

Which services do customers really value?



Coen Jeukens
Service Contract Manager



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Which services do customers really value?

Let's start our quest: recognising and searching Value



Running in circles

What do customers truly value? What are they willing to pay for? .

Service leaders are proud of the complex things they do! **But?** They often get little recognition for their value contribution. **Why?** Because service people are not excelling in selling their value? Or deeper, because they have difficulty in defining value?

Wordle™



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In this presentation

- ➔ Part 1 – A framework for recognising value
 - A simple definition
 - What drives customer choice
 - How to deliver de value message
- ➔ Part 2 – Value in action by Bosch
- ➔ Part 3 – Pitfalls of non-value



How to define value?

$$V = R - E$$

value result expectation

Suppose: we do what we say ...

Suppose: our competitor does the same ...

... then why would the customer choose for us?



Meindert Flikkema
director Amsterdam School of Management
Consulting at VU University Amsterdam



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Why do customers chose us?

→ **Attraction*** (NL: boeien)

- Desirable Product features/ looks
- Appealing value added services
- Price

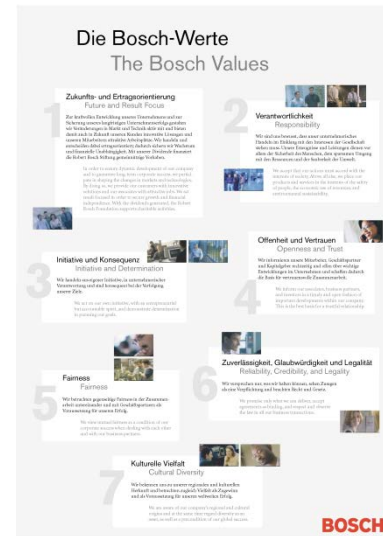


→ **Connection*** (NL: binden)

- $V > R - E$
- Reputation
 - Good quality
 - Technik fürs Leben
- Die Bosch-Werte (values)
- Consistency



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Technik fürs Leben

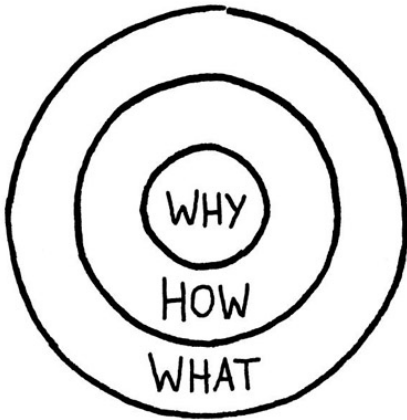
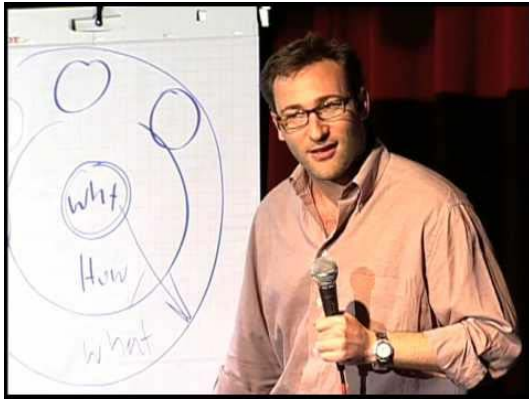


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(*) De geluksfabriek – Over het binden en boeien van mensen in organisaties



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TED Ideas worth spreading
September 2009 – Simon Sinek

The golden circle

What

Every organisation on the planet knows **WHAT** they do. These are products they sell or services they offer.

How

Some organisations know **HOW** they do it. These are the things that make them special or set them apart from their competition.

Why

Very few organisations know **WHY** they do what they do. **WHY** is not about making money. That's a result. It's a purpose, cause or belief. It's the very reason your organisation exists.



