



# FIXO: How to improve and leverage its provider's network to exploit the maximum value out of it

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## Abstract

A new at-home services market is emerging in Portugal, as a result from a changing traditional market and customer behavioral change. Fidelidade is developing FIXO with the aim to penetrate this new market, FIXO is an at-home services provider developed to provide services at home through its online platform with high focus on customer satisfaction and experience. If successful, these efforts can establish FIXO as the market leader early on, on a market where customer acquisition costs are high and platforms are highly dependent on its providers network. The aim of this research is to understand how to leverage FIXO's provider network in order to exploit the maximum value out of it, in a way that can be applied to their business model and operations, to gain an edge over competition. This research was conducted by working closely with the FIXO team, though their resources and expert market knowledge. Interviews were made to providers, and surveys to the provider's network and potential customers. It was performed a quantitative data analysis using observation and some statistical tools, a qualitative data analysis through observation, content and thematic analysis. Also, debate meetings were held with FIXO team experts regarding the data analysis and recommendations. The research resulted in the diagnosis of the business model, in the identification of its pressure points and corresponding suggestions to improve them. Also, the characterization of provider's profile and what they value the most. This ultimately contributes to the improvement of FIXO's business model and customer satisfaction.

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*Keywords:* FIXO, operational processes, provider networks, for-home services market

## Resumo

Um novo mercado de serviços ao domicílio emerge em Portugal, fruto da evolução do mercado tradicional e da alteração do comportamento dos clientes. A Fidelidade está a desenvolver o FIXO com o objetivo de penetrar neste novo mercado, o FIXO é um prestador de serviços ao domicílio através da sua plataforma online com elevado foco na satisfação e experiência do cliente. Se bem-sucedidos, estes esforços podem estabelecer a FIXO como líder de mercado, onde os custos de aquisição de clientes são altos e as plataformas altamente dependentes da sua rede de prestadores. Esta pesquisa tem como objetivo perceber como alavancar a rede de fornecedores da FIXO para retirar o máximo valor da mesma, numa forma suscetível de ser aplicada no seu modelo de negócio, para ganhar vantagem sobre a concorrência. Esta pesquisa foi realizada em colaboração com a equipa FIXO, através dos seus recursos e extenso conhecimento de mercado. Foram realizadas entrevistas a prestadores, questionários à rede de prestadores e a potenciais clientes. A análise de dados foi realizada através de observação quantitativa, medidas estatísticas e por meio de análise temática de conteúdo. Adicionalmente, foram realizadas reuniões de debate com especialistas da equipa FIXO. A pesquisa resultou no diagnóstico do modelo de negócio, na identificação de pontos de pressão e correspondentes sugestões para os solucionar. Permitiu adicionalmente a caracterização do perfil do prestador típico e o que ele mais valoriza. Este resultado contribui para a melhoria do modelo de negócio da FIXO e conseqüentemente para a satisfação do cliente.

Título: FIXO: Como melhorar e alavancar a rede de prestadores de forma a explorar o máximo de valor da mesma.

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*Palavras-chave:* FIXO, processos operacionais, rede de prestadores, mercado de serviços para casa

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# 1.Introduction

FIXO is an at-home services provider company that operates in Portugal, developed in the Center for Transformation department of Fidelidade. This company (Fidelidade) utilized its attributes to navigate through the instability of the pandemic crisis and achieve a growth above market rate, leading it to reach a record-breaking market share of 29.1% in Portugal in 2021, making it the market leader. Additionally, from its presence in 12 countries (4 continents) achieved an international business increase of 20% during 2021. Fidelidade has more than 7,700 employees, from which 44% in Portugal, and more than 8.3 million clients, from which 27% are in the Portuguese market. (Fidelidade Annual Report 2021, n.d.)

Fidelidade is focused on tackling challenges not only in the insurance industry but also in society through innovation and wants to increase its scope of products and services outside the insurance business, namely with the project FIXO.

FIXO is able to offer end-to-end digital experience for its clients, providing services at home through its online platform, with a high focus on customer satisfaction and experience (Fidelidade Annual Report 2021, n.d.)

FIXO's main goal is to help its customer get services in demand at home as conveniently and hassle free as possible. In order to achieve it, the platform offers a range of seven types of services – cleaning, laundry, beauty, repairs, installations and health – with quick and easy scheduling and payment process, offers a closed competitive price for its services (except if there are extra costs during the service, pending client acceptance), assured quality technicians and personalized customer support. (<https://www.fixo.pt>. (n.d.); FIXO team expert interviews)

This represents a new emerging product market in Portugal as a result from a changing traditional market, which has yet no established leader and Fidelidade is penetrating with the FIXO project.

FIXO currently operates in the Lisbon Metropolitan Area, performed 11689 requests in the year of 2022 and set as an objective for 2023 to increase its services to 35800 (3,1x) requests. In order to achieve it, FIXO is currently in the process of expanding its operations to the city of Porto, Portugal. FIXO's ultimate objective is to escalate the business both in the number of services performed and also geographically. (FIXO team expert interviews)

The business model developed by FIXO grants it with competitive advantage, however as FIXO subcontracts its providers to perform the services requested by its clients, it is highly dependent on its providers' network.

The goal of this research is to identify the most advantageous way this company can structure, escalate and leverage its business model, focused on how to improve specially its provider related operational processes and consequently leverage its providers network by identifying pressure points, its impacts and possible solutions taking into account its internal and external limitations. Therefore, the focus of this dissertation will be directed towards business model operations and process mapping, the relationship with providers, providers necessities, wishes and other providers related subjects like provider selection criteria, and how to maintain them. All this will ultimately lead to a significant improvement on customer satisfaction consequently greatly benefiting FIXO.

The only location in which FIXO has fully set up and working operations at the time of this analysis is in the metropolitan area of Lisbon, therefore this analysis focuses on that area of operation. The aim of this research is to generate recommendations that can be applied directly to FIXO's business model and its relation with providers.

The research problem originates the following research questions:

Q1. What is the current diagnosis of FIXO's business model – understanding the business model used to penetrate a new product market by mapping the current processes and procedures between customers, FIXO and its providers' network.

Q2. How to characterize FIXO's providers? Understanding the factors most valued by providers, their wants and, main challenges faced as a way to leverage the relationship and retain them.

Q3. Recommendations for FIXO's business model in terms of possible improvements on operational processes and services provided, with a perspective based on leveraging its providers' network by identifying pressure points and possible solutions to exploit the maximum possible value out of this network. The aim is that these recommendations can be integrated and applied in its current operations.

These research questions provide a direction to our research, namely the focus on providers and operational processes of FIXO's business model. This research is presented in the next chapters, starting with the literature review following this introduction.

## **2. Literature review**

### **2.1 Introduction**

The purpose of this chapter is to conduct literature review in the areas of interest to the current project with the aim to gather relevant information and know-how, identify possible key factors, variables and drivers which can contribute to the development of recommendations and answers towards the research problems previously mentioned in this document. It supports the design of guidelines, methodology and firstly, direction on where to start.

Regarding our analysis, we must realize that a new product adoption can be influenced by numerous factors, such as complex social networks, product qualities and personality traits. The complicated interactions that these elements can have between them make it a challenge to anticipate adoption patterns. (Peres, Muller and Mahajan, 2010)

The same paper also mentions that the adoption process' unpredictability of a new product can be further influenced by variations across market niches, timing and geographic areas, motivated by different cultural norms, legal frameworks and economic factors.

Social networks are presented in the literature as having a major influence on a new product diffusion, companies can make use of it by leveraging social contagion to boost product acceptance and hasten its diffusion. (Iyengar, Van den Bulte and Valente, 2011)

The Peres, Muller and Mahajan (2010) research identified the influence that the differences in some relevant diffusion parameters have, namely where entry time lag, competition, market regulation, wealth (income per capita) and income inequality – can independently exercise a positive diffusion influence of the product.

### **2.2 New product development & changing markets**

The market FIXO is penetrating leads us, in order to properly develop effective recommendations, recur to know-how on how to tackle the challenges that come with developing successful new products in rapidly changing and new markets.

In a market of this typicity, we must emphasize the value of exploiting alliances and collaborations as a method to keep one step ahead of competitors and build solid client relationships. Furthermore, the capacity of adaptation and flexibility in face of a quickly changing market is of utmost importance. As well as the necessity of regularly monitoring client demands, preferences and continual iteration and product improvement according to client inputs. (Mullins and Sutherland, 1998).

In a fast evolving and changing market, integrating consumers in the creation of new products has potential to spur innovation and raise customer happiness, contributing to develop an edge over rivals. Due to technology consumers became more assertive, demanding and easier to interact, gathering and leveraging their suggestions, criticisms and overall contributions leads to the development of better products. (Hoyer et al., 2010)

New product development literature identifies, alongside the value of customer interaction, a necessity for cross-functional work teams, the value of good project management and the contribution of organizational culture for a successful new product. (Ernst, 2002)

Furthermore, it is key to emphasize supplier collaboration, this type of collaboration in the new product development process may enhance the product, cut down on development time and expenses, and ultimately create a competitive edge, by exploiting suppliers' knowledge. (Ragatz, Handfield and Scannell, 2003)

Knowledge sharing therefore presents itself as being of utmost importance regarding a successful new product management, this comprises both explicit and tacit knowledge exchanged between team members, departments and external partners (Idrees et al., 2023). In addition, Stock et al. (2021) observed that perceived project success is strongly correlated with knowledge sharing, which further highlights the importance of collaboration.

## **2.3 Penetrating a new market**

Having set the foundations for our analysis and, identified key factors and drivers of new product development, in the case of this analysis regarding FIXO's case, it is relevant to gather knowledge about market penetration and its challenges.

### **2.3.1 Market entry motivations and strategies**

Firms' entry motivations and behaviors, according to Kim, N. et al. (2014) research, have an important impact to company decisions and course of action and, in order to comprehend them, the paper suggests a two-dimensional framework comprised by a market orientedness dimension and a technology-orientedness one. The first one measures an organization's focus on seizing market opportunities and adding value for consumers. The other one measures an organization's focus on exploiting its technological capabilities to generate value. From this framework the paper identifies four distinct categories, a company focused on serving consumer wants and also leveraging new technologies, like FIXO, is classified as the balanced type by the research. Furthermore, the article shows that the balanced type often employs market penetration tactics based on product differentiation, incremental innovation by introducing new characteristics to current products and technology and, by developing alliances and partnerships as a way to develop competitive advantage.

There are various important factors that can influence a company's market penetration process success, namely firm characteristics like its resources and ownership advantages (FIXO is owned by Fidelidade), country-specific factors like the size of the market and its cultural norms and institutional environment, as well as how they interact with one another. (Morschett, Schramm-Klein and Swoboda, 2010)

### **2.3.2 Stakeholders collaboration**

Throughout this chapter, literature identified supplier collaboration and information sharing (across teams and external partners) as key factors which when leveraged can contribute to the development of a competitive edge against rivals. Being FIXO highly dependent on its providers and partners to operate its business model, it is relevant to deepen our knowledge in this area.

