success, sales and service operations – bringing them closer to the customer and potentially opening the door for more in-depth servitization based contracts in the future if applicable.

This is perhaps the most crucial factor for consideration of the appointment-based scenario – it is clearly the most rooted to the existing status quo of field service operations of the four scenarios Gartner outlined.

However, in an age of digital transformation, it can appear that every organisation is seeking to redefine their service operations entirely, anchoring at least one foot in a means of service delivery that both we, as service providers and our customers, are comfortable with is likely no bad thing.

From a service provider's position, the appointment-based model is almost certainly within the existing parameters of their current service operations.

For older legacy systems, it is essential to consider how tools like customer portals that allow for customer self-booking and automatic notifications are included in next-gen solutions such as Gomocha to help refine that process.

Yet, alongside this core element of service, we can also see the potential for acquiring a more significant share of customer wallets by ensuring that trust is built through great face-to-face interactions.

Additionally, while knowledge of the customers' operations and broader understanding of the sector they serve are valuable, particularly when positioning the engineer as a brand ambassador and trusted advisor, unlike an outcome-based model, such knowledge is likely to be seen as a significant value add, as opposed to a pre-requisite.

In summary, if an organisation were to take an appointment-centric approach to field service, they should consider the following:

- Is there FSM systems(s) solution capable of ensuring they stay firmly within SLAs?
- Do their FSM systems(s) allow for empowering the field service engineer when on-site with the customer?
- Does their FSM system(s) include functionality that customers now expect (such as self-service scheduling and customer notifications)
- How can they maximise the face-to-face presence of the service engineer and their trusted advisor status?
- If suitable, could such a model underpin a service portfolio and represent an opportunity to engage with customers in more complex service offerings such as outcome-based models?

THE KNOWLEDGE-CENTRIC SCENARIO:

Defined by Gartner as a model where the 'Service provider has protected IP or access to closed parts of equipment or systems', the knowledge-centric model is one that potentially could secure long-term business for the OEM (Original Equipment Manufacturer) or service provider but also runs the risk of alienating a customer base.

One of the benefits of adopting a knowledge-centric model that is based on proprietary systems is relatively straightforward. In doing so, the OEM or service provider can lock out the potential threat of being replaced by a competitor. This could, however, be something of a double-edged sword.

For the OEM, looking at an asset and spare parts perspective, it, of course, makes absolute sense. Spare parts revenue, in particular, has suffered from the ability of competitors to look at components and parts, retro-engineer them and offer them for a fraction of the cost of OEM parts.

Such replica parts may originate from less-regulated areas and are potentially made with lower quality materials which, if installed, can invalidate a warranty. While this is a totally understandable stance for the OEM, such conversations only result in friction and a widening gap between the customer and the service provider.

This is a critical area of revenue bleed that OEMs must tackle head-on, and introducing some layer of a knowledge-centric model, where proprietary knowledge becomes an equal or greater element of their value proposition than proprietary parts, could help combat the haemorrhaging of spare parts revenue.

However, if approached too clumsily, a knowledge-based model that focuses heavily on proprietary knowledge, which guards insight too fiercely, could cause friction between the service provider and their customers. So it is an area where a delicate touch is required.

This is only one aspect of the knowledge-centric model, however.

Those organisations that adopt a knowledge-centric model would be wise to emphasise to their customers the insights and value locked within the knowledge they have within the organisation and the importance of being able to transfer that knowledge to where it is needed quickly and effectively.

In a world of rapid digital transformation, such knowledge transfer can be powerfully delivered through new technologies, allowing the knowledge centric-organisation to move quickly to more advanced service strategies, including outcome-based service, as shown in numerous case studies to

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generate longer and more profitable service contracts.

This approach would also allow a service organisation to differentiate their service offering as an industry-leading level of service, which can be a hugely effective tool in attracting new business in services and products.

A fantastic example from the consumer world of how knowledge can be a crucial differentiator and sophisticated marketing tool would be Apple's Genius Bar approach- something that can and has been adopted by field service organisations that put their market-leading knowledge at the heart of their brand.

