

# IOT DELIVERS 15% SAVINGS FOR A HEAVY EQUIPMENT MANUFACTURER



## CLIENT BACKGROUND

The client is one of the leading manufacturers of heavy earth moving equipment globally, with factories in more than 20 countries and presence in more than 150 countries. The client is expected to have 16000+ machines in the field, over the next 5 years.

## INDUSTRY LANDSCAPE

The Construction Equipment manufacturing sector is marked by intense competition and is highly concentrated. To survive, it is imperative for companies to maintain cash flows, reduce operating cost and innovate continuously to move to more efficient manufacturing processes, as customers are price sensitive.

## THE OPPORTUNITY

The client had a non-scalable IT solution and the traceability with respect to warranty management was poor. Since the machine was leased which is a primary stream of sales, the dealer had no visibility of his assets, which led to poor dealer profitability. Also, due to service and spare mismanagement there was a significant revenue loss being incurred. Due to competitive landscape the client needed a solution to address these challenges and create a differentiated value proposition among its customers.

Wipro's Service Transformation Platform enables 15% improvement in service revenue for a leading heavy earth equipment manufacturer

## SOLUTION

Wipro brought in its global knowledge network, industry expertise and highly-skilled teams to deliver a service transformation platform. The overall transformation helped the customer achieve reduced downtime, optimal inventory storage, a constant stream of revenue from the service and spare segment, leading to margin and revenue improvements.

### Key highlights of the engagement include:

#### On-boarded the client on to the Service Lifecycle Management:

Enabled clients' machines in the field to capture and communicate vital data pertaining to health, usage, performance and security (parameters like Location, theft etc.)

Implementation of end-to-end service-level guarantees by leveraging agility of SaaS business enablement

#### Integration of client's enterprise data entities:

Integration of data entities like Asset class profiles, service data into the ECIV based on the common data model

Synchronization of equipment data

Installation of sensors that enabled geo-fencing and time-fencing

#### Advanced analytics models:

Built models around preventive maintenance, wear and tear prediction, warranty fraud detection, dealer performance, spare part inventory management etc.

## BUSINESS IMPACT

The implementation delivered positive impact to the customer's business with the successful roll out of service transformation platform, which led to reduced cost and increased reliability. Some of the key benefits derived from our services were:

- 1 Reduced service operations cost by 10 to 15%
- 2 Increased end owner retention and loyalty by 10 -12%
- 3 15% improvement in service revenue and margin improvement of 5% spread across a period of 5 years
- 4 Reduced down time with increased machine activity
- 5 Enabled optimal inventory storage for customers dealer branch head
- 6 Service & Spare now generate constant revenue since the service time is more predictable
- 7 Proactive Maintenance & Fixing results in fewer on-field service calls

## About Wipro Ltd.

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