In fact, Scholten, K. and Schilder, S. (2015) research indicates that collaboration enhances supply chain performance and resilience in face of uncertainty and disruption. It refers that it enables stakeholders to detect possible disruptions earlier allowing them to take preventive action and consequently accelerate response times and efficacy. Also, it shows that cooperation encourages knowledge sharing and partners' commitment to one another, which in face of disruptions facilitates problem-solving and communication. It's important to note that they mention the risk of power imbalances, as this perception might be a friction for the development of valuable collaboration.

The ability of an organization to access their supply network partners' resources and information can improve their capacity to innovate. Also, a more interconnected supply network facilitates knowledge and resource sharing among partners, which results in greater innovation output. However, it's important to refer that overly complex supply network structures might originate coordination issues which can negatively affect innovation output. (Bellamy, Ghosh and Hora, 2014)

### **2.3.3 Provider selection criteria**

FIXO's business model has high dependency on its providers in order to be able to perform the services it offers to its clients. There is not extensive literature about how to properly select providers for the typicity of FIXO's service, however we can extract knowledge from literature that dives into provider and supplier management and selection criteria.

According to Zimmer, Fröhling and Schultmann, (2015), in the process of choosing suppliers an organization should take into account economic, social and environmental factors, on top of this, they should also be continuously monitored and developed to ensure their long-term viability. The authors also emphasize that a sustainable approach to supplier management may bring advantages, namely lower costs, brand reputation benefits and lower risks of unfavorable press.

Regarding how to select the better fitting suppliers and providers, the Scott et al. (2015) study suggests a multi-criteria decision-making approach (MCDM). This approach takes into account both qualitative and quantitative criteria, as the authors defend that by combining several

selection criteria businesses are enabled to make more knowledgeable decisions and chose suppliers in a more comprehensive manner, resulting in a selection of better providers. In this approach, the qualitative factors comprise environmental and social responsibility, innovation potential and reputation, the quantitative factors include quality, price, delivery and risk. It is also mentioned that there is value in taking stakeholders input into account in this decision-making process.

After applying the MCDM approach, the authors considered TOPSIS (Technique for Order of Preference by Similarity to Ideal Solution) as the most effective way to choose most suitable supplier. This technique rates them according to how close they are to the perfect solution and how far they stand from the unfavorable ideal option. This study concluded that in a multi-stakeholder context, this strategy was successful in supplier selection.

## **3. Methodology**

The purpose of this chapter is to present the methodology and research design used in this research to gather and examine the data. It provides a framework for the research methods, research design, data collection methods, data analysis, addresses potential limitations and ethical considerations.

### **3.1 Context considerations**

This thesis dissertation and its research is developed alongside a consulting project resulting from an agreement between Fidelidade and Catolica Lisbon Business School. This consulting project is developed by a team of two master students, José Gonçalves (the author of this dissertation) and Francisco Aveiro, in close collaboration with FIXO's team. This dissertation withdraws and makes use of knowledge developed during the realization of this project; However, this dissertation is developed and written individually and independently by its author.

### **3.2 Research Design**

The market in question is an emerging new product market in Portugal, resulting of a change in the traditional for-home services market, therefore market research and analysis about the specificities of this particular market have not yet been published as they are kept as confidential information by companies. Working closely with FIXO's team for the development of the consulting project mentioned above allows for close contact with them, having this access the overall approach to this research is through FIXO's resources, namely through their extensive market knowledge and experience due to the specificity of both their services and this new emerging market in Portugal, also through interviews with their providers and a provider survey. Additionally, secondary market research is conducted through the case studies, articles and competitors' platforms.

### **3.3 Data collection methods**

The research collects both qualitative and quantitative data through the methods explain below:

## **Meetings with FIXO's team experts**

In the first weeks of the development of the consulting project several extensive meetings and interviews were realized with FIXO's industry experts, namely the leadership team and department heads where they shared their know-how about the current state of the market, explained their business model and operations procedures and highlighted the major challenges that they had to overcome, as well as the ones currently emerging. Field visits (on-site visits in the corporation), made it possible to observe the operations team procedures and day-to-day action, which allowed to gather knowledge about the real-world procedures and challenges that their business model faces.

Meetings with FIXO's team experts were maintained regularly throughout the entirety of the dissertation development.

## **Providers' Interviews and Survey**

FIXO allowed access to their provider network were firstly, online interviews were conducted to four key providers of FIXO's operations, which were suggested by them, these interviews were made with the goal to understand their perspective, needs, wants, benefits for them, challenges and satisfaction levels with the service. The knowledge gathered from these interviews served as a guideline to create a provider survey destined to FIXO's providers with the aim to get representative feedback, of the same characteristics mentioned above, from their providers' network.

The provider's survey gathers both qualitative and quantitative data, it was tested and validated by FIXO's team and shared with their providers' network. This survey was answered by 76.2% of their providers (corresponding to 32 providers out of 42).

## **Consumer survey**

Despite not being the focus of this dissertation, the consultancy project developed (mentioned in the context considerations) due to its goals contributed from a gathering of

knowledge about consumers susceptibility to adopt to FIXO's type of service. This research was made through a survey developed with the knowledge obtained from FIXO's resources, it was tested by several individuals of different educational backgrounds and, shared through various social channels, namely social networks, where for instance Facebook groups composed by a large number of people from certain geographical areas, were targeted. It collected 150 answers.

Therefore, even though a consumer analysis is not the purpose of the research of this dissertation, there is a specific data point out of this survey which contributes to enrich this dissertation, this is presented in a concise manner in the data analysis chapter.

### **Secondary data research**

For market analysis, secondary data research was conducted with the following goals:

Gather knowledge about the competitive environment, by identifying, accessing and experiencing competitor's platforms, reviewing competitors' social networks and public consumer reviews.

### **3.4 Data analysis**

Qualitative analysis is performed mostly through observation, but also content and thematic analysis in order to identify relevant themes and patterns.

Quantitative data analysis is performed mostly through quantitative observation, and some statistical measures (descriptive statistics). Due to the specific characteristics of the quantitative data of only having 32 observations, despite corresponding to the great majority of providers, greatly limits (limited by its sample size) the accuracy of the available and appropriate statistical tools to study the existence of a relationship between variables. However, to demonstrate that this effort was made, in a concise manner two of the tests are presented in the analysis.

Due to being a recent and very specific subject for which the existing literature is very scarce, I had to resort to debate meetings with field experts in order to better substantiate and validate the analysis and suggested recommendations. For data analysis, meetings were held with FIXO's team experts, where the analysis of the collected data was presented and discussed, where

the identified pressure points were presented, discussed and validated, and where the recommendations were also presented and discussed.

### **3.5 Potential limitations and ethical considerations**

The existing and published studies about this specific market are scarce, which means that the sources of knowledge are limited. It is important to emphasize that currently companies penetrating this market do not publish their findings, as it is seen as source of advantage that can benefit competitors.

The survey done to FIXO's service providers is not anonymous, the preferred method was an anonymous survey however, FIXO team decided to do the opposite due to the need to match the survey info with quantitative data of providers from their database. This aspect has an influence in the survey responses as in some cases determined providers preferred not to disclose the information asked in the question. Survey responses are limited by the number of providers FIXO has at the time of this analysis, which corresponds to a small statistical sample, this limits the significance of the statistical analysis, namely the significance of the results of the relationship between variables.

Regarding the consumer survey, the time-frame and budget available did not allow to reach an appropriate number of responses to effectively produce a sample of the entire market of the targeted metropolitan areas, which can translate into results that do not fully represent reality.

The consumer survey explicitly indicates that it is meant for the development of an academic work from a master student, that the participation in the survey is voluntary, that the answers are anonymous and that at any time one can quit the survey without any consequent negative impacts.

## **4. Data analysis**

### **4.1 FIXO's business model**

#### **4.1.1 Value proposition**

FIXO positions itself as an “at-home” services platform instead of “for home” services. Its main goal is to help its customers get services in demand at home as conveniently and effortlessly as possible. In order to do this, FIXO gets the services requested by its customers to be performed by its providers, managing all the client relationships and promotion efforts on their behalf.

#### **Customers**

Value proposition for their customer comprises the offer of at-home services doted of very quick and effortless scheduling according to the customer availability and preferences, with a very competitive closed price, assured service quality and personalized support.

To request the desired service, customers simply have to go to the FIXO online platform, select the service, choose service add-ons (or not), indicate the desired day, time and location and proceed to payment. This whole process can be done in about 2 minutes through the customers' smartphone, emphasizing a very quick and effortlessly service scheduling.

Closed price means that the customer is given a fix budged when requesting a service and this price is honored by FIXO. Therefore, the only case where a customer would have to pay more than the given price at the initial request is if additional materials or hours of service are necessary to properly conclude the service, these extras are voluntary and always dependent on customer validation and agreement. In fact, more than 90% of the services requested do not incur additional costs.

Assured quality service is guaranteed by FIXO by providing good quality technicians and products to perform the service with all the required and necessary certifications, as well as for the commitment to take responsibility if the service is not up to par, in this scenario FIXO will take the necessary actions to ensure the quality of the service.

Throughout the whole process since requesting the service up to its conclusion, FIXO facilitates on demand personalized customer support in real time, by the means of e-mail and a call-center which customers can contact for any service-related affair, which will be treated with urgency always seeking to satisfy customer needs.

The at-home services offer comprises seventeen types of cleaning services, being the most popular one's home cleaning, moisture cleaning, laundry and ironing, deep cleaning and carpet cleaning; eight remodeling and decoration services, namely interior painting, movings, assembly of items and application of wallpaper; twenty-eight installation and repair services, such as electrical installations, repair of household appliances and water breaks; three energy services, such as energy certification and energy efficiency diagnosis; several well-being services like nursing at home, massages at home, and make-up at home; dedicated services for companies with adjusted rates and adequate specificities.

## **Providers**

Value proposition for their providers comprises all the marketing and promotion efforts, all the customer acquisition costs, an increased volume of business, real time provider support and all the client management efforts and costs, all this without the necessity of any initial investment.

FIXO structure and access to Fidelidade resources allow it to, from the start, to perform all the efforts and development of customer acquisition has they have the capacity to incur the costs that come with it, the fact that providers can save themselves these efforts through this service, by itself already offers considerable value for them. The customer acquisition cost for FIXO is around 30€ per customer.

In par with customer acquisition, the same applies to the marketing strategy applied by FIXO, where it publicizes the service through several channels increasing the amount of customer awareness into the platform bringing in more potential customers, which ultimately benefits the providers with zero cost for them.

As a consequence, from these efforts and strategy, FIXO is able to bring a large number of customers to the platform which consequently results in more services for providers by allowing

them access to a big and continuously increasing customer base, this translates into access to an evolving volume of business for providers.

Throughout the whole process, FIXO's operations team manage all the customer relationship and management, this means that the providers only have to focus on their core competence, performing a good service while receiving a fair price.

