

Improving Field Service Technicians' Productivity, Enhancing Professional Image, and Boosting Market Leadership and Profitability - The Overlooked Tool

A professional grade, organized tool bag enhances the technician's image, company's brand and market position while boosting the service organization's bottom line by offering productivity gains, **increased billing time** and other intangible benefits

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Introduction

The fundamental principles and challenges of service technicians

As a service contractor, small or large, competing in today's challenging economic environment demands more emphasis on image and productivity than ever before. First impressions are always important in any business relationship, but as the economy has weeded out some weaker contractors and consumers and businesses have become more educated about and exposed to professional level field service technicians (and how they present themselves) via HGTV and other contractor-oriented shows, a field service technician is expected to present a professional image, including tools, trucks, and overall organization and appearance.

Tool Innovations

From an efficiency standpoint, time has always been money for contractors, and any means to improve field service productivity can lead to a higher level of profitability and customer service. Service contractors are often plagued with inefficiencies due to myriad reasons: Job cancellations, traffic delays or bad directions, unforeseen complications on the job, time to complete routine tasks, processing paperwork, etc. Fortunately, there are a number of different ways to solve these problems. Tool manufacturers have been developing innovative hand and power tool solutions for tradesmen that improve productivity for decades: Di Bosch introduced its first power drill in 1932. In 1923, American inventor Raymond DeWalt introduced the world's first radial arm saw, a sliding circular saw that could make long cuts with accuracy. Makita Corporation has also staked its reputation on cordless, batterypowered power tools - most notably, the hand-held drill, which it introduced in 1978. Skilsaw was invented in 1924, and Black & Decker invented the electric drill in 1917. Pneumatic nail and staple guns, laser levels, advanced metering, and mobile technology are examples of tool manufacturers making a tradesman's workday routine easier. The bottom line is that the rapid pace of tool innovation continues to make various tasks easier and create the opportunity for higher levels of productivity for technicians.

Technology Innovations

In addition to innovation in tools, technology offers field service companies tremendous benefits in the form of greater productivity and real-time access to information. Navigation systems ensure that route directions are accurate (for the most part) and real-time traffic alerts recommend alternative routes. Service companies that use technology to monitor when technicians start jobs, test equipment, and finish jobs help route jobs more efficiently and improve field service utilization rates, labor productivity, and customer service.

RMS Omega Technologies, a leading barcode systems integrator, reported that technicians who perform water tower maintenance and inspections can increase their productivity by 28% using mobile tablets (1). Motion Computing, maker of motion rugged tablet PCs, claims its software reduces fuel costs and drive times by enabling real-time load balancing and job status for dispatch; enables technicians to capture data while in the field, reducing error-prone and time consuming data entry processes; and, according to a natural gas distribution client, the Motion solution reduced number of calls by 3,000 per month with significant monthly savings (2). Service Experts, a leader in air conditioner and heating repair and replacement developed FAST, a mobile device that streamlines inefficient tasks such as translating illegible service appointment notes, sorting through work orders and radioing back and forth with routing information (3). Tablets also offer service technicians the ability to instantly access warranty information, source replacement parts, and access manufacturer equipment specs and schematics rather than trying to reach customer service departments while they are in the field. In addition, they dramatically reduce the amount of time to fill out invoices and work orders, which eliminates the redundant data entry and processing required years ago.





The Overlooked Innovation

While the implementation of technology and automation and upgrading to innovative hand and power tools are time tested ways to improve productivity, there is an overlooked tool that accomplishes the two main objectives of enhancing a service company's professional image and substantially increasing productivity: **The Professional Grade Tool Bag**.

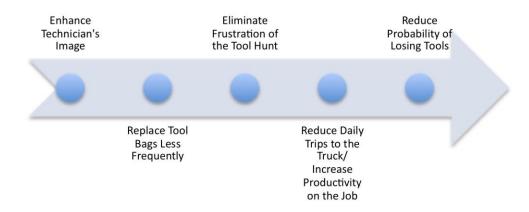
Most tool bag companies employ product designers and engineers who have never worked a day in the field. These employees are challenged with determining how to design tool bags for work routines that they have never performed and most likely do not understand. The end results are tool bags designed for price points and shelf spaces at Home Depot or Lowes, which puts the end user's needs behind the economics of selling products to Mass Merchants.

