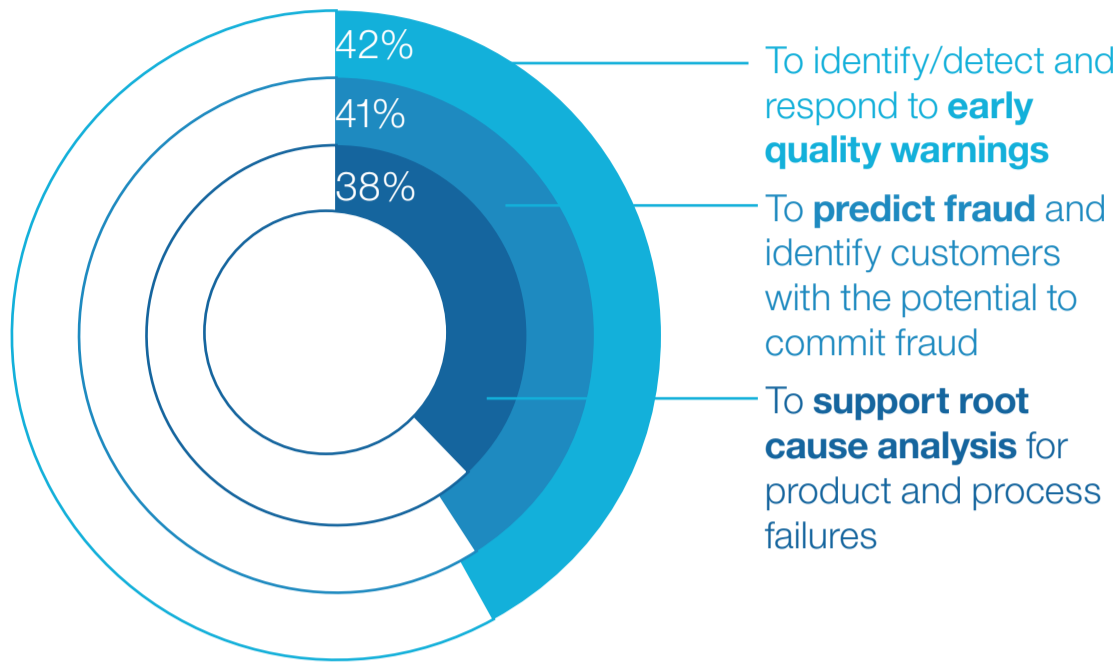# Innovating warranty for electronics

Improve efficiencies, reduce costs, strengthen brand integrity
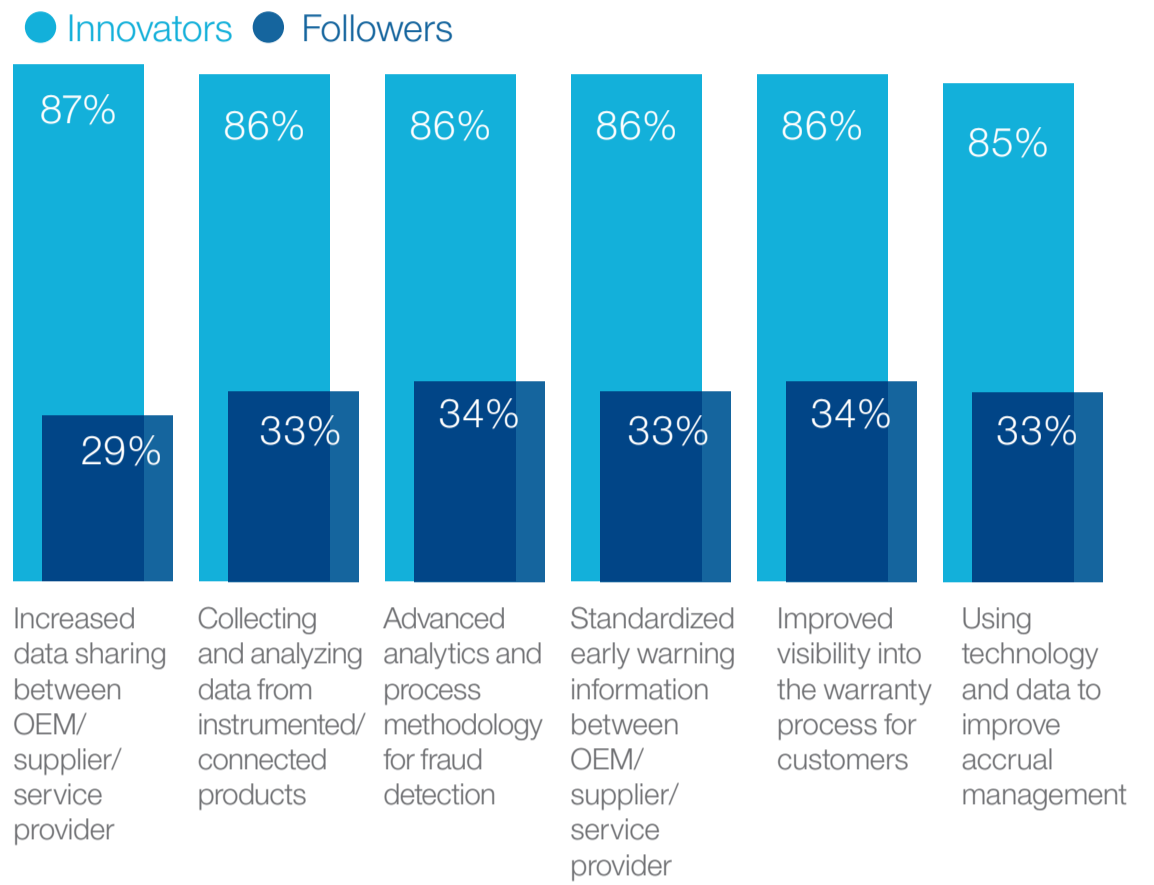
Use warranty data as a source of insight