Furthermore, similar to customer support, providers have access to a personalized and dedicated real time support service through call-center or email. This support service provided by FIXO is focused on responding to any doubts, requests, necessities or challenges faced by providers in real time during services, seeking not only customer satisfaction but also provider satisfaction as FIXO views and values providers as a fundamental part of their team.

#### **4.1.2 How FIXO works – processes**

This chapter explains the typical chain of events that take place when a client requests a FIXO service, including both the customer and provider perspective.

FIXO was born in the department of Center for Transformation (CFT) from Fidelidade, this department was generated with the goal to foment and conduct innovation projects. FIXO was one of the projects whose great potential lead to more investment from Fidelidade and is now being strongly developed.

FIXO has its own leadership and operations team, under the control of Fidelidade, however some specific functions and responsibilities are performed alongside or by other departments in the Fidelidade network, which is seen by FIXO as a benefit having access to Fidelidade resources. As part of its business model, it does not employ technicians to perform services, these are entirely assured by providers

##### **Requesting and performing a service:**

The journey of a customer starts when he accesses the FIXO website, here he will see all the available services, the customer will select the desired service, provide the necessary information about the service specificities (if any), proceed to the service scheduling where he will

state the most convenient and preferable schedule for him and finally proceed to payment. The action of a service request by a customer triggers the following chain of events:

**Client request** is accepted by FIXO platform after payment. Service is accepted before checking provider's availability.

**Service attribution** - FIXO platform will automatically distribute the service requested to one of the appropriate providers

**Provision of service** - Provider will travel to customers location and perform the service.

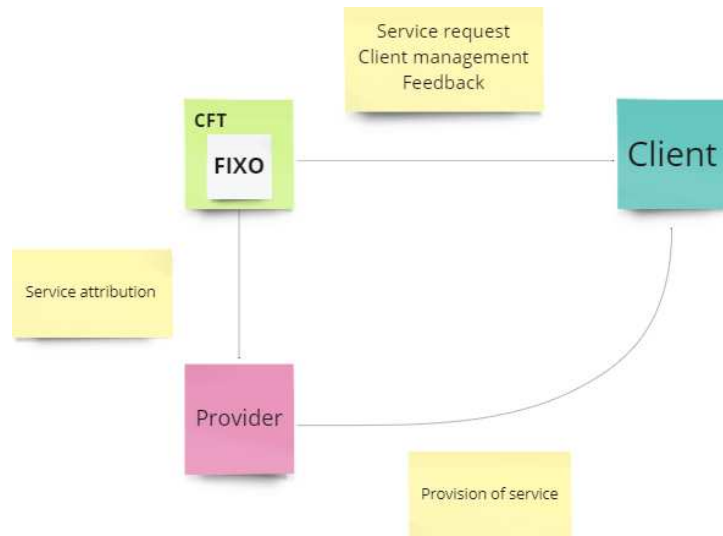


Figure 1 - Dynamics of requesting a service | Source: FIXO field visit

**Client Feedback** - client will provide feedback to FIXO, evaluating in a separate way both the overall satisfaction with the service and the technician that performed it in a scale from 1 to 5.

The **service attribution** presents in itself a more complex procedure. When a service is requested, the platform will identify the service type and the service location, it will then look through its provider database filtering by providers that perform that particular service, and by providers which perform services in that particular geographic area. After identifying the possible suiters for these conditions, the platform will firstly offer the service to the providers according to their established **quota**. From this point onwards three things can happen:

- The first provider to get the service has availability in the exact schedule preferred by the customer, he accepts the service and there are no necessary further actions, this process is automated.
- On the other hand, in case the first provider does not have capacity and availability to perform the service, then he will not accept it and the platform will automatically offer the same service to the second option, and so on until the service is accepted.

- In case the suitable providers do not have availability for the exact schedule suggested, FIXO will contact one of the providers and request him to make a counter offer of several similar schedule options for that service, FIXO will afterwards present these options to the customer via direct telephonic contact. This last situation implies a **rescheduling** of the service, and this process is not automated, it is done manually by a member of the operations team.

Once a provider receives the offer of a service, he will get a notification by message, email and in the platform, alongside a timeframe of two hours to accept, in case in this two-hour interval there is no action from his part then the platform will automatically offer the service to the second option (other provider).

**Quotas** for the services are attributed by geographical area of operations, to each provider individually and manually by FIXO's team, according to criteria such as their performance and quality in past services, their service capacity and customer feedback. Providers are generally not aware of the quota attributed to them, as these values are maintained as internal management.

The **provision of service** process starts once the service is attributed to a provider and an exact schedule is confirmed, this process becomes the providers' responsibility as he will autonomously have to manage his services organization and logistics so on the service day, he sends the appropriate technicians to the customer location, with the necessary materials to perform the service complying with the following procedures:

- These technicians, as it is stated in the agreement with FIXO, must use FIXO branded equipment provided by FIXO, this comprises items such as sweaters, t-shirts, bags and aprons.
- Technicians must comply with FIXO's methodology for each service type.
- In case there is the necessity of an extra material, which also implies the necessity of a second customer visit to properly conclude the service, namely in repairs for example, providers should strictly follow an established procedure: firstly, communicate the necessity to the client and provide a price for the material, following this the technician must input the material necessity and price on the platform where the client will voluntarily

validate it and proceed to payment or refuse it. Only after the client concludes the payment of the extra necessary arrangements, which can include an extra material and a second visit, can the technician follow up with the service conclusion.

- Scheduling of an extra client visit – in the cases where this necessity emerges, providers must report to FIXO's operations team which will afterwards communicate with the client to establish another visit, technicians must never obtain the customer's personal contact.

**Client Feedback** is closely controlled, there is a bi-weekly evaluation for services classified with low ratings of one and two values, in order to assess what occurred, the potential mistakes or misunderstandings, the context and customer attitude, how to improve or avoid future similar situations.

#### **Pressure points identified in requesting and performing a service:**

**Service attribution** procedures and criteria are not fully transparent to providers and are left mostly to internal evaluation, particularly the quotas attribution. **Quotas** are the major factor that differentiate providers for service attribution that operate in the same geographical area and perform the same type of services, these are established by FIXO's team according to their judgement. Quotas existence and functioning is not usually mentioned in the onboarding process for providers (explained in the next chapter) leaving them on the outside of something which highly influences the services received.

Service **rescheduling** is one of the procedures which can highly impact customer satisfaction. On the website, the schedule selected by the customer is branded as the preferable schedule, implying it is subject to modification, however it is presented in a way which makes it easy for customers to assume that it is the definitive one.

**Client Feedback**, according to real situations observed in the operations department, is not an impartial evaluation due to the human factor. Based on real cases reported by the FIXO team as an example, there are customers who prefer a more talkative technician to go to their home to do the job, and others who, on the contrary, prefer a technician who just does the job and doesn't interact with them. The same happens regarding technicians' personalities. The possible match or mismatch of people's personalities on a service will influence the client's perception of the service

quality, which will therefore influence the feedback. On top of this, there are reported situations of customers who have traits of racism, cultural generalizations and other negative traits that leads them to misclassify the service if the technician is from another cultural background.

**Provider selection and onboarding processes:**

The provider selection events are set in motion either after the realization of FIXO’s team that the capacity to answer to the increasing services request in no longer sufficient or are triggered as part of the expansion strategy being put in place. Currently both of these are happening, in Lisbon metropolitan area FIXO is expanding their service capacity and therefore provider network in order to answer to the fast-evolving number of requests per month; FIXO is also expanding its operations to the geographical are of Oporto as part of their strategy plan to achieve the goal of 35800 services by the end of 2023. With these triggers, the following chain of events take place:

Firstly, when FIXO’s team identifies the necessity of an additional provider, they will communicate that necessity to the DOP department of Fidelidade, this corresponds to the department of the mother company responsible for Procurement.

**Identification:** The DOP department follows up by identifying and gathering available information about possible suitable providers typically through three channels:

*Fidelidade network* – which is composed by several networks with already established suppliers and providers in various business areas across group Fidelidade companies and projects (including FIXO). This includes previous contacts, word of mouth and

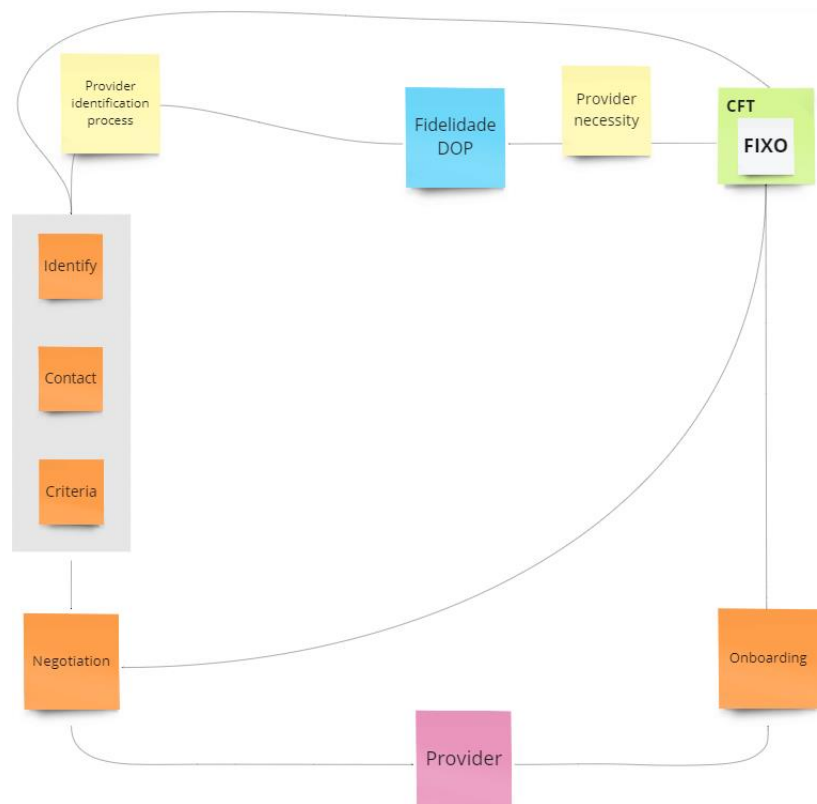


Figure 2 - Dynamics of provider selection and onboarding | Source: FIXO expert team meetings

recommendations by current providers and suppliers on the network which sometimes recommend a business colleague to Fidelidade

*Research* – the procurement department will search online, through connections and market knowledge for companies which might be suitable providers.

*Applications on FIXO website* – the website possesses a section dedicated to receiving applications from companies and technicians who wish to join and work on the platform.

**Contact:** After having identified a number of potential providers, the DOP department will make the first approach. This can be done by e-mail, cold calling and on-site or online meeting. Here they will focus on understanding whether it makes sense to invest time in starting and study an agreement with them or not, by gathering information about their geographical area of operation, about if their work methodology would fit and perform with the one from FIXO's business model, the expectation on prices charged for services and their openness and interest level on working with the platform.

