

MANUFACTURING AFTER-SALES & AFTERMARKET SUPPORT • PHILIPPINES

The first-fix standard: the executive economics of manufacturing after- sales & aftermarket support outsourcing to the Philippines.

An analysis of why tickets closed is a volume vanity metric, how first-fix resolution and warranty-cost accuracy — never ticket throughput — decide the true cost of an after-sales operation once misdiagnosed defects, wrong warranty adjudications, unnecessary truck rolls, and repeat failures are counted, and the vendor-selection discipline that fixes it the first time and feeds the defect back to quality.

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ABOUT THIS SERIES – VOLUME 94

Every after-sales proposal is priced per ticket closed, because volume is easy to count. This volume is about the two outcomes a manufacturer's warranty line and brand actually depend on and a cheap contract quietly trades away: the issue fixed on the first contact, and the warranty claim adjudicated to the actual coverage — with the defect fed back to engineering so it stops recurring. The gap between closing a ticket and fixing the product is where warranty leakage, truck rolls, and repeat failures live. The full series lives at piton-global.com.

About the authors



John Maczynski

Chief Executive Officer

John has bought after-sales capacity for three decades, and learned that the fast desk that closes every ticket and misdiagnoses the defect is the most expensive one a manufacturer can hire — because a misdiagnosis is an unnecessary truck roll or a wrong part shipped, a loose warranty call is margin given away, and a defect never fed back to engineering is a failure that keeps coming back across the installed base. His standing question ignores the tickets-per-day report: of the issues you closed, how many were fixed the first time, adjudicated to the actual warranty, and reported back to quality? Applied at PITON-Global, that question is what clients get on every after-sales sourcing decision — personally, with no account layer in between.

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Ralf has spent twenty-five years running Philippine technical-support floors, and he judges an after-sales team by its first-fix rate and its warranty-cost accuracy, not its tickets-per-day: whether the product was actually fixed and the claim adjudicated right, or the ticket was closed and the failure sent back down the line. The support contract in Section 3 codifies what he learned rebuilding teams that closed tickets fast and leaked warranty margin. He now reads after-sales providers the way he once ran them — from the repeat-failure log and the warranty-cost audit backward.

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ABOUT PITON-GLOBAL

PITON-Global is a buyer-side advisory practice, Manila-based since 2001, that has never operated a delivery floor or taken a placement commission. Its stock-in-trade is knowing the Philippine provider market at the operating level — 1,000+ mapped operations, re-verified continuously, including each after-sales team's real first-fix rate and warranty-cost accuracy rather than its tickets-per-day headline — and converting that knowledge into a shortlist of six to ten genuinely qualified partners per engagement. Buyers from Tripadvisor, Garmin, TSYS, HealthPartners, Yetipay, Workrise, and Norman Disney & Young have run their searches through the practice.

SECTION 01

Executive summary

-58%

Fully-loaded cost per first-fix resolution vs. US onshore

92%+

First-fix resolution on vetted teams, up from 62-76%

-54%

Reduction in unnecessary truck rolls & warranty leakage

6.3×

First-year ROI, reconstructed case (Section 6)

An after-sales engagement is bought on the price per ticket and paid for on the products it fails to fix and the warranty margin it gives away. The vendor reports millions of tickets closed at a fraction of the onshore cost; the manufacturer finds the misdiagnoses that sent a technician or a part to the wrong place, the warranty claims paid that should have been denied and denied that should have been paid, the repeat failures that came back because the root cause was never addressed, and a warranty-cost line drifting up while the ticket count looked healthy. The desk cleared its queue and the manufacturer inherited a truck-roll bill, a warranty-leakage problem, and a defect that keeps recurring because nobody told engineering. The gap between closing a ticket and fixing the product — cleanly, on warranty — is where the real cost of cheap after-sales support hides, because an unresolved or mis-adjudicated ticket is not throughput delivered; it is a second visit, leaked margin, and a defect still shipping.

