

Dell notebooks are the most reliable according to Customer Satisfaction Research

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Dell outscored the competition for the 3rd consecutive quarter, finishing 1st in all 22 satisfaction attributes in 3Q14

Executive Summary

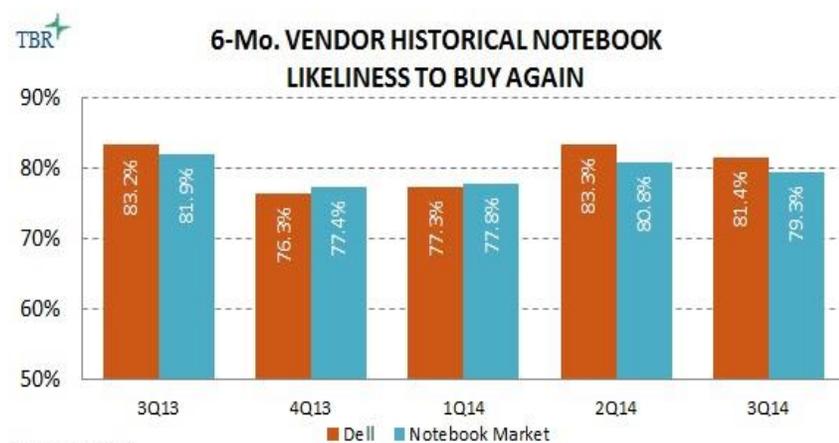
Enterprise customers view Dell as a trusted provider of highly reliable and top-performing notebooks, according to TBR's 3Q14 *Corporate IT Buying Behavior & Customer Satisfaction Study: Notebooks*. Dell remains the leader in notebook satisfaction, improving on its 2Q14 position by gaining the top spot in social media support for the first time. Dell's ability to generate high scores, especially in product-related attributes, helped the vendor stay ahead of the competition. The steps Dell took in notebook design and investments in reliability helped it gain a leading position in the market, particularly among large IT enterprises.

Product reliability and performance are the two biggest drivers of customer loyalty to a product. According to TBR's CSAT study, Dell maintained a leading position among enterprise notebook vendors and achieved a higher satisfaction score than the average of the enterprise notebook market. Similarly, Dell outperformed other notebook vendors in performance. Dell maintained a leading position in ongoing hardware quality and performance for the first three quarters of 2014. TBR believes Dell's commitment to sourcing reliable and thoroughly tested components for its notebooks, from entry-level to high-end devices, is supporting its consistently high customer satisfaction scores.

In addition to reliability and performance, Dell earned the top spot in notebook product design and features in the study. TBR believes Dell's proactive approach to getting its notebooks in the hands of users in the prototype phase with the intent of gathering design and feature feedback early and often is paying dividends with enterprise customers. Dell's ability to then analyze and prioritize design changes that meet the specific needs of enterprise notebook users is directly correlating to leading design and feature metrics. Maintaining this usability and feature feedback process will enable Dell to make the desired enhancements needed to its notebooks to produce the next generation of enterprise offerings.

TBR's CSAT study is a quarterly tracking study that captures the perspectives of over 950 IT decision makers in North America across 22 different sales, product and service attributes. The participants are asked to provide perspective on buying criteria, satisfaction and loyalty for notebooks purchased for enterprise users. Dell finished first or tied for first in all 22 attributes during 3Q14,

outscored the competition for the third consecutive quarter. Dell also received the highest loyalty scores of the vendors profiled, with 81.4% of customer respondents indicating they would buy Dell notebooks again and 80.1% indicating they would recommend Dell notebooks to be deployed in an enterprise environment.



SOURCE: TBR 3Q14

Which factors are most critical to customer satisfaction?

Enterprise IT departments are continually looking for ways to improve user experience, satisfaction and loyalty among notebook users. Through its quarterly CSAT study, TBR surveys enterprise notebook customers to determine the essential notebook PC attributes needed for successful and efficient personal computing operations within large enterprises. Enterprise customers reported they highly value a notebook vendor that can meet or exceed their expectations in five key areas.