Indeed, the risk of failing to demonstrate that your service engineers have deep-level subject matter could potentially cause significant adverse reputational harm. Ultimately, demonstrating knowledge and expertise is fundamental to establishing trust and putting the customer at ease that the maintenance services carried out will align with vital essential areas of concern for all companies, including health and safety and cyber-security measures.

One of the significant challenges of emphasising the value of a knowledge-centric operating model is that it is far less tangible than other models we have discussed, such as an asset-centric model. This is why allaying genuine fears the customer may have in these critical areas can be crucial in re-enforcing the value offered when working within a knowledge-centric scenario.

However, it should also be noted that the knowledge-centric service organisation is well-positioned to face some of the critical challenges our industry faces in this current period of disruption.

One of the biggest challenges we are seeing in all segments of the field service sector and every area of the world is the challenge of a field workforce shortage.

With the majority of field service organisations facing a significant issue with an ageing workforce, those organisations who have yet to make moves to centralise their insight into easily distributed knowledge banks will undoubtedly now find themselves in a very precarious position. As each year passes, more and more tribal knowledge is walking out of the door and leaving the business forever.

The knowledge-centric service organisation will already be working to mitigate this issue, and this could be a substantial competitive advantage in just a few short years.

By thinking today about knowledge-transfer, how to get the right knowledge to the right place at the right time, forward-looking knowledge-centric service organisations will be able to begin working more effectively which will be a massive element in acheiving more with less, while simultaneously reducing the time it takes to take new recruits from the classroom to productive team members.

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Finally, as we continue to focus on the internal benefits, a knowledge-centric approach also allows the service organisation to uncover hidden inefficiencies within the business. Indeed, the focus on expertise will invariably drive a culture of continuous improvement, leading to consistent refinement of processes and technology-driven from all directions within the business.

Precisely this type of culture, when permeated across a business, will result in consistent, iterative gains in the key metrics that define efficient service operations such as first-time-fix rates and technician utilisation.

So while there are some potential pitfalls to avoid within the knowledge-centric service scenario, there are also many significant benefits to be had if executed effectively.

In summary, if an organisation were to take a knowledge-centric approach to field service, they should consider the following:

- Where are they seeking to protect their Intellectual Property – physical, digital or experience?
- In doing so, what is the risk/reward ratio in terms of customer perception? Can that value add be clearly outlined, or do they risk potentially alienating the customer?
- Do they have the capabilities to deliver insight based on asset data more effectively than their customers could? Can they transfer that insight where it is needed most in an effective manner?
- Is leveraging the knowledge within the organisation enough to be a standalone model, or is it something that sits more comfortably within a broader model?
- Can they leverage tools like self-help knowledge bases, customer portals and remote support to monetise their knowledge effectively?

ALIGNING THESE SCENARIOS IN A CUSTOMER-CENTRIC SERVICE MODEL:

While it is important to acknowledge, as we noted in the introduction to this paper, that Gartner talks of operating scenarios within field service management, rather than potential operational models, many field service organisations may likely fall into the trap of developing models to fit within the service scenario that is most common for them.

This we believe is a mistake for two critical reasons.

Firstly, as we have looked at across this paper, there are multiple areas where these scenarios will overlap. The likelihood is that most, if not all, of the scenarios, will be present within one service organisation's service portfolio.

Secondly, all of the Gartner scenarios appear to be focused on the service provider's perspective of looking outwards to the customer.

An outside-in perspective, in line with Peter Drucker's famous methodology, that places the customers' needs at the forefront of the service contract would likely take elements of each of the above, depending on requirements.

So in this concluding segment of this white paper, we shall once more revisit each of the four of Gartner's scenarios; however, this time, we shall be looking at how each of these scenarios can be viewed from an outside-in perspective and in doing so how we can adapt to these scenarios within a customer-centric service model.

We will also highlight further how these scenarios overlap with each other when we reframe our perspective to one aligned with the customer.

#1 - EQUIPMENT CENTRIC SCENARIOS

With a focus on equipment, the question that arises from the customer-centric perspective is what value does our expertise in the equipment our customers are using bring to the table? As Gartner outlines in this scenario, there is an expectation from the service provider both to offer certified experts that are subject matter specialists and for the effective use of asset data to drive optimum results.

However, how those optimised results are delivered may change drastically from customer to customer.