The fact is that experience in the field is the only way to understand what problems, issues, and concerns tradesmen face on a daily basis, and how to design high quality, functional products that improve image and productivity. Although most tool bags serve as tool storage solutions, they are hardly functional, often cannot stand up to the rigors of the of daily jobsite use, and typically require technicians to constantly search for tools. At Veto Pro Pac, tool bags are designed based on Roger Brouard's (the company's founder) frustrations with the myriad tool bags that he used during his twenty five years working as a carpenter. In 2002, Veto Pro Pac revolutionized the tool bag industry and launched its professional grade tool bags with heavy duty patented center panel designs and tiered vertical storage compartments that increase productivity of tradesmen and improve their overall image.





The Case for Outfitting Technicians with Professional Grade Tool Bags



The Image Value Proposition using Veto Pro Pac Tool Bags

1. Strong first impressions create the preferred image and lifetime value

Given that the tool bag is part of the technician's first impression, a cheap looking, disorganized tool bag sends a loud and clear message that the technician doesn't care about his or her tools or trade (which equates to the company not caring either) and may perform sloppy work and waste time looking for tools and parts. That is not a message a professional organization wants to convey to its customers.

Technicians are the face of service companies, and, as is the case with a job interview, the professional level of a service company is directly correlated with the first impression a technician makes on a service call. In an article by the National Electrical and Communications Association in Australia, "The Top 5 things to look for when choosing an electrician", one of the key points revolving around attitude and communication is that "A professional appearance and attitude is usually reflected in the quality of the workmanship provided." Furthermore, in a survey commissioned by the Electrical Contractors Association in the UK, "56% of consumers cited neat appearance as the deciding factor in choosing a tradesman".

A professional appearance includes a logoed company truck, a well-groomed technician, a branded uniform, quality tools and a professional grade tool bag. A customer that notices a highly professional and well organized tool bag will immediately sense that the company and its technicians take pride in their work.

And, technicians carrying professional tool bags will also feel better about their work. Furthermore, based on a survey of more than 3,000 Veto Pro Pac customers, the average technician carries more than \$800 worth of tools in their tool bag. Why would they carry such a significant value in a low quality tool storage product that lacks functionality and gives a bad first impression?





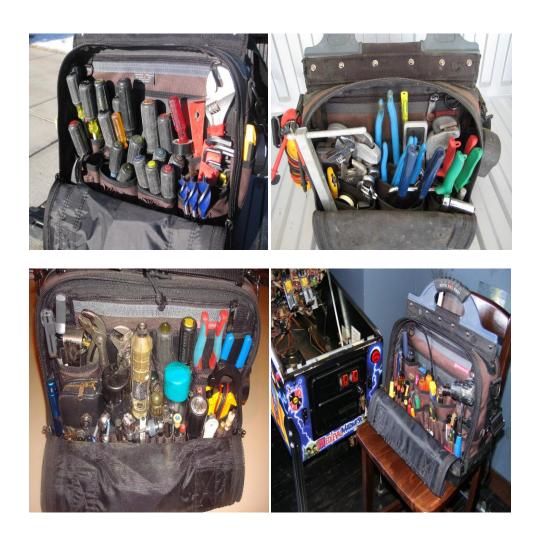
Veto Pro Pac customers' unsolicited comments speak volumes about how their tool bags enhance their images:

"I feel really good about myself arriving at the job site with this bag. It gives me confidence and I know it creates an impression. Thanks for making something that really works in a world of promised quality that doesn't pan out. There is nothing disappointing about a Veto Pro Pac."

"I have had a lot of people ask me about my bag when I am servicing their appliances. All positive comments, "wow, it's so organized", "it holds so much", "my husband would love that!" "Just today, as I was walking across one of our plants (and being at that location for the first time) one of our mechanics noticed my bag, and comparing it to the one used by our other electrician, he said to him, "whoa, that guy means business."

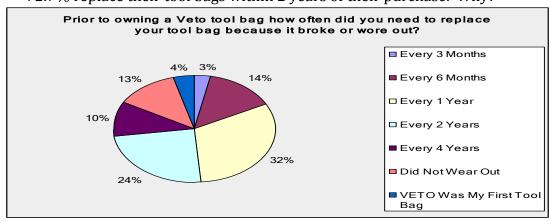
"Overall it's been great so far. Clients comment on it everywhere I go. Image is everything in business, and it's clear to clients that you're a serious installer when you carry a bag like the XXL-F. Thanks folks."