Following this, in case DOP considers it makes sense to explore the creation of a relationship it will set up a follow up meeting including FIXO team members which will assess if the company in question complies with the established **criteria** for new providers. The criteria currently used are constituted by the following standards:

- Necessary certificates (legally required to perform some services)
- Having a registered company in accordance with the law
- Assessment of their human resources capacity to perform services
- Assessment of their capacity to cover a determined geographical area
- Assessment of their work methodology
- Own vehicle to travel to services
- Guarantee the quality and legality of its operations
- Possess administrative capacity

Having met the established criteria and interest from both parts to develop the relationship then the DOP, FIXO and provider step into the **negotiation** phase.

The **negotiation** phase is where prices are discussed and arranged with the provider. In here FIXO will request providers the prices they currently charge, compare them with the prices FIXO charges to clients and figure out if there is enough margin or whether there is the need to negotiate them in a way so that FIXO is able to maintain a margin between the competitive price charged to customers and the price paid to providers. The goal is to find a fair compromise for both parties.

FIXO's margin per service provided is just above 10%. This margin may vary slightly depending on the agreement established with each provider.

Its main competitor, OSCAR, collects a margin per service provided between 20% to 30%.

After arriving to a clear and defined price agreement, the new provider will initiate the **onboarding** process, which consist of a phase-in into the operations:

**Training and formation:** FIXO will provide, through an extensive meeting, training and formation to the person in charge of providers' operations. This includes how to operate the providers section of the online platform, namely how to submit invoices and manage the services, and includes the intended methodology on how to perform the service with the goal to standardize the in-service procedures across all providers so that clients do not feel any difference. The person in charge that receives this training will be the one responsible to provide it to its technicians, with whom FIXO's team does not have contact.

**Bureaucracy:** Alongside the training procedures, FIXO and the providers will be arranging all the necessary documents so that they can be added to the online platform as soon as possible, this process is usually very fast (takes two to three days).

**Mystery client:** Following up training and formation the provider is tested at least once before receiving a real service through a mystery client that in reality is part of FIXO's team. The display of a good performance unlocks access to real services on the platform, otherwise more there will be more training and an additional test.

A new provider will initiate its activity in a focused geographical area in a particular service. According to its performance FIXO team can provide access to other geographical areas of

operations and even more service types in case the provider possesses that ambition and skills offering them access to more business opportunities, recognizing and rewarding this way their good performance.

### **Pressure points on provider selection and onboarding processes:**

**Criteria** currently utilized to assess the capacity of a provider to comply with the standards is focused on the short-term, the momentary capacity to fulfill the services and comply with the desired quality level does not mean that the provider will be able to keep doing so in the future.

**Training and formation** in order to be efficient and effective should get to its intended target, which in this case is in great part the provider's technicians that perform the services for customers. However, as the training is only given by FIXO to the person in charge on the provider's side, there is no guarantee that this person will give that same training to its employees, or even provide them any training at all. These situations showed to be common according to the feedback and information received by FIXO operations team.

Furthermore, there is a lack of a training program and resources in order to update, maintain and improve provider's service quality over time.

The same can be said about the **mystery client** system to test a new provider. Firstly, providers are aware that they will be tested, meaning they can assume that at least the first service will be a test. Additionally, a good performance in the first services does not guarantee the consistency of a good performance over time.

There is a **lack of provider tests and monitoring** over the long run. Taking into account the pressure point of client feedback in the subchapter "Pressure points identified in requesting and performing a service", FIXO is left without a system or method to properly and continuously assess providers service quality over time in an impartial manner.

## **4.2 Understanding providers and their role**

As it is identifiable from previous chapters, this business model is highly dependent on its providers' network. Therefore, in order to properly apply and exploit its potential it is important

to properly understand providers. With this intent, online interviews were made to 4 major providers suggested by FIXO's leadership team as being the most experience ones on the platform, whose answers and inputs served as guidelines to develop a survey distributed with the aim to properly understand them.

This survey was shared with the providers in the Lisbon metropolitan area (at this time the only area of operations of FIXO), from which 76% (corresponding to 32 providers) answered allowing for a representation of the providers 'network. This chapter comprises the analysis of the answers obtained in those interviews and survey.

#### **4.2.1 Factors most valued by providers**

The provider interviews referred previously allowed the identification of both the major advantages and disadvantages of integrating the FIXO platform. (Refer to appendix 4 graph)

The major **advantages** identified by providers in the interviews are the following:

- The fact that FIXO handles and manages all the client relationships and support;
- Provides access to more clients;
- Feel like it is a reliable company they can trust;
- The fact that they do not have to invest time and resources in marketing and customer acquisition;
- The closed prices charged;

The characteristics identified in the interviews were used to build the provider survey which had 32 answers, as explained in the methodology. The provider survey data strongly supports these interview answers:

In this case, being the goal to identify the major benefit from their perspective and be able to differentiate them by relevance level, providers could select up to two major benefits in the survey:

What are the main advantages you feel when working with FIXO?	%
FIXO handles and manages all the client relationships and support	39.1%
Access to more clients	39.1%
Feel like it is a reliable company I can trust	39.1%
I do not have to invest time and resources in marketing and customer acquisition	34.8%
The closed prices charged	4.3%
Another one - which one?	0.0%

Table 1 - providers' main advantages |Source: survey data

Considering that each provider can select up to two advantages, answers show that the three factors of managing client relationships, providing access to more customers and the feeling of working with a reliable and trustworthy company in fact were selected by 39.1% of providers as being one of the main benefits of working with the platform. The benefit of not having to invest in marketing and customer acquisition similarly displayed a strong adherence by being selected by 34.8% of providers. Closed prices were surpassed by the other ones with a weight of only 4.3%. In case a provider perceived another reason as one of the major benefit sources for him he had the option to state it on the survey answer, however none felt the need to do so.

The **disadvantages** mentioned and derived from the provider interviews are:

- Not receiving enough service requests
- A desire to have more contact with clients
- The prices charged are not competitive
- FIXO takes a long time to pay
- The need to travel long distances
- Feel like my feedback is not heard
- Experience difficulties in communicating with FIXO

Similarly to the advantages analysis, the disadvantages mentioned above were utilized to design a survey question in the survey for providers which had 32 answers, where they could select up to two options:

What are the main disadvantages you feel when working with FIXO?	%
Do not receive enough service requests	39.1%
I would rather have more contact with clients	34.8%
Prices charged are not competitive	17.4%
FIXO takes a long time to pay	13.0%
Another one - which?	13.0%
The need to travel long distances to perform services	8.7%
Not listening to my feedback	8.7%
I experience difficulties in communicating with FIXO	4.3%

Table 2 - providers' main disadvantages | Source: survey data

Data highlights not receiving enough service requests as the major disadvantage associated with the platform as it was selected by 39,1% of providers.

A desire to have more contact with clients was selected by 34,8% of providers, however minimal customer contact is one of FIXO’s business model key factors in terms of providers.

About 17.4 % of providers feel like the prices charged are not competitive. Although the prices marketed do not vary much from the prices charged by the main competitors.

Data shows that 13% of providers mentioned “FIXO takes a long time to pay”. In reality, the Average payment period established as norm for FIXO is 7 days.

In case providers felt the need to highlight a major disadvantage they feel when working with FIXO and it was not listed, they could select “Another one – which?” and do so, 13% selected this option, however none chose to write down the disadvantage they were referring to.

Both the need to travel long distances to perform services and the feel that the feedback is not heard were selected by 8.7 % of providers. Only 4.3% feel like they experience difficulties in the communication with FIXO.

Following the identification of providers’ most valued factors and disadvantages felt, comes the provider profile analysis in the next subchapter.

### 4.2.2 Provider profile analysis

Provider survey data provides more valuable information, besides the understanding about advantages and disadvantages, that allows for a deeper provider understanding, namely the following relevant data points:

- How many technicians do you have in your company in total? & What is the number of technicians allocated to provide FIXO services?

Total Technicians		Allocated to FIXO	
Median	Average	Median	Average
6	8.4	4	4

Table 3 - number of technicians | Source: survey data

This allowed the identification that providers employ an average of 8.4 technicians, however it is important to note that the calculation is excluding the outlier of this question data which represents a company that has 80 employees. This emphasizes that we are working mostly with small companies that possess a limited operational reach.

Furthermore, data shows that from these same providers, the number of technicians of their team that they allocate to perform FIXO services is on average 4. This value presents an image of the number of services each provider on average is able to perform for FIXO simultaneously based on the human resources allocated by its providers' network.

- What percentage of your total revenues come from FIXO services?

What percentage of your total revenues come from FIXO services?	% of Providers
0 to 10%	53.6%
10 to 20%	7.1%
20 to 30%	7.1%
30 to 40%	3.6%
40 to 50%	10.7%
50 to 60%	10.7%
80 to 90%	3.6%
90 to 100%	3.6%

Table 4 – percentage of revenues from FIXO | Source: survey data

The percentage of providers' revenues, compared to their total revenues, prevented from FIXO services is up to 10% for 53.6% of providers, between 10 to 20% and between 20 to 30% for an equal weight of 7.1% of providers, between 30 to 40% for 3.6 % of providers, between 40 to 50% and 50 to 60% for equal weights of 10.7%, between 80 to 90% and 90 to 100% for equal weights of 3.6% of providers.

- What is the maximum distance you are willing to travel to provide a service?

What is the maximum distance you are willing to travel to provide a service?	% of Providers
Up to 10km	12.5%
10 to 15km	8.3%
15 to 20km	12.5%
20 to 25km	25.0%
More than 25km	41.7%

Table 5 – maximum distance to travel /Source: survey data

The maximum distance that providers are willing to travel to perform a service is important to further understand the operational reach, as well as the will of the providers of how far they will go for a request.

Data shows that 41.7% of providers are willing to travel more than 25 kilometers, and 25% are willing to travel between 20 to 25 kilometers, showing that they have a significant operational reach in the Lisbon metropolitan area. 12.5% of providers will travel a maximum of 15 to 20km, 8.3% a maximum between 10 to 15km and the last 12.5% of providers are only willing to travel up to 10 km.

- What is the maximum time you are willing to take to get to the service location (counting only the one-way trip)?

Different urban characteristics mean that from zone to zone the time needed to cover a given distance also varies, in the Lisbon metropolitan area these differences are very pronounced depending on the area of the city, due to this the time factor should be taken into account, making this question relevant.

What is the maximum time you are willing to take to get to the service location?	% of Providers
Up to 15 mins	25.0%
Up to 30 mins	37.5%
Up to 45 mins	29.2%
Up to 1 h or more	8.3%

Table 6 – maximum time to travel |Source: survey data

Results show that 25% of providers are only willing to travel up to 15 minutes, the biggest slice of providers corresponding to 37.5 % are willing to travel up to 30 minutes, 29.2% up to 45 minutes and only 8.3 % are willing to travel up to 1 hour or more.