Hardware reliability: Fueling loyalty

Hardware reliability is the most prevalent attribute tied to customer notebook loyalty. If a notebook fails or often requires downtime, a customer is most likely not going to recommend this notebook to other enterprise customers. Further supporting this argument, TBR found that the top factor that prompts a customer to consider switching its notebook brand is inconsistent hardware reliability. Having quality and reliable hardware parts, from the smallest components to the largest, is critical for notebook vendors to maintain customer loyalty. The study found that 79.4% of respondents indicated hardware reliability was critical to remaining loyal to a notebook brand.

Consistency in performance

Consistent performance is a leading indicator of overall customer satisfaction. Users need and rely on their devices, from entry-level notebooks to those at the higher end of the market, to continuously perform at optimum levels for them to be completely satisfied with their device. If a notebook is unable to meet the performance needs of its user in any type of work environment, that user will seek an alternative device. Understanding the notebook performance needs of users in different industry verticals and working conditions is critical to meeting the performance expectations of each user.

Total Cost of Ownership (TCO)

According to TBR's CSAT study, customers cite TCO as one of the most important factors in notebook PC purchase decisions. Enterprises determine long-term value by evaluating how much it will cost to purchase and maintain a device based on the longevity of the notebook hardware and the performance of the device. Historically, purchase price is one of the primary deciding factors for enterprises looking to buy or switch notebook vendor. More recently, enterprises are increasingly analyzing TCO to gain a more accurate view of long-term business impact. Further, more reliable systems lead to less downtime, which supports consistent utilization and productivity, ultimately helping maximize business results while improving TCO metrics. Recognizing and determining how different enterprises determine TCO is an important capability.

“Dell hardware reliability as measured in our monthly support LOS metrics is very good. Performance seems to satisfy most users. The PC clients are effectively supported within our management infrastructure.” — Dell Enterprise Notebook Customer

Replacement parts availability

The study found that enterprises value replacement parts availability as one of the essential elements in notebook purchases and overall vendor satisfaction. As organizations look to limit downtime, notebook vendors are looking to do everything they can to meet customer demand for readily available replacement parts when failures occur to minimize user downtime. Whether it is having a replacement notebook available for deployment, as is often the case in large enterprises, or having spare replacement parts available in the event of a notebook failure in a small or midsize enterprise, avoiding costly downtimes is very much a critical factor in the eyes of an IT purchasing decision makers.

Product design and features

Having the appropriate notebook design and features that meet the needs of a wide range of device users in a variety of industries and work environments is something that all notebook users deem critical. Structural integrity, the ability to survive unusual heat or cold and overall sleek but durable features are listed as key design elements. From a feature standpoint, users are increasingly looking for scratch-resistant and high-resolution screens, increased battery capacity, and new lightweight exterior materials that resist deep scratching and fingerprints.

How does Dell meet or exceed these essential notebook requirements?

TBR's CSAT study revealed that Dell demonstrated strong results with customers in each of the core focus areas of the study: sales and setup attributes, notebook hardware attributes, and service and support. Dell outperformed the market in every attribute of each core focus area of the study. As demonstrated in the report, Dell achieved consistent customer experiences and feedback, which should pave a path for continued success.

Hardware reliability: Fueling loyalty

Dell finished in first or tied for first in each of the hardware-reliability-related survey questions that track initial and ongoing hardware quality and performance as well as key features and design reliability. The keen focus on overall component quality, enhanced by strict quality control standards, which gives Dell full traceability with issue tracking, provides a platform for enhanced notebook hardware reliability. When it comes to component quality and reliability Dell does not simply take industry standards as a starting point; rather, it strives to create its own standards of reliability. This diligent reliability effort is paying dividends for Dell as 81.4% of Dell customers surveyed in the study reported they would purchase notebooks from the company again.

Consistency in performance

TBR's CSAT study also revealed that 60.1% of Dell customers indicated they would continue buying from Dell because the performance of their notebooks met or exceeded expectations, making Dell the leading vendor in this category. Dell has the ability to measure and track component performance trends over time, and it uses these trends to determine which parts perform better than others. Those components that fail more frequently can be swapped out for better-performing components. Reliability and performance are closely linked attributes from a customer satisfaction standpoint, and the fact that Dell outperformed the market in these categories gives the company a leg up in customer loyalty.