"The XXL-F model that I am using at the moment is excellent. It's saved me time and money and **presents a professional image to my customers.**"



2. Replacing tool bags often is a reflection of a poor image, a lack of a professional, functional tool bag and a productivity drain

The fact is that most tradesmen acknowledge that their tool bags are not sufficient to represent their trade. In a survey of 3,000 Veto Pro Pac customers, 72.7% replace their tool bags within 2 years of their purchase. Why?



"When I first heard the cost of the Veto Pro Pac I thought, this is a nice bag but can it fit in our budget. A year later after doing the math of how much I spent on tool bags and may spend in the next 4 years, it was a nobrainer"

"My tool bags usually wore them out pretty quickly, that and I also just got tired of them"

"I had to be repair my bags 2 -3 times a year"

"I was on my third laptop tool bag in 2.5 years"

"I tried several different tool bags none lasted very long at all, plus was very hard to keep tools organized"

"I spent so much money on tool bags over the years that didn't last and weren't functional"

"I never had a tool bag that I kept for more than a month or so because they were so unusable" "On average I was doing a new tool box/bag every 3 months or so. If I found one I liked it would break or wear out and then be discontinued when I went to replace it. I was never really satisfied with the organization of any of them"

"The bucket had lasted about two years but it was a horrible mess and was very disorganized"

"I typically replace my tool bags every six months to a year"

"I would get ticked off with the old bags and try others"

"I never felt as though the bucket tool storage made me feel like a pro and would become frustrated with its lack of functionality'

"In my other bags, the tools wear through and the handle fails"

On the image factor alone, given that customers are keenly aware of each factor relating to appearance, including a technician's tool bag, service contractors should invest in their technicians and provide them with professional grade tool bags that send a message to customers that they are dealing with a top notch company and its technicians. In addition, outfitting all technicians with the same professional grade tool bag creates a stronger company brand identity and saves time and aggravation having to frequently replace the bags. The investment pays off by upgrading the image of the company, saving time, and improving a technician's sense of pride about his or her profession. While upgrading a company's image, there are more tangible benefits to outfitting technicians with professional grade tool bags.

The Productivity Value Proposition using Veto Pro Pac Tool Bags

1. The Psychological Frustration of the Tool Hunt - The Intangible Factor

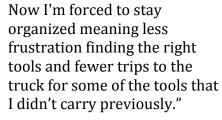
A technician should be focused on doing the work rather than spending time searching for the right tools. When a technician has an organized tool bag whereby tools are readily available, it leads to a good day's work and a sense of accomplishment.

Wasting time looking for tools are exercises in frustration and aggravation: Having to stop work to go on a "tool search and rescue" mission either in a truck, tool bag or on a jobsite interrupts the flow and work routine. Running back and forth to the truck, losing tools, and digging and dumping to find tools contribute to lost time, lower productivity (fewer jobs per day) and, for the technician, a feeling that it has not been a productive day.

A service company should not put a price on providing its technicians with products, including quality tools and tool bags that eliminate frustration and aggravation at the jobsite (and in front of customers):



"The XL is best tool bag I have owned by far. I can carry a lot of tools for the service work that I do. The bag keeps me organized. My tools used to be in a pile in my open top bag.







Your bag changed my life at work, it was a great idea. I can't imagine reverting back to having a giant tub on wheels with all my tools thrown in the bottom, digging and searching, getting cut and losing tools in the past. Thanks, great job."

"My Veto Pro Pac LC makes my work day much nicer. It is easy to find any tool I need. **No more digging all day long for every tool on every job.** I wish I had purchased your bag years ago."

"My Veto Pro Pac is a great product - it is wonderful to be able to see everything without digging. Great job bringing your products to market!"

These bags have quite simply changed my life!!! Thank you!

"I have always wanted a better tool box, just wish I thought of it!!"

