The design of microsoft® support network 1.0

PaperPrompt

Microsoft Corporation Microsoft Corporation: The Design of Microsoft® Support Network 1. 0 1. What factors suggest that Microsoft's PSS Division needs a more comprehensive and flexible approach for its service offerings? Admittedly, Microsoft's support services were not as good as those offered by some competitors. Several factors contributed to the nondescript nature of Microsoft services. Previous support service policy had been determined at the product level. Annually, each product manager negotiated with PSS over the type, extent, and pricing of services to be offered to customers along with their products.

Because Microsoft had 150 products, the result was a hodgepodge of service offerings. Some products had no support services, some offered unlimited " free" service that was accessed by phone via a " toll" number, and still others provided extensive telephone service " for fee". For customers, particularly those that owned and used several Microsoft products, the service offerings were confusing because it was difficult to know which service came with which product. Moreover, expert users felt that they were paying for services they didn't need on basic applications.

At the same time, they could not get sophisticated support services on some of Microsoft's newly introduced line of highly technical advanced systems, even if they were willing to pay extra. 2. Based upon the guidelines that senior management has provided to Trish May, what product support strategy has Microsoft envisioned? Before the PSS task force started its work in December 1992, Patty Stonesifer, Trish May, and key team members, along with the input of Bill Gates, Steve Ballmer, and Mike Maples, devised a

set ofgoalsthat were to guide efforts and serve as the basis for all technical support programs.

These included: •Microsoft technical support services should reinforce and enhance the high quality of Microsoft products. Bill Gates insisted on this goal. He maintained that Microsoft needed to deliver a comprehensive offering to the marketplace that was comprised of both high quality products and support services. Gates was willing to invest significant resources into technical support services to improve their overall quality and customer perceptions of them. •Choice, Quality, and Simplicity should characterize all technical support programs.

Based upon several market research studies and experience, the task force concluded that customer satisfaction would be sustained by delivering technical support that met customer needs in three ways. First, support programs should offer customers a choice. Those who " did not want to pay for support they didn't need" should be able to buy software alone, at a price that did not include service costs. At the same time, customers that " wanted more support and were willing to pay extra for it" could also do so.

Second, all technical support provided by Microsoft should meet or exceed industry standards for quality. Third, all technical support programs should be marked by simplicity; that is, customers should have little difficulty understanding Microsoft's offering and how it applied specifically to their needs. •Technical support services should be a " cost center" for the Microsoft Corporation. On this point, there was uniform agreement in the

company. As managers saw it, Microsoft's " core competence" was itstechnology.

Though important, technical support services were not seen as a potential source of corporate profits. Instead, Microsoft was prepared to invest in them in the short run, with the eventual goal of breaking even. •The Microsoft Corporation should be the technical service provider of " last resort". Microsoft managers took progressive steps to leverage the work of PSS engineers. First, the development group engaged in continuous efforts to make all software as " user-friendly" as possible. Resulting reductions in user problems would lower demand for service.

Second, managers initiated special efforts to give customers tools and information, so that they could resolve as many problems themselves as possible. Third, the firm would inform customers about and encourage them to use third party service providers (e. g. , VARs, dealers, ISVs) in their communities and industries. Finally, if the first three methods proved ineffective, then managers would actively directed customers to PSS personnel. 3. How should the Microsoft Support Network 1. 0 matrix be structured in terms of rows and columns?

Early on in their analyses, the task force hit upon the idea of using a matrix to summarize the various service offerings. Members referred to it as the Microsoft Support Network 1. 0. The rows of the matrix would consist of major service groupings, while the columns would capture the differences in those services across product or customer segment categories. In turn, each element in the matrix would describe a specific service offering and include a

fee structure. To avoid customer confusion, the group concluded that 4 rows and 4 columns should be the largest size of the matrix; however, no research had been done to confirm this.

Although the concept of a service-offering matrix received enthusiastic and universal approval among Microsoft managers, there was widespread disagreement over the make-up of the rows, columns, and elements. Trish noted that the matrix could be constructed in several ways. Each had distinct advantages. 4. What implementation problems should PSS managers anticipate? How can PSS managers successfully overcome them? Main problem - to offer some free services for its software and if yes which ones.

Such services should be implemented and delivered to customers, some for free and some for a little fee. Also there exist many different competitors who offer rivalry products for the better terms. For example Adobe gives its customers some cards on which they get bonus points and then have the opportunity to exchange them for the service delivered. Company also has a problem withcommunicationand making its customer to understand what they are selling. There are cases when customers did not clearly understand what they are paying for or what problems will this software solve for them.

Management first of all should allocate priorities, based on the overall corporate goal of the company. As far as I can see from the case company management clearly understands that they need something to change, they know that this something is the new support system more frequently working one. Also hey know that this would need investment and are ready to pay for it, because the most important they understand that without that

system harmonic development of the company would be almost impossible. So as I think Microsoft first should listen to heir customers understand their needs clearly and deliver the value that way, cause without clear understanding what your customer wants good, workable strategy will be impossible to implement. And the last one Microsoft should understand that they do not need complicated software with many gadgets and etc. neither they are the experts (all of them) in the field of IT, so the one thing they want in easier solving of problem. If Microsoft will manage to this by better communication, more user friendly programs etc. it does not matter for the customer. Customer need problem solving not the exact product.