Total Cost of Ownership

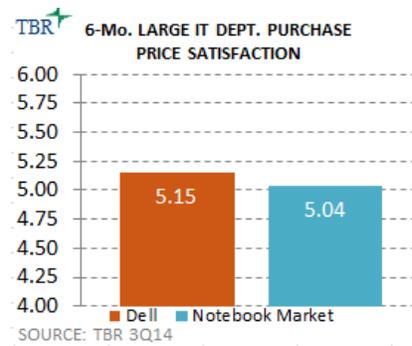
Customers surveyed in TBR's CSAT study ranked Dell first with the highest rolling six-month TCO mean satisfaction score of all studied notebook vendors in 3Q14. Dell did exceptionally well among the large IT enterprise firms, using this to help boost its overall TCO

performance. Enterprise clients deploying midrange notebooks reported the highest TCO ratings, compared to those customers having high-end or low-end devices. TBR believes this is the sweet spot for Dell in the enterprise — a midrange product that is affordable and meets the design, features and reliability requirements that most firms have, while at the same time delivering good value through service and support capabilities.

*“They are extremely reliable, meet performance expectations and have all the required features to handle position-based tasks.”
— Dell Notebook Customer*

Replacement parts availability

Dell's replacement parts availability ranked highest in rolling six-month mean satisfaction in TBR's 3Q14, 2Q13 and 1Q13 editions of the CSAT study. The company maintains an extensive inventory of replacement parts for its notebooks, and large IT organizations in particular reported much higher replacement parts availability satisfaction with Dell than with other vendors in the market. TBR believes Dell can use this strong position with large IT organizations to improve how midsize enterprises perceive its parts availability as many of these firms report that having access to these critical replacement parts is key to keeping their notebook users on track and uninterrupted.



Product design and features

Dell takes a proactive approach when dealing with product design and feature capabilities by putting prototypes in the hands of real enterprise notebook users to find out what they like and dislike about the product. This design for quality and satisfaction approach allows Dell to address feedback in the development phase, before the product officially hits the market. The feedback from these real-life engagements gets entered into a product database that is used to track key themes and trends from customers. This due diligence paves the way for fewer product design misses when the product is rolled out. According to TBR's CSAT study, Dell maintained leading

"We are totally and completely satisfied with Dell high-end notebooks in ongoing maintenance, self-support features and replacement parts." — Small IT Dell Customer

scores over other notebook vendors for product design and features over a six-month rolling period for each of the last five quarters the survey has been released.

Conclusion

Dell is continually looking to improve upon its industry-leading notebook credentials through the entire product life cycle. Based on constant customer feedback from tracking social media, in-person customer product demonstrations and monitoring customer sentiment on Dell.com, Amazon.com and BestBuy.com, Dell is constantly listening to what its customers have to say — the good and the bad. Hardware reliability is also critical for Dell as it constantly seeks to exceed industry standards for quality components, value and service to its customers by aligning its portfolio of notebook services with the core needs of its customers. Dell positioned its notebooks to meet the evolving demands of today's enterprises, securing the No. 1 ranking vendor in TBR's 3Q14 CSAT study.

About TBR's Quarterly Customer Satisfaction (CSAT) Studies

Technology Business Research Inc. (TBR) measures the expectations, satisfaction and loyalty of enterprise customers in its quarterly CSAT studies. TBR surveys more than 900 individuals responsible for the purchases of notebook PCs at North American enterprises with more than 500 employees on a quarterly basis. TBR ranks major vendors in each form factor area through a series of indices including sales satisfaction, product satisfaction, service satisfaction and loyalty.



About TBR

Technology Business Research, Inc. is a leading independent technology market research and consulting firm specializing in the business and financial analyses of hardware, software, professional services, telecom and enterprise network vendors, and operators.

Serving a global clientele, TBR provides timely and actionable market research and business intelligence in formats that are tailored to clients' needs. Our analysts are available to further address client-specific issues or information needs on an inquiry or proprietary consulting basis.

For more information

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