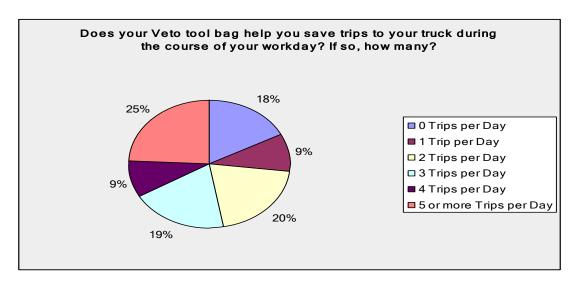
"I like how when you open any of the Veto bags you can immediately see what you need without having to peel back layers."

"What did I do without these carrying cases? I am much excited to have something to put everything in that won't be come a "treasure hunt" to find my working instruments. Very handy. You'll wonder where so much time became available when you do service calls because you have back the "hunt & dig" time."

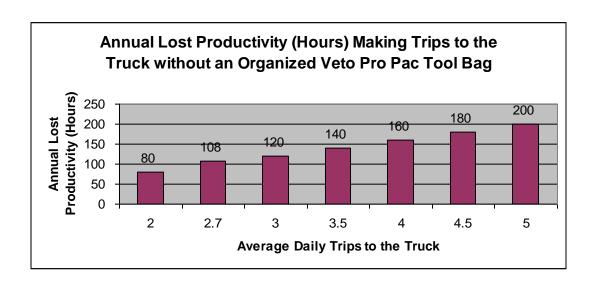
2. Increase Productivity and Labor Savings – Boost the Enterprise Bottom Line with Reduced Trips to the Truck

The most consistent benefit from a professional grade and well organized, easy access tool bag is reduced trips back and forth to the truck on the jobsite. Veto Pro

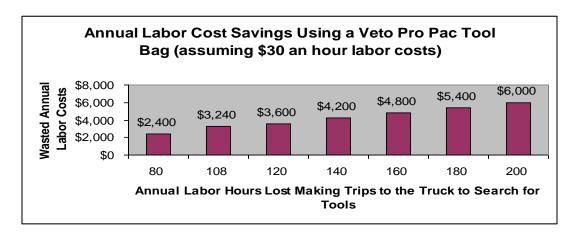
Veto Pro Pac surveyed more than 3,000 customers and found that switching from other tool bags and storage solutions to Veto Pro Pac tool bags reap significant savings:



On average, Veto Pro Pac customers save 2.7 trips to the truck every day using Veto Pro Pac tool bags, although 52.7% save more than 3 trips to the truck and 24.3% save more than 5 trips to the truck every day. Using an average savings of 2.7 trips to the truck day, and assuming 10 minutes per trip and 240 working days, the Veto Pro Pac increases the average technician's productivity by 108 hours annually:

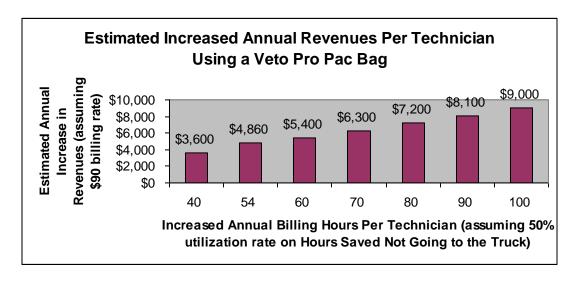


Assuming a \$30 an hour labor rate, an average a technician saves \$3,240 in wasted labor time annually searching for tools; obviously, technicians who spend more trips per day waste even more time and labor costs.



Assuming that 50% of labor hours lost searching for tools (50% utilization rate) can increase billable hours (meaning that jobs are finished quicker and a technician can work on more jobs annually), billable hours can increase on average by 54 hours annually and 270 hours over 5 years respectively. Given that Veto Pro Pac offers customers a 5 year warranty (not including abuse) on defective materials, assuming a technician uses the bag for 5 years, the total labor/productivity savings over 5 years using a Veto Pro Pac are estimated at \$16,200 (\$3,240 x 5).

Assuming a \$90 an hour billing rate, a service contractor can potentially increase revenues by **\$4,860 annually per technician** and **\$24,300 per technician over 5 years** just by switching to Veto Pro Pac tool bags.



For a service contractor, these are significant savings that increase technicians' productivity rates; trips to the truck searching for tools wastes time and energy and reduces the amount of time spent working on a job.

Assuming 10 technicians, the estimated average incremental revenues over 5 years by switching to professional grade Veto Pro Pac tool bags are \$250,000.