The Philippines — technically literate, English-fluent, with a deep technical-support and warranty-operations pool — is where manufacturing after-sales is delivered with the most first-fix and warranty-cost discipline, because that pool, properly trained on the product and the warranty terms, can run the accurate diagnosis, clean adjudication, and defect feedback that a dependable operation demands. Five findings:

- 1 Tickets closed is the industry's most flattering number.** Any desk can close a ticket at speed. Vetted teams are measured on outcome: first-fix resolution, warranty-cost accuracy, and defect feedback. Weak providers quote a low per-ticket price the manufacturer repays in truck rolls, warranty leakage, and repeat failures. Section 2 shows the gap.
- 2 The first-fix resolution, not the closed ticket, is the product.** A resolution that protects margin and brand comes from diagnosing the root cause and fixing it on the first contact — remotely where possible, with the right part and technician when not — never from closing to clear a queue. Teams that fix first-time close the issue once; teams that close loosely generate truck rolls and repeat failures that cost far more than the ticket.
- 3 Warranty adjudication cuts both ways — over-pay and wrong-deney.** Approve what the warranty does not cover and margin leaks out; deny what it does cover and you earn a complaint, a chargeback, and a brand hit. Vetted teams hold warranty-cost accuracy high precisely because both tails cost — the margin given away and the customer wronged.
- 4 Truck rolls and repeat failures, not the per-ticket rate, are what cost.** An issue closed wrong costs the second contact, the unnecessary dispatch, the wrong part, and the recurring defect across the fleet — many times the per-ticket saving. Teams that fix first-time and feed defects back cut truck rolls and stop recurrence, and that avoided cost — not the offshore rate alone — is where the case study's return is built.
- 5 Contract on the first-fix resolution, not the closed ticket.** The contracting failure of after-sales is paying per ticket and hoping products get fixed and warranty adjudicated right. Vetted deals price against first-fix floors, warranty-cost-accuracy targets, and a defect-feedback SLA, making the fixed product the team's problem, which is where it belongs.

The intended reader is a VP of customer service, aftermarket/warranty director, or COO at a manufacturer buying after-sales support per ticket and paying for it in truck rolls, warranty leakage, and repeat failures. Sections 2-4 separate the teams that fix products from the teams that close tickets; Sections 5-7, the method and the proof.

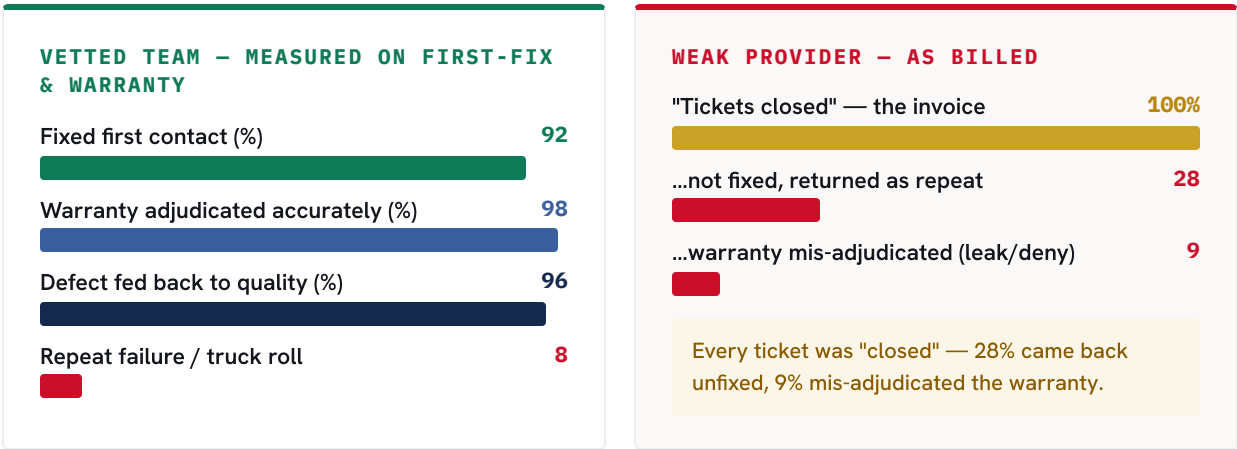
SECTION 02

The volume mirage: tickets

closed versus first-fix resolutions

Figure 1 shows one month of an after-sales queue two ways: as the tickets-closed report a weak vendor bills, and as the first-fix reality the repeat-failure log, the warranty-cost ledger, and the truck-roll bill experience. The tickets-closed number is engineered to look like output while truck rolls, warranty leakage, and recurring defects accumulate underneath.

FIG. 1 – ONE MONTH OF THE QUEUE: FIRST-FIX QUALITY VS. REPORTED VOLUME



Left: PITON-Global engagement instrumentation, 2025–26, first-fix and warranty audited. Right: composite of pre-engagement vendor reporting reviewed in diligence.

