

Pro Technology Support (Consumer Electronics): Importance, Objectives, Drivers & Scope

With the consumers getting more oriented towards digital devices and services, industries and businesses involved in manufacturing, developing, and marketing IT products (referred here as - IT vendors/OEMs) are finding themselves in a buoyant position. They have every reason to cheer as digital consumer electronics (CE) have entered every nook and cranny of the world and classes and masses are making use of them across different walks of life. However, maintaining lead would be crucial in the ever evolving and highly competitive marketplace. Apart from innovation towards customer-centric products/services, they need to boost the consumer's technology experience and stay up to the expectations of their end users.

Pro Technology Support Services: Importance

From the above, it's clear that subtle attention and investment is required on the professional technology support services. The effort, the customer service industry experts believe, is also instrumental in raising the level of customer satisfaction and brand loyalty.

In this regard, findings of Techvedic, primarily a customer-service based enterprise, are quite significant. Here, we found that a satisfied customer contributes somewhat 17 times more than a dissatisfied customer in a business' revenue pool. And contribution of a totally satisfied customer is 2.6 times higher than an average satisfied customer. To achieve this purpose, Techvedic has also introduced its own Pro Technology Support Programmes.

Pro Technology Support Programme: Objectives

- ✓ Let customers derive warranted performance from your product/service
- ✓ Increase the value of your brand and explore new revenue opportunities
- ✓ Nurture the customer-relationship
- ✓ Differentiate and expand your product offerings
- ✓ Increase the value of your warranty programs

Pro Technology Support Services: Drivers

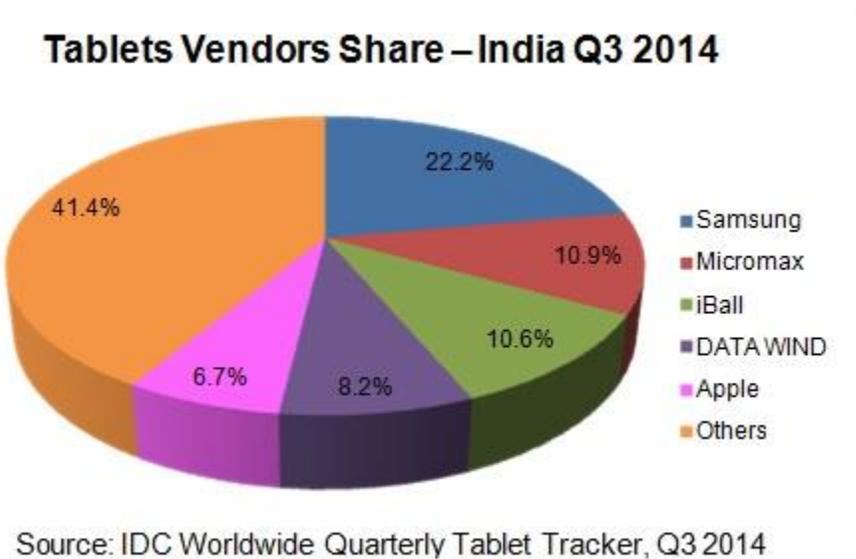
Growing CE Market

Indian consumer electronics industry grew with 17 per cent CAGR (compound annual growth rate) in between 2011 and 2014, and is likely to maintain the momentum till 2017. As per Consumer Electronics and Appliances Manufacturers Association (CEAMA), CE's worth was over \$ 450 million at the onset of Q3, 2012. Also, India is considered in top 5 emerging consumer electronics market in the world, only next to China and Brazil. The industry here includes various

products ranging from PCs and peripherals, to tablets and phones, to TVs and home theaters, to refrigerator, air conditioner, washing machine, and microwave oven. Interestingly, there are again a range of driving factors like increasing disposable income, product awareness, affordable pricing, and shift in lifestyles. In the Indian home appliances market, air-conditioner (AC) is an important sub-category, which has a high growth potential.