Despite having the notion that the low number of observations in this provider analysis makes it very unlikely that significant relationships are established between variables, the effort was made:

. Is there a relationship between the distance and time providers are willing to travel to a client’s location?

A statistical Chi-squared test (with a 95% confidence level) on this relationship resulted in a p-value of 0.0805, supporting that there is no statistically significant relationship between them. (Refer to appendix 5)

. Is there a relationship between the percentage of a provider’s revenue prevenient from FIXO services and the number of employees that these providers allocate to FIXO services?

A Ranked ANOVA test (with a 95% confidence level) resulted with a p-value of 0.414, supporting that there is no statistically significant relationship between these variables. (Refer to appendix 5)

### 4.2.3 Consumer Survey analysis

The consumer survey was targeted for people in their working age with an income that would allow them to comfortably contract FIXO services. The FIXO name was not mentioned in the survey in order to obtain unbiased answers. With 150 answers, from which only 22.8 % have a monthly income of less than 1.700€. Regarding the consumer profile of the survey answers:

57,7% are male, 41.6% female and 0.7% preferred not to say; regarding the education level, 45.6% have a bachelor degree and 28.2% a master's degree; regarding work regime 55% work in presential form while 30.2% work in a hybrid regime; regarding their age group only 10.7% are below 25 years old and 63.1% are between 45 and 64 years old.

One of the main goals of this survey was to understand if the supposed competitive advantage that FIXO's business model possesses of assuring quality technicians and a quality service is in fact valued by potential customers. In fact, from our survey audience, 76% said they were not familiar with any online service provider platform for home services, indicating that there is still a lack of awareness in the market. These 76% were asked the following:

- How likely are you to try one of these platforms over the next year?

In a scale from 1 to 7, being 1 = I will not try it and 7 = I will definitely try it, the average of responses was 3.5 which corresponds to around 41.6% on the scale.

Considering this, to understand if FIXO's quality assurance makes any difference in customers probability to experience the platform we asked:

- Consider that a given platform took responsibility for ensuring the quality of the service. (Quality technicians and materials) How likely are you to try this platform over the next year?

Considering the same exact scale to the previous question, the average of responses was 4.3 corresponding to 55% on the scale. Therefore, with the introduction of the quality assurance characteristic we can observe that the probability rose 13.1%. This analysis supports the potential idea customers give significant value to the assurance of quality.

#### **4.2.4 Company context**

With the purpose of understanding the best practices and the company environment, namely the competitive context of such market, it is relevant to observe what are the international

practices by companies of this typicity, although they may not be directly comparable to Portuguese markets. The research resulted in the identification of several companies that offer services in the same scope as FIXO, namely:

International Competitor	Location	Key Features	Source
MyHome App	Kuwait, Emirates, Saudi Arabia	Closed price, similar platform to FIXO	<a href="https://myhomeapp.io/kw/en/home">https://myhomeapp.io/kw/en/home</a>
Thumbtack	US	Connects to nearby providers and gives budgets	<a href="https://www.thumbtack.com">https://www.thumbtack.com</a>
TaskRabbit	United States, Canada, United Kingdom, France, Germany, Italy, Portugal, Spain, and Monaco	Provides budgets and a list of providers	<a href="https://www.taskrabbit.pt">https://www.taskrabbit.pt</a>
UrbanCompany	US, India, Emirates, Singapore, Saudi Arabia	Closed Price, option of Rebooking your favorite cleaning provider	<a href="https://www.urbancompany.com/new-york-city">https://www.urbancompany.com/new-york-city</a>
QuikrEasy	India	Huge diversity of services, requests client's minimum budget and gives a list of providers accordingly	<a href="https://www.quikr.com/services/services-mumbai-al">https://www.quikr.com/services/services-mumbai-al</a>
Mr. Right; HouseJoy	India	Closed price, similar platforms type to FIXO	<a href="https://www.mrright.in">https://www.mrright.in</a> ; <a href="https://housejoygroup.com">https://housejoygroup.com</a>
Clintu	Spain	Client indicates what he is willing to pay for the desired service and the platform tries to find a provider	<a href="https://clintu.es/es">https://clintu.es/es</a>
Handy	US	Client indicates the desired service and the platform provides a budget	<a href="https://www.handy.com/services/home-cleaning">https://www.handy.com/services/home-cleaning</a>
HomeAdvisor by Angi; Angi	US	Client describes the desired service and the app matches it with a list of providers	<a href="https://www.homeadvisor.com">https://www.homeadvisor.com</a> ; <a href="https://www.angi.com/companylist/house-cleaning.htm">https://www.angi.com/companylist/house-cleaning.htm</a>

Table 7 – international competitors' analysis | Source: competitors' platforms

As seen in the table comprising the key features of the main international companies in the same sector, we can observe that there are only 3 which follow a similar closed price and platform design strategy like FIXO, and it is possible to identify particularly in UrbanCompany that they

offer an option that raises interest for FIXO application, the option for a client to rebook his favorite cleaner.

Despite being relevant, most of the platforms highlighted above operate in a different country with different cultural landscapes and market characteristics which might influence their business model, in order to obtain an accurate market analysis, it is important to identify competitors in the Portuguese market, this analysis revealed that the most relevant ones are:

	FIXO	Oscar	Zaask	Fixando	TaskRabbit
Closed price	Yes	Yes	No	No	No
Quick online request	Yes	Yes	No	No	No
Qualified professionals	Yes	No	No	No	No
Wide service portfolio	Yes	Yes	Yes	Yes	Yes
Dedicated customer support	Yes	Yes	No	No	No
Live technician tracking	No	Yes	No	No	No
Urgent service feature	No	Yes	No	No	No

Table 8 – nacional market competitors’ analysis |Source: FIXO’s expert team meetings; competitors’ platforms: <https://oscar-app.com/>; <https://www.zaask.pt/>; <https://www.fixando.pt/>; <https://www.taskrabbit.pt/>;

All companies present and offer of a wide service portfolio to their customers, however we can clearly see that Zaask, Fixando and TaskRabbit present a quite different business model and appear to offer a much lower value proposition to customers. Oscar on the other hand is clearly FIXO’s major competitor in the national market, it not only shares most of the attributes but it additionally offers customers a live technician tracking option, where they can follow the technician’s journey to their home, and an urgent service feature for determined services where

they plead to provide a service in a time-frame between 30 to 40 minutes. However, Oscar fails in delivering one of FIXO’s competitive advantages which is the service quality assurance by guaranteeing qualified professionals.

In order to build an image of the competitive landscape and how FIXO is positioned in it, the following 5 Forces of Porter analysis was made:

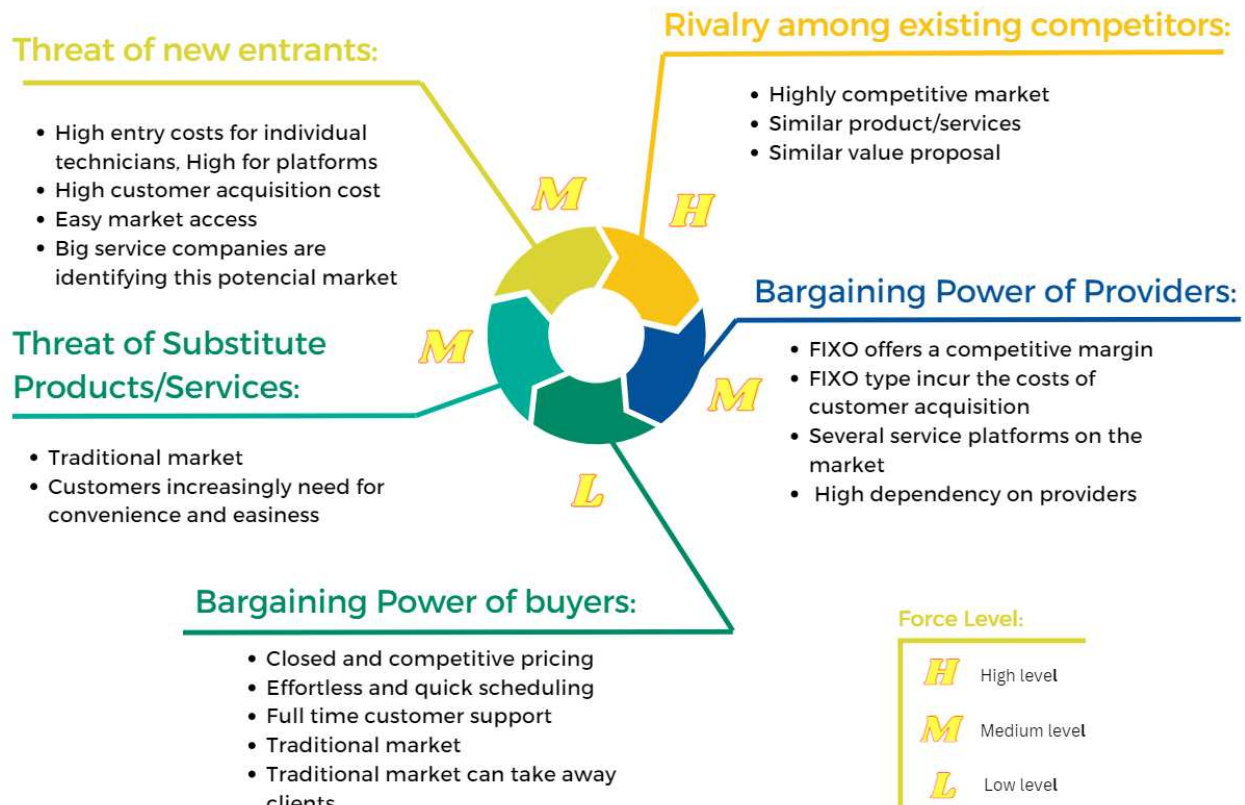


Figure 3 – Porter’s 5 forces analysis | Source: secondary research analysis

This framework shows that there is a high rivalry among existing competitors, that providers possess a significant bargaining power and there is a considerable threat of both new market entrants and the traditional market which in Portugal remains strong as part of a cultural trait.

## 5. Discussion

The purpose of this chapter is to interpret and explain the findings of this research, consequent data analysis and the recommendations, elaborated through the methodology explained in chapter 2.

Fidelidade is developing the FIXO product with the aim to penetrate this new emerging and quickly changing market of for-home services in Portugal, for this purpose literature emphasizes the value that there is in this market context to exploit alliances and collaborations as a way to keep a step ahead of competitors and build solid relationships (Mullins and Sutherland, 1998), and how supplier collaboration can help creating a competitive edge by enhancing the product, reducing development time and expenses, and by exploiting partners knowledge (Ragatz, Handfield and Scannell, 2003). Furthermore Scholten, K. and Schilder, S. (2015) research highlights that collaboration enables stakeholders to detect possible disruptions earlier which accelerates response times and efficacy.