The economics follow the first-fix and the warranty, not the ticket count. On the left, ninety-two percent of issues are fixed first contact and warranty is adjudicated accurately, so technicians are not dispatched twice and margin is not given away; on the right, a cheap per-ticket price leaves twenty-eight percent unfixed and mis-adjudicates nine, paying in truck rolls, warranty leakage, and recurring defects at once. A low per-ticket price that leaves products unfixed is not a saving; it is a truck-roll treadmill and a warranty line that leaks. The first-fix-and-warranty audit — first-fix rate, warranty-cost accuracy, defect-feedback rate — is the cheapest due-diligence instrument in this paper.

The support contract: diagnose it right, adjudicate warranty clean, feed defects to quality

Figure 2 lays out the three clauses of a working after-sales contract — the machinery a floor read verifies before any per-ticket price is believed.

FIG. 2 – THE SUPPORT CONTRACT, AS OPERATED ON VETTED TEAMS



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Operating parameters from PITON-Global manufacturing after-sales engagements, 2025-26. Warranty adjudication is operated to each manufacturer's own coverage terms.

In diligence, the contract is tested from the product's and the ledger's side: pull closed tickets and check the repeat-failure log for issues that came back; re-audit a warranty-adjudication sample against the coverage terms; and confirm the defect-feedback loop actually reaches engineering — because a desk that closes fast but never feeds defects back keeps re-servicing the same failure. Perhaps one team in ten survives it cleanly. Steps 3 and 5 of the framework exist to find that one before the contract does — because everything in Table 3 of Section 6 depends on first-fix resolutions, not tickets closed.

SECTION 04

Cost and performance: cost-per-first-fix-resolution economics and benchmarks

TABLE 1 – FULLY-LOADED COST PER FIRST-FIX RESOLUTION: THREE OPERATING MODELS (2026)		
OPERATING MODEL	COST / FIRST-FIX	VS. US BASELINE
US onshore in-house after-sales team	\$18.90	baseline
Low-cost offshore ticket mill (per-ticket)	\$12.90	–32%
Vetted Manila team — first-fix, clean warranty	\$7.94	–58%

Basis: PITON-Global engagement pricing 2025-26; cost per first-fix resolution = fully-loaded operating cost divided by issues fixed first contact with warranty adjudicated clean (repeat failures, truck rolls, and mis-adjudications excluded); the ticket mill looks cheap per ticket but truck rolls, warranty leakage, and repeat failures lift its true cost per first-fix; US comparator fully-loaded in-house cost.

TABLE 2 – AFTER-SALES BENCHMARKS, VETTED VS. BASELINE (2025-26)

METRIC	VETTED TOP TIER	BASELINE	EXECUTIVE READING
First-fix resolution	92%+	62-76%	The only support number margin follows
Warranty-cost accuracy	98%+	86-93%	Margin protected, or leaked
Unnecessary truck rolls vs. baseline	-54%	baseline	"Diagnose it right" — held or not
Repeat-failure rate vs. baseline	-57%	baseline	Designed out, or serviced again
Customer satisfaction (CSAT)	90%+	70-80%	Brand kept, or eroded

Source: PITON-Global manufacturing after-sales engagement data 2025-26; baseline = typical pre-engagement operations billed on tickets closed.

The strategic read: the ticket mill's -32% per ticket is a false economy — truck rolls, warranty leakage, and repeat failures lift its true cost per first-fix far above the per-ticket gap, and a recurring defect shipped across the fleet is a cost no rate recovers. The vetted Manila team's -58% is real because it is measured where the value is: the issue fixed first contact, the warranty clean, the defect designed out. Buy on tickets closed and you buy the right column of Figure 1; buy on cost-per-first-fix-resolution and you buy first-fix and warranty discipline — the same discipline every volume in this series keeps arriving at from a different door.

SECTION 05

Sourcing discipline: the 7-Step Vendor Vetting Framework, applied to after-sales support

After-sales diligence adds two hard requirements to every step: a per-ticket price is real only when the first-fix rate behind it survives a repeat-failure audit, and only when the warranty-cost accuracy behind it survives an adjudication re-audit against the coverage terms. The funnel below is representative of a 50-130-seat after-sales support search.