Assuming that part of this lost time would allow technicians to finish jobs sooner, and thereby increases the time available per technician to work on billable projects, the end result boosts the bottom line of the enterprise due to **more billing time for the company and reduced waiting times for customers**. Thus, a side benefit is improved customer service. Consequently, there is an incredibly compelling Return on Investment (ROI) for service and installation contractors that invest in professional grade tool bags for their technicians.

Veto Pro Pac customers realize this time savings and productivity value proposition:

"I can carry such a variety of tools easily with the bag that sometimes it saves me hours in the course of day!"

"Having the majority of my basic hand tools and electrical testing tools at my disposable allows me to perform my job at a level of efficiency that I never thought possible. Where I work, a round trip to the toolbox can add up to 1/4 mile. A 15 minute repair can easily take twice that because of the unnecessary trips."

"My Veto Pro Pac saves me A LOT of trips!"

"I call it my fast attack bag. I drive a service truck with an 11' utility box,

"I work in a very large complex and your **veto bags save me many trips to my shop** for hand/and power tools!"

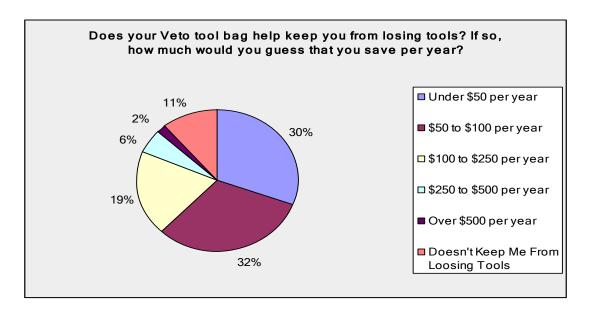
"I install fireplaces/stoves. (wood, gas, oil & coal) So other than power tools, EVERYTHING I need is in my bag!"
"I drive a utility/service body truck, and can do 80% of my work with my LC bag"

"Being an HVAC Tech, sometimes, I have to make numerous trips, now I don't have to; I can fit everything I need in my Veto tool bag!" and I can do more than 75% of my work out of this bag"

"I have been an electrician for 24 years and always wore a tool belt with bags. I now don't have to carry all that weight on my hips and shoulders, plus I have more room for tools I would "I never realized how helpful it is to have all you tools you need in one location. **Veto Pro Pac has saved me many times"**

3. Reduce the Probability of Losing or Misplacing Tools - Save Money and Aggravation

While the labor savings associated with professional grade tool bags are clear and unequivocal, there are additional benefits, including technicians' losing fewer tools when their tool bags are designed with vertical storage compartments around a center panel configuration. When technicians are organized, can always see their tools, and have easy access to their tools, muscle memory kicks in and they are aware of tools that might be missing from their tool bags. Consequently, professional grade tool bags consistently reduce the number of tools that technicians lose on an annual basis (either as a result of loaning the tools out to other technicians or simply misplacing those tools).



In the Veto Pro Pac survey of more than 3,000 customers, the average customer saved \$102.10 every year as a result of switching to a Veto Pro Pac tool bag from other tool bags. 19.5% save between \$100 and \$250, 5.6% save between \$250 and \$500 and 2.1% save more than \$500 every year. From an investment standpoint, the savings are meaningful and easily validate the purchase of the bag. Not only does a technician (and possible the company) save money by losing fewer tools, but they are also saving the time and aggravation going to a store to replace lost tool(s).





<u>Veto Pro Pac customers clearly recognize the value of this benefit:</u>

"One look and I can tell if a tool is missing."

"I've only owned the bag for a short while, but with the visibility of the tools in their proper spot I would know if something was missing.
Unlike other bags I've owned where I would have to dig everything out of the bottom to get a count."

"Keeps co-workers from walking off with tools."

"At the end of the job a quick visual check and **you can see everything is in its place."**

"My tools are so organized with my Veto Pro Pac that **I can tell when**

something is out of place or missing."

"Every tool had its place & goes back in there after use or at the end of the day."

"YOU KNOW WHEN SOMETHING IS MISSING."

"I haven't had it more than a year. It's great when I'm packing up getting ready to leave the job site, a quick check of my bag and I know that I have all my tools. Before when I had a canvas bag I couldn't tell what was or wasn't in the bag because I couldn't see all my tools."