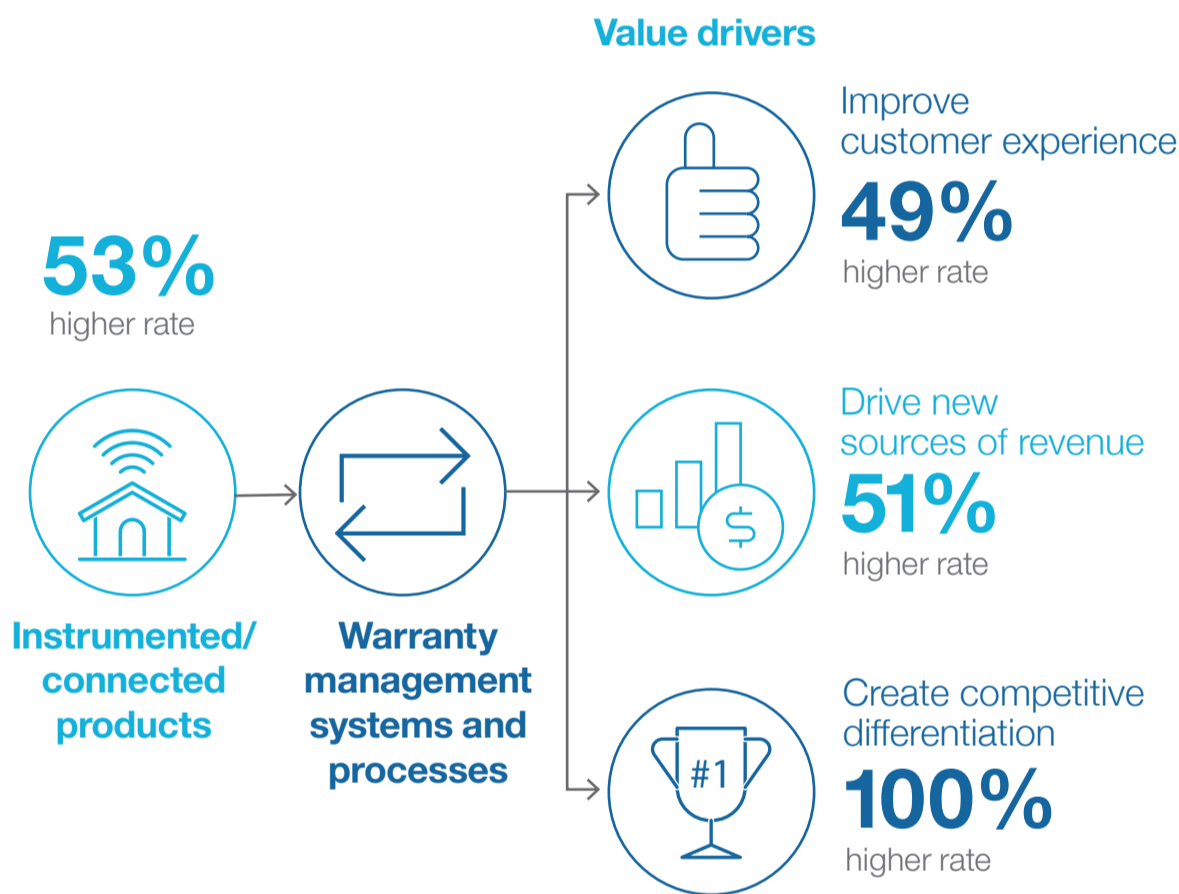Warranty Innovators use data to understand their operations, customers and products