Taking into account the knowledge literature provides, it is clear that throughout the efforts of product development and new market penetration, establishing collaborative or even a cooperative relationship with stakeholders is a key success factor. This information calls our attention to the importance of Fidelidade, in its efforts of developing FIXO as a market leader and penetrating a new market, to establish a collaborative relationship with its stakeholders. Due to the fact that FIXO's business model is highly dependent on its providers, the development of a trust and collaborative relationship with them becomes one of the major factors that can motivate and determine its success or deteriorate it.

In order to be able to exploit the maximum and leverage its provider's network, FIXO must look to develop such a relationship with its providers. In order to do so, the **service attribution** procedures and criteria not being transparent with providers is an important pressure point. As mentioned in the data analysis, service attribution among providers in the same geographic area and service type is made through **quotas** whose attribution is left to FIXO's operations team judgement, providers are usually not aware of this. However, over time the realization of how this works, with the lack of clear, transparent and objective criteria can promote the origin of friction

between both the FIXO team and providers, and also among providers as they might start to perceive each other as enemies, these factors ultimately contribute to a behavior that promotes network instability.

With the objective of establishing clear and fully transparent service attribution procedures, FIXO could implement an objective criterion which would provide a clear view of the parameters that define a service attribution to providers, allowing them to understand what they should improve in case they desire to achieve a higher quota. In the name of this objective, the following proposed criteria could have a positive impact:

Criteria to differentiate providers composed of a weight between the following parameters:

- 35% Compliance with FIXO processes
- 35% Capacity to perform services (in terms of number of services)
- 20% Time working with FIXO
- 10% Client rating

These parameters are clear, objective, of easy and direct evaluation and the information for all of them is available and of easy access to FIXO. They are ordered in terms of weights; each parameter weight is determined by its importance for FIXO's success.

Compliance with FIXO processes determines if a provider follows the agreed methodology which was built for with the purpose of FIXO's business sustainability in the long-term, meaning it is a major factor with a weight of 35%.

Capacity to perform services is alongside the compliance with processes, a major factor with a weight of 35% as it determines FIXO's capacity to assure the response to clients' requests, additionally determines the operations capacity to answer to a continuously growing number of requests.

In the name of developing a long-term relationship with its providers, time working with FIXO should be recompensated, by motivating loyalty platform's long-term partnerships with providers

are more likely to develop. This is a major factor in building a trustworthy and collaborative provider's network which FIXO can exploit to achieve success, so it has a weight of 20%.

Client rating, despite being an important factor, is subject to a significant impartiality as explained in the previous chapter, due to this reason it is only attributed with a 10% weight.

By mentioning client rating and client satisfaction, it is important to refer to the major **rescheduling** pressure point. As mentioned in data analysis, this pressure point refers to the fact that a client's service request is accepted before knowing if there is actually availability in that time slot. When this is not the case, due to providers availability, a whole chain of events is triggered, in which the customer will have to adapt himself to the available, but similar, time schedules. This obviously has the potential to create a significant negative impact on customer satisfaction. Additionally, the fact that this is not an automated process will require the time and effort of an operations' team member, increasing the human resources and customer management costs. Despite the time a customer inputs on the platform being branded as preferred time, the website could make it clearer so that there is no room for doubt from the customers' side avoiding both the impact on customer satisfaction and the additional human resources cost for FIXO. This could be done through the simple implementation of a pop-up banner which would reinforce this fact to the customer before he proceeds to payment.

How FIXO selects its providers and integrates them into its operation's heavily influences both the capacity to answer to clients' requests and the quality of the services provided. FIXO does not employ directly any technicians meaning the provision of a service, one of the most crucial parts of the business model, is highly dependent on providers and their team.

However, this strategic concept in FIXO's business model allows it to reduce enormous resource costs it would have to allocate into building an entire supply chain, from building teams of qualified technicians, managing and paying their salaries, logistic costs, materials and dedicated equipment to each service type, vehicles, legal costs, and all the other costs associated with such an enterprise. All these represent a great benefit for FIXO's operations if managed in an efficient and effective way making it unnoticeable for the customer.

This represents one of the benefits identified in the literature as a result of building a good relationship with stakeholders, which can ultimately create a competitive edge (Ragatz, Handfield and Scannell, 2003).

As it was identified in the literature review, in the selection process an organization should consider economic, social and environmental factors (Zimmer, Fröhling and Schultmann, 2015). On top of this, according to the Scott et al. (2015) study in order for an organization to make a better selection, it should take into account both qualitative and quantitative criteria in which they take into account in a qualitative way factors such as reputation and innovation potential, and in a quantitative way factors like quality and risk.

As identified in the data analysis, the **criteria** currently used by FIXO to assess the fit of a provider is focused on the short-term, meaning that it does not assess the capacity of providers to honor the agreement maintaining a good quality and response to client requests in the long-term, as it has happened before, real providers had to be removed from the network for not being able to maintain the established agreement, namely regarding prices and service quality, which can create disruptions on FIXO network and capacity to satisfy customer requests.

The criteria should include, for the assessment of their long-term viability and in accordance with the literature, a financial health and sustainability assessment to comply with the agreed conditions while maintaining or improving service response and quality. Also, as seen in the literature, besides the economic factors, it should comprise reputational factors such as an environmental and social responsibility assessment, due to the fact that their actions can be associated with not only FIXO but also the mother company, Fidelidade, potentially damaging its market reputation by association.

In order to assess the financial capacity to comply with the established agreement FIXO could implement liquidity ratios in their criteria. These ratios measure the ability of a company to pay its short-term obligations and cash flows without having to raise external capital, the short-term in question refers to 1 year timeframe. The proposed ratios are:

Current Ratio – measures the capacity to pay its current liabilities with current assets (cash, accounts receivable and inventories)

Quick Ratio – measures the capacity to pay its current liabilities (short-term obligations) with its most liquid assets (such as cash and equivalents, accounts receivable)

These ratios are easy and quick to apply, representing a fast way to gather a notion of their financial health with a 1year timeframe.

Regarding the Social responsibility and environmental factors, the proposed criteria is to assess providers' Corporate Social Responsibility (CSR) or the lack of it, this comprises a company's integration of social and environmental concerns into their business and stakeholders' relationships. Taking into account the type of FIXO's providers, it is likely that they do not have established KPIs to asses this, however this could be assessed by a member of FIXO trough a face-to-face meeting with the goal to understand if they in fact integrate these concerns, or in case they don't, if they are willing to integrate them in order to work with FIXO.

On top of this, providers should be continuously monitored through the reevaluation of the established criteria as a way to identify possible disruptions in the provider's network before they actually happen.

**Training and formation** is one of the major points identified in data analysis, as mentioned in that chapter, to be effective it should get to its intended target however, it's only given by FIXO to the provider's spokesperson, meaning that even if said person does provide it to the rest of the team, as this individual just received it himself the likely scenario is that he does not fully master the subject already, meaning in this case technicians will receive a lesser quality formation which ultimately will reflect on the service quality and result in bad customer satisfaction levels. Furthermore, data analysis also showed the lack of a training program and resources meaning that service quality, even if the training properly arrives to technicians, might deteriorate as time passes by from the initial formation.

With the aim to alleviate this pressure point, FIXO could implement the design proposed below for its training and formation actions comprising online training, resources in writing and face-to-face meetings.

In regards of **online training**, the proposed is the creation of a formation section on the platform for providers with the following inputs:

- ◆ Create a Pre-Pitch meeting video to be sent to providers before the first meeting, meaning a short video around 5 minutes explaining the main concepts of FIXO business plans and the value proposition for providers, emphasizing their benefits in working with this platform. This allows providers to have access to key and selected information before the pitch meeting, giving them time to process it and gather doubts which typically appear after the first meeting, these doubts can then be properly answered in the first meeting were more information will not overload them, resulting in a more efficient first meeting, reducing selection timings and improving provider's understanding of the platform.
- ◆ On-boarding process video guide tutorial, comprised by a set of several short videos around 3 to 4 minutes, each video explaining a different onboarding process to providers, which they can access at any time in case they have any doubts. It would be mandatory for the provider spokesperson to review this tutorial every 6 months.
- ◆ Using the same on-boarding video guide tutorial framework, build a tutorial dedicated to all the technicians. A provider's technician would only be authorized to perform a FIXO service after going through this online training in order to assure that he receives not only formation, but the right one. Of mandatory review each 6 months, this video guide tutorial comprises videos explaining all the necessary processes, separated by the type of service, explaining in-service methodology, how to deal and communicate with customers, how to report problems, and every other service-related subject.

Regarding the resources in **writing**:

- ◆ Development of process charts: meaning short process charts for the main situations which objectively describe the step-by-step process to take by the technician of specific occurrences and methods. In a easy and quickly accessible format in real time during services for the technician to use any time he gets a doubt.
- ◆ Detailed manual for the provider's spokesperson with process description and steps to take in each scenario due to the fact that this person becomes the first point of contact of a

technician when he has a doubt on a service, by providing him with the detailed information of how to proceed we are also giving him more accountability about possible mistakes.

In regards of **face-to-face** training:

- ◆ Provider's spokesperson: provide extensive training session in the beginning of the on-boarding process with all the processes. On top of this, an additional training session for providers who are not tech savvy as despite not being FIXO's responsibility it will directly affect provider's ability to properly work with the platform.
- ◆ During the on-boarding process:
  - Report and feedback session after first (real) services (1 to 3 services)
  - Touchpoint in the first month of onboarding with the goal to revise procedures, reflect on services feedback, take on doubts, necessary corrections, challenges faced and points to improve.
- ◆ During on-going operations
  - Touchpoint meeting (monthly) with major providers with the goal to revise training and procedures, evaluate provider's motivation and gather clients' suggestions on how to improve the service

This training actions will actively contribute to update, maintain, improve provider's training and even continuously improve service quality over time by motivating a continuous monitoring and revision of processes.

The **lack of provider tests and monitoring** over the long run identified in the data analysis is also worth considering. The impartiality of client feedback, as identified before, makes it so it is not a reliable source of provider monitoring. Additionally, the **mystery client** system that is put in place to test providers is fragile in this evaluation due to the fact that as these tests are only made in the following services immediately after the provider joins the network, they present two main issues. Firstly, they fail to test the provider in the long run, and secondly, as providers are aware that they will be tested they will likely put much more effort and follow all the required processes by the book for the initial services. Therefore, in order for this system to work and assure a monitoring over time, the proposed method is that FIXO, according to their budget, every month

performs a number of mystery client tests continuously over time, without letting providers know who is going to be tested.

### **Provider survey questions discussion:**

The purpose of this section is to highlight some key factors identified in the **provider survey** analysis:

A major issue providers mentioned in the survey is that they did not receive enough requests. However, it is important to note that FIXO is a new platform in the market, whose service requests are continuously increasing. On top of this, there are some services that due to their typicality have a tendency to have more unstable number of requests, such as the well-being services as some of these are dependent on the detriment of customer's health or a specific need sporadically.