For example, one customer may be seeking to completely outsource the maintenance and service of the assets so they can focus on revenue-generating activities of their own. This, of course, would see the customer needs aligning with Gartner's outcome-based scenario. Another customer, however, may already have their own team of technicians that handle service and maintenance.

In this scenario, the customer may see value if the service provider offers detailed asset maintenance training, remote access to specialists to support their technicians and potentially some layer of data-led insight that can help the

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customer get the most out of the assets. Of course, each of these suggestions emerges from a knowledge-centric scenario.

#2 – OUTCOME-BASED SCENARIOS

When it comes to outcome-based scenarios and understanding the customer's perspective, the conversation is quite simple. The customer's desire is to focus on the revenue-generating aspects of the business and to outsource responsibility for the continued productive use of the asset to the service provider.

Basically, they want to get on with their day job without worrying about making sure the asset you provide is functional and available when they need it.

"THE ABILITY TO DEMONSTRATE DEEP INDUSTRY KNOWLEDGE IN ASSET OPERATIONS, WHETHER IT BE VIA WHAT GARTNER DEFINE AS EITHER KNOWLEDGE-CENTRIC OR EQUIPMENT-CENTRIC SCENARIOS IS AN EXCELLENT WAY TO DEMONSTRATE EXPERTISE, WHICH WILL OFFER A CLEAR MEANS OF ESTABLISHING TRUST..."

Obviously, we can make some quick and easy assumptions within an outcome-bound scenario.

Firstly, the client and the service provider have a shared understanding of the desired outcome. Secondly, there is a strong relationship based on mutual trust.

The latter point is an absolute fundamental within an outcome-based agreement, yet it is something that often gets overlooked by service organisations looking to embrace such a model.

When we look at the scenario from the customer's perspective, those that have entered into outcome-based agreements with a service provider have done so because they have faith in the service provider's ability to deliver on their promises of uptime.

When it comes to outcome-based models, the savvy field service organisation does not look outward to promote such an offering.

Instead, they speak with their customers whom they have the deepest relationships with, whom they have worked alongside for the longest period and try to understand better how such a model could benefit them.

As mentioned in the paper, this process shouldn't be a fact-finding Q&A but a journey of exploration together as partners. The service provider needs to be prepared to challenge the customer's ideas in a positive way that seeks to understand whether there is a genuine synergy between customer needs and the service provider's core competencies.

Suppose the level of relationship between the two businesses is not mature enough to initiate meaningful discussions in this area.

In that case, this is where a more mature approach toward appointment-based scenarios that allow the engineer to build the foundations for better relationships becomes important.

Similarly, the ability to demonstrate deep industry knowledge in asset operations, whether via what Gartner defines as knowledge-centric or equipment-centric scenarios, is an excellent way to demonstrate expertise, which will offer a clear means of establishing trust.

#3 – KNOWLEDGE-CENTRIC SCENARIOS

As we discussed in the section of this paper that focused on Gartner's 'knowledge-centric' scenario – this can be a double-edged sword, particularly when we start exploring protected IP, as Gartner lists in their definition of such a scenario.

When we take the customer-centric position into account, in some instances, our customers will want us as service providers to fully accept the reigns to ensure that our assets are operational. In an outcome-based agreement, this can work particularly well, for example.

As we explored earlier, in such a scenario, the customer cares little about how

we achieve the promised uptime of their assets, simply that we do so. Indeed, in such a situation, having a layer of protected IP, a secret sauce as it were, can help build a compelling narrative as to why the customer should choose your organisation.

However, in other situations, say where the customer already has their layer of maintenance technicians and is looking to the service provider as a second tier of expert to handle the more complex service and maintenance requirements, obstructing more straightforward maintenance tasks through protected IP could prove to be the source of friction between service provider and customer.

The challenge with a knowledge-centric scenario based on protected IP, which, as explored in the relevant section of this paper, has some merits, is that it could prove to be a more rigid approach that offers little flexibility regarding how we may serve different customers with different needs.

Within a customer-centric service model, we have to consistently apply outside-in thinking to assess how our customers perceive the value we offer as service providers. With this in mind, one potential application of protected IP, per the knowledge-centric scenario Gartner outlines, could be in an additional layer of expertise available at a premium- quite possibly aligned to an outcome-based service contract.