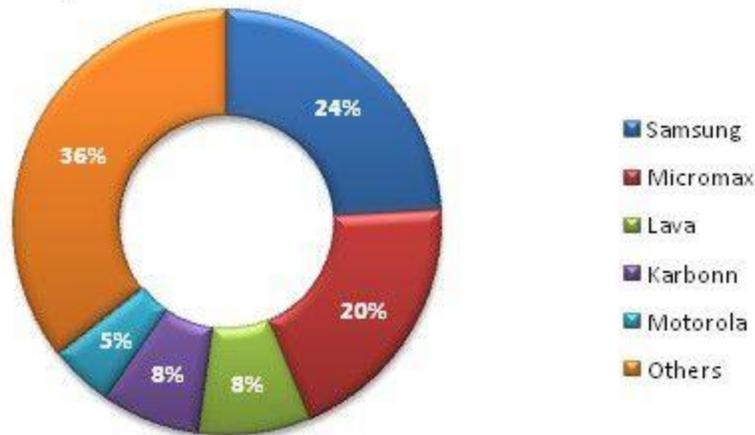
Smartphone and tablet sub-category has emerged as a leader.

Tablet market, as per the Q3 2014 IDC report, secured 10 per cent quarter-on-quarter growth and its device shipment figure stood at 0.94 million units. Here the market is quite competitive with all international and domestic brands trying to reap the benefit of an emerging economy. The tablet form factors 7- and 8-inch are high in demand.



Smartphone vendors are jubilant with the record sales growth. IDC has already accepted India as the largest taker of smartphones in Asia/Pacific. Here it observed quarter-on-quarter growth of 27% in Q2 2014 (July – September). The firm has observed unexpected jump in the market in festive seasons like Dussehra and Diwali. Clearly, the graph reveals that Micromax, an Indian brand, is a strong contender for the number 1 position, and market analysts believe that it can happen in the next one year.

Smartphone Vendor Share in India Q2 2014



Source: IDC Asia Pacific Quarterly Mobile Phone Tracker, Q2 2014

Entry of Emerging Technologies into CE Market

Wearables like health and fitness devices, smartwatches and smart eyewears have showed their presence in the Indian consumer electronics market. The segment revenue was pegged at \$2.5 million last year, and is likely to corner \$3.2 million per year in the next 4-5 years. As per a research, over 80 per cent of the contribution is expected from the urban users. In terms of shipment these devices are expected to hit 1 million units in 2015, against 8 million units in the US.

Entry of Global & Domestic OEMs

To take advantage of the booming consumer electronics market in India all globally acknowledged big and small original equipment manufacturers (OEMs), including Google, Samsung Electronics, LG Electronics, Apple, Dell, and HP, among others are heading towards it. Even Indian enterprises and startups, the likes of Micromax Informatics, Karbonn Mobile and Videocon Industries have rolled up their sleeves to give stiff competition to them. We have already shared the market share reports of leading brands in above pictures.

Rise in Educated Consumer Base

Rise in literacy level coupled with noticeable progress made in the higher education and scientific research sectors have too favored the growth of consumer electronics adoption in India. Currently 15.1 per cent of our population is connected with the Internet and we are next only to China and India. Interestingly, India with 279.2 million units' shipment, is ahead of the US in terms of number of smartphone users. As expected, the top position is held by China.

Favorable Government Regulations

Availability of abundant digital media content, reduction of excise duty and corporate tax, compulsory digitalization of broadcasting media services and later the much hyped Digital India initiatives have favored the growth in the shipment of LCDs, LEDs and 3D TVs. Consumers also went ahead with purchasing home theatre systems, Blu Ray Disc players, hi-fi systems and other such devices. Settlement of Bureau of India Standards (BIS) with tablet and smartphone manufactures has also boosted the adoption of digital technology. Government's aid towards digitalizing education has also fueled the market of commercial tablets.

Pro Technology Support Services: Scope

Thus with India's consumer electronics industry transforming into a battlefield, it has become crucial for brands to make sure that their customers get the best value from their products. The challenge is not just to attract prospects or customers but also to retain them in the network on the long run.

Today almost all of them have active and dedicated technical helpdesks or customer service departments. These helpdesks/departments are responsible for handling all kinds of consumers' queries (Warranty and post-warranty support), from initial device setup and installation to diagnostic and troubleshooting to repair and maintenance. Some even offer value reinforcement or self-help programmes to educate their customers and empower them with technical expertise to carry out basic setup or troubleshooting tasks on their own. A few OEMs are also taking help of such outsourcing services to handle their sales and marketing operations like lead generation, order management, refund processing and more.