Providers also highlighted their desire to have more client contact, however this is a consequence of assuming all the customer acquisition and management efforts, which is also seen as one of the major advantages by providers. If FIXO allowed more provider-client contact than the one strictly necessary the management efforts would be disrupted by the unknown inputs and impacts of that relationship on which FIXO would not have control. Furthermore, this distance represents a protection layer for FIXO's operations as the creation of a closer relationship between a provider and a client could lead them to eventually cut the intermediary who bore the costs, FIXO.

Some providers mentioned that prices are not competitive, the reality is that FIXO prices are established according to fair market prices in order to be able to offer a quality service at a competitive price. By offering low-cost prices to undercut the competition providers would consequently receive less in the expectancy of more services, however it is important to consider the long-term effects of such endeavor. Charging too low of a price would have serious consequences in the quality of the service as technicians and material costs would have to be reduced, implying lower quality technicians and materials, which goes against FIXO's customer value proposition.

The providers' survey showed that 13% of providers mentioned "FIXO takes a long time to pay". Taking into consideration that the average payment period established as norm by FIXO is 7 days some questions emerge about these providers. According to their feedback, they wish to receive the money from FIXO as soon as the service is concluded which is unreasonable regarding the fact that most of them take some days after the conclusion of said service to input the invoice into the platform, and without it FIXO cannot proceed to payment. In fact, most payments in reality are made in less days than 7 days counting from the providers submission of invoices. Therefore, this raises some questions about the management and financial capacity of some providers, namely whether they will be able to maintain an appropriate response to services in the long-term, further supporting the claim of adding a financial health assessment and some long-term criteria to the provider's selection process.

Additionally, the providers survey questions in the data analysis chapter show us that despite a significant amount of them are willing to travel more than 25 km for a service, most of them are only willing to travel up to 30, or even 15 minutes. In order to assess this issue in a way to improve and do an optimization of providers' routes, the proposed suggestion is that FIXO does an isochrone map study of the areas it operates in. This is an urban planning study of determined areas which results in a map that measures the traveled distance in time, rather than in kilometers. This could contribute to improve the operational reach areas of each provider, by taking into account both their time and distance travel willingness and capacity.

## **6. Conclusion**

The ultimate goal of this research is to help Fidelidade identifying possible problems in their newly designed FIXO business model in their efforts to penetrate a new market in Portugal, the market of services for home resulting from a change in the traditional market and consumer behaviors.

FIXO's ongoing efforts include the growth and scalability of FIXO in the city of Lisbon and recently started process of expanding to Oporto. In the literature review chapter, it is identified that companies with the profile of FIXO in order to penetrate these types of markets tend to achieve success by adopting a strategy of product differentiations, incremental innovation and, by

developing partnerships to develop competitive advantage (Kim, N. et al. 2014). This further emphasizes the importance of the relationship with the network of providers in the case of FIXO.

The specificities of this research made it difficult to find information sources, however the access to FIXO's resources allowed the development of an accurate analysis by providing access to their structure, namely their experts team with who there was a continuous contact in the development of this research and analysis, and also through the direct contact with their providers. This access permitted to answer to the first problem question, which was answered in the data analysis chapter with the extensive diagnosis of how their business model works, such as the mapping of their processes. The access to direct contact with providers was determinant in this research as it permitted to investigate the providers and accurately answer our second problem question by understanding their profile, the major factors valued by them and also their major wishes, some of which are unattainable in this business model as we concluded in the discussion chapter.

Furthermore, this research identified the major pressure points in FIXO's operations, such as service attribution, selection criteria, quotas, rescheduling, training and formation, client feedback and the lack of provider monitoring. Alongside this identification, this research permitted the development of suggestions, in the discussion chapter, to improve alleviate or solve these pressure points which FIXO can apply in their business model and in that way leverage their provider's network to exploit the maximum value out of it, answering therefore to the third and last problem question.

In the direction of best practices, this research also identified the "rebook your favorite cleaner" feature utilized by the international competitor UrbanCompany. Despite being a risk for FIXO it can be interesting to consider adding this option for increased customer satisfaction.

This dissertation contributes academically as the study of a practical case, namely a specific and recent business model in Portugal, which can be used as a source for further research in this area. It aims to contribute with particular importance to FIXO's business model but it can contribute as well to any company in this area with the suggestions to tackle the identified pressure points in this business model.

Looking into the future, more investigation is necessary to further strengthen FIXO's business model, specifically in their expansion to other cities efforts and strategy and how to overcome the traditional market in smaller and more conservative cities than Lisbon and Oporto in Portugal, where its aging population is more culturally attached to the traditional market.

## **Appendix 1 - Provider's Interview guide:**

- What was your first point of contact with FIXO?
- Was the value proposition presented clear to you from the start?
- What are the main advantages you feel when working with FIXO?
- What is your perspective in terms of working in the area of FIXO providers?
- How long did it take from the first contact to start the activity with FIXO? (Enter the platform and first service)
- How often do you confirm the application to check if you have any services?
- How many employees do you have available to provide FIXO services? How do you do this management?
- What was the impact of FIXO on your activity?
- How was the training and formation given, and to whom, about FIXO services?
- Does your team always use FIXO merchandising? (If occasionally not, why?)
- How you identify yourself in the first contact with the customer?
- Positive and negative impacts felt at the administrative level when dealing with FIXO services
- Is there any point in the service that is not in line with expectations or do you feel that it should be improved?
- How is your work method? Did you have any changes due to the FIXO service? Do you feel any incompatibility between the FIXO service and your individual/external services? Do you have difficulties in scheduling or other kind of impact?
- Have you had any experience with any platform of this kind in the past? (If you switched from that platform to FIXO, why?) Do you currently use or plan to use other applications/services of the same type?
- What is the reason for canceling services?

## Appendix 2 - Providers Survey guide and answers:

- What is your preferred channel of contact with FIXO? (Rank by order of preference)

Result:

- E-mail
- Call-center
- Chat
- Another one

- What percentage of your total revenues come from FIXO services?

What percentage of your total revenues come from FIXO services?	% of providers
0 to 10%	53.6%
10 to 20%	7.1%
20 to 30%	7.1%
30 to 40%	3.6%
40 to 50%	10.7%
50 to 60%	10.7%
80 to 90%	3.6%
90 to 100%	3.6%

Table 9 – percentage of revenues from FIXO | Source: survey data

- How many technicians do you have in your company in total? & What is the number of technicians allocated to provide FIXO services?

Total Technicians		Allocated to FIXO	
Median	Average	Median	Average
6	8.4	4	4

Table 10 - number of technicians | Source: survey data

- Regarding the scheduling of services, how do you combine FIXO services with your private services or services from other platforms?

How do you combine FIXO services with your private services or services from other platforms?	% of providers
Always give prioritize FIXO services	29.2%
I reserve certain days of the week for FIXO services	4.2%
I respond to services on a first-come, first-served basis, regardless of whether it is FIXO or other	58.3%
Other - which one?	8.3%

Table 11 – how providers combine service scheduling with private services |Source: survey data

- What is the maximum distance you are willing to travel to provide a service?

What is the maximum distance you are willing to travel to provide a service?	% of providers
Up to 10km	12.5%
10 to 15km	8.3%
15 to 20km	12.5%
20 to 25km	25.0%
More than 25km	41.7%

Table 12 – maximum distance to travel | Source: survey data

- What is the maximum time you are willing to take to get to the service location (counting only the one-way trip)?

What is the maximum time you are willing to take to get to the service location?	% of providers
Up to 15 mins	25.0%
Up to 30 mins	37.5%
Up to 45 mins	29.2%
Up to 1 h or more	8.3%

Table 13 – maximum time to travel | Source: survey data

- Do you work or pretend to work with several platforms at the same time?

Do you work or pretend to work with several platforms at the same time?	% of providers
Yes	45.8%
No	54.2%

Table 14 – work with other platforms at the same time | Source: survey data

- Which ones?

Which ones?	% of providers
FIXO	72.7%
Zaask	36.4%
OSCAR	27.3%
Fixando	27.3%
Rather not say	27.3%
YourHero	0.0%
TaskRabbit	0.0%
Other – which one?	0.0%

Table 15 – service platforms | Source: survey data

- (If yes you do work with other platforms) What is your satisfaction level with them?  
Considering 1 = Completely Dissatisfied and 7 = Completely Satisfied

Median	Average
5.0	5.55

Table 16 – satisfaction level with platforms | Source: survey data

- What is the probability of ceasing to work with this type of platforms entirely? (excluding FIXO) Being 1 = I will not stop, 7 = Will stop completely

Median	Average
2.0	2.30

Table 17 – probability of ceasing to work with platforms | Source: survey data

- (If previous answer is >4) Why is that?

(If previous answer is >4) Why is that?	% of providers
Does not compensate monetarily	60.0%
I don't have the capacity to respond to services	20.0%
Other - which one?	20.0%

Table 18 – reason to cease working with platforms | Source: survey data

- What are the main disadvantages you feel when working with FIXO?

What are the main disadvantages you feel when working with FIXO?	% of providers
Do not receive enough service requests	39.1%
I would rather have more contact with clients	34.8%
Prices charged are not competitive	17.4%
FIXO takes a long time to pay	13.0%
Another one - which?	13.0%
The need to travel long distances to perform services	8.7%
Not listening to my feedback	8.7%
I experience difficulties in communicating with FIXO	4.3%

Table 19 – providers' main disadvantages | Source: survey data

- What are the main advantages you feel when working with FIXO?

What are the main advantages you feel when working with FIXO?	% of Providers
FIXO handles and manages all the client relationships and support	39.1%
Access to more clients	39.1%
Feel like it is a reliable company I can trust	39.1%
I do not have to invest time and resources in marketing and customer acquisition	34.8%
The closed prices charged	4.3%
Another one - which one?	0.0%

Table 20 – providers' main advantages | Source: survey data

- What are the main reasons for not accepting services? (Please select up to 2 options that best suit you)

What are the main reasons for not accepting services?	% of providers
I already had another service scheduled	60.9%
The distance I have to travel does not compensate	30.4%
I didn't see the service in time to accept	21.7%
I don't have the capacity for that additional service	17.4%
Other – which one?	8.7%

Table 21 – reasons for not accepting services | Source: survey data

- How satisfied are you with the FIXO platform? Considering 1 = Completely Dissatisfied and 7 = Completely Satisfied

Median	Average
5.0	5.52

Table 22 – satisfaction with FIXO | Source: survey data

- Do you always use FIXO merchandising when providing services? (badge, t-shirt, bags, among others) Considering 1 = Technicians do not use it and 7 = Always,

Median	Average
6.0	5.65

Table 23 – FIXO merchandising use habits by providers | Source: survey data

## Appendix 3 - Consumer Survey guide and answers: Q1.

How many hours do you work per week?	% of consumers
24 hours a week or less	4.0%
25h to 29h per week	2.7%
30h to 34h a week	3.3%
35h to 39h per week	17.3%
40h to 44h a week	23.3%
45h to 49h per week	22.0%
50 hours a week or more	18.7%
Not Applicable (Unemployed or others)	8.7%