"I love your product. It keeps me organized. **At one look I can tell if a tool is missing**. As a result since purchasing your tool bag I have not lost a tool. Thank you."

Validating the Survey Results - Gault Energy Field Service Case Study

Although the survey of 3,000 technicians was statistically significant, it was important to validate its findings in the field with technicians. 20 technicians at Gault Energy were outfitted with Veto Pro Pac tool bags of their choice. Veto's founder rode along with each of the technicians over a three month period to observe their daily work routines and document the changes from their old tool bags to their Veto Pro Pac tool bags.





After using Veto Pro Pac tool bags for three months, the findings were highly consistent with the original survey. 92% of Gault Energy technicians believe that the quality of tool bag used in their profession is either very important or extremely important. The average value of tools that Gault Energy technicians carry in their tool bags is \$538 (with 30% carrying more than \$500 and 15% carrying more than

\$750), and **85% believe that Veto Pro Pac tool bags save them time and aggravation over their previous tool bags**. In addition:

- 1. Ironically, Veto Pro Pac tool bags saved the average Gault Energy technician 2.76 trips to the truck every day, equaling the average for the 3,000 technicians taking the larger survey; 54% saved more than 3 trips to the truck every day.
- 2. The average Gault Energy technician estimated that they would save \$72 every year as a result of switching to a Veto Pro Pac tool bag from other products, a bit lower than the average from the larger survey; however, 53% believe that they would save more than \$75 annually.



3. 92% of Gault Energy technicians believe that Veto Pro Pac tool bags convey a more professional image to their customers.



Comments from Gault Energy technicians included:

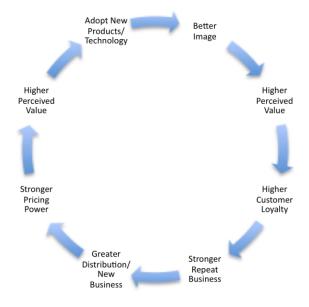
"The Veto Pro Pac keeps me more organized."

"Because everything is organized and has its own place in the bag it makes it easier to find tools and put them back instead of just throwing them in the bag."

"I can now carry everything I need in one bag."

"It looks so much more professional, like I care about my tools and it shows that I am not some kind of hack."

Field Service Contractors-Becoming a Market Leader



The definition of a market leader is a company that often dominates its competitors in customer loyalty, distribution coverage, image, perceived value, price, profit, etc. (4); they also adopt and implement better products and technologies immediately, whenever they become available, regardless of whether or not any other organizations are currently using them, and they are the first to use a new technology or product and make it an industry standard (5). It is no surprise that market leaders are more profitable than their competitors, generate substantial repeat business, earn a higher level of customer referrals, and enjoy an outstanding reputation due to their products, services and the performances and images of their employees.

Professional grade tool bags are an obvious choice for field service contractors who want to be market leaders or substantially improve their competitive position. Veto Pro Pac bags convey an ideal professional image, create a strong brand identity for all of their technicians, and materially improve their technicians' productivity and billing opportunities. This falls into the category of "adopting and implementing better products, whenever they become available.....and are the first to use a new product and make it an industry standard." Why wouldn't a field service contractor want to take advantage of a tool bag innovation that makes the lives of their technicians easier, upgrades the contractor's image in the marketplace and increases their bottom line?

The data conveyed by actual field results and thousands of customer testimonials conclude that there are significant benefits of using professional grade Veto Pro Pac tool bags, including the fact that the overall design, durability and functionality of Veto Pro Pac tool bags that differentiate technicians using the bags from competitors. These facts are simply too hard to ignore for a field service contractor that either desires to become a market leader or wants to ensure that it constantly improves its position in the marketplace. In fact, a field service contractor that has the mindset to be a market leader or continually improve its business model will embrace the opportunity to provide its technicians with tools, technology, and tool bags that make them stand out in their industry and demonstrate to their field technicians how much they value them.

Contact Veto Pro Pac to set up an appointment to discuss professional grade tool bag options for your technicians.

Contact TruTech Tools:

Toll Free: 888-224-3437

www. TruTechTools.com/vetopropac

Veto Pro Pac YouTube Channel:

http://www.youtube.com/user/VetoProPacToolBags

Sources

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