FIG. 3 – THE 7-STEP FRAMEWORK AS AN AFTER-SALES FUNNEL

STEP	WHAT IT ELIMINATES IN AN AFTER-SALES SEARCH	FIELD REMAINING
1 Requirements definition	Throughput-first scoping: fixes the first-fix floor, the warranty-cost-accuracy target, the truck-roll ceiling, and the defect-feedback SLA the operation must meet by product line	1,000+
2 Market mapping	Ticket mills: operations that bill closed volume and treat repeat failures and warranty leakage as the client's problem, and generalist floors with no technical-diagnosis or warranty-operations depth	~44
3 Capability screening	Teams without the machinery: audited first-fix history, product/fault-tree training, warranty-adjudication and field-dispatch proficiency, a defect-feedback loop, and coverage across your product mix	~13
4 Compliance & security audit	Weak governance: customer- and product-data protection, access controls on warranty/CRM and parts systems, safety-recall handling, business continuity, SOC 2 scope covering the support stack	~8
5 Operational diligence	The first-fix-and-warranty read: audit repeat-failure logs for unfixed issues; re-audit a warranty-adjudication sample; confirm defects reach engineering; interview on a complex intermittent-fault diagnosis	4–6
6 Competitive RFP & negotiation	Per-ticket pricing: finalists bid against first-fix floors, warranty-cost-accuracy targets, and the defect-feedback SLA — all carrying credits for repeat failures and mis-adjudications	2–3
7 Transition & launch governance	Cold cutover: the team calibrates against your products, fault trees, and warranty terms on a sample before it owns the live queue, with the first-fix floor and warranty accuracy certified before steady state, PITON-Global embedded buyer-side	1

Field-remaining counts represent a 50–130-seat after-sales support search, PITON-Global engagements 2024–26.

The standing guarantees hold: **vendor neutrality** — PITON-Global operates no support floors, closes no tickets, and takes no placement economics, so the shortlist reflects audited first-fix and warranty performance, not inventory; **right-sizing** — teams for whom your operation is a flagship account. Six to ten

genuinely qualified providers, delivered within 48-72 hours, free to the buyer, competing through a fully transparent, fair, comprehensive, and highly competitive RFP.

SECTION 06 • ANONYMIZED CASE STUDY

Re-basing the operation on first-fix resolution: an 85-seat after-sales rebuild, reconstructed

Engagement MF-087 is a US durable-goods manufacturer — handling roughly 14,000,000 after-sales contacts a year across consumer and commercial product lines — that had offshored after-sales support to a per-ticket mill. The ticket price was excellent; the first-fix and warranty were not: first-fix resolution sat near 69%, truck rolls were high, warranty margin was leaking on loose adjudications, repeat failures were climbing, and a recurring defect had never been fed back to engineering. The VP of customer service wanted the arbitrage without the truck rolls and the warranty leakage. Identifying details are anonymized under NDA.

SELECTION (WEEKS 0-8, FIRST-FIX + WARRANTY READS)

Requirements fixed a 92% first-fix floor, a 98% warranty-cost-accuracy target, a truck-roll ceiling, and a defect-feedback SLA. Mapping produced 44 claimants; the machinery screen — audited first-fix, product/fault-tree training, warranty-adjudication and dispatch proficiency, defect-feedback loop — left 13; the compliance-and-continuity audit left 8. Repeat-failure audits, warranty re-audits, and an intermittent-fault diagnosis test shortlisted 5. A Manila team won priced against first-fix and warranty, with both written into the reporting spec.

TRANSITION (MONTHS 2-7, CALIBRATED FIRST)

The team calibrated against the manufacturer's products, fault trees, and warranty terms on a sample before owning the live queue; the first-fix floor and warranty accuracy were certified in month 3, and the defect-feedback loop to engineering ran from day one. The diagnosis-and-QA loop fed agent coaching continuously. By month 7 first-fix resolution reached 92.3%, truck rolls fell 54%, warranty-cost accuracy hit 98%, repeat failures fell 57%, and CSAT reached 90%. PITON-Global chaired the first-fix-and-warranty review board to steady state.

TABLE 3 – MF-087 FIRST-YEAR VALUE BUILD-UP (US\$)

VALUE COMPONENT	YEAR 1	BASIS
Labor arbitrage on the 85-seat operation	\$2.17M	159.4k productive hrs × (\$23.10 – \$9.50)
Truck rolls & repeat failures removed (higher first-fix)	\$0.86M	Second visits and re-service eliminated at first-fix floor
Warranty margin protected	\$0.44M	Leakage recovered by accurate adjudication
Defect-designout & CSAT value	\$0.22M	Recurring-defect reduction and retention effect
Gross value created	\$3.69M	
Less: engagement & transition costs	(\$0.59M)	Calibration, fault-tree training, warranty/CRM integration; advisory fee \$0 (provider-paid model)
Net value ÷ cost = first-year ROI	6.3×	\$3.69M ÷ \$0.59M

Figures rounded; first-fix, warranty, and defect effects audit-verified. Method in Methodology & notes.