Table 24 – hours of work per week | Source: survey data

## Q2.

How many hours do you spend a week on housework? (cleaning, ironing, maintenance, among others)	% of consumers
4h per week or less	50.0%
5h to 9h per week	32.0%
10h to 14h per week	11.3%
15h to 19h per week	4.0%
20h to 24h per week	2.7%

Table 25 – hours spent on housework per week | Source: survey data

## Q3.

How many hours a week do you spend online? (social networks, surfing the internet, etc.)	% of consumers
9h per week or less	38.7%
10h to 14h per week	24.7%
15h to 19h per week	11.3%
20h to 24h per week	12.0%
25h to 29h per week	4.0%
30h to 34h per week	2.0%
35h to 39h per week	0.7%
40h to 44h per week	2.0%
45h per week or more	4.7%

Table 26 – hours spent online per week | Source: survey data

#### Q4.

What is the main device used?	% consumers
Smartphone	70.7%
Computer	22.7%
Tablet	6.7%

Table 27 – main device used | Source: survey data

#### Q5.

How to you spend your time after work? (Select up to 2 options)	% of consumers
Time with family and/or friends	68.7%
Time at home	44.4%
Outdoor activities and/or pursuing a hobby	25.3%
Housework	20.7%
Visit new places	5.3%
Other	4.2%

Table 28 – time after work | Source: survey data

#### Q6.

Do you have someone who usually does the housework for you? (example: Maid, family, among others)	% of consumers
Yes	74.0%
No	26.0%

Table 29 – housework is done by someone else | Source: survey data

#### Q7.

(If yes) How regularly?	% of consumers
Less than once a month	2.7%
Monthly	4.5%
Every two weeks	8.1%
Weekly	34.2%
More than once a week	50.5%

Table 30 – how regularly does someone do housework for you | Source: survey data

#### Q8.

Are you familiar with any online platform for providing domestic services (at home), in order to have someone take care of the tasks for you?	% of consumers
Yes	24.0%
No	76.0%

Table 31 – familiarity with online service platforms | Source: survey data

**Q9.**

(If yes) Which ones?	% of consumers
OSCAR	47.2%
Zaask	41.7%
FIXO	25.0%
TaskRabbit	22.2%
Fixando	16.7%
YourHero	13.9%
Outra - Qual?	8.6%

*Table 32 – familiar platforms***Q10.**

Where did you first hear about these platforms?	% of consumers
Online Advertising	72.2%
Through a friend	13.9%
Recommended by a co-worker	8.3%
Other - please tell us which one	5.6%

*Table 33 – first channel of contact with the platforms | Source: survey data***Q11.**

Have you ever requested a service from a platform of this type?	% of consumers
Yes	52.8%
No	47.2%

*Table 34 – platform experience | Source: survey data***Q12.**

(If yes) How satisfied were you with the service? Considering 1 = Extremely Dissatisfied and 7 = Extremely Satisfied

Median	Average
6.0	5.53

*Table 35 – service satisfaction | Source: survey data***Q13.**

How likely are you to use this type of service again? Considering 1 = I will not use it again and 7 = I will definitely use it again

Median	Average
6.0	5.63

*Table 36 – how likely is the client to repeat the experience | Source: Survey data*

#### Q14.

(If the previous answer is <4) What went wrong?	% of answers
Incomplete Service	50.0%
rescheduling	50.0%

Table 37 – reason for not wanting to repeat the experience | Source: survey data

#### Q15.

How likely are you to try one of these platforms over the next year? Considering 1 = I will not try it and 7 = Will definitely try it

Median	Average
4.0	3.55

Table 38 – how likely it is for the client to request a service over the next year | Source: survey data

#### Q16.

(If previous answer >4) Why is it not likely?	% of answers
Prefer to do these tasks in person	20.0%
Not comfortable with someone coming to your house	31.3%
Economic reasons	16.3%
Dislikes using online platforms	13.8%
Another - which one?	18.8%

Table 39 – reason for not requesting another service over the next year | Source: survey data

#### Q17.

Consider that a certain platform was responsible for ensuring the quality of the service. (Quality technicians and materials) In this case, what would be the probability of trying to order a service during the next year? Considering 1 = I will not try it and 7 = I will definitely try it

Median	Average
5.0	4.33

Table 40 – addition of assurance of quality factor to question 15 | Source: survey data

### Consumer demographics

Gender	% of consumers
Male	57.7%
Female	41.6%
Prefer not to say	0.7%

Table 41 – gender | Source: survey data

What city do you reside in?	% of consumers
Lisbon	40.3%
Oporto	37.6%
Another - which one?	22.1%

Table 42 – city of residence | Source: survey data

What is your monthly income level? (Gross)	% of consumers
Less than €800	2.7%
€800 to €1199	3.4%
€1,200 to €1,699	16.8%
€1,700 to €2,199	10.1%
€2,200 to €2,699	9.4%
€2,700 to €3,199	7.4%
€3,200 to €3,699	7.4%
€3,700 to €4,199	4.7%
€4,200 or more	18.8%
I have no monthly income	4.7%
Rather not answer	14.8%

Table 43 – monthly income level | Source: survey data

Education Level	% of consumers
3rd Cycle of Basic Education	2.7%
Secondary Education or Post-Secondary Level Qualification	18.8%
Bachelor's Degree	45.6%
Master's degree	28.2%
Doctorate	3.4%
Other - which one?	1.3%

Table 44 – education level | Source: survey data

Civil status	% of consumers
Single	28.2%
Married	55.7%
Divorced	12.8%
Widower	2.0%
Prefer not to say	1.3%

Table 45 – civil status | Source: survey data

What is your main work regime?	% of consumers
In person	55.0%
Remote	9.4%
Hybrid	30.2%
N/A (I don't have)	5.4%

Table 46 – work regime | Source: survey data

# Appendix 4 – Main advantages and disadvantages felt by providers

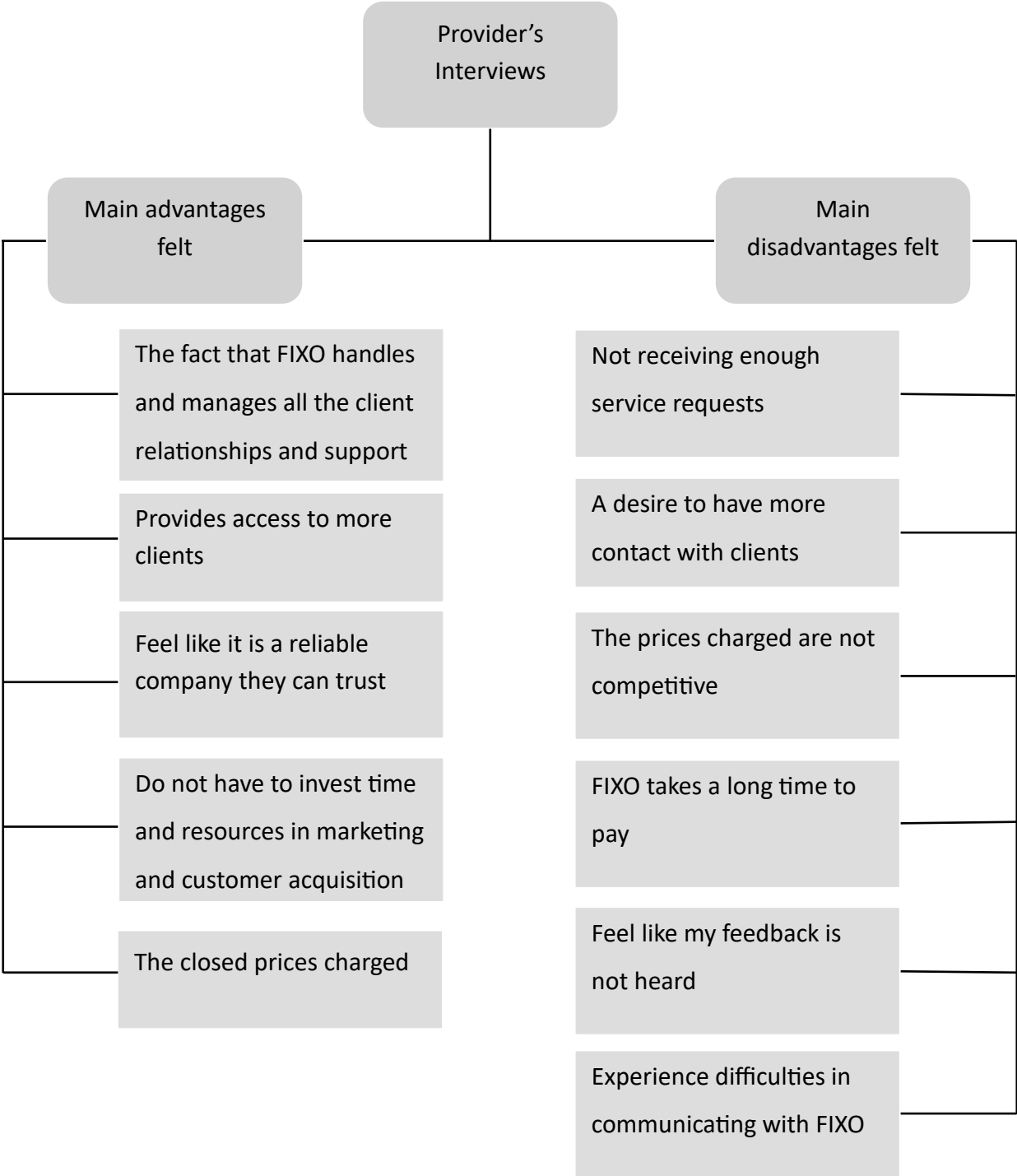


Table 47 – identification of provider's main advantages and disadvantages | source: providers' interviews

## Appendix 5 – Hypothesis test

**Test 1:** Is there a relationship between the distance and time providers are willing to travel to a client's location?

Ho (Null hypothesis): There is no relationship between the distance and time providers are willing to travel to a client's location

H1 (Alternative hypothesis): There is a relationship between the distance and time providers are willing to travel to a client's location

A statistical Chi-squared test on this relationship, with a 95% confidence level, results in an obtained p-value of 0.0805 which is greater than the 5% significance level, supporting that there is no evidence to reject the null hypothesis.

Therefore, this result supports that there is no statistically significant relationship between these variables.

**Test 2:** Is there a relationship between the percentage of a provider's revenue prevented from FIXO services and the number of employees that these providers allocate to FIXO services?

Ho (Null hypothesis): There is no relationship between the percentage of a provider's revenue prevented from FIXO services and the number of employees that these providers allocate to FIXO services

H1 (Alternative hypothesis): There is a relationship between the percentage of a provider's revenue prevented from FIXO services and the number of employees that these providers allocate to FIXO services

A Ranked ANOVA test on this relationship, with a 95% confidence level, results in an obtained p-value of 0.414 which is greater than the 5% significance level, supporting that there is no evidence to reject the null hypothesis.

This supports that there is no statistically significant relationship between these variables.

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