42%
41%
38%

To identify/detect and respond to **early quality warnings**

To **predict fraud** and identify customers with the potential to commit fraud

To **support root cause analysis** for product and process failures

Expand analytics capabilities to accelerate improvements

Warranty Innovators are far ahead in implementing highly effective initiatives

● Innovators   ● Followers

87%	86%	86%	86%	86%	85%
29%	33%	34%	33%	34%	33%
Increased data sharing between OEM/ supplier/ service provider	Collecting and analyzing data from instrumented/ connected products	Advanced analytics and process methodology for fraud detection	Standardized early warning information between OEM/ supplier/ service provider	Improved visibility into the warranty process for customers	Using technology and data to improve accrual management

Fully implement the Internet of Things to maximize benefits

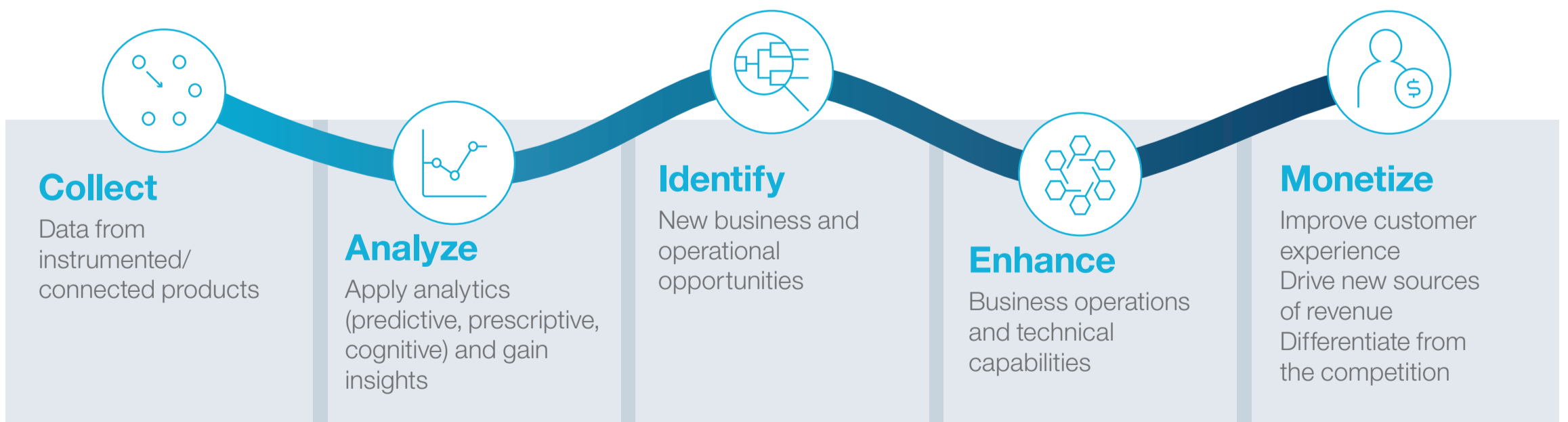Warranty Innovators have a far higher adoption rate of Internet of Things strategies and initiatives

Value drivers

53%
higher rate

Instrumented/ connected products

Warranty management systems and processes

Improve customer experience
49%
higher rate

Drive new sources of revenue
51%
higher rate

Create competitive differentiation
100%
higher rate

Start leveraging data and analytics to improve performance on key metrics

Take these 4 steps today

increase in likelihood of being a top performer

Reduce detection to correction cycle time
Use advanced and/or predictive warranty analytics
↑ up to **22%**

Reduce claims processing cycle time
Improve the quality and availability of warranty data and analysis
↑ up to **20%**

Reduce claims process costs
Increase the communication of warranty and service information to other functions in the organization
↑ up to **14%**

Improve customer satisfaction
Use warranty data to improve customer experience
↑ up to **12%**

Implement holistically and iteratively

The journey to becoming a Warranty Innovator begins with Internet of Things adoption, supported by analytics capabilities which evolve over time

Collect
Data from instrumented/ connected products

Analyze
Apply analytics (predictive, prescriptive, cognitive) and gain insights

Identify
New business and operational opportunities

Enhance
Business operations and technical capabilities

Monetize
Improve customer experience
Drive new sources of revenue
Differentiate from the competition

Build capability to take advantage of new business and operational opportunities. To learn more, visit:

http://www.ibm.com/internet-of-things/iot-solutions/connected-manufacturing/

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