Fifty-nine percent arbitrage, forty-one percent from removed truck rolls and repeat failures, protected warranty margin, and defect design-out — a typical split for the series, earned because the operation was re-based on first-fix and warranty rather than ticket volume. Every line traces to a diligence step: the first-fix floor and warranty target to Step 1, the first-fix-and-warranty pricing to Step 6, the defect-feedback loop to Step 3's contract. The VP's line at the year-one review: "The ticket price barely moved. What moved is that products get fixed the first time — and the defect we kept re-servicing got designed out."

SECTION 07

The executive playbook: governance for the first 180 days

An after-sales transition succeeds when the team is measured and paid on first-fix resolution and warranty-cost accuracy — client in command throughout.

DAYS 0-30**Define first-fix & warranty, contract on them**

Set the first-fix floor, the warranty-cost-accuracy target, the truck-roll ceiling, and the defect-feedback SLA with customer-service leadership before launch, and document the fault trees and warranty terms by product line. Contract against first-fix and warranty — never per ticket alone — with floors carrying credits and mis-adjudications a defined breach. Stand up the repeat-failure audit and the warranty re-audit as the program's arbiters of truth.

DAYS 30-90**Calibrate, stand up the defect loop**

Calibrate the team against your products, fault trees, and warranty terms on a sample before it owns the live queue; certify the first-fix floor and warranty accuracy, and switch on the defect-feedback loop to engineering. Publish the operations dashboard: first-fix resolution, warranty-cost accuracy, truck-roll rate, repeat-failure rate, CSAT.

DAYS 90-180**Own the queue, certify steady state**

Hand the live queue to the team only after it holds the first-fix floor and warranty-cost accuracy. Review the board monthly with the repeat-failure log and defect-feedback results on the table. Certify steady state on two months at floor including a seasonal or new-product surge; hand over on documented criteria; keep the repeat-failure audit and warranty re-audit standing.

THE FIVE FAILURE MODES WE ARE HIRED TO PREVENT

Paying per ticket while products go unfixed · closing tickets instead of diagnosing root cause · adjudicating warranty loosely and leaking margin · never feeding recurring defects back to engineering · owning the queue before first-fix and warranty are proven. All five are settled at selection and contract.

The after-sales argument, in one sentence: a closed ticket is activity and a first-fix resolution is a product actually fixed, a warranty claim adjudicated right, and a defect designed out, and a vetted Philippine team delivers -58% cost per first-fix with 92%+ first-fix resolution, truck rolls and repeat failures cut by more than half, and warranty margin protected — for buyers who audit first-fix and warranty instead of counting tickets closed, and compete the finalists through a fully transparent, fair, comprehensive, and highly competitive RFP. Anyone can close a ticket. We make sure you buy the team that fixes the product and feeds the defect back.

How the numbers were built

First-fix and warranty figures (Fig. 1, Table 2) derive from engagement instrumentation in PITON-Global manufacturing after-sales engagements, 2025–26. First-fix resolution is measured against the repeat-failure log; warranty-cost accuracy by re-audit against the coverage terms; truck-roll and repeat-failure rates and CSAT against the client's pre-engagement baseline. The weak-provider column is a composite of pre-engagement vendor reporting reviewed in diligence, shown for contrast.

Cost-per-first-fix-resolution figures (Table 1) are fully loaded — wages, benefits and statutory charges, facilities, technology and warranty/CRM/diagnostic tooling, management and QA overhead including diagnosis coaches and warranty auditors, and attrition-driven recruiting — divided by issues fixed first contact with warranty adjudicated clean, with repeat failures, truck rolls, and mis-adjudications excluded from the denominator; US comparators reflect fully-loaded in-house cost on the same basis. A first-fix resolution is fixed on the first contact, adjudicated to the actual warranty, and — where a defect is found — fed back to quality.

The case study (MF-087) is anonymized under NDA; volumes and dates are generalized, figures rounded. First-fix, warranty, and defect effects are audit-verified; the truck-roll-removed line reflects eliminated second visits, and the defect-designout line is a conservative estimate. ROI = net first-year value ÷ all engagement-related client costs. PITON-Global's advisory fee is provider-paid and appears at \$0 in the client cost base; neutrality safeguards are documented at piton-global.com.

Market context draws on IBPAP reporting and PITON-Global's proprietary provider mapping (1,000+ operations; first-fix and warranty performance re-verified May 2026). Warranty adjudication is operated to each manufacturer's own coverage terms. Estimates and projections are PITON-Global analysis and should be cited as such. The full series is available at piton-global.com.



Would your provider's ticket price survive a first-fix-and-warranty audit?

Forty-five minutes with John will tell you. Free to buyers, strictly vendor-neutral — a first-fix-and-warranty-verified shortlist within two to three business days.

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