



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

Before getting started, it would be vital to understand the background of this study.

Nowadays, technology consumers are more informed and empowered than ever. Thanks to the media, consumer protection acts, law enforcement agencies and ever increasing market competitions. Consequently, today entrepreneurs are struggling to attract and retain customers and develop in them a sense of loyalty towards their brands. The latter requires a consistent efforts and investment towards improving customer experience (CX) and raising the customersatisfaction bar to sustain in the market. This development has put the foundation of pro technology support services.

Pro Technology Support Plan: Importance

Experts directly relate CE with revenue or ROI (return on investment) of a business. In brief, a deliberated and planned CX Management helps to:

- ✓ Recover potentially lost customers
- ✓ Engage existing customers
- ✓ Reduce cost of new customer acquisition
- ✓ Engage employees and reduce staff turnover
- ✓ Reduce the cost of the feedback infrastructure

After years of experience in the customer-service based industry at Techvedic, we have found that a satisfied customer contributes somewhat 17 times more than a dissatisfied customer. And the 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 Plan.

Pro Technology Support Plan: Objectives

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

Pro Technology Support Plan: Drivers Growing CE Market Net Worth

A quick dive into the statistics of the Consumer Electronics Association (CEA), famous for organizing Consumer Electronics Show, reveals that sales figure for consumer electronics (CE) items in the US is likely to witness 3 per cent growth in 2015 to reach \$223.2 billion.

Retrospection of 2014 shows a formidable recovery of TV market. It was steered by 4K or UltraHD TV set sales. And the overall TV sets sales increased to 247 million in 2014 which is again expected to grow up by 2% in 2015. However, tablet and smartphone segment dominated the CE portfolio, and were accountable for 46% of the total revenue cornered by the industry.

Smartphones: Smartphone domain is leading the market. Its shipment graph is likely to go up by 6 percent and hit 169.3 million units this year. It is expected to generate a revenue of \$51.3 billion, securing 5 percent increase against the last year. Big display size smartphones ranging between 5.3 inches – 6.5 inches would garner the maximum sales.

Tablets: Tablet is likely to lose some of its ground to smartphones in terms of revenue. It is likely to plummet by 1 per cent from the previous year sales record to close at \$24.9 billion. Number of device shipment is expected to reach 80.7 million.

Increasing Digital Media Consumption

Americans spend over 12 hours a day with media. And barring 32 minutes and 01 hour 26 minutes that they spend with print and the radio respectively, rest of their times is occupied with TVs and other digital media devices, primarily tablets, smartphones and computers. Here tablets and smartphones are dominating ones, and most of the usage is in the non-voice category, however, that should not bring any surprise to you. By 2015, as per eMarketer, over 15 per cent of the world's global population would be using tablet devices, and at the end of 2018, the figure can go up to 1.43 billion. Original equipment manufacturers (OEMs) and their marketers are trying to make the most of this ascending technology adoption rate.

Average Time Spent per Day with Major Media by US Adults, 2010-2013

hrs:mins

	2010	2011	2012	2013
Digital	3:11	3:49	4:33	5:16
—Online*	2:22	2:33	2:27	2:19
—Mobile (nonvoice)	0:24	0:48	1:35	2:21
—Other	0:26	0:28	0:31	0:36
TV	4:24	4:34	4:38	4:31
Radio	1:36	1:34	1:32	1:26
Print**	0:50	0:44	0:38	0:32
—Newspapers	0:30	0:26	0:22	0:18
—Magazines	0:20	0:18	0:16	0:14
Other	0:45	0:37	0:28	0:20
Total	10:46	11:18	11:49	12:05

Note: ages 18+; time spent with each medium includes all time spent with that medium, regardless of multitasking; for example, 1 hour of multitasking online while watching TV is counted as 1 hour for TV and 1 hour for online; *includes all internet activities on desktop and laptop computers; **offline reading only
Source: eMarketer, July 2013

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www.eMarketer.com

Entry of Emerging Technologies into CE Market

It would be interesting to explore the opportunity prospects harbored by IT vendors in terms of emerging technologies including 3D printers, 4K Ultra-High Definition televisions, connected thermostats, unmanned systems (unmanned aerial vehicles, unmanned vehicles and home robots), IP cameras and wearables such as health and fitness devices, smartwatches and smart eyewear. Their total revenue is likely to double securing 108 per cent year-over-year growth. Wearables (fitness activity bands and other health and fitness devices, as well as smartwatches and smart eyewear) alone, CEA believes, would generate \$5.1 billion revenue in 2015 with its shipment reaching 30.9 million units.

- **Health and fitness devices:** Also known as activity tracking devices are the most popular among wearables and their shipment figure is projected as 20 million units and they are likely to cross \$1.8 billion in terms of revenue.
- **Smartwatches:** This is going to be the hottest category and CEA anticipates its shipment to touch 10.8 million units, which would be an astounding growth of 359 per cent. Simultaneously the earning would go up by 474 per cent to reach \$3.1 billion.

Consumer Protection Laws

The FTC (Federal Trade Commission) is doing a wonderful job in this regard. It ensures that consumers' rights are protected and a healthy and vibrant marketplace is developed. It educates consumers regarding their rights and responsibilities and takes suo moto action against anticompetitive, unfair, deceptive or fraudulent practices. It is also dedicated towards protecting consumer privacy and improving data security, promoting compliance in new media, combating

identity theft and stopping harmful practices that take benefit of new technologies particularly the IT ones.

Intensified Brand Competition

The US is home to more than 285,000 technology companies. There are approximately 120 OEMs (Original Equipment Manufacturers) that manufacture and market computers, tablets and other related products. Apart from these, there are scores of global players from Japan, Korea, Taiwan, China and others that are taking advantage of the affluent consumer base. Hence, America has become a battlefield. But thankfully consumers are getting benefited. They are getting better quality but at lower prices.

Pro Technology Support Plan: Scope

Consumers demand pro technology support services at different levels and for different purposes. And technology brands or their partners can't leave any stone unturned to provide them with best experience. These services can be categorized as:

Consultation

Experts educate customers as what would be the best hardware device, software applications or cloud-based services to match their needs – short- and long-terms both – within their budgets.

Set up and installation

Experts help consumers to get started with the device, application or service of their choice. They can set up and configure it based on the guidelines given by their respective manufacturers, publishers or providers.

Diagnose and troubleshooting

Experts help consumers to overcome any performance, stability and security challenges that often stem up while using those.

Repair and maintenance

Experts can diagnose and fix hardware problems with a device. Sometimes, they may need to replace faulty or damaged components.

Security and protection

Experts assess security vulnerabilities linked with a product or service and help their customers to install a compatible antivirus or firewall software. Sometimes, they also help them to get rid of e-threats like viruses and malware and configure their router or Internet settings.

Do-it-Yourself

This is for consumers who are interested in resolving their technical issues on their own. Brands or their partners provide easy-to-follow solutions, including knowledgebase or videos, to their consumers. This is generally promoted to avoid call volume.