However, as we explored further within this paper, the concept of knowledge-centric service scenarios being limited to IP, as outlined in the Gartner framework, overlooks many aspects of where the value lies in knowledge-centric scenarios.

If executed effectively, a knowledge-centric model allows the service organisation to demonstrate deep value that can be a significant competitive differentiator and drive internal service efficiencies simultaneously.

The critical challenge is that building an entire service model around a knowledge-centric approach requires conveying less tangible concepts. However, when that knowledge is aligned with a customer-centric model, it becomes a powerful lever to provide the value the customer needs, often hidden below the waterline.

#4 – APPOINTMENT CENTRIC SCENARIOS

Finally, we come to appointment-centric scenarios. As we have already discussed in this paper, for the vast majority of field service organisations, this will be the scenario they are most comfortable with as it has been the field service delivery status quo.

However, as we have seen in this final section of the paper, appointment-centric scenarios allow companies to evolve their service offerings and bring degrees of specialist service, whether equipment-centric, knowledge-centric or outcome-based service models, into the mix.

However, as the old saying goes, you cannot run before you can walk and being able to meet customer expectations within an appointment-centric scenario is fundamental. Customer-centric service organisations realise the importance of making the service appointment as frictionless as possible for their customers, and the role technology plays in achieving this is vital.

As we touched on earlier in the paper, modern solutions such as those provided by our partner in this paper, Gomocha, offer essential elements that are designed to make the service experience as effortless for the customer as possible, including self-service appointment booking and customer notifications that keep the customer informed throughout the service cycle.

Additionally, it is important to note that a customer-centric model aligns directly with a more efficient and productive service organisation, which will positively impact the bottom line.

For example, it is often stated that in traditional break-fix field service model, the first time a field service engineer or technician is sent on site, the service company breaks even; for every return visit after this, they are losing money.

This is why KPIs such as first-time-fix and technician-utilisation are almost always in the top metrics measured by field service organisations.

Similarly, from the customer-centric perspective, we want our customers' issues to be resolved quickly and within the time frame provided – and again, first-time-fix and technician utilisation are critical metrics in achieving this.

However, once again the tools included in modern next-gen FSM solutions like Gomocha, such as dispatch and scheduling tools, intuitive mobile apps for technicians, real-time dashboards, and more allow the field service manager to ensure his team are meeting these goals in the field.

FINAL THOUGHTS:

While Gartner was correct in outlining their four potential operational scenarios for field service companies, the takeaway for many in the industry was that each of these scenarios should form the basis of a model for field service operations, an area of expertise that should instruct all other thinking within the service organisation.

However, as we have seen in this paper, the reality is that there is much overlap across the four, and not every customer will be suited for every scenario. Indeed, many customers will likely move across the different scenarios depending on their requirements.

Therefore, it is crucial to understand both your own strength as a service provider and what your customers actually want and need from you as well. To achieve this, a customer-centric approach to service delivery is the essential starting point that should encompass all service portfolio thinking.

ABOUT GOMOCHA:

Gomocha delivers cutting-edge mobile technology to fully optimize field service organizations.

The name Gomocha is derived from a combination of the words GO, MOBILE and CHANGE – with change suggestive of the ease with which our customers can configure our platform to satisfy their diverse, ever-changing and increasingly sophisticated needs.

When you work with Gomocha, you can rest assured that our collaborative, shoulder-to-shoulder approach will help you achieve not only your current and near-term goals, but also prepare your organization for long-term success – no matter what the future holds.

PHILOSOPHY

We design and deliver products and services that allow our customers to take the competitive lead in their industries, by ensuring that their field service operations have cutting-edge mobile technology at their fingertips. Your success is our success.

VISION

Excellent customer service separates the leaders from the followers. That's where we excel. FMP360 is a platform that powers a fully optimized mobile workforce and allows you to implement the latest technological innovations. We help you serve all of your customers with top-notch attention to detail. All day, every day.

PROCESS

The shoulder-to-shoulder way in which Gomocha and its customers work together is unque in its kind. It's about the strong, symbiotic relationship with Gomocha that informs and enlivens the business process discussions that guide the implementation of our customer's new field mobility solution.

Find out more @ https://www.gomocha.com

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