



Product Warranty – Is it fit for purpose in an operational environment?

“I DON'T NEED A SERVICE AGREEMENT AS MY SYSTEM IS COVERED UNDER WARRANTY!” A phrase that is all too commonly used when service content and costs are not detailed sufficiently, understood or provisioned for during the system design phase.

The term Warranty is a term which is both widely misunderstood and misinterpreted within many technical sectors but especially within broadcast. The expectations users have associated with manufacturer warranty can vary greatly, as can the actual warranty content provided for by individual manufacturers.

But what is Warranty? Well to many manufacturers of hardware it is regarded purely as a product reliability guarantee which establishes that the product sold meets the defined product technical specification and should perform without error or defect for a defined period which is determined by the individual manufacturer.

To this end if a defect is identified during the manufacturer's warranty period, most warranty processes require the product to be returned to the originating manufacturer for investigation to confirm that the product has failed due to a manufacturing defect and not due to adverse operational stress beyond that which it was designed for and to ensure it has not been subject to accidental or malicious damage.

Only after detailed investigation has concluded can it be established that the warranty claim is indeed justified. If the claim is upheld the manufacturer would be required to either repair or provide a replacement product at its own expense. Manufacturer's Warranty statements rarely include providing overlay services such as technical support, on-site services, rapid replacement or even software support. If they do then it is highly unusual for Warranty to state guaranteed response or resolution targets.

Previously some Broadcast Manufacturer's Warranty provided high levels of service so why has this changed? In short products have become much cheaper to buy and qualified specialist personnel costs have increased. As manufacturers strive to reduce costs to ensure their products remain competitive in their chosen market, many have stripped back the 'nice to have' enhanced 'good will' elements that good will warranty once provided.

Indeed as hardware prices plummet, the costly element of retaining highly qualified service personnel required to provide service and support is now being considered as a valuable additional chargeable service which must be self-sustaining.

To survive many manufacturing organisations provide a simple basic product warranty guarantee for replacement or repair, but with no measurement on fix or turnaround times. In an operational environment time to repair or replace under a standard warranty condition can lead to serious downtime issues for end users especially if they have not made themselves aware of the limited service content warranty provides. Expectations of service during warranty is often viewed like a utility that is always available at the highest levels at no charge, unfortunately just like water or oxygen it is only ever considered of value when it

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is not available. It is therefore important as part of your system design phase to review your suppliers warranty capability, service availability requirements and capacity planning needs prior to deciding whether this is fit for purpose or not.

Utilising ITIL best practice in the design of a system includes operational availability, capacity planning and should include elements such as resource capability, security and continuity. In addition training, familiarisation, upgrade and update planning across the lifecycle of the system need to be considered.

At CJP we recognise the importance of ensuring customer expectations are correctly positioned and actual deliverables are understood. We help organisations plan and develop their service strategy and ensure correct contingencies including underpinning contracts are in place or alternative methods are employed to protect the customers' business outcomes such that availability and continuity is maintained.

Recognising the capability and limitations of your suppliers and being prepared to invest in additional services needed to support the systems implemented within your business is crucial. Obtaining the supplier capability information required to support and service the products they provide and mapping these to the business and operational requirements is a fundamental element of system design which will prevent costly downtime and expensive resolutions.

To minimise risk and optimise performance, services must be defined and understood from an operational delivery perspective and as such business impact analysis associated with potential system or product failures should be undertaken and taken seriously. When building business cases for new systems, best practice methodology should take into account; capability, cost of ownership, service levels, capacity and availability contingencies for the expected life time of the entire system.

Financial drivers should influence the decisions behind selection but only when all factors are considered across the lifecycle of a product or system. Whilst it is rarely cost effective to make contingencies for every possible event, it is important to ensure your business is aware of the risks and the costs of mitigation of such in order that it can plan its operational expenditure correctly.

If you would like to understand more about service strategy planning in a technical environment, contact us today. We are experienced in providing professional guidance and support in capturing service requirements, translating these into robust, defined and balanced service solutions that are practical, realistic and cost efficient.

For more information on how CJP-BSS Ltd can help your organisation maximise its service value to its clients visit www.cjp-bss.co.uk or call us on +44 1600 750379/ +44 7538 733207