



Service Management Report

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People Are Talking

It's a fact: Post-sale service plays a strategic role in revenue, profits and customer loyalty. As a result, an integrated approach to service is emerging which the market refers to as Strategic Service Management. Now, executives, board members, industry analysts and the media are paying more attention. Here is a sample what they are saying:

"Strategic Service Management is the business strategy and philosophy that leading companies practice and followers fail to understand."

Doug Derrick, Partner, Post-sale Service, Accenture

"Globalization, cost pressures, and empowered customers are forcing businesses to distinguish themselves on the uniqueness of their products and the quality of their service operations. Increasingly, revenues, profits, and customer loyalty are being driven not by the initial product sales but by post-sale service and support."

AberdeenGroup

"Good service is no longer sufficient. To remain competitive during the forthcoming decade leading companies must delight their customers. To do this, service must become a business strategy rather than a low-level tactical function."

Robert Garratt, Associate Partner, Supply Chain Management, IBM Global Business Services

"Business-to-business service contracts are fraught with risk because they tend to be longer and applied more broadly than business-to-consumer contracts. In practice, strategic service management is identical to risk management; both involve positioning parts and technicians to be in the right place at the right time to avoid disruption."

Traffic World Magazine, May 2007

"Service can add substantially to shareholder value. In fact, over time, service may actually contribute more to earnings than sales of the product do."

Accenture in "From Cost to Profit," Inbound Logistics