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Let's turn theory into practice



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Value in action by Bosch Security Projects

E

→ Expectation

- Consistency
- ITIL framework
- Present choice
- Show consequence
- Explanation (laymen language)
- Capture result in SLA



Bosch service Menukaart

Deze menukaart is bedoeld voor de 'Standard service van Bosch' en kan worden aangepast.

Service Design

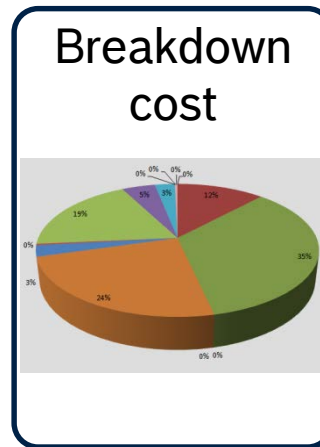
- Service Design
- Service Design
- Service Design

Service Transition

- Service Transition
- Service Transition
- Service Transition

Service Improvement

- Service Improvement
- Service Improvement
- Service Improvement



WYSIWYG

Service	Percentage	Description
Service 1	35%	...
Service 2	24%	...
Service 3	15%	...
Service 4	3%	...
Service 5	0%	...
Service 6	0%	...
Service 7	0%	...
Service 8	0%	...
Service 9	0%	...

Contractchouder

Park Services system

Service level Agreement

ANNEX B

OB35JSCDSM03030

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Value in action by Bosch Security Projects

R

→ Result

- **Walk the talk** ... preferably a bit more
- Communication matrix
- Reporting
- Change Management
- Evaluation
- Escalation – the valve



Who, when how often?

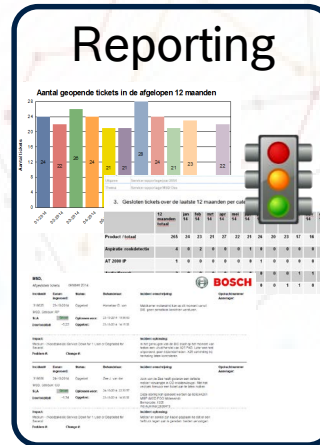
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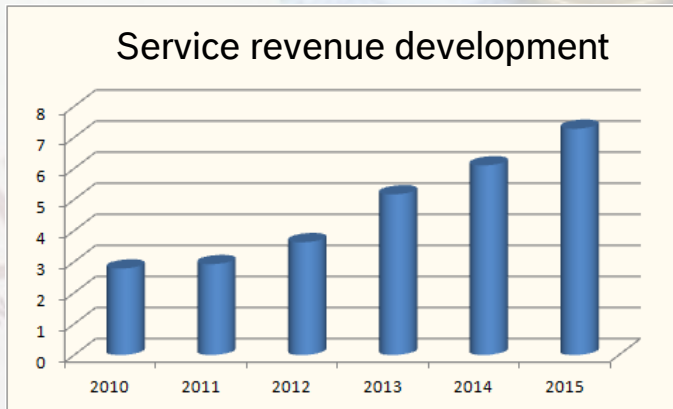


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The Value of Value

V

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Customer

- Customer satisfaction
- More repeat sales
- Move upwards in value chain
- Capex → Opex
- Relationship with End user
- Comprehensive solutions
- Innovation partnership



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Pitfalls and Non-value



Pitfall: Customer-oriented versus customer-caved



- **Balance**
- Who is the customer
 - buyer / contract holder / end user
- Should you accommodate the customer in everything
- Be aware of your own role / added value
- When/ how to say “no”
- The Bosch choice: “Build to Maintain” (NL: “bouwen om te beheren”)

Whom to listen to?



“too”



What is my role?



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Which services do customers really value?

Start selling the value



Put on a
winning
smile &
go get
'em

DAY THREE

"Finding value for customers"

Changes in customer behaviour have affected service over the past few years.

Rather than buying a particular product or piece of equipment, customers are looking for business outcomes and business solutions.

There has been a massive shift towards a value proposition in service: how do you create more value from the things you've done in the past?

What do customers truly value? What are they willing to pay for? .



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