

Consumer Care Book OTS Kettle

Kettle

HD9342

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Version: 1.0

Approved by

CMM:

(Please place signature)

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Date: 2012-6-15

Product picture:



Product introduction

Reasoning and Business objective

- Objective of this project is to create a Glass kettles variety for (mainly) the Russian market. Request is to add two versions: 1. Glass/metal kettle 2. Glass/plastic kettle
- The approach is 'off the shelf'. This means options identified are leading. Per option to be checked whether it will lead to a valuable proposition
- Main option based on model KE7097 Donlim. Option are not limited to this model nor supplier
- Key differentiators: to be defined based on specs.



This is the product specification of the glass kettle:

OTS Glass kettle – Glass/metal			
Project type:	OTS	Design requirement:	<ul style="list-style-type: none"> • OTS product, meeting Philips standards. "Mid end PLUS" finishing is key element, MUB to be defined. • Per change item the trade-offs need to be aligned (cost, timing)
Application:	New OTS Glass/metal kettle	Packaging requirement	<ul style="list-style-type: none"> • Meeting local requirements. If Philips requirements are stricter, the trade-offs need to be aligned (cost, timing) • Is possible easy quick start guide on the package (assembly, storage of accessories if applicable)
Insight:	Bringing new glass kettle around 3000 Rubbles <u>pricepoint</u> into Russian market mid, not available in current portfolio	Retail requirement	<ul style="list-style-type: none"> • As starting point: same as existing Viva kettles. Trade-offs to be highlighted • Model truly exclusive for Philips in selected countries
Benefit	Profitable growth	Industrial requirement	OTS products, no in house development nor design changes besides UI and basic M&F
RTB's	TBD – based on specs.	Reliability requirement	Equivalent to existing Viva kettles. Per change item the trade-offs need to be aligned (cost, timing)
Discriminator	TBD – based on specs. Option to consider 'silent' coating if fitting within intro timing.	Consumer care requirement	Product parts should be available via Philips Consumer Care Center after introduction
Competitor	See competitor overview: Russell Hobbs, Bork, Sunbeam, <u>Breville</u>	Legal requirement	BPA free
Target FCP [€]	Max. 19.50 USD, including packaging (and tooling, OTS)	Sustainability requirement	PVC/ BFR free (planned wavier on PCBA if costs are significant)
Target IGM [%]	> 44%	Green:	Yes
Target EBIT [%]	≥ 20%	Innovation level:	OTS products
Volume/ year [k]	<ul style="list-style-type: none"> • Russia: 50 k/yr • DACH: 10 k/yr • Others to be added if fitting within exclusivity agreement 	Architecture:	Existing, OTS

Consumer Care Focus

1. Pre-purchase
 - a. Content to deliver for web content included: User Manual and general FAQs will be ready at CR

2. Post – purchase
 - a. Content to deliver for web content included: FAQs

Introduction and sales planning

Type number	Region Stroke version	First 12mths shipment	Going Price
HD9342	DACH, Russia	12k	€ 79.6

Focus country: Russia

IPD milestones

PPC wk1235
 IR wk1244
 CR wk1246

Warranty and service policy (break fix)

- 2 year warranty (= standard for x-DAP products)
- Kettle
 - West Europe: Exchange
 - Russia and Rest of the World: Exchange

Accessories, consumer replaceable parts

Accessories will be made available:

- On line: thru ASWP on-line shop (BNL, F, DA only)
- Call center (ordering local service provider)
- Service center (ordering via DHL)

Consumer touch points for consumer care

In-box
 Web (.com, .care, on-line-shop)
 Call center
 Trade
 Service centers

ConQ prediction & cost driver assumption

CoNQ as % of sales:

$$HD9342 = (2.8\% * 24.96 / 41.90) + 0.3\% = 1.96\%$$

FCR:

$$HD9342 = 2.8\%$$

CPI (average):

$$HD9342: \text{€}24.96$$

NNP (average):

$$HD9342: \text{€}41.90$$

Call center cost as % of sales (Amount of calls/ total sales): 0.3%

Consumer care package

Item	Detail	Availability Timing (link to milestone)	Owner (name)	Additional cost (TIC)
<u>In-box / on-product</u>	User manual QSG Warranty card	CR	Miranda Chung Susan Zhao	
<u>Web – pre purchase</u>	FAQ 360 degree picture Leaflet	CR	Vicki Wan Miranda Chung	
<u>Web – post purchase</u>	User manual FAQ	CR	Vicki Wan Miranda Chung	
<u>Specify Items for Service Center</u>	Service manual and Service BOM	CR-2weeks	Carmen Au	

Consumer Experience feedback loop – please specify

Consumer Touch point	Medium	Additional cost
Call center	Easy Xtract Freetext	No
Web	Easy Xtract Freetext	No